

LICENCE B066

Pursuant to:

The Integrated Solid Waste and Resource Management Plan for Metro Vancouver and the Greater Vancouver Sewerage and Drainage District Municipal Solid Waste and Recyclable Material Regulatory Bylaw No. 181, 1996, as amended ("the Bylaw") and the BC Environmental Management Act, S.B.C. 2003, c.53

Issued to:

Smallwood Sawmill Ltd.
(the "Licensee")

To Authorize:

the operation of a Brokering Facility

Located at:

12745 116 Avenue, Surrey, BC V3V 7H9
(the "Facility")

Effective Period:

The terms and conditions set out in the Licence apply to the existing or planned Facility as of
November 03, 2022

Issued: November 03, 2022


Kathy Preston, Ph.D., P.Eng.
Solid Waste Manager

GREATER VANCOUVER SEWERAGE & DRAINAGE DISTRICT SOLID WASTE LICENCE

1. GENERAL

If any portion of this Licence is deemed *ultra vires*, illegal, invalid or unenforceable in any way in whole or in part by any court of competent jurisdiction, such decision shall not invalidate or void the remainder of this Licence, the parts so held to be *ultra vires*, illegal, invalid or unenforceable shall be deemed to have been stricken therefrom with the same force and effect as if such parts had never been included in this Licence or revised and reduced in scope so as to be valid and enforceable.

2. DEFINITIONS AND INTERPRETATION

In this Licence terms defined in the Bylaw shall have the same meaning for the purpose of this Licence unless otherwise defined in this Licence and,

"Construction Waste" means Municipal Solid Waste, acceptable to the Solid Waste Manager, resulting from or produced by the construction of buildings, parking lots, bridges, roads, sidewalks, pipes or other man-made structures

"Demolition Waste" means Municipal Solid Waste, acceptable to the Solid Waste Manager, resulting from or produced by the complete or partial destruction or tearing down of buildings, parking lots, bridges, roads, sidewalks, pipes or other man-made structures. Demolition waste includes fixtures, but does not include other waste or materials that are contained within the structure that is demolished

"Environmental Management Act" means the Environmental Management Act, S.B.C. 2003, c. 53 as such Act exists or may be amended from time to time

"GVS&DD" means Greater Vancouver Sewerage and Drainage District

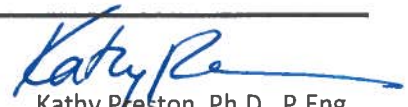
"Gypsum Waste" means waste gypsum board from any source, including manufacturing, demolition, and construction

"Hazardous Waste" shall have the same meaning as defined by the Environmental Management Act Hazardous Waste Regulation, B.C. Reg. 63/88

"Land Clearing Waste" means Municipal Solid Waste, acceptable to the Solid Waste Manager, resulting from land clearing such as trees, tree stumps, brush and other vegetative matter

"Municipal Solid Waste" shall have the same meaning set out in section 23 of the Environmental Management Act

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"Putrescible Waste" means Municipal Solid Waste that has the potential to decompose with the formation of malodorous byproducts, combustible gases, or toxic leachate

"Quantity" (singular or plural) includes any gases, liquids, or solids intermingled with Municipal Solid Waste and Recyclable Material

"Recyclable Material" shall have the same meaning as defined in the Bylaw

"Residual Waste" means solid waste remaining after reduction, reuse, recycling, recovery, or other activities conducted at a Facility, for which disposal is required

3. MATERIAL BANS

Disposal of the following materials are banned or restricted. They are either recyclable or hazardous.

- Yard Waste
- Newspapers
- Corrugated Cardboard
- Office Paper
- Gypsum Waste
- Lead Acid Batteries
- Electronic Waste
- Paints Solvents and Flammable Liquids
- Clean Wood Waste
- Medications/Pharmaceuticals
- Blue Box Recyclable Material
- Beverage Containers
- Tires
- Oil Filters and Empty Oil Containers
- Pesticides, Solvents and other Household Hazardous Waste
- Mattresses
- Food Waste

All reasonable efforts shall be made to recover Recyclable Material from all materials received at the Facility, for the purpose of recycling.

4. FACILITY

4.1. Location of Authorized Facility

The operation of the Facility to which this Licence applies is restricted to the land legally described as Parcel Identifier: 009-439-871, Part of LOT "K" EXCEPT: 6235 SQUARE FEET BYLAW PLAN 55414; SECTIONS 5 AND 8 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN 10951.

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4.2. Access

The Licensee must provide locking gates on all entrances to prevent unauthorized access and ensure that they are locked at all times the Facility is unattended. Access routes to and through the Facility must be constructed from suitable material satisfactory to the Solid Waste Manager and capable of providing all weather access for all emergency vehicles. The Licensee may be required by the Solid Waste Manager to provide fencing, trees, shrubbery, or natural features so as to limit access to the Facility.

4.3. Signage

The Licensee must ensure that at all times the Facility has a sign posted at the entrance clearly identifying the name and address of the Facility, owner and operator, contact phone number, emergency phone number, hours of operation and information on acceptable and unacceptable materials. This sign must be of a size and have print that is easily readable from the Facility entrance. Additional signs which clearly indicate the direction to the active receiving areas, tipping area, recycling and waste separation areas, etc. may be required by the Solid Waste Manager.

4.4. Communications

The Licensee must ensure that at all times the Facility has telephone or other communication equipment to immediately summon fire, police or emergency service personnel in the event of an emergency.

5. OPERATING REQUIREMENTS

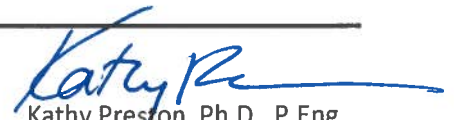
5.1. Acceptable Material

For the purpose of recovering and brokering Recyclable Material, the Facility may accept the following types of Municipal Solid Waste and Recyclable Material:

- (1) clean wood from Construction Waste and Demolition Waste
- (2) Land Clearing Waste
- (3) clean mill ends
- (4) other materials specifically authorized in writing by the Solid Waste Manager and such authorization shall be deemed to form part of this Licence.

Residual Waste accompanying the acceptable material in (1) to (4) above must not exceed 10% by weight or volume of any given load.

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5.2. Unacceptable Material

The Facility shall not accept:

- (1) any other waste not authorized in Section 5.1 of this Licence and specifically not:
- (2) Hazardous Waste
- (3) Gypsum Waste
- (4) liquid or semi-solid waste
- (5) Putrescible Waste

Unacceptable Material entering the Facility or observed upon receipt at the Facility must be refused and removed by the hauler. Unacceptable Material discovered at a later time, must be segregated from other waste material and removed within 48 hours of its discovery, unless a separate legislative regime applies with respect to removal, such as that applicable to Hazardous Waste.

5.3. Quantities

The Quantity limits outlined in this Licence apply regardless of the state, condition, or form of the Municipal Solid Waste and Recyclable Material.

The Quantities that may be at the Facility at any given time must not exceed:

- (1) clean wood from Construction Waste and Demolition Waste **500 metric tonnes or 2,800 cubic metres**
- (2) clean mill ends **1,250 metric tonnes or 6,950 cubic metres**
- (3) Land Clearing Waste **500 metric tonnes or 2,800 cubic metres**

In addition to the above total, the Licensee may have 1,500 tonnes or 5,600 cubic metres of ground wood at the Facility at any given time.

The Solid Waste Manager may require the Licensee to retain a British Columbia Land Surveyor, or other qualified professional satisfactory to the Solid Waste Manager, to carry out a survey of the Quantity of Municipal Solid Waste and Recyclable Material at the Facility, and submit the results of the survey to the Solid Waste Manager. If the survey results indicate the Quantity of Municipal Solid Waste or Recyclable Material at the Facility exceeds the authorized volume in cubic metres, the Licensee must refrain from accepting the specified Municipal Solid Waste or Recyclable Material until such time as the Quantity is less than the authorized volume in cubic metres.

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5.4. Weigh Scale

The Licensee must operate and maintain a weigh scale that records in 10 kg increments and is approved by Consumer and Corporate Affairs – Weights and Measures Section. All loads of Municipal Solid Waste and Recyclable Material received at the Facility and all loads of Recyclable Material and Residual Waste removed from the Facility must be weighed and recorded.

The facility weigh scale must be installed and operational no later than December 31, 2023.

5.5. Supervision and Load Inspection

An attendant employed by the Licensee must be present at all times that the Facility is open for business or accepting material and must inspect every load entering the Facility before and after unloading to ensure it complies with the requirements of this Licence before mixing with any other loads. A record must be maintained of rejected loads including date, time, type of material, hauler's name, and vehicle licence number.

5.6. Material Handling and Storage

All incoming Municipal Solid Waste and Recyclable Material must be recorded indicating the weight and type received at the Facility. After the weight and type of Municipal Solid Waste and Recyclable Material is recorded, loads must be received and managed in designated areas at the Facility. Municipal Solid Waste and Recyclable Material shall be sorted by the use of loaders, excavators and manual labour.

All grinding of wood waste is to occur in a designated area of the Facility. Piles of ground wood must be separated from other piles of Municipal Solid Waste and Recyclable Material by a physical barrier or a by a gap at least half the height of the larger of the two piles. The Licensee must use best operating practices to suppress dust, including water spraying/misting in the unloading, grinding and loading areas, regular sweeping of the paved surfaces, or any other measures deemed necessary by the Solid Waste Manager.

Recovered contaminants from Acceptable Materials such as metals and recyclable plastics must be segregated and stored in bins for transport to appropriately authorized recycling facilities. Residual Waste must be segregated from the materials received and stored in roll off bins and be disposed at authorized facilities.

All Recyclable Material and Residual Waste must be weighed and recorded prior to leaving the Facility.

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- (1) an environmental impact assessment,
- (2) a survey of waste Quantities,
- (3) groundwater, surface water, run-off, or leachate monitoring, and
- (4) any other investigations, tests, or other actions in accordance with methods and procedures approved by the Solid Waste Manager.

Any assessments, investigations, tests, surveys and other actions may be required by the Solid Waste Manager to be undertaken by an independent third party acceptable to the Solid Waste Manager.

5.10. Area Maintenance, Vector and Nuisance Controls

- (1) The Licensee must maintain public and private roadways within 100 metres of the Facility free from litter, mud or debris which may be directly attributed to the Facility, its customers, or its suppliers.
- (2) The Licensee must control litter by way of litter control fences or barriers, litter pickup, or any other measures deemed necessary by the Solid Waste Manager.
- (3) Vectors must be controlled by way of best operating practices, pest controls or any other measures deemed necessary by the Solid Waste Manager.
- (4) The Licensee must prevent nuisance occurrences by way of best operating practices, control works or any other measure deemed necessary by the Solid Waste Manager.

This Licence does not authorize the discharge of air contaminants, including dust and odorous substances, from the Facility.

5.11. Burning Prohibited

Burning of any material at the Facility is prohibited.

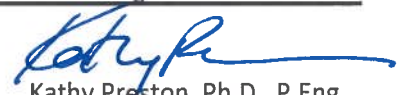
5.12. Fire Protection

The Licensee must provide and maintain an adequate water supply or equivalent on site for extinguishing any fires, should they occur.

In the event of a fire the Licensee must:

- (1) immediately notify the local fire department and the Solid Waste Manager:
 - telephone number: 604-436-6777, 7:30 AM – 11:30 PM / 604-643-8488, 11:30 PM – 7:30 AM
 - email: ERENotifications@metrovancover.org, and
- (2) take all measures necessary to extinguish the fire.

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5.13. Emergency Conditions

In the event of an emergency or condition beyond the control of the Licensee which prevents the effective operation of the Facility or works the Licensee must:

- (1) immediately notify the Solid Waste Manager:
 - telephone number: 604-436-6777, 7:30 AM – 11:30 PM / 604-643-8488, 11:30 PM – 7:30 AM
 - email: ERENotifications@metrovancover.org, and
- (2) take all necessary action to resolve the emergency or condition to return the Facility to effective operation.

Notwithstanding 1 and 2 above, the Solid Waste Manager may specify contingency actions to be implemented while the works and/or standard operating procedures are being restored.

5.14. Contingency

The Licensee must comply with the terms and conditions of this Licence at all times.

If the Quantity of Municipal Solid Waste and Recyclable Material is approaching the maximum Quantity authorized by this Licence, at the Facility at any given time, the Licensee must take actions to avoid exceeding the Quantity limit. Those actions may include but are not limited to:

- Restricting the Quantity of Municipal Solid Waste and Recyclable Material received from certain customers.
- Removing Municipal Solid Waste and Recyclable Material from the Facility and delivering it to another authorized facility.
- Acceptable Material must be ground and shipped out daily.

If the actions taken are insufficient and the Quantity of Municipal Solid Waste and Recyclable Material reaches the maximum allowed at the Facility at any given time, the Licensee must immediately cease receiving additional Municipal Solid Waste and Recyclable Material until the Facility is in compliance with the Quantity limit specified in Section 5.3. Before the Facility resumes accepting Municipal Solid Waste and Recyclable Material, the Facility must remove enough waste so that there is an appropriate buffer to allow continued operation within the authorized Quantities.

5.15. Closure Plan

The Licensee must implement the most recent Closure Plan approved by the Solid Waste Manager. This must include but may not be limited to, notifying the Solid Waste Manager of plans and dates regarding the closure of the Facility. This notification is to occur at least 30 days prior to the closure of the Facility. The Licensee must provide all haulers 30 days notice to find alternative Municipal Solid Waste and

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Recyclable Material facilities, prior to closure of the Facility. In the event of permanent closure, all equipment must be dismantled and removed from the Facility, materials ready for market must be shipped, and any Municipal Solid Waste must be disposed of at an authorized facility.

6. INSPECTIONS

6.1. Inspections

The Licensee must conduct regular inspections of the Facility. These inspections are to include building, machinery, Facility Works, equipment, site drainage, security features, nuisance control works, vector abatement systems and litter controls. The Licensee must ensure all are maintained in good working condition. The results of the inspections are to be recorded. Any defective conditions must be corrected or repaired promptly. In addition, routine maintenance on machinery and equipment must be conducted as specified by the manufacturers and recorded. Inspection reports and routine maintenance records must be retained for a minimum of three (3) years and made available for examination if required by the Solid Waste Manager or an Officer.

7. REPORTING

7.1. Quarterly Reporting of Quantities

The Licensee must record the Quantity and type of Municipal Solid Waste and Recyclable Material received at the Facility and Recyclable Material and Residual Waste shipped from the Facility each day. Records of monthly Quantities of Municipal Solid Waste and Recyclable Material received at the Facility and Recyclable Material, and Residual Waste shipped from the Facility must be submitted to the Solid Waste Manager on a quarterly basis by the end of January, April, July and October of each year for the preceding calendar quarter.

The reports must be submitted electronically using the supplied password-enabled web based application.

7.2. Record Keeping

The Licensee must retain, for the previous three (3) years of operation, the following at 12745 116 Avenue, Surrey and must produce the same for examination if required by the Solid Waste Manager or an Officer:

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- (1) a copy of this Licence
- (2) copies in electronic or hard-copy form of all invoices, bills, statements, weigh-scale records and other evidence relating to the Quantity and type of Municipal Solid Waste or Recyclable Material that is,
 - (a) received at the Facility,
 - (b) removed from the Facility and delivered to:
 - (i) a Disposal Facility that is licenced under the Bylaw;
 - (ii) a Regional Facility;
 - (iii) a recycling broker or such other facility that manages Recyclable Material acceptable to the Solid Waste Manager; or
 - (iv) any other type of facility, person or location
- (3) records of inspections of the Facility, building, machinery, equipment, site drainage, security features, nuisance control works, vector abatement systems and litter controls
- (4) records of rejected loads including date, time, type of material, hauler's name, and vehicle licence number for the previous year of operation
- (5) any other records required by the Solid Waste Manager

8. TERMS

8.1. Notification of Change of Ownership or Control of the Licence

The Licensee must notify the Solid Waste Manager of a change in the ownership, or control of the Facility, or any change in control of the Licensee. This notification must be provided at least one month prior to the change. A transfer or assignment of a Licence is without effect without the prior written approval of the Solid Waste Manager.

8.2. Notice

Any notice required to be delivered to the Licensee under this Licence shall be delivered or deemed to have been delivered if such notice is:

- (1) mailed by registered mail to the registered or records office of the Licensee or to the address the Licensee is authorized to operate,
- (2) delivered to the registered or records office of the Licensee,
- (3) delivered to an adult individual at the Facility who appears to be an employee of the Licensee or appears to be in control of the Facility,
- (4) delivered to a director, officer, liquidator, trustee in bankruptcy or receiver manager of the Licensee, or

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- (5) posted on the door or gate of the Facility, where no one is present at the Facility or the Facility appears to be abandoned.

8.3. Suspension and Cancellation

This Licence may be suspended or cancelled in accordance with the Bylaw.

9. SECURITY AND PERFORMANCE

As a condition of this Licence, the Licensee must provide and maintain security as described in this Section 9. The security must remain in place until the Licensee has completed the Facility closure to the satisfaction of the Solid Waste Manager.

9.1. Purpose of Security


The purpose of the security is as follows:

- (1) to indemnify the GVS&DD for any expenses arising out of default by the Licensee under this Licence,
- (2) to remove, process, treat, or utilize Municipal Solid Waste or Recyclable Material at the Facility,
- (3) to control or stop the escape of leachate or contaminated run-off from the Facility,
- (4) to remediate the site following a fire at the Facility,
- (5) to cover expenses, including legal expenses, incurred by the GVS&DD in
 - (a) carrying out the activities described in this section 9, and
 - (b) enforcing or complying with any laws or enactments of the GVS&DD as they relate to the administration of this Licence,
- (6) to pay outstanding fees required under the Bylaw,
- (7) to complete Facility closure, and
- (8) to conduct remedial work that may be necessary to rectify a continuing default by the Licensee under this Licence.

To the extent that remedial work is required, the Licensee agrees to permit and grant access to the GVS&DD, its employees, agents and contractors, on and to the site of the Facility to carry out such remedial work as may be necessary.

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9.2. Nature of Security

The security shall be in the amount of \$19,250 or adjusted pursuant to Section 9.3, and must be provided and maintained as follows:

- (1) The first \$10,000 shall be provided in the form of cash or an irrevocable Letter of Credit provided by a Canadian Chartered Bank. The Letter of Credit shall be irrevocable and may be drawn upon by written demand of the Solid Waste Manager. The Letter of Credit shall be issued in favour of the Greater Vancouver Sewerage and Drainage District and must be in a form satisfactory to the Solid Waste Manager, and
- (2) The balance of the security shall be provided and maintained in any of the following forms:
 - (a) cash,
 - (b) an increase in the value of any Letter of Credit provided under subsection (1) to the full amount of the security,
 - (c) a trust fund,
 - (d) a surety bond, and
 - (e) any other form satisfactory to the Solid Waste Manager.

The instrument referred to in (b), (c), and (d) must be provided in a form satisfactory to the Solid Waste Manager.

9.3. Review of Security

The amount of security required under this Licence may be reviewed and adjusted periodically at the sole discretion of the Solid Waste Manager at any time during the term of this Licence.

9.4. Conditions for Drawing on Security

If the Licensee defaults under or fails to comply with any provision of this Licence and does not cure the default or failure within the time specified by the Solid Waste Manager, in a written notice delivered to the Licensee informing the Licensee of such default or failure, the security may be drawn upon and used at the discretion of the Solid Waste Manager, acting reasonably, for the following purposes set out in Section 9.1.

Nothing in this Licence obligates the GVS&DD to draw on any security provided under this Licence or undertake any action to cure any default or failure of the Licensee. The exercise by the GVS&DD of any power to cure any default or failure by the Licensee under this Licence does not create any obligation or liability on the GVS&DD to complete the curing of any default or failure or to complete the Facility closure.

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If all or any portion of the security is drawn upon, the Solid Waste Manager may require the Licensee to replenish or adjust the security as outlined in Sections 9.2 and 9.3.

9.5. Conditions for Returning Security

The security, or any balance remaining after it may have been drawn upon in accordance with the terms of this Licence, will be returned to the Licensee upon the Licensee requesting in writing (email: regulationenforcement@metrovancover.org) the cancellation of the Licence and completing the Facility closure to the satisfaction of the Solid Waste Manager.

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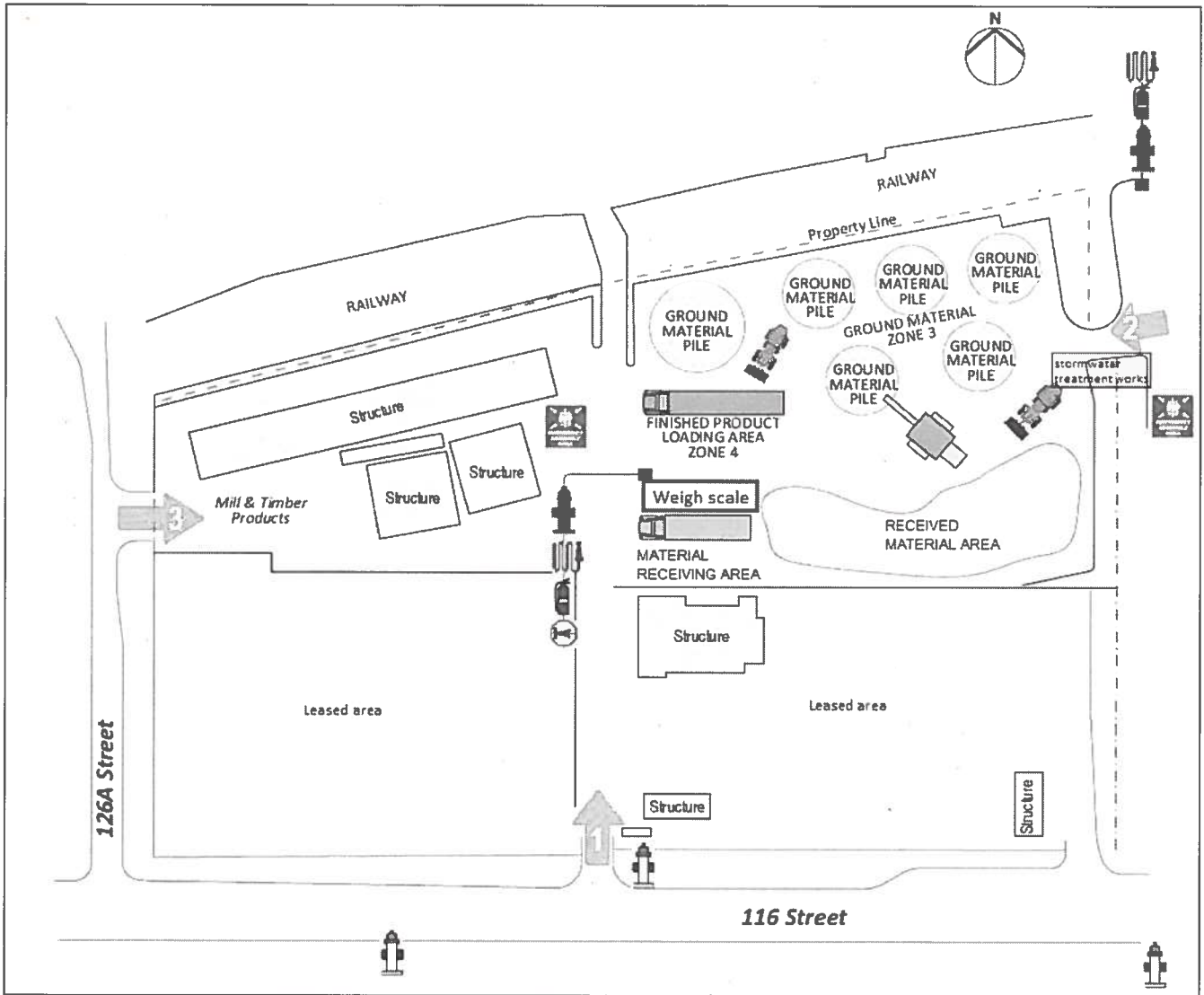
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10. SITE PLAN

12745 116 Ave. - Smallwood Sawmill Ltd.- not to scale



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