



Report Date: September 17th, 2024

File: 104962

Report Number: 229229

Spa Hills Farm Inc.
2223 Yankee Flats Road,
Salmon Arm, BC

Dear Spa Hills Farm Inc.,

Re: Warning Letter

On July 16th, 2024, Ministry of Environment and Climate Change Strategy (Ministry) Environmental Protection Officer Rebecca Benham (Ministry Staff) conducted an on-site inspection of the composting facility operated by Spa Hills Farm Inc. (Spa Hills), located at 2223 Yankee Flats Road Southwest, Salmon Arm, BC (Facility). The purpose of the inspection was to verify compliance with the Organic Matter Recycling Regulation (OMRR), under which Spa Hills is registered with authorization 104962 (Authorization), as well as to follow-up on complaints regarding the processing and storage of compost. The Authorization was first issued on June 29th, 2010, and last amended on February 2nd, 2016.

Present during the inspection were Josh Mitchell (Co-Owner, Spa Hills) and Caleb Mitchell (Operator, Spa Hills). Further supplementary information was provided after the inspection from Josh Mitchell and John Paul, Ph.D, (Professional Agrologist, Transform Compost Systems Ltd.).

Contravention of the requirements set out in the *Organic Matter Recycling Regulation* (OMRR) is an offence under the Environmental Management Act (EMA). Section 120(13) of EMA states as follows:

120 (13) A person who contravenes a requirement of a regulation that specifies the quantity or characteristics of waste that may be introduced into the environment commits an offence and is liable on conviction to a fine not exceeding \$1 000 000 or imprisonment for not more than 6 months, or both

It should also be noted that, as an alternative to prosecution of the offence referenced above, the Ministry may initiate action to impose an administrative penalty against Spa Hills Farm Inc.. The Administrative Penalties Regulation (EMA) (B.C. Reg. 133/2014) (APR) was brought into force in 2014. The APR describes the prescribed provisions of the EMA as well as that of specified regulations under which administrative penalties can be assigned. Section 32 of the APR states as follows: APR state(s) as follows:

32 (1) A person who contravenes section 26 (2) or (3) or 29 of the Organic Matter Recycling Regulation is liable to an administrative penalty not exceeding \$40 000

The Ministry requests that Spa Hills immediately implement the necessary changes or modifications to correct the non-compliance(s) listed below. Further, the Ministry requests that Spa Hills notify this office in writing, by email or letter within 30 days of the receipt of this letter, advising what corrective measures have been taken, and what else is being done, to prevent similar non-compliances in the future.

Please submit the response to the Ministry's Compliance Mailbox at: EnvironmentalCompliance@gov.bc.ca.

As a result of this Warning, this authorization will be prioritized for follow-up inspection. The corrective measures will be reviewed by Ministry Stadd as part of the next inspection.

Finally, if you fail to take the necessary actions to restore compliance, you may be subject to escalating enforcement action. This Warning Letter and the alleged violations and circumstances to which it refers, will form part of the compliance history of Spa Hills and will be taken into account in the event of future violations.

Inspection Details:

The inspection assessed compliance for the period from January 4th, 2024 to July 16th, 2024 (Inspection Period) and included a review of the following documents:

- "Authorization 104962 Spa Hills" email provided and prepared by John Paul, Ph.D on June 7th, 2024.
- Email provided by Spa Hills Farm Inc. prepared by Josh Mitchell on July 30th, 2024 (Information Response Email);
- Temperature and Retention data from January 3rd, 2024 to July 17th, 2024, prepared and provided by Jos Mitchell on July 30th, 2024 (2024 Temperature Data);
- Spa Hills Farm Inc. 2024 Analytical Analysis, prepared by CARO Analytical Services on June 21st, 2024 (2024 Sample Results);
- Spa Hills Composting Facility Operating Plan, prepared by J. Paul, Professional Agrologist on February 3rd, 2023 updated on January 22nd, 2024, provided by Josh Mitchell on January 24th, 2024 (2024 Operational Plan).

Based on the information reviewed, this report documents the non-compliances identified during this inspection.

Compliance Assessment

Below are the requirements that were assessed for non-compliance during this inspection, as well as the associated details/findings and any actions required.

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

2 (1): For the purposes of the Act, compostable materials and recyclable materials continue to be a waste until dealt with in accordance with this regulation.

Details/Findings:

Ministry Staff reviewed temperature and retention data and sampling results provided by Spa Hills. The Facility met OMRR Class A compost requirements for pathogen reduction and metals but failed to meet the carbon to nitrogen ratio requirements. The waste is stored at the storage area, on dirt, situated at the north of the property. The Facility screens the waste at the storage area to produce Class A compost before land applying the Class A compost at the Facility and transporting off site. Spa Hills failed to meet the carbon to nitrogen (C:N) ratio requirements of being greater than or equal to 15:1 and less than or equal to 35:1 as stipulated in Schedule 2, Section 2 of OMRR. Therefore, the managed waste continues to be a waste until all requirements for Class A compost in OMRR are met.

Compliance:

Out

Actions to be taken:

Compostable materials and recyclable materials continue to be a waste until dealt with in accordance with OMRR. Any compost that fails to meet Class A compost must be managed as a waste until it meets the requirements of OMRR Schedule 2, Vector Attraction Reduction.

Ensure that any waste which fails to meet the requirements of the OMRR is either reprocessed or disposed of in accordance with the Environmental Management Act.

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

12 (3)(a): Compost that is not solely produced from yard waste or from untreated and unprocessed wood residuals and that meets the requirements of all of the following is Class A compost: (a) the requirements of subsection (2) (a) to (c);

Details/Findings:

Ministry Staff were informed by the Co-Owner that the feedstock for the Class A Compost produced at the Facility includes, but is not limited to; red meat, food waste and hatchery waste. Ministry Staff reviewed the 2024 Temperature Data and determined that the compost produced by the Facility met the requirements for Class A compost identified in Section 2 (a) and (c) for the Inspection Period.

During the on-site inspection, Ministry Staff observed six enclosed and confined vessels, involved in mechanical aeration, of organic matter, in which is considered "Phase I" of the operation as per the operations plan. The Co-Owner informed Ministry Staff that "Phase I" follows the Pathogen Reduction Processes as described in Schedule 1 of OMRR. As part of Phase I, the incoming organic waste is composted for a minimum of 10 days in one of the six aerated bunkers. Ministry Staff reviewed temperature data for all batches during the Inspection Period and determined that all batches reviewed maintained temperatures above 55 Celsius for more than 3 days review of the 2024 Sample Results determined that the finished compost met the requirements within Column 1 in Schedule 4 of OMRR during the Inspection Period.

Ministry Staff observed another six enclosed and confined vessels, involving mechanical aeration, of organic matter which is considered "Phase II". The Co-Owner informed Ministry Staff Phase II follows the Vector Attraction Reduction Processes as described in Schedule 2 of OMRR. As part of "Phase II", the organic material is removed from the aerated bunker used in Phase I and further composted for a minimum of 20 days in an aerated windrow.

Ministry Staff reviewed the 2024 Temperature Data and confirmed that the temperature of the compost was higher than 45 Celsius during Phase II during the Inspection Period. However, as stated in Schedule 2 Vector Attraction Reduction: Class A compost must be treated in an aerobic process for 14 days or longer. During that time, the temperature of the compost must be higher than 45 Celsius. After the vector attraction reduction process is completed "the carbon to nitrogen ratio of the compost must be greater than or equal to 15:1 and less than or equal to 35:1". A review of the 2024 Sample Results determined that the nitrogen ration was 10.9:1. Therefore, Spa Hills is out of compliance for Section 12 (3)(a).

Compliance:

Out

Actions to be taken:

Compostable materials and recyclable materials continue to be a waste until dealt with in accordance with OMRR. Any compost that fails to meet Class A compost must be managed as a waste until it meets the requirements of OMRR.

Ensure that any waste which fails to meet the requirements of the OMRR is either reprocessed or disposed of in accordance with the Environmental Management Act.

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

12 (3)(b): Compost that is not solely produced from yard waste or from untreated and unprocessed wood residuals and that meets the requirements of all of the following is Class A compost: (b) Schedule 3, Pathogen Reduction Limits;

Details/Findings:

Ministry Staff reviewed the 2024 Sample Results and determined that the compost produced by the Facility, within the Inspection Period, met the pathogen reduction requirements set out in Schedule 3, Pathogen Reduction limits for Class A compost.

Compliance:

In

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

12 (3)(c): Compost that is not solely produced from yard waste or from untreated and unprocessed wood residuals and that meets the requirements of all of the following is Class A compost: (c) Schedule 5, Sampling and Analyses - Protocols and Frequency;

Details/Findings:

Ministry Staff reviewed the Information Response Email and determined that the Facility met the requirements of this section. Spa Hills carried out sampling and analyses at least once a year or every 1000 dry tonnes produced, which meets the frequency requirement for this Inspection Period.

Compliance:

In

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

26 (2)(a): The receiving, storage, processing and curing areas of a composting facility must comply with all of the following: (a) be located on asphalt, concrete or another similar impermeable surface that is capable of withstanding wear and tear from normal operations and that will prevent the release of leachate into the environment;

Details/Findings:

During the on-site inspection, Ministry Staff observed that the receiving, processing and curing areas of the composting facility were located on concrete (Photos 1, 2 and 3). However, Ministry Staff observed that the compost storage area at the Facility was not located on an impermeable surface and did not prevent the release of leachate into the environment.

Compliance:

Out

Actions to be taken:

Ensure that the receiving, storage, processing and curing areas are located on an impermeable surface that is capable of withstanding wear and tear from normal operations and that will prevent the release of leachate into the environment.

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

26 (2)(b)(i): The receiving, storage, processing and curing areas of a composting facility must comply with all of the following: (b) have a roof or cover, or a prepared surface, designed to prevent (i) the surface collection of water around the base of organic matter and compost, and

Details/Findings:

Ministry Staff observed that the receiving, processing and curing areas of the composting facility were covered and sloped to prevent water from collecting around the organic matter and compost. However, the storage area at the Facility did not have a roof, cover or a prepared surface designed to prevent the surface collection of water around the base of organic matter (Photo 3).

Compliance:

Out

Actions to be taken:

Ensure Spa Hills has a roof, cover or a prepared surface designed to prevent the surface collection of water around the base of organic matter and compost within the storage area.

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

26 (2)(b)(ii): The receiving, storage, processing and curing areas of a composting facility must comply with all of the following: (b) have a roof or cover, or a prepared surface, designed to prevent (ii) run-off water from entering the receiving, storage, processing and curing areas;

Details/Findings:

Ministry Staff observed that the receiving, processing and curing areas of the composting facility were covered and on a prepared surface to prevent run-off from entering the areas. However, the storage area at the Facility was not covered or on a prepared surface (Photo 3).

Compliance:

Out

Actions to be taken:

Ensure Spa Hills has a roof, cover or a prepared surface designed to prevent run-off water from entering the storage area.

Requirement Description:

Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)

26 (2)(c): The receiving, storage, processing and curing areas of a composting facility must comply with all of the following: (c) have a leachate collection system designed, constructed, maintained and operated to reuse leachate, or to remove leachate, from the receiving, storage, processing and curing areas.

Details/Findings:

The Co-Owner informed Ministry Staff that all composting and storage areas were located on a sloped surface. During the on-site inspection, Ministry Staff observed that the receiving, processing and curing areas have a sloped area where leachate drains into a 4500L collection system and the Facility recycles the leachate back into the composting process (Photos 1,2 and 4).

During the on-site inspection, Ministry Staff did not observe a leachate collection system for the Facility's storage area, this was confirmed by the Co-Owner. It should be noted that, Spa Hills is constructing a lined leachate collection pond to collect leachate from the storage area and recycle back into the composting process (Photo 5). However, this has not been constructed yet, therefore Spa Hills is out of compliance with Section 26 (2)(c) of OMRR.

Compliance:

Out

Actions to be taken:

Ensure Spa Hills has a leachate collection system designed to reuse or remove leachate from the storage area.

Requirement Description:**Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)**

26 (3): Leachate that is not collected and reused in the composting process must not be discharged into the environment unless authorized under the Act.

Details/Findings:

During the on-site inspection, Ministry Staff observed that the Facility is situated on concrete, has a cover and a prepared leachate collection system for the Facility's processing, receiving and curing areas. However, Ministry Staff also observed that leachate is not collected and reused, at the storage area at the Facility, and is directly discharged to the ground.

Compliance:

Out

Actions to be taken:

Immediately cease the discharge of leachate into the environment and ensure that the storage area is managed in a way which prevents the discharge of leachate into the environment.

Requirement Description:**Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)**

28: At least half of the compost stored at a composting facility must be removed annually from the facility beginning in the third year after facility start-up.

Details/Findings:

The Co-Owner informed Ministry Staff in the Information Response Email that at least 50% of the compost stored at the Facility is used annually in the agricultural operation that takes place at this site.

Compliance:

In

Requirement Description:**Environmental Management Act, Organic Matter Recycling Regulation (18/2002) (EMA)**

29 (1)(a): Residuals from the composting process must (a) be stored so as to prevent vector attraction, and

Details/Findings:

During the on-site inspection, Ministry Staff observed residuals from the composting operation out in the open. No actions or measures to prevent vector attraction were observed.

Compliance:

Out

Actions to be taken:

Ensure residuals from the composting process are stored in a manner that prevents vector attraction.

Compliance History:

2024-03-27 IR 219132 Advisory: Organic Matter Recycling Regulation (18/2002) (EMA) 12 (3)(b); 24 (3)(a)(i); 24 (3)(a)(ii); 24 (3)(d); 26 (2)(a); 26 (2)(b)(i); 26 (2)(b)(ii); 26 (2)(c); 26 (3); 29 (1)(a); 29 (2)

2021-02-16 IR 164695 Notice

2020-07-16 IR 145833 Notice

2019-06-26 IR 123745 Notice

The Ministry of Environment Compliance and Enforcement Policy and Procedure (C&E Policy) prescribes common requirements and procedures for all Ministry staff to ensure consistent and risk-based assessment and response to non-compliance. Using the Non-Compliance Decision Matrix, the compliance determination for this inspection has been assessed as **Level 2, Category B, Warning Codes and Regs.**

More information about Environmental Compliance, the Non-Compliance Decision Matrix, and reporting and data submission requirements can be found at the links below:

General compliance information:

www.gov.bc.ca/environmentalcompliance

Non-Compliance Decision Matrix information:

www.gov.bc.ca/environment/how-compliance-is-assessed

Reporting and data submission requirements (to be sent to EnvAuthorizationsReporting@gov.bc.ca):

<https://www2.gov.bc.ca/gov/content/environment/waste-management/waste-discharge-authorization/comply>

Please be advised that this inspection report may be published on the provincial government website within 7 days.

Below are attachments related to this inspection.

If you have any questions about this warning, please contact the undersigned.

Yours truly,

Rebecca Benham
Environmental Protection Officer

Attachments:

- 1) Photo 1. Processing and curing areas of the composting facility, located on concrete and covered with a leachate collection system.
- 2) Photo 2. Receiving, processing and curing areas of the composting facility are located on concrete and covered.
- 3) Photo 3. Compostable and recyclable materials, that have gone through Schedule 2 and 3 of OMRR, storage area.
- 4) Photo 4. 4500L leachate collection system Facility recycles the leachate back into the composting process.
- 5) Photo 5. The storage area at the Facility did not have a roof, cover or a prepared surface designed to prevent the surface collection of water around the base of organic matter.
- 6) Photo 6. Residual piles, located north of the Facility exceeding 15 cubic metres.

Deliver via:

Email: Fax: Mail:
Registered Mail: Hand Delivery:

**Ministry of Environment
and Climate Change
Strategy**

Compliance and
Environmental
Enforcement Branch

Mailing Address:
102 Industrial Pl
Penticton BC V2A 7C8

Telephone: 250 490 8200
Facsimile: 250 490 2231
Website: www.gov.bc.ca/env

DISCLAIMER:

Please note that sections of the permit, regulation or code of practice referenced in this inspection record are for guidance and are not the official version. Please refer to the original permit, regulation or code of practice.

To see the most up to date version of the regulations and codes of practices please visit
<http://www.bclaws.ca>

If you require a copy of the original permit, please contact the inspector noted on this inspection record.

It is also important to note that this inspection record does not necessarily reflect each requirement or condition of the authorization therefore compliance is noted only for the requirements or conditions listed in the inspection record.



Photo 1. Processing and curing areas of the composting facility, located on concrete and covered with a leachate collection system.



Photo 2. Receiving, processing and curing areas of the composting facility are located on concrete and covered.



Photo 3. Compostable and recyclable materials, that have gone through Schedule 2 and 3 of OMRR, storage area.



Photo 4. 4500L leachate collection system Facility recycles the leachate back into the composting process.



Photo 5. The storage area at the Facility did not have a roof, cover or a prepared surface designed to prevent the surface collection of water around the base of organic matter.



Photo 6. Residual piles, located north of the Facility exceeding 15 cubic metres.