

**Avro Aero Taxiway Lessees
c/o 23 Evergreen Crescent
Whitehorse, Yukon
Y1A 4Y3**

2014 09 29

Aviation & Marine Branch
Department of Highways & Public Works
Government of Yukon
Whitehorse Erik Nielson International Airport

Attention: Airport Manager

Re. Contaminated Soils Deposited on Lease Lots Taxiway G Stub (Avro Aero)

As the Lessees of the various lots located along Taxiway Avro Aero, we write to document our claim that we have been significantly affected by the construction work that has been underway on, and adjacent to, our leases over the past months and years.

Specifically, we are aware that soils from a Yukon Contaminated Site – the Whitehorse Upper Tank Farm – have been deposited on our lease lots by the contractor that is performing the water and sewer infrastructure construction on the airport under agreement with the Government of Yukon.

The following is an extract from:

June 11, 2012 WHITEHORSE UPPER TANK FARM (WUTF) PROPERTY OCP Amendment Request

1.0 SUMMARY

HB Lanarc-Golder has been contracted to develop an integrated restoration and redevelopment strategy for the Whitehorse Upper Tank Farm site. The former Whitehorse Upper Tank Farm operated as a petroleum storage facility between 1942 and 1996. It is the Consultants understanding that:

- Contamination occurred during this time as petroleum hydrocarbons leaked from the tanks, valves and pipelines into the soil below.

23 EVERGREEN CRESCENT, WHITEHORSE, YUKON Y1A 4Y3

SEWEN@NORTHWESTEL.NET CELL: (867) 333-0669

- Remediation work, consisting primarily of excavation of contaminated soil to a depth of 3.0 to 11.0 metres, began in the 1990s and the near surface contamination was cleaned up by 2001.
- There is still soil and groundwater contaminated with petroleum hydrocarbons at deeper depths. Because the former Tank Farm is situated on well-drained gravel much of the contamination travelled through this gravel (which is 34 metres deep in some areas) before it encountered a less permeable silt material and the water table.
- Due to this deep, sub-surface contamination the property owner plans to excavate part of the site down to the existing grade along the Alaska Highway (a grade change of up to 30m in some places). This will allow the property owner to remove the source contamination and clean the site to numerical standards.

These soils, while they may be 'clean to numerical standards', contain contaminants that are now certainly present on our lease properties. It is important to note that the contractor utilized our lease lots for their operations throughout the work, and did so without any authorization or agreement from the Lessees. During restoration of our lease lots, the contaminated soils were placed in significant quantities over large areas of our lots. During these construction operations, very strong odours prevailed over the entire area, odours which the contractor's personnel on the site informed us were emanating from the soils placed on our lots and the taxiway. Further, that representative assured us that the odours would dissipate over time as the contaminants evaporated!

Our lease agreements hold the Lessee responsible for 'contaminants' that 'exceed natural quantities or concentrations in the environment'. Clearly, we cannot be held responsible for the presence of any contaminants within our lease lots based on the unauthorized and uncontrolled actions of the Government of Yukon contractor. Other terms of our lease agreements require us to perform an Environmental Site Assessment of the Land, and establish conditions such as Ownership of Contaminants. We submit that these and other terms of the lease have been breached by the actions of the Lessor, the Government of Yukon.

Additionally, but less significant, is the removal of our property boundary marks by the contractor. We ask that these 'corner pins' be replaced to allow us to identify the limits of our lease properties.

We present this matter for consideration by the Government of Yukon, and more specifically, we request that our leases, and any renewals, be amended to reflect the fact that the Lessee (Government of Yukon) has entered upon our properties, changed the characteristics of those leases, and deposited contaminated soils that we, as Lessees, are not responsible to identify, quantify or remediate.

We request that this matter is given prompt and serious consideration and reply.

Sincerely,

Randy Shewen

John Faulkner

Kelly Hougen

Greg Campion

George Balmer/Tom Law

Don Cox