

Memo



Date: May 20, 2011
To: City Manager
From: Land Use Management, Community Sustainability (AB)
Application: A09-0016 **Owner:** Kenneth Casorso & Belva Casorso
Address: 3985 Casorso Road **Applicant:** New Town Planning Services
Subject: Non-farm use in the ALR
Existing OCP Designation: Rural/Agricultural & Public Services Utility
Existing Zone: A1 - Agriculture 1 & P4 - Utilities

1.0 Recommendation

THAT Agricultural Land Reserve Appeal No. A09-0016 for Lot C Section 5 Township 26 ODYD Plan KAP58972 Except Plans KAP89916 and KAP89917, located at 3985 Casorso Road, Kelowna, B.C. for non-farm use within the Agricultural Land Reserve, pursuant to Section 20(3) of the Agricultural Land Commission Act be supported by Municipal Council, subject to the receipt of applicable covenants in registerable form as recommended by the Environment & Land Use Branch;

AND FURTHER THAT Municipal Council forward the subject application to the Agricultural Land Commission.

2.0 Purpose

To obtain approval from the Agricultural Land Commission (ALC) under Section 20(3) of the Agricultural Land Commission Act for a non-farm use within the Agricultural Land Reserve (ALR) to allow concrete and asphalt recycling in a former quarry.

3.0 Land Use Management

Staff recommend to the ALC that all remaining areas with steep slopes greater than 30% be protected on the property (the average slope in these areas is 43%), in consideration of:

- the ongoing non-farm uses on the subject property;
- the environmental policies expressed in the OCP; and,
- the steepness and fragility of the slopes.

Future development of or impact on these steep slopes have the potential to create a number of health, safety, and environmental challenges; however, with protection these features may provide community benefits including:

- the preservation of environmentally sensitive areas (two sensitive ecosystems are identified on the property);

A handwritten signature in black ink, appearing to be a stylized 'R' or similar character.

- the protection of potentially unstable slopes to decrease the likelihood of riparian/slope erosion and sedimentation in future; and,
- the preservation of vegetated noise and visual buffers for both non-farm activities on the subject property (substation and asphalt/concrete recycling).

Land Use Management recommends support for the application, conditional upon the above steep slope protection being provided on the subject property. Priest Creek and its riparian management area are both protected by an existing covenant on title.

4.0 Proposal

4.1 Background

This application, to address and ensure appropriate site rehabilitation to an agricultural standard, is a condition of a recent ALC decision (June 2009, File #G-38900) to allow an electrical substation as a non-farm use on a portion of the property. A remediation plan and corresponding bonding, administered by the ALC and/or the Ministry of Energy, Mines and Petroleum Resources, would be a mechanism to secure eventual rehabilitation of the land to an agricultural standard. A \$35,000 security is currently held by the ALC for this purpose.

The applicant is requesting permission from the ALC to legitimize a non-farm use within the ALR to allow an existing asphalt and concrete recycling operation on a portion of the property.

FortisBC has acquired an easement over a portion of the property to facilitate the placement of their new substation and associated transmission corridor and this portion of land has now been zoned accordingly (P4 - Utilities).

4.2 Project Description

The applicant notes that the subject property has been in the Casorso family for 3 or more generations and that the portion of land under application has never been used for agriculture. The applicant further states that the non-farm use of the property pre-dates the inception of both the ALR and applicable local government zoning bylaws, and that the land-use should therefore be considered legally non-conforming (and not subject to rezoning or OCP amendment as if it were a new or illegal use).

Aggregate extraction first began in 1955 in connection with the construction of Benvoulin Road. Full extraction and crushing activities resumed in the 1960s and continued until 2001 when all extraction activities ceased. Following this, all activity has been related to the crushing of materials brought from off-site.

The applicant asserts that:

- it was always normal practice for materials to be brought from off-site for crushing to supplement the materials available from in situ extraction; and,
- that this represents a natural continuance and progression of the previously existing aggregate extraction land use.

The applicant further notes that income from this operation subsidizes the Casorso farm and they are not aware of any complaints related to the crushing activities. The City has no bylaw enforcement or complaint history relating to these activities.

4.3 Site Context

The subject property is located on the east side of Casorso Road, approximately one kilometre southeast from the Mission Creek Greenway. The parcel extends across Priest Creek and is configured as a hooked lot where the creek crosses the parcel. Formerly a gravel pit/quarry

operated on site. A portion of the subject property is currently utilized for asphalt, concrete, and topsoil recycling/screening. Portions of the site are subject to Natural Environment and Hazardous Condition Development Permit Areas. The site area is 8.45 hectares (20.88 acres) and the site elevation varies between 370-425 m (1214-1395 feet).

The subject property has a variety of land capabilities and soil classifications across the site. The applicant notes that significant environmental and geotechnical assessments have been completed for the site and that previous industrial activities have removed all original vegetation and supporting soil composition. No portion of the property is currently being used for agricultural purposes.

A subdivision for the park dedication related to a recent approval of an electrical substation (utility use) has been completed and a portion of the parcel has been zoned P4 - Utilities to accommodate a new FortisBC substation.

Direction	ALR Status	Zoning	Land Use
North	ALR	A1 - Agriculture 1	Farm
South	ALR	P3 - Parks and Open Space	Kelowna & District Fish & Game Club
East	ALR	A1 - Agriculture 1	Farm
West	ALR	A1 - Agriculture 1	Farm

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Agriculture Policies:

Buffers. Provide for distinct boundaries that separate urban and rural uses by utilizing, where appropriate, roads, topographic features, watercourses, ditching, fencing, or small lot rural transition areas, as buffers to preserve larger farm units and areas.

Environment Policies:

Establish Riparian Management Areas. Require riparian management areas to be provided to limit environmental and hydrological impacts on local watercourses.

Minimize Impacts to local Watersheds. Require streamside and foreshore homeowners to prevent or reduce impacts to Kelowna’s watercourses.

Buffering. Utilize the Development Permit process to establish buffers to protect environmentally sensitive areas such as watercourses and steep slopes from debilitating land uses.

No Net Loss. Require that no net loss or that a net gain in the productive capacity of aquatic habitat is realized prior to, or as a condition of, any approval of projects that affect that aquatic habitat.

Retention of Natural Areas. Encourage all development and infrastructure projects to conserve wetlands, wildlife habitat, trees or other indigenous vegetation.

Industrial Policies:

Gravel Extraction in ALR. Seek the co-operation of the appropriate provincial ministry or agency with respect to allowing, where necessary, sand and gravel extraction to take place on lands within the Agricultural Land Reserve.

Rehabilitation. Co-operate with the appropriate provincial ministry or agency to ensure the rehabilitation of depleted sand and gravel extraction areas.

Impact of Extraction. Continue to require sand and gravel extraction to be conducted in a manner which limits impact on neighbouring properties by controlling: hours of operation, dispersion of dust, screening and access.

Use of Depleted Areas. Encourage depleted extraction areas to be rehabilitated and used for urban or open space purposes consistent with Official Community Plan goals and policies.

6.0 Technical Comments

Infrastructure Planning. No comment.

Policy & Planning. No comments.

Development Engineering Branch. Development Engineering Services has no comments at this point in time with regard to this application.

Environment & Land Use Branch. The Environment & Land Use Branch recommends the following conditions be met with regards to the application for Non-Farm Use within the ALR:

The applicant is recommended to provide a draft no build/no disturb Section 219 Restrictive Covenant to be registered under the Land Title Act against the title of the subject property to effectively preserve the steep slope areas (>30%) of the subject property.

7.0 Application Chronology

Date of Application Received: September 29, 2009

Agricultural Advisory Committee: November 12, 2009

The above noted application was reviewed by the Agricultural Advisory Committee at the meeting on November 12, 2009 and the following recommendations were passed:

THAT the Agricultural Advisory Committee support Application No. A09-0016 for 3985 Casorso Road, by New Town Planning (L. Fraser), to obtain approval from the Agricultural Land Commission under Section 20(3) of the Agricultural Land Commission Act for a non-farm use within the Agricultural Land Reserve to allow concrete and asphalt recycling in a former quarry.

In addition, the following anecdotal comments were recorded in the minutes:

- AAC confirmed that the plans for reclamation would include restoring the disturbed area to grazing pastureland.
- AAC confirmed there is a setback from the creek and a riparian area that is covenanted with a 10 m no disturb area.

- AAC confirmed with the Applicant that there is no set timeframe for the continued concrete/asphalt recycling use of the property.
- AAC raised some concern regarding the potential environmental impact on neighboring properties. Specifically, if there had been any studies done on soil near the water table to see what has occurred on that property with all the recycling. The Applicant noted that asphalt comes in, is stockpiled and crushed (in the winter time) and taken off site. There had been no comments or complaints on leaching. AAC noted that there is no proof that it hasn't affected neighboring agriculture lands. The Applicant commented that there is no farming in the immediate area so there is no anticipated irrigation or leaching effects.

On-Hold at Request of Applicant: January 6, 2010

Report prepared by:



Andrew Browne, Planner II

Reviewed by:



Todd Cashin, Manager, Environment & Land Use

Approved for Inclusion:



Shelley Gambacort, Director, Land Use Management

Attachments:

Location and zoning map of subject property

ALC Application by landowner (2 pages)

Letter of rationale - 2009 (4 pages)

Supplementary letter - 2009 (2 pages)

Supplementary letter - 2011 (2 pages)

Declaration from owner confirming history of subject property

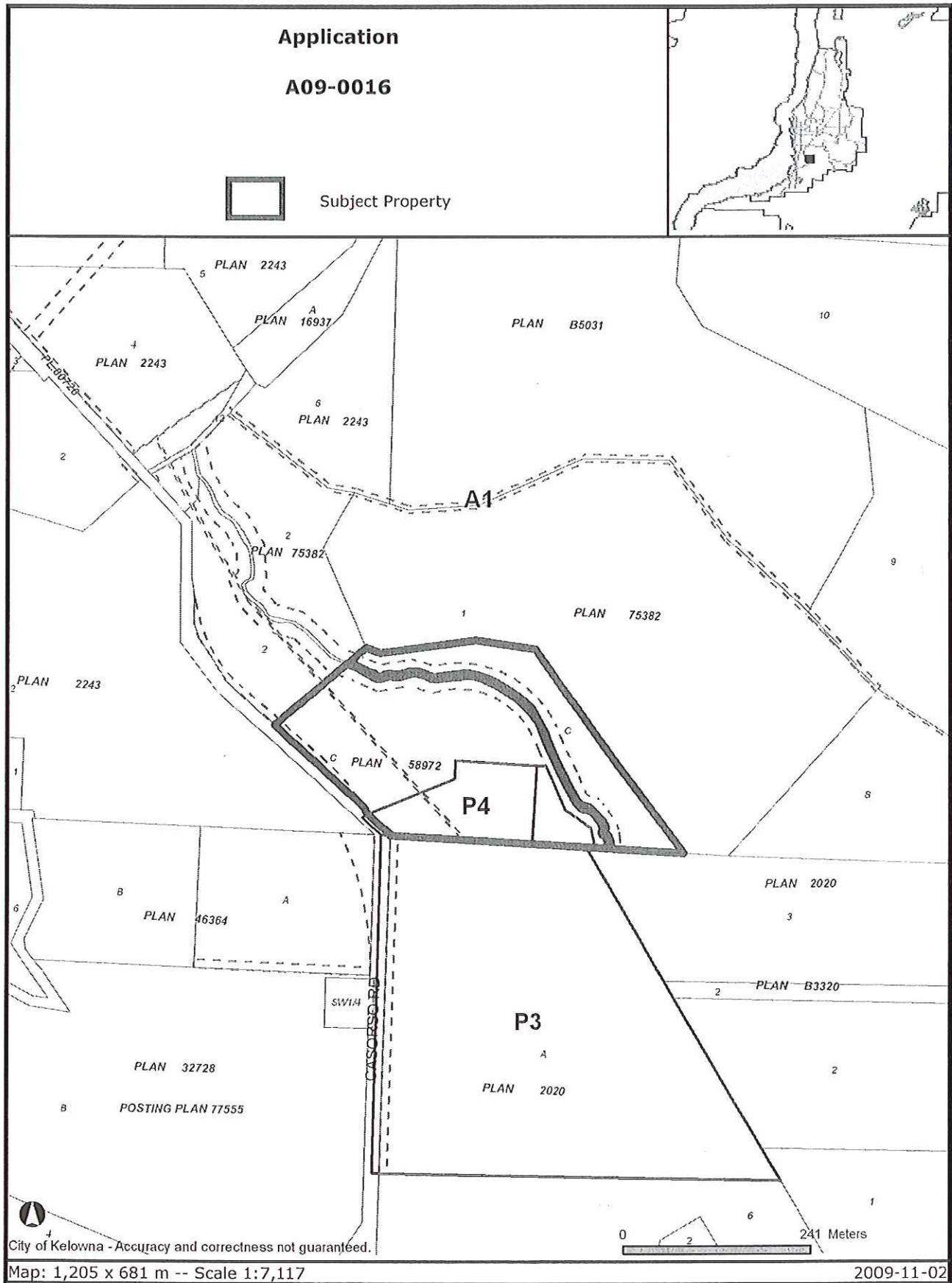
Letter from A.G. Appel Enterprises Ltd. confirming ongoing operations

Cover letter for Mines Act Permit G-4-150 (2 pages)

Site Legend, Land Capability and Soil Classification maps and descriptions (4 pages)

Site plan showing area proposed for non-farm use





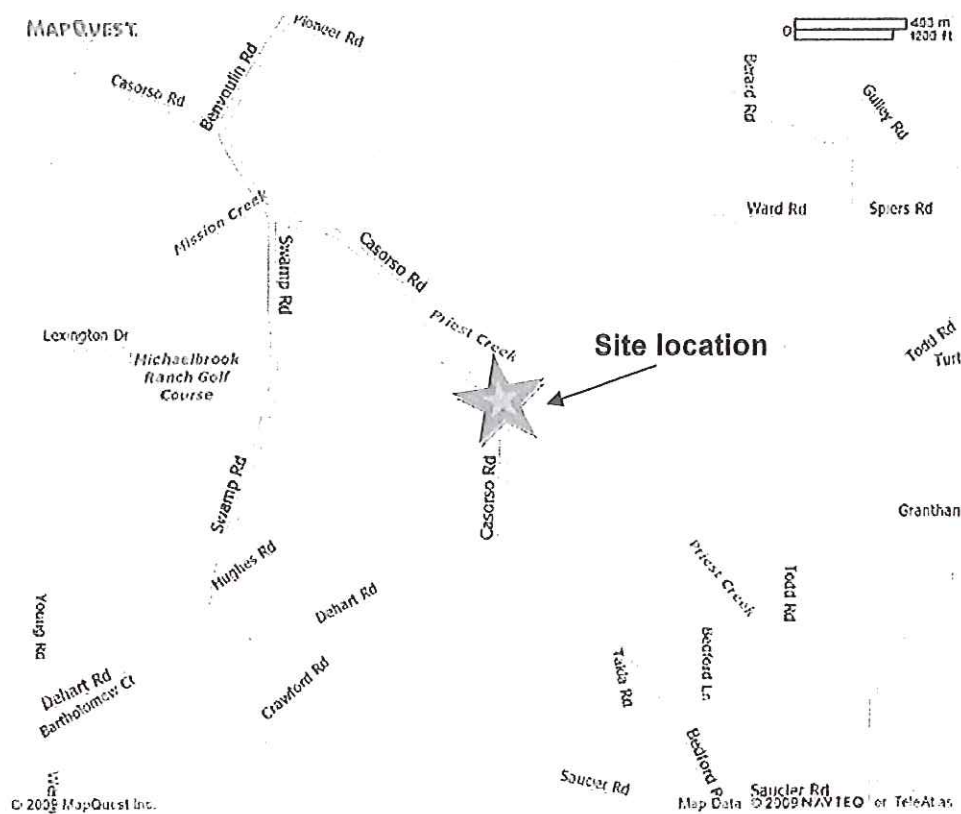
*Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.
The City of Kelowna does not guarantee its accuracy. All information should be verified.*

Request for Non-Farm Use Within the ALR
Portion of Lot C, Section 5, Plan KAP58972, Tp 26, ODYD
3985 Casorso Road, Kelowna, BC

Applicant: Kenneth & Belva Casorso

Introduction

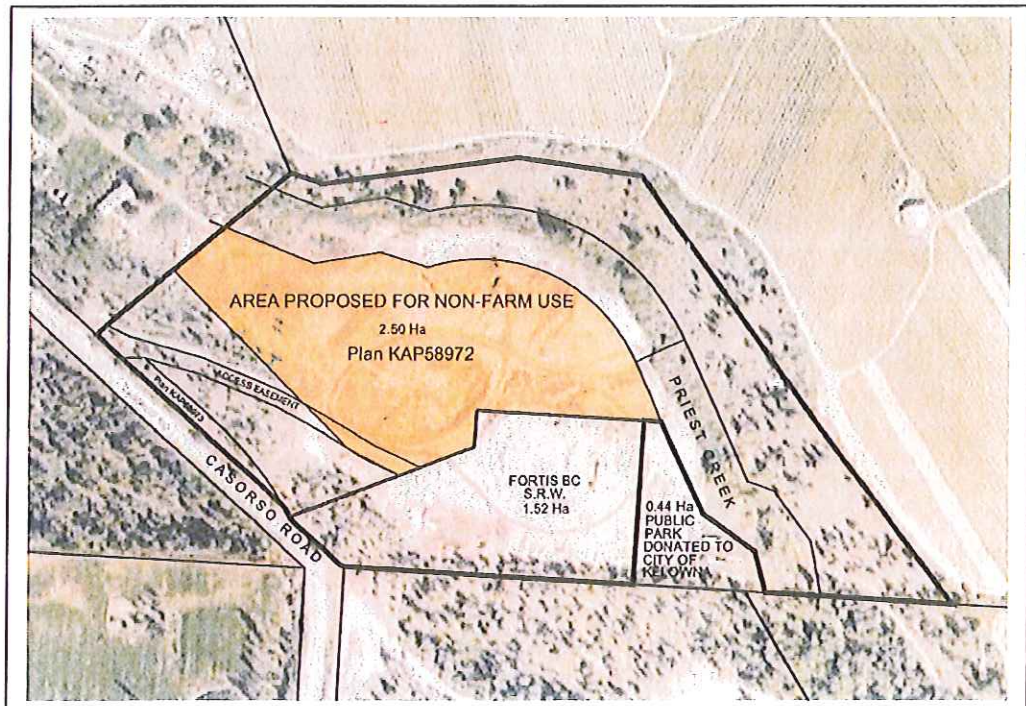
This application for Non-Farm Use within the ALR is a condition of a recent ALC approval to allow for the construction of an electrical substation on an adjacent area of the subject site (see ALC Resolution #281/2009 attached). As part of the review of that application, the Agricultural Land Commission felt that it was important that the existing recycling operation taking place on the balance of the site be reviewed by way of this formal application for non-farm use.



A portion of the subject property has recently been approved for construction of an electrical substation by FortisBC. As part of the municipal approval for the utility use, a 0.44 Ha parcel has been donated to the City of Kelowna for use as Public Park. Much of the remaining property is being leased to A.G. Appel Enterprises and is used for stockpiling, crushing, and recycling of concrete, asphalt, and topsoil. A riparian area surrounding Priest Creek is protected by covenant. This area, along with the section of land east of Priest Creek, remains in its natural state and is not included in application.

Subject Site

The 8.43 Ha property is located at 3985 Casorso Road and lies within the municipal boundaries of the City of Kelowna. The 2.50 Ha area under application is included in the Agricultural Land Reserve (ALR) but has never been used for agricultural purposes. Previous gravel extraction and processing activities on the property have impacted the land and no evidence remains of the original vegetation and supporting soil composition. The present and future land use designation of the subject property is Rural Agricultural (A1).



Background

The subject property has been owned by the Casorso family for over a century. It formed part of the original homestead of Giovanni Casorso (circa 1884) and has been handed down from father to son spanning three generations to date.

The site under application was originally a dry land forest and was first mined in approximately 1955, when materials were extracted for use to pave Benvoulin Road. Nearly a decade later, in the mid 1960's, Springfield Enterprises, now A.G. Appel Enterprises, resumed mining activities on the site, which was known as Casorso Pit #1. In the last 15-20 years the site has been used for the screening of topsoil brought from offsite and the recycling and crushing of asphalt and concrete rock. Since 2001 all sand and gravel extractions have ceased.

In 1992 the applicants received permission from both the ALC and Ministry of Mines to extract gravel materials from the site. (ALC Resolution #1015/91). After receipt of that approval and subsequent investigation, the applicants learned that there was not as much gravel available for extraction as originally believed. It was also determined that removal of surface gravel would have adversely impacted Priest

Creek. Further analysis of the silt and soil revealed that it would be onerous to obtain the amount of water required to sustain a hay crop. Consequently the original plans for planting on that portion of the land, as outlined in the 1991 application to the ALC, were abandoned.

While some gravel extraction did ultimately take place on the site, the majority of activity during the 1990's related to the crushing and recycling of materials. As municipal regulations and requirements changed over the decades, the recycling activities expanded to include asphalt and concrete. As the landfills implemented bans on the dumping of asphalt and concrete, the need for a recycling facility became greater than ever before. This existing facility was considered as an appropriate site for this activity. While concrete and asphalt are brought on site for crushing, at no time have these materials been used as fill. In every instance, crushed materials have been recycled and trucked off-site for re-use.

In December 2001 a Notice of Intention to commence work on reclamation of the area was submitted to the Ministry, and on June 24, 2008 an approval for the reclamation of the disturbed areas on the 8.75 ha property was issued. The subsequent Amended Mines Act Permit allowed for the continued use of approximately 3-4 ha for the recycling and crushing of asphalt, concrete rock and the screening/mixing of imported soils. All areas previously used for gravel extraction have been reclaimed leaving only the lands required for the recycling operations as surface disturbed.

Impact on Surrounding Agriculture

While the subject property and all surrounding areas are within the ALR, this property is unique in its topographical location. The subject site is surrounded on two sides by steep hills with the recently approved electrical substation located to the south. As such there is no impact of the recycling activities on surrounding agriculture. Given the topography of the area, the operation is also generally unseen by the surrounding community.

Agricultural Capability

Historical attempts to farm this area have been unsuccessful. The land has marginal value for growing crops due to the frost pocket, shallow soils and the lack of water. Irrigation water is not available to this property either by license from Priest Creek or allocation from the South East Kelowna Irrigation District.

If the lands were restored to their original condition the property would be very similar to the adjacent Kelowna Fish and Game Club property: a dryland forest requiring extensive acreage per head for grazing.

Reclamation of ALR Lands

A.G. Appel Enterprises has an agreement in place with property owners to fully reclaim the site once the recycling operation ceases. In addition, a security bond in

the amount of \$35,000.00 remains on file with the ALC for the ultimate rehabilitation of the lands to an agricultural standard.

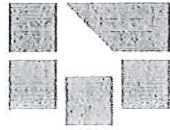
Once all recycling operations cease, any equipment, refuse or stockpiled materials will be removed. The land will then be re-vegetated to a self-sustaining state using the appropriate plant species and will revert back to dryland forest as is found on adjacent properties such as the Kelowna Fish & Game Club.

Summary

This property has never been actively farmed and historical attempts to use the land for agricultural purposes have been hindered by the topography, shallow soils, and lack of water.

Use of these lands for gravel extraction and materials recycling has provided income which has helped to sustain the farming operations on the balance of the Casorso homestead. The gravel extraction and recycling activity has been ongoing since the 1950's and is accepted in the established community with no impact on the surrounding agricultural properties or area residents.

The recent approval by both the ALC and City of Kelowna for the construction of the FortisBC substation on a portion of the site confirmed the unfavourable agricultural conditions as well as the suitability of the location for non-farm uses.



NEW TOWN

October 22, 2009

File: 1520-L

City of Kelowna
Development Services
1435 Water Street
Kelowna, BC V1Y 1J4

Attention: Andrew Browne, Planning & Development Officer

Dear Andrew:

Re: Application for Non-Farm Use to Formalize Historical and Ongoing Crushing Recycling Facility
Lot C, Section 5, Tp. 26, ODYD, Plan KAP58972 - 3985 Casorso Road
Additional Information

Thank you for your time when we met on September 29, 2009 to discuss our submission of the Application for Non-Farm Use to formalize the use of the materials recycling facility located at 3985 Casorso Road. As you know, the application is required by the Agricultural Land Commission (ALC) as a condition of the approved FortisBC electrical substation on an adjacent portion of the property (Resolution #281/2009). The purpose of this letter is to provide additional information on the history of this property, and serves as a supplement to our application.

As explained in the September 15, 2009 application, this property has been in the Casorso family for over three generations. While the Casorsos have actively farmed in Kelowna since their arrival, this section of land has never been successfully used for agricultural purposes due to challenging growing conditions.

The non-farm use of this property pre-dates the creation of both the Agricultural Land Reserve and local zoning bylaws. Gravel extraction and crushing of materials began on site in the 1960s and has continued for the last half century without a change in operations or size of land area. At one time there were many gravel pits and similar operations in the immediate vicinity, extending up Casorso and Bedford Roads. The land is leased to AG Appel Enterprises Ltd. and this operation has provided income to help sustain farming on the balance of the Casorso homestead over the years.

The overall use has not changed since the creation of the business in the 1960's. The production of mixed crush has remained ongoing, although there have been changes in materials used. While historically rock was brought onto the site for crushing, more recent years have seen asphalt and concrete used on a consistent basis. This is the result of changing market demand as asphalt has become an acceptable and often preferred substitute product for crushed gravel.

Cont...

The gravel and recycling industry is cyclical and dependent upon the seasons as well as market conditions. Materials are generally stockpiled at various periods and then crushed and sold as the market dictates. Crushing usually takes place in the winter months when the cold conditions make the materials more brittle and easier to crush. Similarly, there is usually a higher demand for product in the mild months when road construction is at its peak.

The lease agreement with AG Appel Enterprises contains a requirement for rehabilitation of the site to previous conditions once the current operations cease. This rehabilitation is further ensured through a security bond in the amount of \$35,000 and held by the ALC. Once all recycling operations cease, any equipment, refuse or stockpiled materials will be removed. The land will then be re-vegetated to a self-sustaining state using the appropriate plant species and will revert back to dry land forest as is found on adjacent properties such as the Kelowna Fish & Game Club.

To our knowledge, there have never been any complaints or concerns with the operation or the truck traffic to and from the site. The operation is an accepted business in the community and this area has been a traditional gravel pit area since World War II.

In accord with the Agricultural Land Act, any non-farm use that predates the ALR and is found to have been in operation on a consistent and uninterrupted basis since before 1972 is deemed to be an allowable, non-conforming use, provided that use has not changed in any way. We believe that the gravel and recycling operation on the Casorso property meets these criteria and we respectfully request that the City consider favourably the request to allow this operation to continue as an existing non-conforming use within the City of Kelowna and the ALR for an indefinite future.

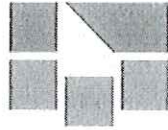
As always, please do not hesitate to contact our office if you require any additional information or wish to further discuss our application.

Sincerely,



Lisa Fraser
Planning Assistant

cc: Doug Sperling (Kenneth & Belva Casorso)



NEW TOWN

April 4, 2011

CoK File: A09-0016

Our File: 1520-L

City of Kelowna
1435 Water Street
Kelowna, BC V1Y 1J4

Attention: Andrew Browne, Planning & Development Officer

Dear Andrew:

Re: Supplemental Information regarding Casorso Crushing/Recycling Facility
Lot C, Section 5, Tp. 26, ODYD, Plan KAP58972 - 3985 Casorso Road

Thank you to yourself and Todd Cashin for taking the time to meet with Doug Sperling and me on January 19th. As discussed, the applicants are prepared to register a Section 219 covenant on title to protect the steep slopes in excess of 30%.

As you know, a no-disturb covenant was registered in 1997 which provides a 30m Riparian Management Area. A copy of the reference plan for the riparian covenant was left with you after our meeting but please let me know if you require another copy or would like an electronic (.pdf or .jpg) version.

At this time we are ready to proceed to Council and offer the following comments in response to the letter received from Richard Drinnan, dated January 14, 2011.

As stated in our initial application, the current operation has been in existence since approximately 1955 since before the introduction of the Agricultural Land Reserve or the amalgamation of the area into the City of Kelowna. While concrete and asphalt are brought on site for crushing at no time have these materials been used as fill. Mining ceased in 2001 but the principal industrial use (crushing/recycling) has been a continuous, ongoing operation for over 40 years.

When the City of Kelowna landfill implemented a ban on the dumping of asphalt and concrete, the need for a recycling facility became greater than ever before and this existing facility was considered as an appropriate site for this activity. The recycling of asphalt and other mixes has been considered a feasible and preferred alternative to landfilling for many years and similar operations exist within the Okanagan and throughout North America. Crushing is done during cooler weather and the operation does not undertake either hot or cold batch processing. Because the recycling process does not involve any heating of soils or crushed materials, air emissions are minimal if non-existent. Appropriate precautions are taken to reduce dust and vapour emissions.

The facility is operated in accordance with Best Management Practices (BMP's). The Aggregate Operators Best Management Handbook addresses "Common Community and Environmental Concerns" (Chapter 2) and outlines strategies for environmental concerns such as noise, dust, habitat, and water management, including surface water, ground water and water discharge. Sample BMP's include such practices as berms, buffer zones, drop heights, water spray, and site grading.

PATRICK McCUSKER, PRINCIPAL / NEW TOWN ARCHITECTURE INC.
BFA, B.Arch, MAIBC, HRAIC

1450 Pandosy Street, Kelowna BC V1Y 1P3

KEITH FUNK, PRINCIPAL / NEW TOWN PLANNING SERVICES INC.
BA, MEDES (ARCHITECTURE), HCIP, MPIBC

www.newtownservices.net

While we recognize that Priest Creek is named within the OCP as a Riparian Management Area (Kelowna OCP, Table 7- 1: Riparian Management Area Setbacks), members of the Casorso family who have grown up on the adjacent lands will confirm that the creek is a seasonal drainage course, flowing only during spring runoff (freshet). The creek bed is generally dry by July of each year.

Berms are located between the work sites and the riparian area to ensure that no raw or processed materials enter the protected area and prevent runoff from entering the creek. These berms and the natural slopes along the western boundary of the property act as a buffer between the operation and Priest Creek habitat as well as the surrounding residential and agricultural uses. The buffer areas serve to minimize erosion, improve water quality, intercept any potential dust, reduce noise, provide a corridor for any potential wildlife and minimize the visual impact of the operation.

All residences and agricultural operations within the vicinity of the site belong to members of the Casorso family. All have co-existed with the crushing/recycling operation for over four decades without incident, and no family members have concerns with dust, noise, or the quality of surrounding soils, groundwater or surface water. The only neighbouring property that is not owned by a member of the Casorso family is the property to the south, owned by the Kelowna Fish and Game Club for the operation of an outdoor shooting range.

A valid Mines Act Permit allows for "the recycling and crushing of asphalt, concrete rock and the screening/mixing of imported soils". The operation is subject to Health and Safety Inspections carried out by the Mining and Minerals Division of the Ministry of Energy, Mines and Petroleum Resources as well as Worksafe BC.

Use of the subject property for materials recycling provides the City of Kelowna with a reasonable alternative to the disposal of asphalt and has provided income which has helped to sustain the farming operations on the balance of the Casorso homestead. The non-farm use has been in existence since the 1950's and generations of the Casorso family have lived and farmed in the proximity of the crushing/recycling activities and continue to do so. The operation is generally accepted in the established community with minimal to no impact on the surrounding agricultural properties or area residents and there is no reason why area residents or City Council should be concerned with this ongoing land use.

We appreciate your continued assistance with this application and look forward to reviewing your report to Council in due course. Please do not hesitate to contact me with any questions or comments as you prepare your report. At your suggestion, we will provide a letter to Mayor and Council outlining many of the points contained herein once the file is added to the Council Agenda and advertised once again.

Sincerely,



Lisa Fraser

Business & Planning Manager

/ljf

cc: Doug Sperling (for Ken & Belva Casorso)



A.G.APPEL ENTERPRISES LTD

1145 Gordon Drive
Kelowna, BC V1Y 3E3
Tel: 250-860-1211 Fax: 250-861-9393
agappel@shawbiz.ca

November 12, 2009

City of Kelowna Agricultural Advisory Committee
Agricultural Land Commission
Kelowna, BC

A.G. Appel Enterprises is the operator of the gravel processing operation located on Lot C, Section 5, Plan KAP58972, TWP 26, ODYD at Casorso Road, also known as Casorso Pit Number 1.

As a condition of our operation we are required to work with the owner to rehabilitate the site. We understand the original state was river bottom gravel as the property had been used as a gravel pit since the late 1930's. The late 1940's saw the area used for gravel crushing and processing. The area was deemed too rough for any thing other than gravel processing. We are doing reclamation on an ongoing basis at Carsorso Pit No. 2 with the Fortisbc substation site completed.

In our estimate the current bond amount of \$35,000 would be more than sufficient to rehabilitate the surface disturbed area of the processing operation.

Thank you,

Doug Appel
Manager



The Best Place on Earth

June 24, 2008

File: 14675-20/1620184-2

Mr. Doug Sperling
1280 Dehart Road
Kelowna, B.C.
V2C 4N7

Dear Mr. Sperling

Re: Mines Act Permit G-4-150
Approval # - -
Property: Casorso Pit #1

Please find enclosed your amended Mines Act permit which authorizes agricultural reclamation activities only and, no further removal of in situ materials.

It is further understood that approximately 3-4 hectares will continue to be used for the recycling and crushing of asphalt, concrete rock and, the screening/mixing of imported soils.

As per your letter of request dated May 29, 2008 to remove 2.02 hectares from the existing 8.75 hectares for the proposed Fortis Substation site, the permit will be amended as a special condition of the reclamation permit upon proof of property transfer. The Notice of Work and Reclamation Program forms part of the permit and you are reminded that you may not depart from the permitted reclamation program without written authorization.

Please ensure that you and all persons who are carrying out activities in accordance with this permit comply with all terms and conditions of the permit and are familiar with the permitted reclamation work program.

This permit applies only to the requirements under the *Mines Act* and Health, Safety and Reclamation Code for Mines in British Columbia (Code). Other legislation may be applicable to the operation and you (the Permittee) may be required to obtain approvals or permits under that legislation.

The existing security in the amount of \$35,000.00 will continue to be held by the Agricultural Land Commission. The amount of your security deposit may be adjusted on the basis of reclamation performance, field inspections by this Ministry, and on reports which may be requested.

Health and Safety inspections fall under the jurisdiction of this Ministry. A Mine Health and Safety Inspection Fee is collected for this service. The fee structure is based on annual production in metric tonnes for the period January 1st through December 31st. As this permit requires future reclamation as per the Health, Safety and Reclamation Code for Mines in British Columbia, you will continue to receive the remittance forms and a payment schedule in December of each year, with payment due by January 31st of the New Year.

For further information regarding the Health and Safety Inspection Fee please contact your Regional Office or Trevor Miller at the Resource Revenue Branch in Victoria at (250) 952-0220.

Ministry of Energy, Mines
and Petroleum Resources

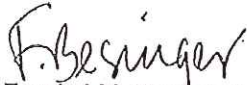
Mining & Minerals Division

Mailing Address:
South Central Region
162 Oriole Road
Kamloops, BC V2C 4N7
Telephone: (250) 371 6060
Facsimile: (250) 371 6070

Location:
South Central Region
162 Oriole Road
Kamloops, BC V2C 4N7

When activity on the site is finished and reclamation completed, please forward to this office a request for cancellation of permit and return of security.

Sincerely,



Frank J.M. Besinger, ASCT.
Inspector of Mines

Encl. Amended Permit

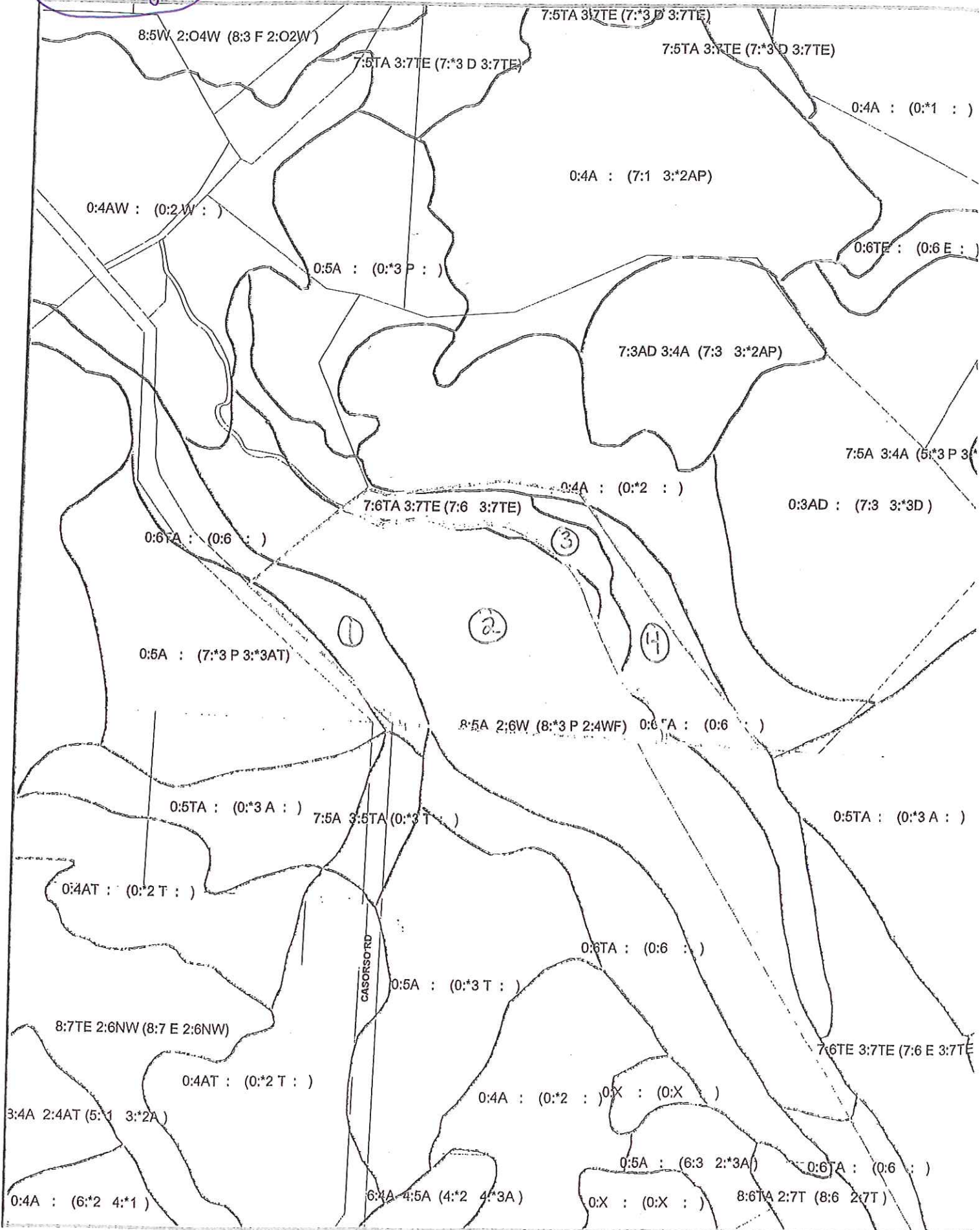
cc: Reclamation Section, Victoria
Trevor Murré, Re: Your File #G-25477
Doug Appel

Land Capability Rating, Unimproved (Map 82E.083)		Land Capability Rating, with Improvements (Map 82E.083)	
1	100% Class 6 with topography limitations and soil moisture deficiency	100% Class 6 with topography limitations	
2	80% Class 5 with soil moisture deficiency 20% Class 6 with excess water	80% Class 3 with stoniness and soil moisture deficiency 20% Class 4 with fertility limitations and excess water	
3	70% Class 6 with topography limitations and soil moisture deficiency 30% Class 7 with topography limitations and erosion	70% Class 6 with topography limitations 30% Class 7 with topography limitations and erosion	
4	100% Class 6 with topography limitations and soil moisture deficiency	100% Class 6 with topography limitations	

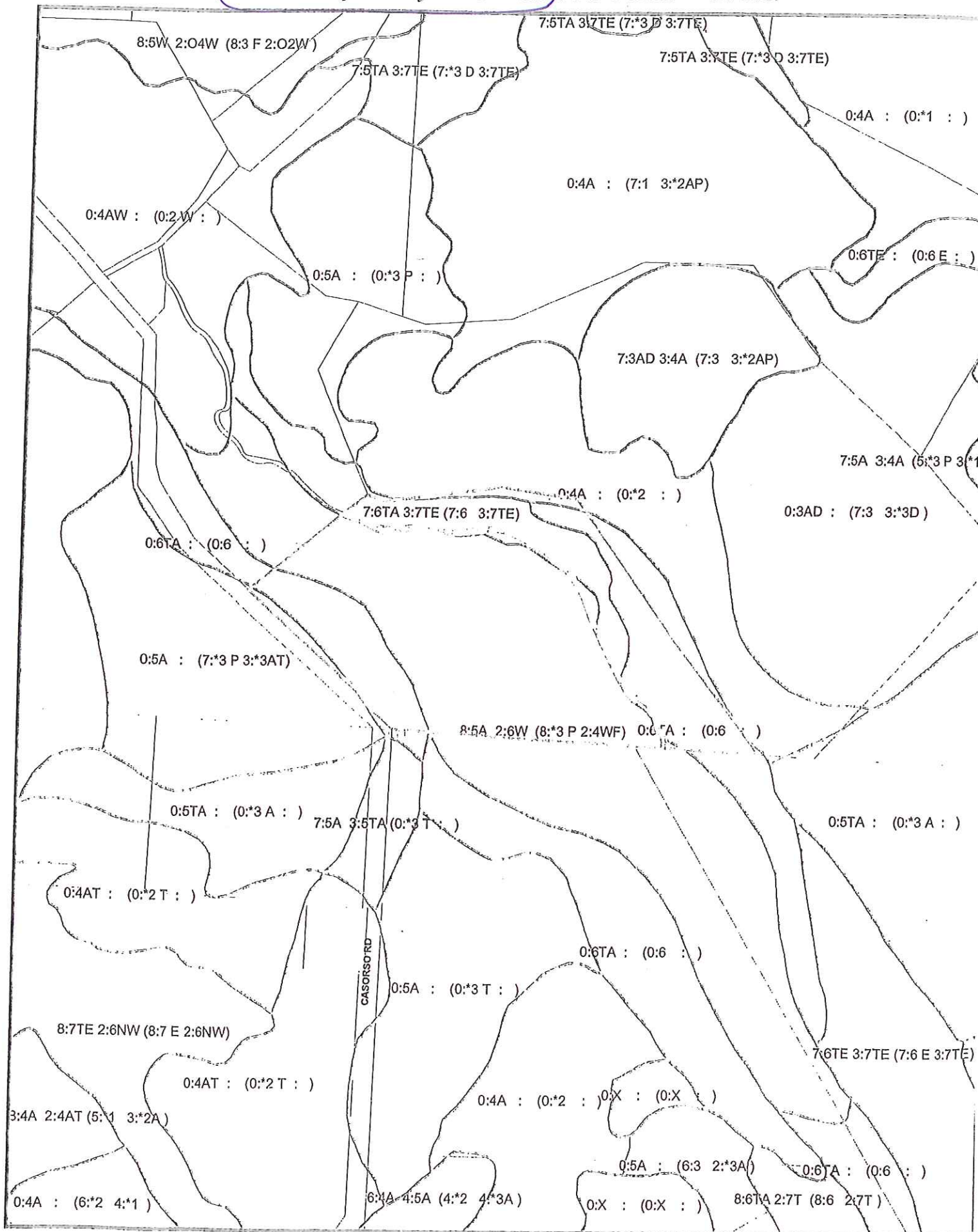
Soil Classification Description (Map 82E.083)	
%	Soil Type
1	100% GM - Gammil <u>Land:</u> Very gently to extremely sloping fluvioglacial deposits. <u>Texture:</u> 10 to 25 cm of sandy loam or loamy sand over very gravelly loamy sand or very gravelly sand. <u>Drainage:</u> Rapid.
2	80% GM - Gammil 20% GR - Gartrell <u>Land:</u> Very gently to extremely sloping fluvioglacial deposits. <u>Texture:</u> 10 to 25 cm of sandy loam or loamy sand over very gravelly loamy sand or very gravelly sand. <u>Drainage:</u> Rapid. <u>Land:</u> Nearly level and very gently sloping fluvioglacial deposits in depressions. <u>Texture:</u> 60 to 100 cm of loam or sandy loam over gravelly sandy loam or gravelly loamy sand. <u>Drainage:</u> Dominantly poor, ranging to imperfect; fluctuating groundwater table and seepage.
3	70% GM - Gammil 30% GT - Greata <u>Land:</u> Very gently to extremely sloping fluvioglacial deposits. <u>Texture:</u> 10 to 25 cm of sandy loam or loamy sand over very gravelly loamy sand or very gravelly sand. <u>Drainage:</u> Rapid. <u>Land:</u> Fluvioglacial veneer over gently to extremely sloping, stratified glaciolacustrine sediments. <u>Texture:</u> 30 to 100 cm of gravelly sandy loam or gravelly loam over silt loam or silty clay loam. <u>Drainage:</u> Well.
4	80% KN - Knox Mountain 20% GM - Gammil <u>Land:</u> Fluvioglacial veneer over gently to strongly sloping stratified glaciolacustrine sediments. <u>Texture:</u> 10 to 50 cm of sandy loam over banded silty clay loam, clay loam or loamy fine sand. <u>Drainage:</u> Well to rapid. <u>Land:</u> Very gently to extremely sloping fluvioglacial deposits. <u>Texture:</u> 10 to 25 cm of sandy loam or loamy sand over very gravelly loamy sand or very gravelly sand. <u>Drainage:</u> Rapid.

Site Legend

Land Capability = Brown/ Soil Class = Green

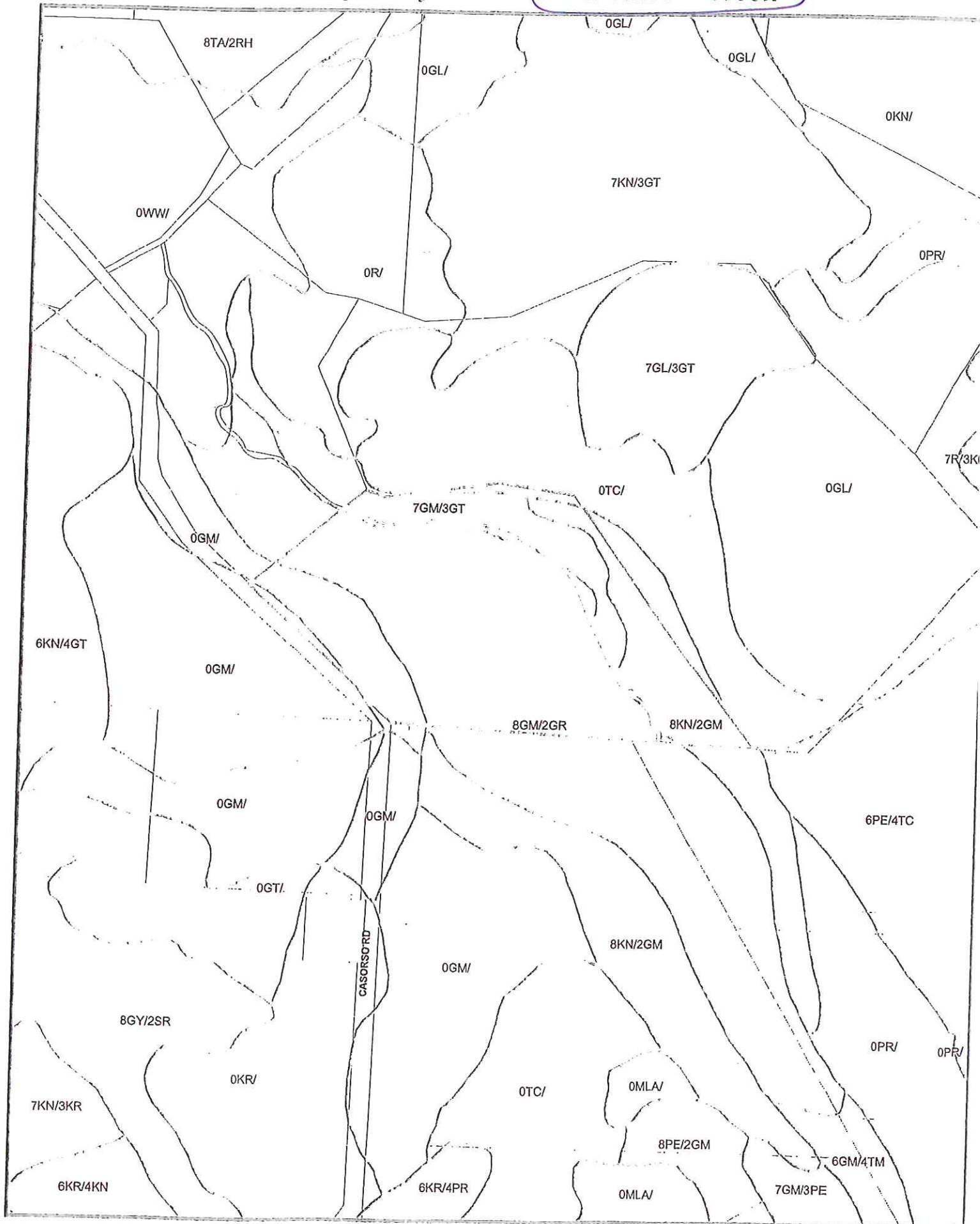


Land Capability = Brown/ Soil Class = Green



1:5,000

Land Capability = Brown / Soil Class = Green



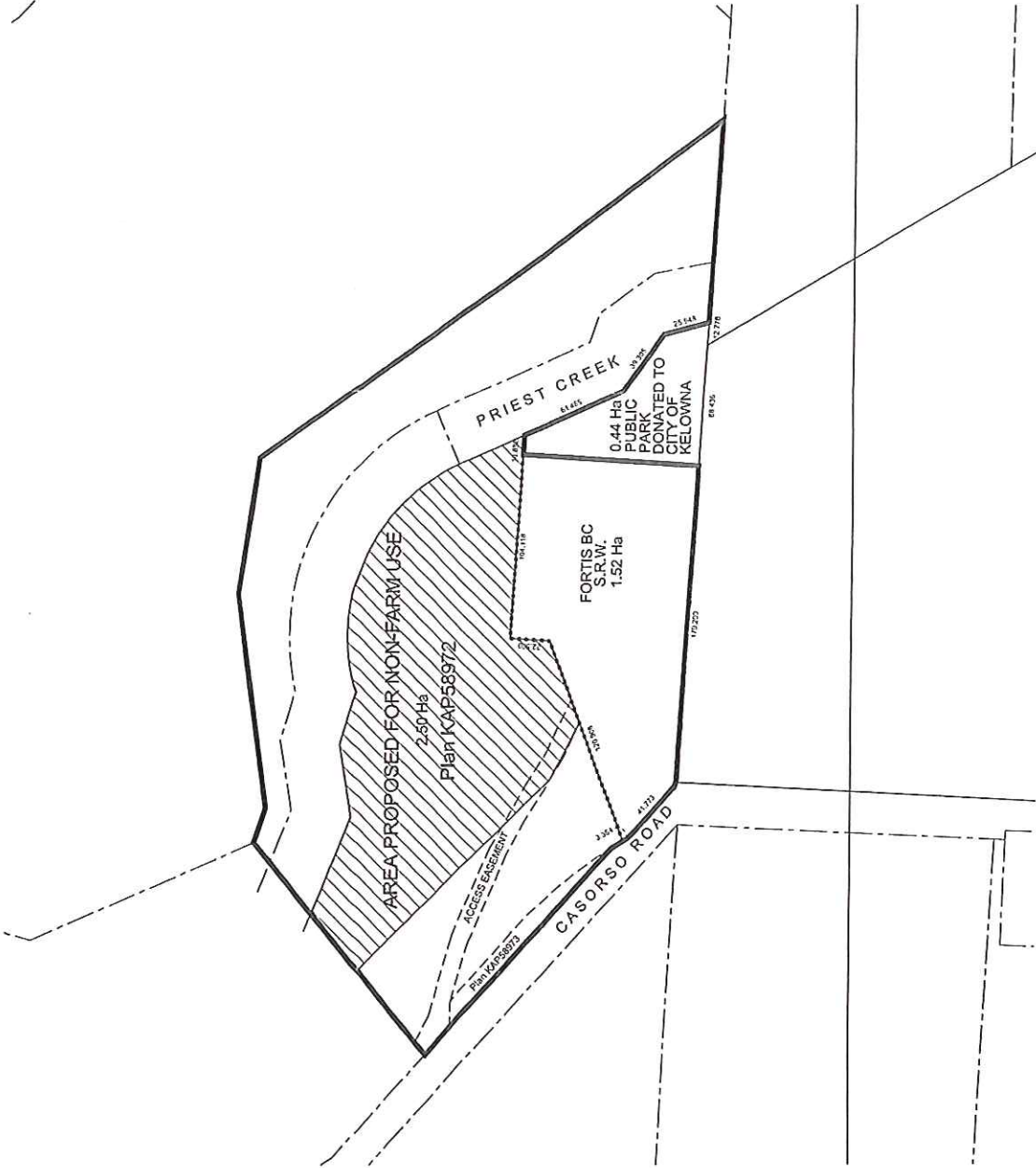
1:5,000



NOTES:
 1. All property boundaries are shown as per the cadastral plan and are not to be used as a guide for the location of the subject property.
 2. The subject property is shown as per the cadastral plan and is not to be used as a guide for the location of the subject property.
 3. The subject property is shown as per the cadastral plan and is not to be used as a guide for the location of the subject property.
 4. The subject property is shown as per the cadastral plan and is not to be used as a guide for the location of the subject property.

LEGEND

— SUBJECT PROPERTY (8.43 Ha)



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No. Date Description

REVISIONS

PROJECT TITLE Casorso ALR

Project No. 1520

File No. 1520-ALR-NFU

Project Title Application for Non-Farm Use (Casorso)

Author L.F.

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Project R.P.B.

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ALR-01