IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTIONS 10(1) AND 14(2) TO:

TOWN OF CARMAN; "the Licencee"

for the construction and operation of the Development being a onsite sludge dewatering
system, for the treatment of sludge from the Town of Carman water treatment plant, in
accordance with the Proposal filed under The Environment Act dated September 16,
2003, and a letter dated January 20, 2006 from Dillon Consulting Limited, and subject to
the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standard Council
of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba
Conservation to be equivalent to the SCC, or be able to demonstrate, upon request, that it
has the quality assurance/quality control (QA/QC) procedures in place equivalent to
accreditation based on the international standard ISO/IEC 17025, or otherwise approved
by the Director; and

"as constructed drawings" means engineering drawings complete with all dimensions
which indicate all features of the Development as it has actually been built.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT
ALL TIMES**
GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall, in addition to any of the following specifications, limits, terms and conditions specified in this Licence, upon the request of the Director:

   (a) sample, monitor, analyse or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such duration and at such frequencies as may be specified;

   (b) determine the environmental impact associated with the release of any pollutants from the Development;

   (c) conduct specific investigations in response to the data gathered during environmental monitoring programs; or

   (d) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, flow rate measurements and such other information as may from time to time be requested.

2. The Licencee shall design, construct and operate the water supply system and the sludge dewatering system in accordance with Manitoba Regulations under The Public Health Act and all operating requirements as recommended by Manitoba Conservation and Manitoba Water Stewardship.

3. The Licencee shall properly train or qualify individuals to carry out the operation of the Development.

4. The Licencee shall collect and dispose of all used oil products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development in accordance with applicable Manitoba Conservation and legislation requirements.
5. The Licencee shall:
   a) prepare as constructed drawings for the Development and shall label the
      drawings "As Constructed"; and
   b) provide to the Director, within three months of the completion of
      construction of the Development, two sets of as constructed drawings.

**SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS**

6. The Licencee shall notify the Red River Region of Manitoba Conservation not
   less than two weeks prior to beginning construction of the Development. The
   notification shall include the intended starting date of construction and the name
   of the contractor responsible for the construction.

7. The Licencee shall, during construction of the Development, dispose of non-
   reusable construction debris, and, during operation of the Development, dispose of
   dried lime sludge at a waste disposal ground operating under the authority of a
   permit issued under *Manitoba Regulation 150/91* respecting *Waste Disposal
   Grounds* or a Licence issued pursuant to *The Environment Act*.

8. The Licencee shall, during construction and operation of the Development, report
   spills of fuels or other contaminants to an Environment Officer in accordance with
   the requirements of *Manitoba Regulation 439/87* respecting *Environmental
   Accident Reporting*.

9. The Licencee shall comply with the requirements of *Manitoba Regulation
    188/2001* respecting *Storage and Handling of Petroleum Products and Allied
    Products*.

10. The Licencee shall, during operation of the Development, direct all excess
    clarifier lime sludge generated by the Town of Carman water treatment plant
    toward the Development.

11. The Licencee shall conduct an effluent monitoring program as described in
    Clauses 12 to 15, of this Licence, for a period of two years commencing with the
    operation of the Development. Following this period, the duration of the
    monitoring program may be extended by the Director if the results, in the opinion
    of the Director, indicate that a longer monitoring period is appropriate.
12. The Licencee shall, on a quarterly basis for the duration of the effluent monitoring program, collect grab samples at three locations approved by the Director. These locations shall be in the clear filtrate discharge line, in the Boyne River upstream of the effluent discharge point, and in the Boyne River downstream of the effluent discharge point.

13. The Licencee shall transport the grab samples collected pursuant to Clause 12, of this Licence, to an accredited laboratory for analysis. The samples shall be stored and transported in accordance with procedures specified by Manitoba Conservation to ensure that the samples are suitable for analysis.

14. The Licencee shall, at an accredited laboratory, have the samples collected pursuant to Clause 12, of this Licence, analysed for the following parameters:
   a) pH;
   b) turbidity;
   c) total hardness;
   d) non-filterable residue;
   e) total dissolved solids;
   f) total suspended solids;
   g) calcium; and
   h) magnesium.

15. The Licencee shall, not more than 30 days after the results of each quarterly analysis are available, submit the results to the Director.

16. The Licencee shall, prior to the disposal of dried lime sludge except as approved in Clause 7 of this Licence, receive the written approval of the Director. In documenting a request for an alternative disposal method involving application on agricultural land, the Licencee shall discuss the merits of soil pH adjustment using lime, identify appropriate soil types and their location, and describe the required and available quantities of land needed for disposal.

17. The Licencee shall dispose of filter backwash water from the Town of Carman water treatment plant in a manner that prevents the recirculation of filter backwash water into the raw water intake for the plant.
REVIEW AND REVOCATION

A. If, in the opinion of the Director, theLicencree has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.

B. If construction of the development has not commenced within three years of the date of this Licence, the Licence is revoked.

C. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 10 of The Environment Act.

Tracey Braun, M. Sc.
Director
Environment Act

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