



## CORPORATE REPORT

To: Electoral Area Services Committee  
From: Graham Daneluz, Director of Planning & Development  
Gavin Luymes, Planning Technician

Date: 2020-07-14  
File No: 4300-35-2020-01

**Subject: Commercial Gravel Operation Permit 2020-01 for Statlu Resources, 12 km Chehalis Forest Service Rd, Area C**

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### RECOMMENDATION

THAT the FVRD Board issue Commercial Gravel Operations Permit 2020-01 to Statlu Resources INC for the gravel operation at 12 KM of the Chehalis Forest Service Road in Electoral Area C.

### STRATEGIC AREA(S) OF FOCUS

Foster a Strong & Diverse Economy  
Support Healthy & Sustainable Community  
Provide Responsive & Effective Public Services

### PRIORITIES

### BACKGROUND

Statlu Resources INC (Statlu) holds a Licence of Occupation (#242421) for an area of Crown land approximately 12 km up the Chehalis Forest Service Road in Area C. Statlu was issued a Mines Permit by the Ministry of Energy & Mines (MEM) in 2009 and established a gravel pit at this location. The pit has been inactive for a few years. Statlu intends to reactivate the pit and has applied for a permit under *FVRD Commercial Gravel Operations Bylaw No. 1181* to do so.

The current footprint of the mine is about 8 hectares. The estimated annual volume of aggregate to be removed is 249,999 tonnes. The mine has an anticipated life of 125 years. Pit run will be mined from the mine face by wheel loader or excavator. A bulldozer may be used to push gravel and slope the mine face.

The operation will run year round Monday to Saturday from 7:00 AM to 7:00 PM with maintenance on Sundays.

The area will be graded and planted for forestry uses upon completion of operations.

Statlu has negotiated an impact and benefits agreement with Sts'ailes First Nation.

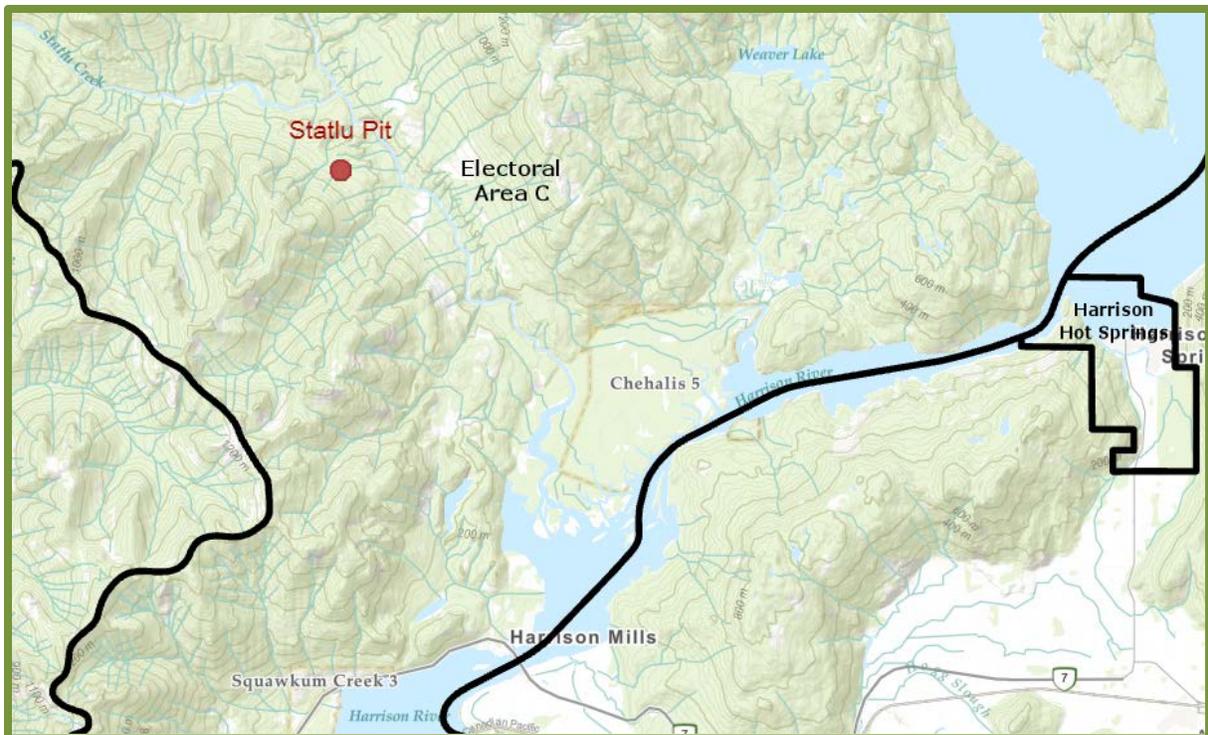
### PROPERTY DETAILS

<b>Electoral Area</b>	C		
<b>Address</b>	Crown Land near 12 km mark of Chehalis Forest Service Road		
<b>PID</b>	Crown Licence of Occupation No. 242421		
<b>Folio</b>			
<b>Lot Size</b>	83.6 Hectares		
<b>Owner</b>	Statlu Resources INC	<b>Agent</b>	Derek Holmes
<b>Current Zoning</b>	Institutional (L-2)	<b>Proposed Zoning</b>	No change
<b>Current OCP</b>	n/a – no OCP	<b>Proposed OCP</b>	n/a
<b>Current Use</b>	Gravel Pit	<b>Proposed Use</b>	No change
<b>Development Permit Areas</b>	No		
<b>Agricultural Land Reserve</b>	No		

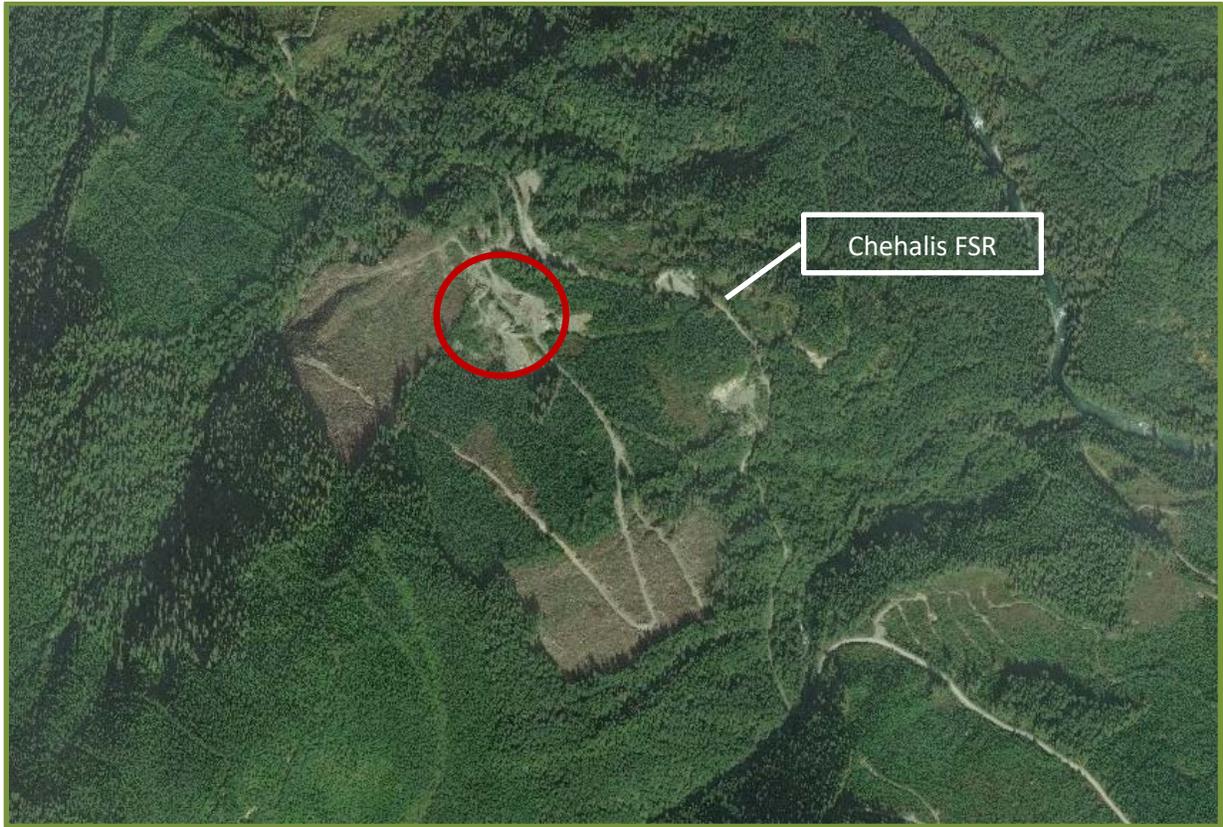
### ADJACENT ZONING & LAND USES

<b>North</b>	^	Crown forest land
<b>East</b>	>	Crown forest land
<b>West</b>	<	Crown forest land
<b>South</b>	v	Crown forest land

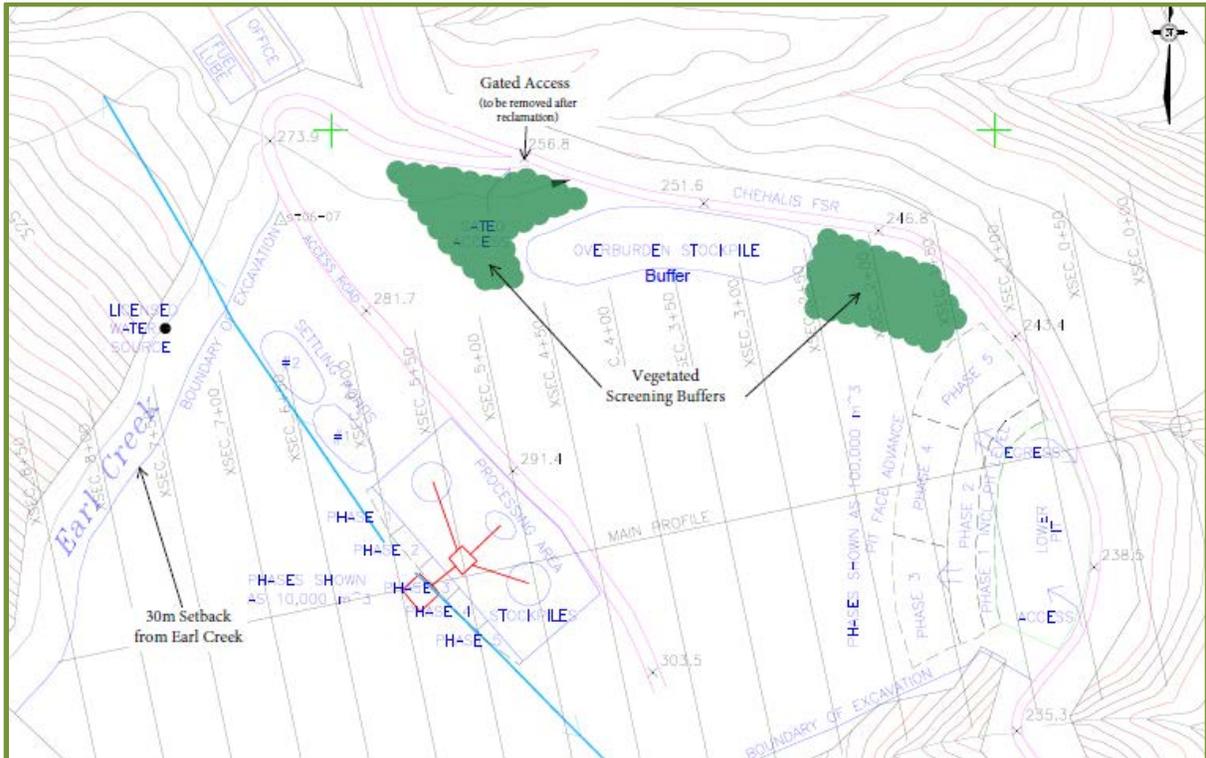
### LOCATION MAP



# SITE



# MINE PLAN



## Provincial Licences & Permits

In 2008 the Province of BC issued a Licence of Occupation (No. #242421) to Statlu Resources INC to provide tenure to Crown land located at the 12 km mark of the Chehalis Forest Service Road for the purposes of a gravel operation. The Licence of Occupation remains in good standing.

The MEM issued Mines Permit G-7-235 in 2009 for the operation. The Mines Permit contains provisions addressing reclamation, buffer zones, mine safety, site stability, erosion and sediment control, groundwater protection, fuel handling, and other matters.

Statlu is also required to have a Road Use Permit from the Ministry of Forests, Land, Natural Resource Operations & Rural Development (MFLNRORD) for the use of the Chehalis Forest Service Road. Road Use Permits address standards for maintenance of forestry roads, dust suppression, and other aspects of road use.

Gravel will be trucked from the mine site down Chehalis FSR to Lougheed Highway and then onward to the customer. If 249,999 tonnes of gravel are removed each year this would amount to about 18,000 tandem axel truck loads per year.

## **DISCUSSION**

### **FVRD Plans & Bylaws**

#### Official Community Plan (OCP)

The subject lands are not within an official community plan area and are not subject to an OCP.

Nevertheless, the policies related to gravel operations in the *Official Community Plan for Morris Valley, Harrison Mills and Lake Errock Bylaw No. 0020* may be a useful reference.

<b>OCP Policy</b>	<b>Comment</b>
7.7.1 All sand, gravel and other sites used for commercial or industrial extraction of aggregate materials should have a plan, approved by the Chief Inspector of Mines for the safe operation, abandonment, recontouring and reclamation of such sites. Where necessary, there should be consultation between the Ministry of Energy and Mines and the Regional District to ensure there is no conflict between bylaws relating to land use and the approved reclamation program.	Mines Permit G-7-235 was issued by MEM for the operation. The mine site will be reclaimed for forestry uses and planted with suitable tree species. MEM holds security in the amount of \$54,000 to ensure reclamation. Reclaiming the land for forestry uses is consistent with the zoning of the land.
7.7.2 All sand, gravel and other sites used for the commercial or industrial extraction of aggregate materials shall be operated in accordance with practices which comply with the Mines Act and Mines Regulations and Regional District bylaws.	Mines Permit G-7-235 was issued by MEM for the operation.

7.7.3 Any gravel extraction use within the normal high water wetted perimeter of a watercourse is required to obtain a permit pursuant to the British Columbia Gravel Removal Order of the Federal Fisheries Act prior to obtaining necessary approvals from the Regional District.	No gravel extraction is proposed within the normal high water wetted perimeter of any watercourse. The boundary of the mining area is setback 30 metres from two streams to the NE and SW of the pit.
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## Zoning

The subject property is zoned Institutional (L-2) under *Zoning Bylaw No. 100*. Extraction of raw materials is permitted within the L-2 zone. The bylaw defines “extraction” as:

the pulling out or drawing out of primary forest, mineral, and other natural resource materials on a lot; includes only the preliminary grading, cutting, separation, or crushing of such materials for shipment; excludes all manufacturing of products from such materials and any processing not specifically included in this definition; also excludes the excavation of land as a necessary part of a construction project, the removal of unwanted stones from the surface of land undergoing cultivation, and the cleaning out or enlarging of a drainage system for the purpose of improving the drainage of lands.

The zoning bylaw allows preliminary processing of gravel – including grading, cutting, separating and crushing – to prepare material for shipment. The intent of the bylaw is to distinguish between preliminary processing for shipment and more extensive processing. Unfortunately the limit of preliminary processing for shipment is not defined in the bylaw or elsewhere and is unclear. CGO Permit 2020-01 would limit processing activities to preliminary processing for shipment. The application states that mining operation will include “pit run excavation, screening, crushing, washing, and loading for transport that would be typical for any small-sized sand and gravel operation in BC.” If Statlu wishes to undertake more extensive processing activities, they would need to apply to rezone the land or obtain a Temporary Use Permit to allow the use.

Section 300.3.j of the zoning bylaw sets out further regulations for the extraction of gravel; these are addressed in the table below. Note that the regulation of extraction uses in a zoning bylaw is likely to be ultra vires, or beyond the powers of a zoning bylaw. However, aspects of extraction may be properly regulated in a soil removal bylaw such as *Commercial Gravel Operations Bylaw No. 1181* (which does not contain these provisions).

Zoning Provision	Comment
300.3.j.i the extraction of gravel, sand and stone from a stream bed or stream bank within any zone shall not be permitted without the written approval of the Fish and Wildlife Branch, Ministry of Recreation and Conservation of the Province of British Columbia, and the Fisheries and Marine Service, Environment Canada;	Mines Permit G-7-235 was issued by MEM for the operation. After operations the site will be graded to a 2:1 slope, topped with soil, and planted with conifers. MEM holds security in the amount of \$54,000 to ensure reclamation. Reclaiming the land for forestry uses is consistent with the zoning of the land.
300.3.j.ii the extraction of gravel, sand and stone shall not be permitted on lands within 30.5 m (100.0 feet) of a zone within which such extraction is not a permitted use;	The mine site is at least 5 km from the boundary of a zone in which the extraction of gravel is not permitted.

300.3.j.iii such extraction shall render minimum damage to the natural environment of the site and to the general area in which the said extraction is to be conducted;	Management of environmental values on Crown lands is the jurisdiction of the Province of BC. The Province has issued land tenure and a Mines Permit for the Statlu Pit. Upon completion of the mining activity, the site will be reclaimed for forestry uses. The mine excavation is at least 30 m from local stream. FVRD staff are unable to determine if the damage to the natural environment is minimal.
300.3.j.iv discontinuance of the extraction operation for a period in excess of 6 months, or termination of the use shall require that the owner of land remove all debris, structures, and equipment from the site and restore the site to its former condition, as nearly as possible, within a period of 8 months from the date of such discontinuance or termination.	Extraction at the mine site appears to have been discontinued for a period greater than 6 months. Reclamation of mine sites is the jurisdiction of the Province of BC and FVRD does not have the authority to require reclamation of a mine with a valid Mines Permit.

### Commercial Gravel Operations Bylaw

*FVRD Electoral Areas Commercial Gravel Operations Bylaw No. 1181, 2016* received the approval of the Minister of Mines and was subsequently adopted by the FVRD Board in September, 2016. The intent of the bylaw is to support a viable commercial aggregate extraction industry as a crucial component of the regional economy while mitigating impacts of aggregate operations on local communities. It does this by:

- mapping Restricted Areas where new gravel operations are prohibited;
- identifying Community Areas where noise and dust emissions are regulated, monitored and reported on;
- requiring permits for commercial gravel operations; and
- establishing annual volume-based fees which will support the administration of the bylaw and associated services provided by the FVRD.

The Statlu operation requires a permit under *Bylaw No. 1181*.

### **Community Impacts**

*FVRD Commercial Gravel Operations Bylaw No. 1181* is primarily aimed at managing the impacts of gravel operations on surrounding properties. The Statlu Pit is located in a relatively remote area about 12 km up the Chehalis Forest Service Road. Surrounding lands are used mainly for forestry, resource harvesting, and backcountry recreation. The operation is at least:

- 5 km from the Chehalis River Hatchery and Kwikwexwelhp Correctional Facility; and
- 8 km from residential uses at Morris Valley Road and Echo Lake.

These distances are straight-line ‘as the crow flies’. Actual road travel distances are greater. Given this the pit location will have minimal community impacts.

*Bylaw No. 1181* further defines Community Areas where gravel operations may have a significant impact on surrounding land uses. The Statlu operation is not within a Community Area. The applicant

is therefore not required to provide noise and dust mitigation plans. The applicant is however required to provide a communications plan that addresses how the permit holder will communicate with the surrounding community. Statlu has stated that their primary communication method will be a sign posted with the Mine Manager name and contact information under the provincial *Mines Act* and *Bylaw No. 1181*.

### Noise & Dust

Though not required under *Bylaw No. 1181*, the applicant has provided a Noise, Dust and Water Control Plan that outlines measures to minimize noise and dust emissions and to manage water at the mine site. Control measures are summarized the table below.

Noise	<ul style="list-style-type: none"> <li>• Maintain pit walls and vegetated buffer to dampen noise</li> <li>• 30 km/hr speed limit, smooth roads to reduce vehicle noise</li> <li>• Equipment to be operated within specifications and use noise abatement accessories</li> </ul>
Dust	<ul style="list-style-type: none"> <li>• Work to be limited on dry/windy days</li> <li>• Trucks to be washed and tarped when bearing load</li> <li>• Speed limited to 30 km/hr</li> <li>• Mined areas to be replanted and soiled</li> <li>• Vegetated buffer maintained around site (Appendix 1)</li> <li>• Conveyors and crushers equipped with water spray bars</li> <li>• Drop height to not exceed 1 metre, chutes to convey material</li> </ul>
Water	<ul style="list-style-type: none"> <li>• No fuel stored on site during normal operations</li> <li>• No effluent discharge anticipated</li> <li>• 30-metre setback maintained from Earl Creek (Appendix 1)</li> <li>• Personnel to be provided and trained in spill kit response</li> </ul>

### Traffic

The use of public roads – including both forestry roads under the authority of MFLNRORD and highways under the authority of the Ministry of Transportation & Infrastructure (MOTI) – is not within the jurisdiction of FVRD. However, it is understood that the operation may result in significant truck traffic on Chehalis FSR, a portion of Morris Valley Road, and Lougheed Highway. Traffic volume and dust from gravel forestry roads are a noted concern of local residents.

Mines Permit G-7-235 requires Statlu to “schedule truck haulage to and from the pit such that gravel trucks are not in conflict with elementary school bus drop-off and pick-up points between the nearest residence to the pit along the transportation route and the intersection with the Lougheed Highway.”

Furthermore, Statlu is required to possess a Road Permit from MFLNRORD authorizing industrial use of the Chehalis FSR. MFLNRORD may require dust control measures as a part of the Road Use Permit. As issues arise they can be referred to these ministries for resolution.

### Buffers & Screening

*Bylaw No. 1181* requires that “every person undertaking aggregate removal or processing activity must provide screening by providing landscaping, vegetated berms, fences, or other structures or measures so as to avoid an unreasonable detrimental visual impact on adjacent lands where residential,

recreational, resort or commercial uses exist or are permitted, and to minimize visual impacts to the surrounding area.”

Statlu has addressed this requirement in their Noise, Dust, and Water Control Plan and Notice of Work submitted to MEM. Statlu notes that the pit is “surrounded by mixed treed, upland vegetation that is dense in nature.” Treed vegetation along Chehalis FSR and the natural slope of the area also provide screening. Statlu confirms that berms will be constructed and maintained along the excavation to mitigate noise, dust, and visual impacts. Statlu also states that a “forest buffer north and south of the project will be maintained.” Part of this area is designated on the submitted mine plan (Appendix 1).

Mines Permit G-7-235 further requires Statlu to establish buffer zones and/or berms.

### **Environmental Management**

Statlu has included environmental management practices and standards in their application. These include water protection, mitigation of atmospheric effects, and environmental restoration strategies after operation. These measures demonstrate attention to environmental management on the site.

The project is not anticipated to have effluent discharge that could affect surface watercourses. Groundwater flows have not been encountered during test drilling, test pitting, or current excavation according to Statlu. To further protect local water quality, Statlu states that no fuel storage will occur onsite during normal mining activities. Any fuel storage during large activities will include double-walled fuel tanks and staff will be trained in and provided with emergency spill response equipment. Statlu will also maintain a 30-metre setback from Earl Creek.

Statlu has also considered the mitigation of atmospheric effects from operation. In addition to the measures described for dust mitigation, Statlu has outlined practices that include:

- Use modern equipment that meets the latest Canadian emission standards;
- Inspect, maintain, and operate equipment within specifications and capacity;
- Limit equipment idling; and
- Use low-sulphur fuels for all diesel equipment.

Statlu has also committed to reforestation and reclamation of the natural environment after operations. This is described in their Notice of Work and required under Mines Permit G-7-235. Statlu states that the site will be resoiled, revegetated, and “replanted with selected conifers” on a progressive basis. Mines Permit G-7-235 further requires that the site be “revegetated to a self-sustaining state using appropriate plant species” and that watercourses and water quality be reclaimed to the satisfaction of the Chief Inspector of Mines. The province holds a security of \$54,000.00 to ensure the reclamation plan is carried out.

### **Next Steps**

Section 62 of *Commercial Gravel Operations Bylaw No. 1181* states that “where

- (a) an application for a permit under this bylaw has been made,

- (b) the Board is satisfied that the proposed aggregate removal and processing conforms with this bylaw, and all other bylaws of the Regional District, and
- (c) the applicant has paid the application fee,

the Board shall issue a permit to the applicant for the aggregate removal and processing specified in the permit application.”

These conditions are satisfied in the opinion of staff and the Board may consider issuance of CGO Permit 2020-01 at its regular meeting on July 28, 2020. The accounting of application requirements under *Bylaw No. 1181* can be found in Appendix 2: FVRD Permit Application Checklist.

### **COST**

An application fee of \$2,500.00 was received.

### **CONCLUSION**

The issuance of Commercial Gravel Operations Permit 2020-01 for the Statlu Resources INC operation on the Chehalis Forest Service Road will benefit the community by establishing ongoing monitoring and requiring annual compliance reports. Annual fees paid by Statlu to FVRD will support the administration of *Bylaw No. 1181* including compliance efforts. A copy of the draft permit is attached.

### **COMMENTS BY:**

**Kelly Lownsborough, Chief Financial Officer/ Director of Financial Services:**

Reviewed and supported.

**Jennifer Kinneman, Chief Administrative Officer:** Reviewed and supported.



## APPENDIX 2: FVRD PERMIT APPLICATION CHECKLIST

	Received	Requirement Details per Bylaw No. 1181	
<b>Survey Plan of Properties</b>	Y	Surveyed plans showing the lands subject to the permit.	
<b>Mine Plan Information</b>		Detailed descriptions, plans, and specifications endorsed by the coordinating professional in relation to the land on which the aggregate removal and any proposed processing is to be undertaken including:	
	Y	The location of the proposed aggregate removal and any proposed processing on the land, including dimensions of the proposed permit area;	
	Y	The location of all relevant existing features of the land, including watercourses, buildings, structures, improvements, machinery, driveways, roads, lanes, bridges, retaining walls, drainage facilities, sewage disposal systems, wells, water systems and other utility works;	
	Y	The proposed location of all buildings, machinery, equipment, and other structures and improvements to be constructed or installed for the purposes of the removal or processing of aggregate during the term of the permit;	
	Y	The proposed method of screening the permit area by landscaping, berming or otherwise, in order to comply with this bylaw;	
	Y	The proposed location and dimensions on the land of buffer zones, tree cover, and berms, fences, and other landscape screens;	
	Y	The proposed locations of access to the parcel during the term of the permit;	
	Y	The location and configuration of proposed stockpiles and measures proposed to maintain stockpiles so as not to adversely affect buffer zones or adjacent land.	
			Descriptions and plans approved by a Registered Professional in relation to the condition of the permit area upon expiry or completion of the permit addressing the following:
	Y		The proposed access to the parcel upon expiry of the permit;
	Y		The proposed use of the parcel upon expiry of the permit;
	N/A		Where the land is in a floodplain or is identified in an Official Community Plan as subject to flooding, debris flow, avulsion or erosion, the proposed reclamation measures to address these risks. <b>Not required – not in Official Community Plan</b>
	<b>Reports</b>	N/A	If aggregate removal or processing will be on land within a Community Area, a noise control plan prepared by a qualified registered professional. See Sections 25(a) and 57 and Schedule "A" of Bylaw No. 1181; <b>Not required – not in Community Area</b>
N/A		If aggregate removal or processing will be on land within a Community Area, a dust mitigation plan prepared by a qualified registered professional. See Sections 25(b) and 57 and Schedule "A" of Bylaw No. 1181; <b>Not required – not in Community Area</b>	
Y		A communications plan that addresses how the permit holder will communicate with the surrounding community;	
N/A		If aggregate removal or processing is or will be on land within a Community Water System Protection Area, a drinking water assurance plan prepared by a qualified registered professional. See Section 26 of Bylaw No. 1181. <b>Not required – not in Community Area</b>	
<b>Coordinating Professional</b>	Y	If the volume of aggregate removed in any 12-month period will exceed 5,400 cubic metres, the name of the coordinating professional and the Confirmation of Commitment signed by the owner and the coordinating professional (Schedule B-1 of Bylaw No. 1181).	