Licence No.: 2207

Licence Issued: July 15, 1996

In accordance with the Manitoba Environment Act (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED TO:

SILVER WINDS HOLDING CO. LTD./SILVER WINDS COLONY; "the Licencee"

for the construction and operation of the Development being a wastewater treatment lagoon located in the southeast quarter of Section 4, Township 6, Range 2, WPM in the Rural Municipality of Morris and with Escharge of treated effluent by irrigation onto land owned by the Licencee in accordance with the Proposal file under the Environment Act on May 29, 1996, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

- "appurtenances" means machinery, appliances, or auxiliary structures are. To a pair cructure to enable it to function, but not considered an integral part of it;
- "as constructed drawings" means engineering drawings complex with all dimer lons which indicate all features of the Development as it has actually been built;
- "ASTM" means the American Society for Testing and Magnas,
- "bentonite" means specially formulated standard mill gode soc un bentonite conforming to American Petroleum Institute Specification 13-A;
- "cut-off" means a vertical-side trench filled with compacted clay or a wall constructed from compacted clay;
- "Director" means an employee so dargated a suant. The Environment Act;
- "effluent" means treated wasteway the larged pumped out of the wastewater treatment lagoon or sewage treatment plant;
- "fecal coliform" means erobic and facultative, Gram-negative, nonspore-forming, rod-shaped bacteria capable of growth at 44.5 degrees Ce. ive and associated with fecal matter of warm-blooded animals;
- "five-day bioch mical xygen country means that part of the oxygen demand usually associated with biochemical oxidation of a fanic restor within five days at a temperature of 20 degrees Celsius;
- "flooding" means e flowing of water onto lands, other than waterways, due to the overtopping of a waterway or waterways;
- "high water mark" means the line on the interior surface of the primary and secondary cells which is normally reached when the cell is at the maximum allowable liquid level;
- "hydraulic conductivity" means the quantity of water that will flow through a unit cross-sectional area of a porous material per unit of time under a hydraulic gradient of 1.0;
- "industrial wastewater" means wastewater derived from an industry activity which manufactures, handles or processes a product;

- "in-situ" means on the site;
- "influent" means water, wastewater, or other liquid flowing into a wastewater treatment facility;
- "livestock waste" means manure from livestock:
- "low water mark" means the line on the interior surface of the primary and secondary cells which is normally reached when the cell is discharged;
- "MPN Index" means the most probable number of coliform organisms in a given volume of wastewater which, in accordance with statistical theory, would yield the observed test result with the greatest frequency;
- "primary cell" means the first in a series of cells of the wastewater treatment lagoon system and bich is the cell that receives the untreated wastewater:
- "riprap" means small, broken stones or boulders placed compactly or irregularly or dykes a similar mbankments for protection of earth surfaces against wave action or current;
- "secondary cell" means a cell of the wastewater treatment lagoon system which strated the receives partially treated wastewater from the primary cell;
- "septage" means the sludge produced in individual on-site wasteway disposal systems such as septic tanks;
- "sewage" means household wastewater that contains human was
- "sludge" means accumulated solid material containing la prounts d'entrained water, which has separated from wastewater during processing;
- "total coliform" means a group of aerobic and facultative macrocic, Gram-negative, nonspore-forming, rod-shaped bacteria, that ferment lactose with gas and acid formation within 48 hours at 35 degrees Celsius, and inhabit predominantly the intestines of man or animals, but are obtained found elsewhere and include the sub-group of fecal coliform bacteria;
- "wastewater" means the spent or yed water of a munity or industry which contains dissolved and suspended matter;
- "wastewater treatment lag on" means the component of this development which consists of an impoundment into which wastewater is discharged for storage and treatment by natural oxidation.

GENERAL TERMS AND CONDITIONS

- 1. The Lice cee shall direct at sewage generated within the farmsite toward the wastewater treatment lagoon or other approved toward treatment facilities.
- 2. The Licencee all operate and maintain the wastewater treatment lagoon in such a manner that:
 - a. the release of offensive odours is minimized;
 - b. the organic loading on the primary cell, as indicated by the five-day biochemical oxygen demand, is not in excess of 56 kilograms per hectare per day; and
 - c. the depth of liquid in the primary cell or secondary cells does not exceed 1.5 metres.
- 3. The Licencee shall, in case of physical or mechanical breakdown of the wastewater treatment system:
 - a. notify the Director immediately;
 - b. identify the repairs required to the wastewater treatment system;
 - c. undertake all repairs to minimize unauthorized discharges of wastewater; and
 - d. complete the repairs in accordance with any written instructions of the Director.

- 4. Notwithstanding any of the specifications, limits, terms and conditions specified in this Licence, the Licencee shall, upon the request of the Director:
 - a. sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems related to the Development, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified; and/or
 - b. determine the environmental impact associated with the release of any pollutants from the Development; and/or
 - c. provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information related to the Development as may from time to time be requested.
- 5. The Licencee shall, unless otherwise specified in this Licence:
 - a. carry out all preservations and analyses on liquid samples in accordance with the methods prescribed in the most current edition of "Standard Methods for the Examination of Later and Vaster ater" published jointly by the American Public Health Association, the American Waterwork Association and the Water Pollution Control Federation, or in accordance with an equivalent as lytical methodology approved by the Director; and
 - b. ensure that all analytical determinations are undertaken by a acceptited by a cory.
- 6. The Licencee shall report any information requested through the provisions of this Licence in a manner and form acceptable to the Director.

SPECIFICATIONS, LIMITES TERM AND CONDITIONS

- 7. The Licencee shall, prior to the construction of the dyke for the wastewater treatment lagoon, remove all organic topsoil from the area where the dykes will constructed.
- 8. The Licencee shall construct and maint in the wastewart treatment lagoon with a continuous liner, including cutoffs, under all interior surfaces of the cells in acturdance with the following specifications:
 - a. the liner shall be made of clay;
 - b. the liner shall be at least one metre habital less;
 - c. the liner shall have a ladrauli drauli dr
 - d. the liner shall be constructed to an evation of 2.5 metres above the floor elevation of both the primary and the seconds of cells.
- 9. The Licencee shall grant with the designated Environment Officer a mutually acceptable time and date for any required soil compling etween i.e 15th day of May and the 15th day of October of any year.
- 10. The Licence shall take an dest undisturbed soil samples, in accordance with Schedule "A" attached to this Licence, on the number and location of samples and test methods to be specified by the designated Environment of the samples are samples.
- 11. The Licencee shal, not less than 2 weeks before the wastewater treatment lagoon is placed in operation, submit to the Director the results of the tests carried out pursuant to Clause 10 of this Licence.
- 12. The Licencee shall ensure that if, in the opinion of the Director, significant erosion of the interior surfaces of the dykes occurs, rip rap shall be placed on the interior dyke surfaces from 0.6 metres above the high water mark to at least 0.6 metres below the low water mark to protect the dykes from wave action.
- 13. The Licencee shall install and maintain a fence around the wastewater treatment lagoon to control access.
- 14. The Licencee shall not discharge effluent from the wastewater treatment lagoon:
 - a. where the organic content of the effluent, as indicated by the five day biochemical oxygen demand, is in

excess of 30 milligrams per litre;

- b. where the fecal coliform content of the effluent, as indicated by the MPN index, is in excess of 200 per 100 millilitres of sample;
- c. where the total coliform content of the effluent, as indicated by the MPN index, is in excess of 1500 per 100 millilitres of sample; or
- d. between the 1st day of October of any year and the 15th day of May of the following year.
- 15. The Licencee shall ensure that all effluent is disposed of by spray irrigation onto land owned by the Licencee and that:
 - a. effluent is only discharged to irrigate:
 - (i) actively growing cereal, forage or oil seed crops;
 - (ii) grasslands which will not be utilized for grazing:
 - A. by dairy cattle for at least 30 days after effluent is applied; or
 - B. by livestock other than dairy cattle for at least 7 days af 7 effluer is appled;
 - b. after agriculture crops are irrigated, harvesting of the crops does in take race for at least 7 days;
 - c. if corn has been grown, it is used solely for making silage;
 - d. for at least 10 continuous hours in every 24-hour period, no tis a lied of the particular lands; and
 - e. if ponding or surface runoff occurs during application the gross depth of extremt applied during any application of effluent shall be reduced so that ponding a surface run off does not occur.
- 16. The Licencee shall not discharge effluent, by spray irrigation
 - a. within 300 metres of any dwelling not owned or lawfully ontrol d by the Licencee;
 - b. within 100 metres of any surface watercourse grow well; or
 - c. within 100 metres of any adjoining proper boundary.
- 17. The Licencee shall:
 - a. prepare "as constructed drawings" for the Development and shall label the drawings "As Constructed"; and
 - b. provide to the Director, on or before June 1, 11 77, two sets of "as constructed drawings" of the wastewater treatment lagoon.

R VIEW AND REVOCATION

- A. If, in the opinion of the Director, the Licence has exceeded or is exceeding or has or is failing to meet the specifications, limit terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- B. If the Liouvice has not construction of the Development within three years of the date of this Licence, he Live revoked.
- C. If, in the opin on of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of the Licence, the Director may require the filing of a new proposal pursuant to Section 11 of The Environment Act.

"original signed by"
Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 4172.00

Schedule "A" to Environment Act Licence No. 2207

Soil Sampling:

- 1. The Licencee shall provide a drilling rig, acceptable to the designated Environment Officer, to extract soil samples from the liner which is not placed or found at the surface of the lagoon structure. This includes all wastewater treatment lagoons constructed with clay cutoffs at the interior base of the dyke or with a clay cutoff in the centre of the dyke. The drill rig shall have the capacity to drill to the maximum depth of the clay cutoff plus an additional 2 metres. The drill rig shall be equipped with both standard and hollow may augers. The minimum hole diameter shall be 5 inches.
- 2. For lagoon liners placed or found at the surface of the lagoon structure, the Licence chall provide a machine, acceptable to the designated Environment Officer, capable of pressing a sampling tube at the time in a straight line motion along the centre axis line of the sample tube and without sides asys modement.
- 3. Soil samples shall be collected and shipped in accordance with ASTM Stane of D 158 (Standard Practice for Thin-Walled Tube Sampling of Soils), D 4220 (Standard Practice for Practice for Practice for Practice for Practice for Ring-Lines Barrel Sampling of Soils). The in-walled tubes shall meet the stated requirements including length, inside clearance ratio and corros as protection. An adequate venting area shall be provided through the sampling head.
- 4. At the time of sample collection, the designated Engagement Or ser shall advise the Licencee as to the soil testing method that must be used on each sample. The edometer thod may be used for a sample were the Environment Officer determines that the soil sample is the enform an undisturbed clay soil which has not been remoulded and which is homogeneous and unweathered. The triaxial test shall be used for all samples taken from disturbed and remoulded soils or form non homogeneous and weathered soils.
- 5. The Licencee shall provide a report on the collection of soil samples to the designated Environment Officer and to the laboratory technician which include that is retained to: a plot plan indicating sample location, depth or elevation of sample, length of advance of the caple tube length of soil sample contained in the tube after its advancement, the soil test method of the capture of the Environment Officer for each soil sample and all necessary instructions from the sittle engineer to the aboratory technician.
- 6. All drill and sample noles stall be seared with bentonite pellets after the field drilling and sampling has been completed.

Soil Testing Met Jds:

- 1. Triaxial st V sures
 - a. The se samples shall be tested for hydraulic conductivity using ASTM D 5084 (Standard Test Method for Meastrement of Hydraulic Conductivity of Saturated Porous Materials Using a Flexible Wall Permeameter).
 - b. Soil specimens shall have a minimum diameter of 70 mm (2.75 inches) and a minimum height of 70 mm (2.75 inches). The soil specimens shall be selected from a section of the soil sample which contains the most porous material based on a visual inspection. The hydraulic gradient shall not exceed 30 during sample preparation and testing. Swelling of the soil specimen should be controlled to adjust for: the amount of compaction measured during sample collection and extraction from the tube and the depth or elevation of the sample. The effective stress used during saturation or consolidation of the sample shall not exceed 40 kPa (5.7 psi) or the specific stress level, that is expected in the field location were the sample was taken, which ever is greater.
 - c. The complete laboratory report, as outlined in ASTM D 5084, shall be supplied for each soil sample

collected in the field.

2. Oedometer Test Method

- a. The soil samples shall be tested for hydraulic conductivity using ASTM D 2435 (Standard Test Method for One-Dimensional Consolidation Properties of Soils).
- b. Soil specimens shall have a minimum diameter of 50 mm (2 inches) and a minimum height of 20 mm (0.8 inches). The soil specimens shall be selected from a section of the soil sample which contains the most porous material based on a visual inspection. The soil specimen shall be taken from an undisturbed soil sample. The soil specimen shall be completely saturated.
- c. The complete laboratory report, as outlined in ASTM D 2435, shall be supplied for each soil sample collected in the field.

