IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTIONS 11(1) AND 14(2) TO:

GAMARO INVESTMENTS LTD.; "the Licencee"

for the construction and operation of the Development being a wastewater collection system and a sewage treatment plant, to be located on Lots 3, 4, and 5, Plan 3085 in the Rural Municipality of St. Clements and with discharge of treated effluent into the Red River, in accordance with the Proposal filed on November 22, 1990, and related reports and the letter of alteration filed under The Environment Act on October 27, 1998, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means a laboratory accredited by the Standard Council of Canada (SCC), another accrediting agency recognized by Manitoba Environment to be equivalent to the SCC, or at a laboratory which can demonstrate to Manitoba Environment that it has the quality assurance /quality control (QA/QC) procedures in place equivalent to accreditation based on the Canadian Standard Can/CSA-Z753, extension of the international standard ISO 9000, Guide 25;

"affected area" means a geographical area affected by an odour nuisance, excluding the property of the Development;

"appurtenances" means machinery, appliances, or auxiliary structures attached to a main structure to enable it to function, but not considered an integral part of it;

"as constructed drawings" means engineering drawings complete with all dimensions which indicate all features of the alterations to the Development as it has actually been built and record drawings from previous construction;

"composite sample" means a quantity of wastewater consisting of a minimum of 10 equal volumes of effluent collected at approximately equal time intervals;

"Director" means an employee so designated pursuant to The Environment Act;

"effluent" means treated wastewater flowing or pumped out of the wastewater treatment facility;
"fecal coliform" means aerobic and facultative, Gram-negative, nonspore-forming, rod-shaped bacteria capable of growth at 44.5°C, and associated with fecal matter of warm-blooded animals;

"five-day biochemical oxygen demand" means that part of the oxygen demand usually associated with biochemical oxidation of organic matter within 5 days at a temperature of 20°C;

"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;

"odour nuisance" means a continuous or repeated odour, smell or aroma, in an affected area, which is offensive, obnoxious, troublesome, annoying, unpleasant, or disagreeable to a person:
   a) residing in an affected area;
   b) working in an affected area; or
   c) present at a location in an affected area which is normally open to the members of the public;
   if the odour, smell or aroma
   d) is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director, and within a 90 day period, from 5 different persons falling within clauses a), b), or c), who do not live in the same household;

"sewage" means household and commercial wastewater that contains human waste;

"sewage treatment plant" means the component of this development which consists of the central facility, of the wastewater treatment facilities, which contains all treatment processes exclusive of the wastewater collection systems;

"sludge" means accumulated solid material containing large amounts of entrained water which has separated from wastewater during processing;

"total coliform" means a group of aerobic and facultative anaerobic, Gram-negative, nonspore-forming, rod-shaped bacteria, that ferment lactose with gas and acid formation within 48 hours at 35°C, and inhabit predominantly the intestines of man or animals, but are occasionally found elsewhere and include the sub-group of fecal coliform bacteria; and

"wastewater" means the spent or used water of a community or industry which contains dissolved and suspended matter.
GENERAL REQUIREMENTS

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 direct all wastewater generated within the proposed 34 single family units toward the sewage treatment plant.

2. The Licencee shall, in case of physical or mechanical breakdown of the wastewater collection and/or the sewage treatment plant:
   a) notify the Director immediately;
   b) identify the repairs required to the wastewater collection and/or the sewage treatment plant; and
   c) complete the repairs in accordance with any written instructions of the Director.

3. The Licencee shall not cause or permit an odour nuisance to be created as a result of the construction, operation or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.

4. 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 Water and Wastewater" published jointly by the American Public Health Association, the American Waterworks Association and the Water Pollution Control Federation, or in accordance with an equivalent analytical methodology approved by the Director;
   b) ensure that all analytical determinations are undertaken by an accredited laboratory; and
   c) report the results to the Director, in writing and in an electronic format acceptable to the Director, within 60 days of the samples being taken.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

5. The Licencee shall limit the wastewater load, including septage, on the sewage treatment plant as follows:
   a) the hydraulic loading not to exceed 75.7 cubic metres over any 24 hour period; and
   b) the organic loading not to exceed 18.1 kilograms of five-day biochemical oxygen demand over any 24 hour period.
6. The Licencee shall not discharge effluent from the sewage treatment plant:
   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 total suspended solids content of the effluent is in excess of 30
      milligrams per litre;
   c) where the fecal coliform content of the effluent, as indicated by the MPN
      index, is in excess of 200 per 100 millilitres of sample; or
   d) where the total coliform content of the effluent, as indicated by the MPN
      index, is in excess of 1500 per 100 millilitres of sample.

7. The Licencee shall dispose of sludge generated by the sewage treatment plant in a manner
   approved by the Director.

MONITORING AND REPORTING

8. The Licencee shall provide a heated and secured effluent monitoring station
   acceptable to the Director and equipped with:
   a) a direct access way for an effluent sampling line to a location after the
      discharge from the disinfection chamber; and
   b) an electrical power source of 15 amperes at 110 volts.

9. The Licencee shall:
   a) take one composite sample of effluent from the sewage treatment plant, over
      a 24 hour period once per month;
   b) have the composite sample analyzed for five day biochemical oxygen
      demand, and total suspended solids;
   c) take 3 grab samples of the effluent from the sewage treatment plant with a
      minimum separation time of 2 hours between taking each sample, during the
      day on which the composite sample is collected pursuant to sub-section (a) of
      this Clause is collected;
   d) have each of the samples collected pursuant to sub-section (c) of this Clause
      analyzed for fecal coliform content and total coliform content; and
   e) report the results to the Director.

10. The Licencee shall ensure that treated effluent from the sewage treatment plant is
    discharged to the Red River in a closed conduit.

11. The Licencee shall:
    a) prepare "as constructed drawings" for the sewage treatment plant and the
        effluent discharge pipeline complete with final elevations and shall label the
        drawings "As Constructed Drawings"; and
    b) provide to the Director, on or before December 31, 2000, two sets of "as
        constructed drawings" of the Development.
REVIEW AND REVOCATION

A. This Licence replaces Licence No. 1484 which is hereby rescinded.

B. If, in the opinion of the Director, the Licencee 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.

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 11 of The Environment Act.

D. If the Licencee has not commenced construction of the Development within three years of the date of this licence, the Licence is revoked.

Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 3271.00