



Notice of Intent to Cancel Permit Due to Abandonment

DATE: March 7, 2023

ISSUED TO: Darcor Holsteins Inc., co-permit holder
Damien Rasmuson, co-permit holder
Registration RA05042
NE 14-47-23 W4M

I write to notify you that I intend to cancel Registration RA05042 due to abandonment of the hog confined feeding operation.

According to NRCB files and database, a hog confined feeding operation at NE 14-47-23 W4M holds Registration RA05042, issued by the NRCB on November 7, 2005. Registration RA05042 (copy enclosed) recognized the operation held a deemed permit for 440 swine, farrow to isowean, and allowed construction of a new farrowing barn.

Though the Registration was issued to Agco Agricultural Consulting Ltd., we are aware that Darcor Holsteins Inc. and Damien Rasmuson purchased the land and operation in April 2022, and are the current co-permit holders.

Reasons for intended cancellation

Under section 29(1)(b) of the *Agricultural Operation Practices Act (AOPA)*, the NRCB may cancel a registration if the confined feeding operation (CFO) to which the registration relates is abandoned. I have been delegated by the NRCB Board to cancel permits under section 29 of AOPA. For the following reasons, it is my view that the CFO has been abandoned.

The facilities related to the hog CFO are:

- 1) hog barn #1 (2005 expansion);
- 2) hog barn #2;
- 3) hog barn #3;
- 4) hog barn #4;
- 5) hog barn #5;
- 6) hog barn #6 (red barn built early 1900s);
- 7) earthen liquid manure storage;
- 8) open shelter #1; and
- 9) open shelter #2.

Part 2 of NRCB Operational Policy 2016-3: *Permit Cancellations under AOPA Section 29*, provides guidance to approvals officers on how to determine when a CFO has been abandoned, and how to exercise discretion to cancel a permit for an abandoned CFO.

AOPA does not define “abandonment”, and therefore the NRCB uses the term’s common meaning, viewed in light of AOPA’s general purposes. Common definitions for abandonment have two themes: either ceasing from maintaining or using; or giving up with the intent of never again claiming a right to keep using or maintaining.

Policy 2016-3 lists factors to consider when deciding whether the CFO has been abandoned, such as:

- a. the CFO's current use, if any
- b. the CFO's current condition
- c. what, if any, steps are being taken to keep the CFO's facilities in conditions such that they could resume being used to house livestock without major upgrades or renovations
- d. when the CFO stopped being used for livestock or manure, and the reason for stopping
- e. whether the CFO has changed ownership during the period of disuse, and if so, whether the new owner purchased the CFO reasonably expecting that the CFO was permitted under AOPA
- f. current value of the CFO facilities and cost of reconstructing them, if needed
- g. an owner's intent regarding future use of a CFO

a., b. Current use, current condition

On January 31, 2023, along with another approval officer (in training), I conducted a site visit of where the proposed dairy CFO facilities would be. At that time we also inspected the existing hog facilities. It was apparent that most of them were in major disrepair and deterioration or have been converted into non-CFO facilities (cold storage, heated shop). It appeared that the hog facilities had not been maintained after the previous owner ceased to operate. We took photographs.

In order to gather more evidence about the status of the hog CFO, on February 6, 2023, I conducted a second site visit of the hog facilities with an NRCB inspector. We concluded that most of the facilities were beyond repair or renovation, or has been converted into non-CFO facilities. Darcor Holsteins Inc. was already decommissioning the old red barn (built in the early 1900s). We took further photographs.

We noticed that there is a barn area that could be upgraded and used to house livestock. This barn area is an addition (19.5 m x 9.1 m) to the east side of the hog barn located on the north of the site. The addition was built in 2005 as part of NRCB Registration RA05042 (barn #1). The area, however, could only house hog numbers below the threshold for a registration-size CFO.

On an aerial photo provided as part of a recent permit application (RA22027), regarding this barn area (barn #1), the applicant stated "To be converted for calves". However, there is no details about the conversion in the application. In several other components of application RA22027, this portion of the barn is proposed to be converted into cold storage and shop – non-CFO uses. For these reasons, I would not keep this small barn area, on its own, in Registration RA05042.

c. Steps required to resume housing livestock

Based on my observations, most of the barns wouldn't be able to house animals in their current conditions, as the ceilings are caving, there is no functioning electricity, and the concrete liners and manure collection pits are cracked and not in working condition. The pen's fences and cages, water lines and feeding lines may have to be removed and replaced. Most likely, the value to upgrade these facilities may exceed the value of building them new.

d. When CFO stopped being used for livestock or manure

Darcor Holsteins Inc. have indicated that the previous owner, Keith Rasmuson, stopped operating the hog CFO around 2011, due to his brother and co-owner's death (Earl Rasmuson), and due to hog markets not being profitable.

e. Whether the CFO has changed ownership

In November 2005, when the NRCB issued Registration RA05042, the permit holder was Agco Agricultural Consulting Ltd. (operating as Gwynne Vista Farms), run by Keith and Earl Rasmuson. In April 2022, Darcor Holsteins Inc. (1/3 interest) and Damien Rasmuson (2/3 interest) bought the property.

f. Current value of facilities, and cost to reconstruct

In my view, the facilities as they exist have little value as CFO facilities. I believe that the cost to repair and upgrade these hog facilities to be able to house animals would probably exceed the price of building new facilities.

g. Intent regarding future use

In April 2022, Darcor Holsteins Inc. and Damien Rasmuson intended to convert the hog CFO into a dairy CFO, as part of their long term succession plan to transition Damien into co-ownership with his parents (Darrin and Lynn Rasmuson).

In Application RA22027, filed with the NRCB in late 2022, the applicant had indicated an intention to, among other things:

- Demolish three existing hog barns;
- Convert an existing hog barn to a heated shop;
- Convert an existing hog barn to cold storage;
- Decommission an existing hog barn; and
- Demolish two existing open shelters.

In conclusion, based on my observations of the hog facilities and their states of disrepair, and disuse, and the fact that the current co-permit holders do not intent to convert, or use, any of the existing hog facilities into dairy facilities, I find that the hog CFO is abandoned.

Guided by Part 2.2 of Policy 2016-3, I acknowledge that an abandoned CFO does not require cancellation of the permit. I have considered the purpose of AOPA being "to ensure that the province's livestock industry can grow to meet the opportunities presented by local and world markets in an environmentally sustainable manner." The hog CFO has not operated for over 11 years. In the circumstances set out in this Notice, I feel it is fair and reasonable to cancel Registration RA05042.

Intended conditions of cancellation

I do not intend to impose any conditions on the cancellation of Registration RA05042.

What you can do

Under section 12 of the *AOPA Administrative Procedures Regulation*, a permit holder may file a **statement of intent to object** to a permit cancellation, within 30 days of the date of this notice (i.e. **4:30 p.m. on April 6, 2023**). You may file a statement of intent to object by e-mail to francisco.echegaray@nrcb.ca.

If you **do not** file a statement of intent to object within 30 days:

I will proceed to cancel Registration RA05042. You would not have the right to request a review of the cancellation from the NRCB Board.

If you **do** file a statement of intent to object within 30 days:

You will then have 30 days to file a **submission** to support your objection to the cancellation. That submission must explain in writing why Registration RA05042 should not be cancelled.

After that, the NRCB will distribute a copy of this Notice, plus a copy of your submission, to **affected parties**. In the case of cancelling a registration, the affected parties are the municipality where the CFO was located, and any person residing on or owning land within ½ mile from the existing hog facilities (this distance is based on the 440 swine, not the 190 milking cows).

Affected parties may explain why they would be “directly affected” if the permit were not cancelled, and may make a submission on why they support cancelling Registration RA05042.

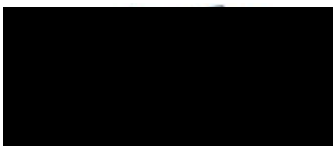
After that, I will issue a **written decision** on whether or not to cancel Registration RA05042. Any directly affected party – including yourself – could request a Board review of my decision.

Impact on application RA22027

You have submitted an application for a registration (RA22027) for a 190 milking cow dairy (plus dries and replacements). If application RA22027 is for a new CFO, it will be inconsistent with land use provisions of the municipal development plan (MDP) of Wetaskiwin County, and I will have to deny it. If application RA22027 is to convert an existing (not cancelled) permit, then it is not for a new CFO and may not be inconsistent with the MDP, and I may be able to issue it.

You will appreciate that whether or not I cancel Registration RA05042 has a direct impact on whether I may issue Registration RA22027. Accordingly, I will pause processing application RA22027 until I have a final result on the intended cancellation of Registration RA05042.

Please contact me if you have any questions about this process.



Francisco Echegaray, P.Ag.
Approval Officer

Encl. Registration RA05042



THE PROVINCE OF ALBERTA
AGRICULTURAL OPERATION PRACTICES ACT
NATURAL RESOURCES CONSERVATION BOARD

In consideration of Decision Report RA05042, Registration RA05042 is issued to:

Name: Agco Agricultural Consulting Ltd. (operating as Gwynne Vista Farms)
(hereinafter referred to as 'applicant' or 'operator')
Address: RR 2, Gwynne, Alberta, T0C 1L0
Contact Person: Keith and Earl Rasmuson
Phone No: [REDACTED] [REDACTED]

The operator is to adhere to and follow the requirements of the Agricultural Operation Practices Act and the regulations passed pursuant to that Act, as amended, from time to time. For each instance where the applicant has committed to higher standards than required by AOPA, these commitments have been included as conditions.

The operator is to adhere to the descriptions contained in the filed application and the decision report together with the site plan, building plans, operating plan, manure management plan, engineering reports and other attached documents, unless otherwise noted in the following conditions. The applicant or operator is responsible for all costs associated with monitoring, sampling, testing, recording and reporting requirements.

Registration RA05042 and its conditions replace the deemed registration for this site.
Registration RA05042 is subject to the following conditions:

Construction Conditions

Permitted Construction (based on the submitted site plan):

- farrowing barn (30' x 64') (9.1 m x 19.5 m)

1. Concrete Manure Storage - Floors and Gutters
 - a. The concrete joints in the under barn pits must be sealed by a method indicated in the NRCB's technical guideline for Concrete Manure Liner's. The NRCB must be notified of the chosen method, prior to construction.
2. Construction Completion
 - a. Construction must be completed by November 30, 2006.
3. Inspections
 - a. The manure storage portion of the barn must be inspected by NRCB personnel prior to animals or manure being placed in the new barn.
 - b. The applicant must provide the Approval Officer a minimum of 10 working days notice prior to the applicant's desired completion inspection.

Ongoing Conditions

4. Earthen Manure Storage (EMS) Leakage Detection System Installation
 - a. The leakage detection system plan outlined by Mr. Stein must be carried out by a qualified professional no later than July 31, 2006. Results of this drilling must be



- submitted to the NRCB once drilling and monitoring well installation, if any, are completed.
5. Earthen Manure Storage (EMS) Leakage Detection System Reporting
 - a. Leakage detection well results must be submitted to the NRCB in report format until such time as the NRCB adjusts the monitoring frequency, test parameters and/or report contents. All reports (comprehensive and/or indicator) must include, but will not be limited to:
 - Background information – site description, soil logs, diagrams
 - Water level elevations
 - Elevation of liquid manure in the EMS at the time of water sampling
 - Dates when the EMS was emptied
 - Inspection of the surface well casing for its integrity
 - Explanation of the water sampling collection technique
 - Field and laboratory work
 - Discussion and explanation of the results including a trend analysis
 - Recommendations
 - b. An Indicator report must be done 12 months after the wells are installed and every 12 months thereafter. The Indicator report must include laboratory analysis of the indicator parameters outlined in the latest version of the NRCB technical guideline ‘Leak Detection and CFOs’.”

This Registration becomes effective immediately. The Registration conditions will remain in effect unless amended by the NRCB.

November 7, 2005

(original signed)

Scott Cunningham, P. Eng.
Approval Officer

Under Section 22(4) of the Agricultural Operation Practices Act, you have the right to request that the Natural Resources Conservation Board (the Board) review this decision. If you wish to have this decision reviewed by the Board, please submit the attached Request for Board Review which must be received by the Natural Resources Conservation Board by fax or mail on or before November 28, 2005.