

April 30, 2018

To: His Worship the Mayor
And Members of City Council

Re: Discretionary Use Application (17-DU-18) Petroleum Storage Facility 550 East 9th
Avenue North

RECOMMENDATION

RECOMMENDATION OF THE REGINA PLANNING COMMISSION – APRIL 4, 2018

That the Discretionary Use application for a proposed petroleum storage and terminal located at 550 East 9th Avenue North, being Part of NW 4-18-19-W2M, Industrial Ross Subdivision be approved, and that a Development Permit be issued subject to the following conditions:

- a) The development shall be consistent with the plans attached to this report as Appendix A-3.1 and Appendix A-3.2 inclusive, prepared by Worley Parsons Resources and Energy and dated August 31, 2017.
- b) The applicant shall submit a Building Permit application for approval by the Development Officer, the review of which will focus on the site development to ensure compliance with all applicable City standards including:
 - i. Modifying the site conditions for proposed new tankage and storage areas such that these areas are made equivalent to at least the Moderate Aquifer Sensitivity Overlay Zone prior to construction of the new tanks.
- c) The development shall comply with all applicable standards and regulations in *Regina Zoning Bylaw No. 9250*, including but not limited to the Performance Regulations for Moderate Sensitivity Aquifer Protection Overlay Zone in Table 10.2.
- d) Prior to the issuance of the Building Permit (as per condition 1b), the applicant shall provide documentation/letter from the Saskatchewan Ministry of Environment and/or federal regulatory authority for approval to construct, alter, expand, operate, and decommission a hazardous substance and/or waste dangerous goods facility.

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(Simon Kostic declared a conflict of interest on this item, citing his employment with the Co-op Refinery, abstained from discussion and voting, and temporarily left the meeting.)

Jay Lane and Jason Iverson, representing Co-op Refinery, addressed the Commission.

The Commission adopted a resolution to concur in the recommendation contained in the report.

Recommendation #2 does not require City Council approval.

Councillor Mike O'Donnell (Chairperson); Commissioners: David Bale, Frank Bojkovsky, Simon Kostic, Andre Kroeger, Robert Porter and Steve Tunison were present during consideration of this report by the Regina Planning Commission.

The Regina Planning Commission, at its meeting held on April 4, 2018, considered the following report from the Administration:

RECOMMENDATION

1. That the Discretionary Use application for a proposed petroleum storage and terminal located at 550 East 9th Avenue North, being Part of NW 4-18-19-W2M, Industrial Ross Subdivision be approved, and that a Development Permit be issued subject to the following conditions:
 - a) The development shall be consistent with the plans attached to this report as Appendix A-3.1 and Appendix A-3.2 inclusive, prepared by Worley Parsons Resources and Energy and dated August 31, 2017.
 - b) The applicant shall submit a Building Permit application for approval by the Development Officer, the review of which will focus on the site development to ensure compliance with all applicable City standards including:
 - i. Modifying the site conditions for proposed new tankage and storage areas such that these areas are made equivalent to at least the Moderate Aquifer Sensitivity Overlay Zone prior to construction of the new tanks.
 - c) The development shall comply with all applicable standards and regulations in *Regina Zoning Bylaw No. 9250*, including but not limited to the Performance Regulations for Moderate Sensitivity Aquifer Protection Overlay Zone in Table 10.2.
 - d) Prior to the issuance of the Building Permit (as per condition 1b), the applicant shall provide documentation/letter from the Saskatchewan Ministry of Environment and/or federal regulatory authority for approval to construct, alter, expand, operate, and decommission a hazardous substance and/or waste dangerous goods facility.
2. That this report be forwarded to the April 30, 2018 meeting of City Council for approval.

CONCLUSION

The applicant proposes to construct two petroleum storage tanks, each with a capacity of 150,000 barrels of unblended finished gasoline product, on the subject property. Other changes to the site include modifying the site conditions to remove the area from the High Aquifer Sensitivity Zone, constructing a tank foundation, a clay containment liner and berm surrounding the tank and local roadways and drainage ditches.

The subject property is currently zoned IC - Heavy Industrial Zone whereby petroleum storage and terminal is a discretionary use. The subject property is located within the Industrial Ross Subdivision.

The proposal complies with the development standards and regulations contained in the *Regina Zoning Bylaw No. 9250* (Zoning Bylaw) and is consistent with the policies contained in *Design Regina: The Official Community Plan Bylaw No. 2013-48* (OCP). Accordingly, the Administration recommends approval.

BACKGROUND

This application is being considered pursuant to the Zoning Bylaw, the OCP and *The Planning and Development Act, 2007* (Act).

Pursuant to subsection 56(3) of the Act, Council may establish conditions for discretionary uses based on: nature of the proposed development (including its site, size, shape and arrangement of buildings) and certain aspects of site design (such as site access, traffic patterns, landscaping, screening, parking and loading areas), but not including the colour, texture or type of materials and architectural details.

There are regulatory roles and responsibility within each jurisdictional authority. Administration would like to provide the following as background information:

City of Regina

The City's regulatory role is limited to administering zoning regulations and site design. This includes the application of Aquifer Protection Overlay Zone performance standards which are determined through the development permit process. The City also determines where these land uses can locate by establishing appropriate land use zones for their location. In this case the subject property is zoned IC – Heavy Industrial under the Zoning Bylaw in which the proposed use is discretionary.

Notwithstanding the fact that a building permit is not required, the City still requires the authorization of a development permit that occurs under the same building permit review process. Prior to the issuance of a development permit, the City requires that authorization has been obtained from the Saskatchewan Ministry of the Environment (SMOE) to construct.

Government of Saskatchewan

The approval and review of the details of construction specifications and safety features of the storage tanks is the responsibility and authority of the SMOE. The SMOE is responsible for the regulation of above ground petroleum storage requirements through *The Hazardous Substances and Waste Dangerous Goods Regulations*. The responsibility of the SMOE includes the following:

- Approval of all plans for the tank prior to construction.
- Ensuring tank construction meets specifications in accordance with the National Energy Board of Canada.
- Ensuring systems are in place to ensure spills are contained.
- Ensuring a leak detection system and ongoing thickness testing of tanks.

In addition, the SMOE also requires the facility to maintain Material Safety Data Sheet information inspection records for leak detection, an emergency response plan and to provide updated information to the local fire department.

Government of Canada

The Federal Government sets national standards and related to specifications of tank construction and Fire Code to be implemented by the authority having jurisdiction, as the case may be.

DISCUSSION

The applicant proposes to construct two storage tanks for bulk storage of petroleum product each with a capacity 150,000 barrels of unblended finished gasoline. The project scope includes the construction of bulk storage tanks, the installation of the tanks and secondary containment measures as well as site development.

The subject property currently functions with several bulk petroleum storage tanks of similar storage capacity and is part of the larger Coop Refinery complex. The proposal represents an expansion to the existing fuel storage facility at the refinery. The proposed tanks will be located in the northern extent of the lot that is currently vacant (Appendix A-1).

The land use and zoning related details are summarized in the following table:

Land Use Details	Existing	Proposed
Zoning	IC - Heavy Industrial	IC - Heavy Industrial
Land Use	Petroleum Storage Tanks	Two Additional Petroleum Storage Tanks
Number of Dwelling Units	N/A	N/A
Building Area	N/A	N/A

Zoning Analysis	Required	Proposed
Number of Parking Stalls Required	N/A	N/A
Maximum Building Height (m)	15 m	14.8 m
Maximum Gross Floor Area	N/A	No Change
Maximum Floor Area Ratio	2.0	No Change
Maximum Coverage (%)	65%	8%

The surrounding land uses include petroleum storage tanks as part of the Coop Refinery complex to the south and west, with vacant land to the north and east. The site is also bordered by the Canadian National rail line at the northwest corner. The site plan (Appendix A-3.1) shows the location of the two proposed tanks in the northern portion of the property.

The proposed development is consistent with the purpose and intent of the IC-Heavy Industrial Zone, which is to accommodate industrial uses which, due to appearance, noise, odour, risk of emission of toxic waste, risk of fire or explosion hazards, or other types of nuisance, are incompatible with commercial, residential and other land uses.

RECOMMENDATION IMPLICATIONS

Financial Implications

The subject area currently receives a full range of municipal services, including water, sewer and storm drainage. The applicant will be responsible for the cost of any additional or changes to existing infrastructure that may be required to directly or indirectly support the development, in accordance with City standards and applicable legal requirements.

Environmental Implications

The subject property is located within the High Sensitivity Aquifer Protection Overlay Zone. The applicant cannot develop the site or construct the new tanks until the site is modified to meet the requirements of the Moderate Aquifer Sensitivity Zone. A proposal within the Moderate Sensitivity Aquifer Protection Overlay Zone is required to comply with the following applicable performance standards prior to obtaining final building permit approvals:

- Excavations shall not exceed 4.5 metres in depth. If excavations/piles are being proposed past this depth, a geotechnical report would be required to demonstrate that there is no negative impact on the aquifer.
- All above ground storage tanks shall have secondary containment with dykes, impervious liners/equivalent, leak detection and/or a monthly statistical inventory reconciliation analysis system. In addition, each tank shall have an over-fill or spill prevention system.
- Industrial onsite runoff containment ponds shall be constructed to minimize any seepage into any underlying aquifers.
- All development applications shall be accompanied by plans to detect contamination of the aquifer.

- All facilities handling and/or storing hazardous materials of any type shall provide annual soil test reports and/or other early contamination detection measure reports to the federal and provincial agencies having jurisdiction. The City will review for requirements related to aquifer protection.

The applicant may choose to modify the site conditions for the proposed new tankage and storage areas such that these areas are made equivalent to the Low Aquifer Sensitivity Zone in which case all above requirements would still apply, however excavations would be allowed to 6 metres in depth instead of 4.5 metres in depth.

Policy/Strategic Implications

The proposal is consistent with the policies contained within Part A of the OCP with respect to:

Section D2: Environment

Goal 3 – Water Protection: Maintain the integrity of Regina’s aquifers, surface and groundwater resources.

- 4.9 Work with stakeholders to establish Aquifer Management Framework that protects Aquifer water quality.
- 4.10 Minimize the impacts of current and future urban land development and land use on water quality and sedimentation rates in the city streams and waterbodies.

Section D5: Land Use and Built Environment

Goal 4 – Employment Areas: Provide appropriate locations and development opportunities for a full range of industrial, commercial and institutional activities.

Industrial

- 7.25 Consider heavy industrial development only within new employment areas or existing approved employment areas where it can be demonstrated to the satisfaction of the City that the proposed development is compatible with adjacent land uses and the natural system, meets all regulatory requirements, and has adequate access to regional transportation infrastructure.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

Communication with the public is summarized as follows:

Public notification signage posted on	December 1, 2017
Letter sent to immediate property owners	December 1, 2017
Public Open House Held	N/A
Number of Public Comments Sheets Received	0

There were no public comments received on this application.

The application was circulated to the North East Community Association. The Administration attempted contact with the North East Community Association but was not able to obtain comments prior to the deadline for submission of this report.

DELEGATED AUTHORITY

City Council's approval is required, pursuant to Part V of *The Planning and Development Act, 2007*.

Respectfully submitted,

REGINA PLANNING COMMISSION



Elaine Gohlke, Secretary