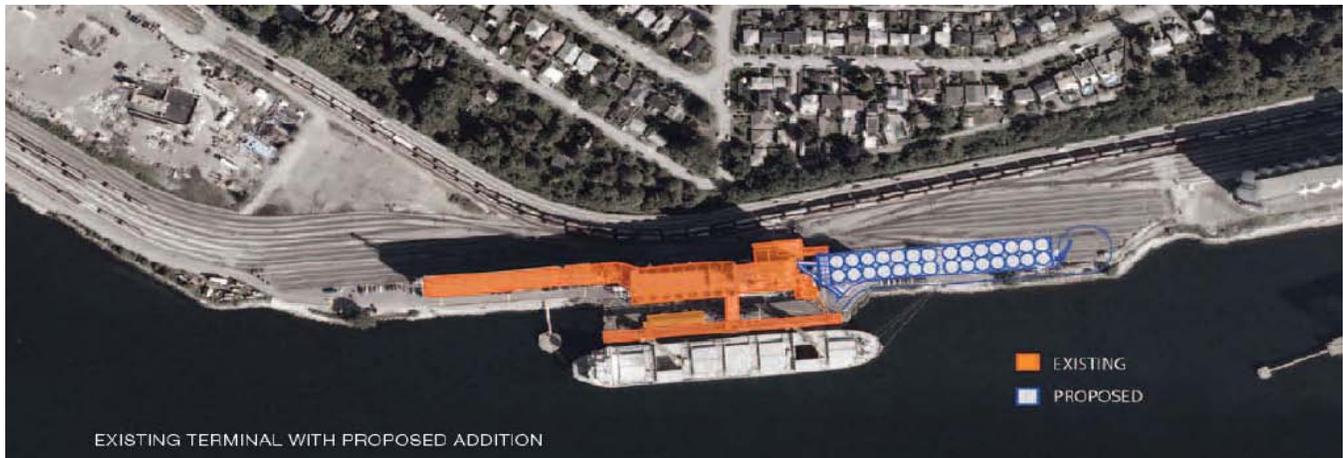


PROJECT OVERVIEW

Port Metro Vancouver has issued a Project Permit to Richardson International for their Grain Storage Capacity Project. Having reviewed the project application and supporting documentation, Port Metro Vancouver believes that Richardson International has adequately addressed and satisfied Port Metro Vancouver's regulatory requirements.

In late August 2012, Richardson International submitted an application to Port Metro Vancouver for a project permit (PP 2012-099) to expand its grain storage capacity which including construction of a slip form concrete silo to the east end of the existing facility. Richardson International plans to invest approximately \$120 million in its port terminal facility in North Vancouver to increase storage capacity for grains and oilseeds to meet growing global demand. Richardson's Vancouver terminal is currently operating at maximum capacity, handling approximately 3 million metric tonnes (MMT) of grains and oilseeds each year. Richardson expects to handle in excess of 5 MMT of grains and oilseeds annually with the additional storage capacity in Vancouver.



The project includes the installation of distribution equipment and an upgraded dust filtration system. By eliminating existing steel storage bins, Richardson would net an additional 70,000 tonnes of storage, bringing total storage capacity at its Vancouver terminal to 178,000 metric tonnes. In addition, the existing pellet handling system, rail yard (portion), workhouse and grain handling areas will be modified in order to tie in the expanded grain storage annex.

COMMUNICATION & CONSULTATION

Richardson International has conducted two phases of community consultation (October/November 2012 and January/February 2013), providing the opportunity for the community to review proposed mitigation strategies and provide feedback. Consultation materials are posted to both the Richardson International and Port Metro Vancouver websites. This consultation was an important input into the project review process.

SUMMARY OF PERMIT CONSIDERATIONS

Below is a table detailing the concerns raised, mitigations proposed and Port Metro Vancouver's technical requirements and conclusions for the project. For a detailed technical summary of Richardson International's proposed mitigations, please refer to Richardson's *Mitigation Summary*, dated April 5, 2013.

Concerns	PMV Requirements & Conclusions	Richardson Proposed Mitigations & Commitments
View	<ul style="list-style-type: none"> Required proponent to conduct a view assessment and to recommend mitigation strategies. Suggested to proponent to contribute to upsizing Low Level Road landscaping along a portion of the East 1 Avenue laneway to improve screening of the proposed grain silos from resident views. Concluded that while there is no way in which to minimize the impact of view loss, the proponent's commitment to provide more Low Level Road landscaping along the affected area, will provide a more natural screening of the silos from resident's views. 	<ul style="list-style-type: none"> Submitted the following reports: <i>View, Shade and Noise Assessments</i>, October 18, 2012, and a <i>View, Shade and Noise Mitigation Report</i>, January, 2013. Proposes to invest up to \$250,000 in landscaping to enhance the vegetation by providing more mature trees along a portion of Low Level Road project.
Shade	<ul style="list-style-type: none"> Required proponent to conduct a shade assessment and recommend mitigation strategies. Concluded shade impacts are low and not considered to be a health impact and are not considered to be significant as a result of this project. 	<ul style="list-style-type: none"> Submitted the following reports: <i>View, Shade and Noise Assessments</i>, October 18, 2012, and a <i>View, Shade and Noise Mitigation Report</i>, January, 2013. Impacts considered low. No mitigations proposed.
Dust/Air Quality	<ul style="list-style-type: none"> Required proponent to provide record of Air Emissions Permit from Metro Vancouver, and any associated upgrades due to the project. Required proponent to provide dust mitigation strategies during construction and during operation of the terminal. Suggested to proponent to reduce terminal emissions by switching to a Genset (Railserve Leaf) locomotive. Concluded that the proposed mitigations by the proponent and adherence to permit conditions will adequately address dust and air quality issues during construction and operations. 	<ul style="list-style-type: none"> Submitted application to Metro Vancouver to update existing Air Emissions Permit. Submitted a <i>View, Shade and Noise Mitigation Report</i>, January, 2013 which included a Dust Management Plan. Construction dust abatement measures will be employed Site will be dampened with water during construction as needed. Roads will be dampened with water during construction as needed. Construction vehicle traffic speed will be restricted to 5 km/hr to reduce dust escape. Installation of an upgraded automated dust filtration system to mitigate dust impacts from added storage.

		<ul style="list-style-type: none"> • Reduction of two locomotives to one working locomotive. • Replacing existing SW 900 switcher locomotive with a more efficient Genset (Railserve Leaf) locomotive that will reduce emissions by 80%.
Lighting	<ul style="list-style-type: none"> • Required the proponent to submit a lighting plan that demonstrated no lighting would be directed towards residents during construction or operations. • Concluded that the proposed lighting plan adequately addresses light pollution concerns during construction and operations. 	<ul style="list-style-type: none"> • Lighting required outside of normal construction operations during the slip form concrete pour will be enclosed to lessen light pollution during the 24 hour concrete pour period. • Lighting will be positioned and angled so it is not directed towards residential areas. • Lighting will be shielded to prevent light pollution.
Road Traffic	<ul style="list-style-type: none"> • During construction, the proponent is required to ensure there is coordination with other construction activities occurring in the area. • Require proponent to provide adequate employee and visitor parking spaces to accommodate peak levels. • Concluded that there is no significant road traffic generated by the proposed project, and that the measures to manage construction and operational traffic are adequate to address concerns. 	<ul style="list-style-type: none"> • Reducing truck trips by shuttling in construction staff from outside the construction area. • Delivery of materials by barge. • Truck staging will be away from residential areas. • All employee and visitor parking will be accommodated in existing parking areas and a new parking area beside the new locomotive shed.
Vessel Traffic	<ul style="list-style-type: none"> • Required proponent to confirm there will be no increase to vessel traffic due to the project. • Required proponent to confirm size of vessels does not exceed berth capacity. • Concluded that there are no significant vessel traffic impacts and no navigational concerns from the proposed project. 	<ul style="list-style-type: none"> • Confirmed there are no increases to vessel traffic due to this development. • Current ships range in size from 5,000 MT to 50,000 MT. Anticipate that the smaller vessels currently servicing the terminal will be replaced by larger vessels (Panamax 70,000 MT). • Only one vessel can be loaded at a time. • There is no dredging proposed for this project. • There is no in-water works proposed for this project.
Rail Traffic	<ul style="list-style-type: none"> • Required proponent to identify proposed rail traffic increases. • Required proponent to identify rail traffic as a potential noise issue and to propose mitigations as appropriate to the project. 	<ul style="list-style-type: none"> • Reduction of two locomotives to one working locomotive and track changes to reduce noise. • Replacing existing SW 900 switcher locomotive with a more efficient Genset (Railserve Leaf)

	<ul style="list-style-type: none"> Concluded that there are no significant impacts to existing rail capacity on the north shore and all proposed rail traffic can be accommodated within the proponent's existing footprint. 	locomotive that will reduce emissions by 80% and reduce noise.
Noise	<ul style="list-style-type: none"> Required proponent to conduct noise assessments and recommend mitigation strategies that would result in no net noise increase due to the project. Required proponent to submit a noise monitoring plan which includes annual reporting of noise assessments. Should the proposed mitigations not perform as expected, additional noise mitigation measures may be required. Required proponent to notify residents in advance of major construction activities. Required proponent to adhere to City of North Vancouver bylaw hours for construction. Concluded that the proposed noise mitigations and adherence to permit conditions will adequately address noise issues during construction and operations. The proponent's commitment to noise monitoring will provide an on-going assessment of the effectiveness of the proposed noise mitigation to the community and PMV. Should the proposed mitigations not perform as expected, additional noise mitigation measures may be required. 	<ul style="list-style-type: none"> Submitted the following reports: <i>View, Shade and Noise Assessments</i>, October 18, 2012, and a <i>View, Shade and Noise Mitigation Report</i>, January, 2013. Submitted a <i>Noise Monitoring Plan</i>, March 28, 2013. Construction hours will be restricted to City of North Vancouver bylaw permitted hours during Monday to Friday and Saturdays. Vibratory and hydraulic hammers will be used to install piles which are quieter than other methods. Piling activities will be limited to bylaw hours and no work on Sundays. Elimination of 1 of 2 locomotives by improving track layout. New dust filter equipped with fan silencer installed on south side of the existing work house. Reduction of air flow through the existing dust filter. High efficiency conveyor motors and direct drive gearboxes for proposed annex. Adding cladding to the new upper conveyance system. Enclosing new conveyors. Conveyor belt upgrades for the proposed annex. Installation of ceramic tile and hardened steel lining on spouting of proposed annex to reduce grain flow noise. Install automated dust collection system to keep fan sizes to a minimum. Noise reduction at receiving shed by 5 dBA with additional cladding. Noise barriers to close gaps between Annex 1 and Annex 2 to block noise from bag house filters. Will implement a noise monitoring plan to ensure effectiveness of the mitigation measures.
Community Engagement	<ul style="list-style-type: none"> Required proponent to conduct extensive community consultation to 	<ul style="list-style-type: none"> Conducted 2 phases of public consultation including 5

	<p>address potential impacts.</p> <ul style="list-style-type: none"> • Required municipal consultation with City of North Vancouver on the project. • Required First Nations consultation on the project • Required proponent to summarize and respond to all concerns raised. • PMV responded to all comments sent via email, phone call or letter. • Require proponent to submit a Constructions Communications Plan to notify residents in advance of key construction activities. • Concluded that the community consultation program conducted by the proponent allowed meaningful engagement and feedback from the community, which resulted in improvements to the proposed design and mitigation strategies that adequately addressed community and municipal concerns, and PMV technical requirements. 	<p>stakeholder workshops and 4 Open Houses.</p> <ul style="list-style-type: none"> • Provided summaries and consideration memos for each phase of consultation. • Will be notifying residents at least 1-2 weeks in advance of major construction activities. • Will provide notification of activities scheduled to occur outside of regular working hours. • Will provide a complaint line number for the community to call in and will record any incidences.
Municipal Engagement	<ul style="list-style-type: none"> • Required to provide City of North Vancouver with full referral package and supplementary materials. • Concluded that the mitigations and commitments proposed by proponent and the revisions made to their proposed design adequately addresses concerns expressed by the City of North Vancouver. 	<ul style="list-style-type: none"> • Responded to technical issues raised by City of North Vancouver. • Studied the alternative siting options and provided rationale for proposed project.
Alternative Siting Options Report	<ul style="list-style-type: none"> • Required the proponent to study alternative options for siting the proposed grain silos within their lease area. • Required Richardson to submit a business case report to provide additional rationale on proposed mitigations. • Concluded that the submitted report provided a sufficient level of detail to support the proposed design. 	<ul style="list-style-type: none"> • Submitted an <i>Alternatives Report</i>, January 18, 2013 which looked at all potential options. Concluded other options posed significant challenges both operationally and/or environmentally. • Submitted Business Case and Life Cycle Cost concluded that the proposed placement provides the best balance between operational/business needs and community impacts.
Alternative Siting Grain Silos in Water (Southwest Option)	<ul style="list-style-type: none"> • The proponent has available lands within their current lease area to accommodate the development. • PMV would only consider land reclamation if that was the only and last resort available and provided a substantial improvement to a development on available land. • Concluded that the southwest water option is not feasible, given the 	<ul style="list-style-type: none"> • Considered development of the Southwest (Water) option. • Concluded : <ul style="list-style-type: none"> ○ Additional properties would experience view impacts as new facility would need to be approximately 20 m (65 ft.) taller than the existing west facility. ○ There would be significant

	<p>proponent's analysis that additional view, noise and shade impacts and substantive fish habitat loss from land reclamation.</p>	<p>shade impacts due to the increase in height.</p> <ul style="list-style-type: none"> ○ Additional conveyance and dust collection systems may create added noise. ○ Requires reclamation to create land mass and requires significantly deeper piling due to the depth of till. ○ Requires permanent destruction of fish habitat. ○ Reduction of operational efficiencies.
<p>Fire & Life Safety</p>	<ul style="list-style-type: none"> ● Required proponent to submit Fire & Emergency Management Plan. ● Provided the City of North Vancouver with Richardson's Fire Safety Plan and Emergency Response Plan for review. ● Requested the City of North Vancouver to provide comments on emergency access. ● Require an additional fire protection review to evaluate the performance of the proposed fire safety provisions and to conduct a fire risk assessment and dust explosion hazard analysis, as part of the Building Permit process. 	<ul style="list-style-type: none"> ● Submitted to City of North Vancouver Fire Safety Plan and Emergency Response Plan for review. ● Submitting detailed fire protection drawings and plans for fire protection review by PMV's code consultants.
<p>PMV's Building Permit Process</p>	<ul style="list-style-type: none"> ● Retained Gage-Babcock & Associates (GBA) to conduct building code and fire engineering review. ● Proponent is required to obtain a PMV building permit in order to construct the project. 	<ul style="list-style-type: none"> ● Submitted foundation drawings to GBA for code review. ● Will be submitting additional phase of drawings for building permit and fire protection review.

CONCLUSION

The proposed development is consistent with Port land use policy, and represents the most practical and feasible siting solution given the availability of developable land in the existing terminal area, operational efficiencies, and minimizing environmental and community impacts. The applicant has addressed concerns raised through the consultation process, and has made changes to the project to incorporate appropriate mitigation measures and PMV technical requirements. As such, the application was approved subject to the conditions stipulated in the Project Permit and Schedule of Environmental Conditions.