SUMMARY OF COMMENTS/RECOMMENDATIONS

PROPOONENT: Blue Clay Farms 98 Ltd.

PROPOSAL NAME: Wastewater Treatment Lagoon Upgrade

CLASS OF DEVELOPMENT: Two

TYPE OF DEVELOPMENT: Waste treatment and storage – wastewater treatment lagoons

CLIENT FILE NO.: 3363.10

OVERVIEW

The Proposal was received on September 12, 2013. It was dated September 11, 2013. The advertisement of the Proposal was as follows:

“A proposal was filed by Blue Clay Farms 98 Ltd. for the expansion and alteration to the operation of the existing wastewater treatment lagoon that is located in SE 9-4-3 EPM in the Rural Municipality of De Salaberry. The existing wastewater treatment lagoon is currently operated under Environment Act Licence No. 1542 issued to Blumenhof Holding Co. Ltd. and Blumenhof Farms Ltd. The proposed expansion consists of the construction of a new, additional storage cell that will be located immediately adjacent to the south perimeter dyke of the existing two-cell wastewater treatment lagoon. Another component of the proposal consists of changing from discharging treated wastewater from the wastewater treatment lagoon by irrigation to discharging treated wastewater to surface drainage. Treated wastewater from the wastewater treatment lagoon will be discharged between June 15th and November 1st of any year via site drainage to municipal drains that flow into the Arnaud Drain that flows into the Marsh River that discharges to the Rat River.”

The Proposal was advertised in the Steinbach Carillon on Thursday, December 12, 2013. It was placed in the following public registries:

- Legislative Library (Winnipeg)
- Millennium Public Library (Winnipeg)
- Online: http://www.gov.mb.ca/conservation/eal/registries/3363.1blueclay/index.html

The Proposal was distributed to Technical Advisory Committee (TAC) members on December 10, 2013.

The closing date for comments from members of the public and TAC members was January 13, 2014.
COMMENTS FROM THE PUBLIC

No public comments were received on the Proposal.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE

Technical Advisory Committee responses are summarized in Table 1 below. Substantive comments and their dispositions follow the table. TAC comments are provided in full in the public registries.

Table 1 Blue Clay Farms 98 Ltd. Wastewater Treatment Lagoon Upgrade – Technical Advisory Committee Comments

<table>
<thead>
<tr>
<th>No</th>
<th>Technical Advisory Committee Member</th>
<th>Response Provided</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Canadian Environmental Assessment Agency</td>
<td>No response</td>
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<tr>
<td>2</td>
<td>Manitoba Agriculture – Land Use Branch</td>
<td>No response</td>
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<tr>
<td>3</td>
<td>Manitoba Sustainable Development –</td>
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<tr>
<td></td>
<td>Compliance and Enforcement Branch</td>
<td>No response</td>
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<td></td>
<td>Climate Change and Air Quality Branch</td>
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<tr>
<td></td>
<td>Wildlife and Fisheries Branch</td>
<td>Wildlife – no concerns</td>
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<td></td>
<td></td>
<td>Fisheries – will review draft licence</td>
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<td></td>
<td>Parks and Protected Spaces Branch</td>
<td>No response</td>
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<tr>
<td></td>
<td>Forestry Branch</td>
<td>No response</td>
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<tr>
<td></td>
<td>Indigenous Relations Branch</td>
<td>No response</td>
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<tr>
<td></td>
<td>Lands Branch</td>
<td>No response</td>
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<tr>
<td></td>
<td>Water Science and Management Branch</td>
<td>No response</td>
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<tr>
<td></td>
<td>Water Quality Management Section</td>
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<tr>
<td></td>
<td>Groundwater Management Section</td>
<td>No response</td>
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<td></td>
<td>Office of Drinking Water</td>
<td>No response</td>
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<td></td>
<td>Water Use Licensing Section</td>
<td>No response</td>
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<td></td>
<td>Water Control Works Licensing Section</td>
<td>No response</td>
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<td></td>
<td>Eastern Region</td>
<td>No response</td>
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<td></td>
<td>Manitoba Sport, Culture, and Heritage – Heritage Branch</td>
<td>No response</td>
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<td>5</td>
<td>Manitoba Growth, Enterprise and Trade –</td>
<td>No response</td>
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<td></td>
<td>• Energy Development Branch</td>
<td>No response</td>
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<td></td>
<td>• Petroleum Branch</td>
<td>December 18, 2013</td>
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<td></td>
<td>• Office of the Fire Commissioner</td>
<td>No response</td>
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<td></td>
<td>• Workplace Safety and Health</td>
<td>No response</td>
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<td>6</td>
<td>Manitoba Infrastructure –</td>
<td>No response</td>
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<td></td>
<td>• Highway Planning and Design Branch</td>
<td>December 11, 2013</td>
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<td>7</td>
<td>Manitoba Indigenous and Municipal Relations</td>
<td>December 27, 2013</td>
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<tr>
<td>8</td>
<td>Manitoba Health, Seniors and Active Living –</td>
<td>No response</td>
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<td></td>
<td>Environmental Health Unit</td>
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</tbody>
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**Manitoba Sustainable Development – Environmental Compliance and Enforcement Branch**

Environmental Compliance and Enforcement (Eastern Region) has reviewed the above noted Environment Act Proposal (EAP) and requests a response from the proponent to the following items:

**2.5.6 Wastewater Production:**
Environmental Compliance and Enforcement Branch has received enquiries regarding the potential installation of industrial facilities at the site, such as a slaughter plant. As such, we request confirmation that the source of wastewater is only from the residential population and no other sources.

**2.5.7 Lagoon Sizing Requirement:**
This section of the proposal indicates that the upgraded lagoon would consist of one new primary cell and two storage cells. It is understood in the proposal that the upgrade to the lagoon would be the construction of a new storage cell.

Environmental Compliance and Enforcement requests the proponent to clarify in this section whether the upgrade would consist of a new primary cell or a new Secondary storage cell.

**2.5.7.2 Storage Cells**
The third paragraph on this section of the proposal suggests that if the water quality testing results are acceptable, only then will the intercell valve between the primary cell and Storage cell #1 be closed and storage cells be discharged.

Environmental Compliance and Enforcement wants to clarify with the proponent that the intercell valve between the primary cell and secondary cell must be closed at least two weeks prior to sampling of the lagoon and not when sampling results of the lagoon are acceptable.
2.5.9.2 Nutrient Management Plan:
The proponent has opted to implement a nutrient reduction strategy (Trickle Discharge) instead of a 1mg/L Phosphorus limit. It is proposed to trickle discharge the storage cells over a four week period. The proposal also suggests in section 2.5.7.2 that the lagoon only be discharged once per year, occurring in the fall.

Environmental Compliance and Enforcement Branch requests that the proponent clarify that the existing primary cell has adequate hydraulic capacity to accommodate incoming wastewater over the entire isolation, sampling and discharge period.

2.5.11 Lagoon Layout
The proposal indicates that the new Storage cell # 2 is to be constructed to the east of Storage Cell #1. However, the location of the new Storage cell # 2 is depicted south of Storage Cell #1 in the attached drawing.

Environmental Compliance and Enforcement requests the proponent to clarify in this section the actual location of the new Storage cell # 2.

Disposition:
Additional information was requested to address these comments.

Manitoba Sustainable Development – Parks and Protected Spaces Branch

No comments or concerns to offer.

Manitoba Sustainable Development – Lands Branch

No concerns.

Manitoba Sustainable Development – Water Science and Management Branch, Water Quality Management Section

- The following effluent standards should be in place for Blue Clay Farms 98 LTD lagoon as per the *Manitoba Water Quality Standards, Objectives and Guidelines Regulation* (196/2011).
  - BOD₅ 25 mg/L
  - Total suspended solids 25 mg/L
  - Fecal Coliforms or Escherichia coli 200 MPN / 100mL
  - <1 mg/L total phosphorous or demonstrated nutrient reduction strategy

- The *Manitoba Water Quality Standards, Objectives and Guidelines Regulation* (196/2011) requires new or expanding wastewater treatment facilities to meet a 1 mg/L phosphorus limit or a demonstrated nutrient reduction strategy. The current
license requires the Proponent to effluent irrigate. Effluent irrigation, is a nutrient reduction strategy capable of reducing a significant percentage of phosphorous and nitrogen and has excellent nutrient reuse opportunity. As the proponent is currently land applying the effluent, it is recommended the Proponent continue effluent irrigation. If effluent irrigation is not possible in some years, then the Proponent must be required to meet a <1 mg/L phosphorus limit.

- The Water Quality Management Section is concerned with any discharges that have the potential to impact the aquatic environment and/or restrict present and future uses of the water. Therefore it is recommended that the license require the proponent to actively participate in any future watershed based management study, plan/or nutrient reduction program, approved by the Director.

Disposition:
Additional information was requested to address these comments.

**Manitoba Sustainable Development – Office of Drinking Water**

I reviewed the above noted EAP and have no concerns with it respecting drinking water safety except that the proposed effluent drainage route for the lagoon eventually drains into the Red River upstream of the raw water intake for the Morris Regional water treatment plant. In normal operation of the lagoon, this should not pose a problem, however, should a major spill of semi-treated or untreated effluent from the lagoons occur, the effluent could possibly effect the Morris water plant. Therefore, Office of Drinking Water recommends a clause be included in the Environment Act Licence for the lagoons requiring the Owner to have contact information for the Morris Regional Water Plant in his Emergency Response Plan and a requirement that the operators of the Morris Regional Water Plant be contacted in the event of a major effluent spill from the lagoons.

Disposition:
Additional information was requested to address these comments.

**Manitoba Sustainable Development – Water Control Works and Drainage Licensing Section**

Please advise the proponent that should their proposal involve alterations to existing outlet infrastructure, or the construction of new outlet infrastructure, these works will require licensing under the *Water Rights Act* - an application is attached for their convenience. Any inqiries in this regard may be directed to the local Water Resource Officer. Their contact information may be found at:

Disposition:
Additional information was requested to address these comments.

**Manitoba Growth, Enterprise and Trade – Office of the Fire Commissioner**

No concerns.

**Manitoba Infrastructure – Highway Planning and Design Branch, Environmental Services Section**

No concern.

**Manitoba Indigenous and Municipal Relations – Community and Regional Planning Branch**

On behalf of the Steinbach Community Planning Services office, I have reviewed any potential areas of concern that should be addressed as part of the environmental evaluation pursuant to *The Environment Act*.

The land within the study area is located in the SE ¼ 9-4-3EPM. The parcel is in the RM of De Salaberry, 2 miles east of Provincial Road (PR) 200 approximately 2 miles north west of Arnaud.

Due to population growth in the Blue Clay Colony, Blue Clay Farms is requesting an expansion and an alteration to the lagoon discharge process. According to the assessment database, the subject parcel is 80 acres and there are farm related buildings, and an existing sewage lagoon on site.

The land is designated *Agriculture 2* according to the *RM of De Salaberry Development Plan* and is zoned *Agriculture 2*. Land surrounding the proposed use is primarily held in large tracts and appears to be agricultural in nature. The engineering report indicated the closet residential dwelling is 400 metres away.

Our office has no concerns with respect to the proposal.

**ADDITIONAL INFORMATION**

Additional information was requested on March 27, 2014 to address Technical Advisory Committee comments on the project. A response was provided on May 14, 2014. The detailed response is posted in the public registries, and satisfactorily addresses all TAC comments. Where appropriate, the additional information can be incorporated into licence conditions.
PUBLIC HEARING

No requests were received for a public hearing. Accordingly, a public hearing is not recommended.

CROWN-INDIGENOUS CONSULTATION

The Government of Manitoba recognizes it has a duty to consult in a meaningful way with Indigenous communities when any proposed provincial law, regulation, decision or action may infringe upon or adversely affect the exercise of the Indigenous rights of that community.

The proposal involves the expansion of an existing wastewater treatment lagoon system for municipal purposes on privately owned agricultural land. Since resource use is not affected by the project, it is concluded that Crown-Indigenous consultation is not required for the project.

RECOMMENDATION

All comments received have been addressed through additional information or through licence conditions. It is recommended that the Development be licensed under The Environment Act subject to the limits, terms and conditions as described on the attached Draft Environment Act Licence.

It is further recommended that enforcement of the Licence be retained by the Environmental Approvals Branch until construction of the wastewater treatment lagoon expansion is completed. Enforcement of the licence then should be assigned to the Eastern Region of the Environmental Compliance and Enforcement Branch.

PREPARED BY:

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for

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Environmental Approvals Branch – Municipal and Industrial Section

August 25, 2016
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