

LICENCE

Licence No. / Licence n° 2762

Issue Date / Date de délivrance April 3, 2007

In accordance with The Environment Act (C.C.S.M. c. E125) /
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 11(1) / Conformément au Paragraphe 11(1)

THIS LICENCE IS ISSUED TO : / CETTE LICENCE EST DONNÉE À :

TOWN OF NEEPAWA; "the Licencee"

for the construction and operation of the Development being a water supply system for municipal purposes with well systems adjacent to SW 4-13-15 WPM (Oberon site) and W 22-13-14 WPM (Hummerston site), and raw water pipelines between the well systems and the water treatment plant in the Town of Neepawa, in accordance with the Environment Act Proposal dated January 5, 2007, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

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

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 construct and operate the water supply system in accordance with Manitoba Regulations under the Public Health Act, the Drinking Water Safety 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 revegetate soil exposed during the construction of the Development with native or introduced grasses or legumes. Native species shall be used to revegetate areas where native species existed prior to construction. Revegetation is not required for pipelines installed by chain trenching or ploughing on previously disturbed ground including road allowances.
- 6. The Licencee shall maintain the water supply wells associated with the Development to prevent the contamination of groundwater by surface water:
 - (a) entering the well casings through the top of the casings;
 - (b) entering the well casings through the sides of the casings; and
 - (c) seeping down the outside of the casings to the groundwater.
- 7. 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

Respecting Construction:

- 8. The Licencee shall notify the Western Region of Manitoba Conservation and the Rural Municipality of Langford 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.

9. The Licencee shall, during construction of the Development, dispose of non-reusable construction debris at a waste disposal ground operating under the authority of a permit issued under *Manitoba Regulation 150/91* respecting *Waste Disposal Grounds*, or any future amendment thereof, or a Licence issued pursuant to The Environment Act.
10. The Licencee shall locate fuel storage and equipment servicing areas established for the construction and operation of the Development in compliance with the requirements of *Manitoba Regulation 188/2001* respecting *Storage and Handling of Petroleum Products and Allied Products*, or any future amendment thereof.
11. The Licencee shall, at all times during the construction of the Development, maintain materials to contain and recover spills of fuel and other fluids associated with construction machinery at construction sites.
12. The Licencee shall, during construction and operation of the Development:
 - (a) immediately report any reportable spills to Manitoba Conservation's Accident Reporting Line at (204) 944-4888; and
 - (b) provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposing corrective action to prevent recurrence.
13. The Licencee shall not, during construction and operation of the Development, remove, destroy or disturb species listed as rare, endangered, or of special concern, or their habitats. These species are listed in *Manitoba Regulation 25/98*, or any future amendment thereof, respecting *Threatened, Endangered and Extirpated Species* and in the federal Species at Risk Act.
14. The Licencee shall, prior to the installation of the wells and pipelines of the Development, undertake a vegetation survey to identify and report on any occurrences of rare or endangered species or species of special concern, for the approval of the Director. The report shall incorporate mitigation recommendations from the Conservation Data Centre of Manitoba Conservation if any rare or endangered species or species of special concern are identified which may be affected by the project.
15. The Licencee shall, during construction of the pipelines of the Development, construct waterway crossings on flowing waterways including Boggy Creek, the Brookdale Drain and Stony Creek, by augering, tunnelling or boring. Open cut crossings on flowing waterways shall not be made unless prior consultation with Manitoba Water Stewardship and Department of Fisheries and Oceans staff has occurred and the prior written approval of the Director has been obtained. Dry or

non-flowing (i.e. hydraulically unconnected to downstream flowing water) natural and artificial waterways may be crossed with open cut techniques where approval has been obtained where necessary from the authority responsible for the channel.

16. The Licencee shall, where open cut stream crossing techniques are used on intermittent waterways and artificial drainage channels, minimize disturbance to riparian areas and restore the bottom and banks of the waterways to their original elevations and shapes.
17. The Licencee shall construct open cut stream crossings associated with the Development in accordance with the methodologies described in the October, 2005 publication "Pipeline Associated Watercourse Crossings Third Edition", published by the Canadian Pipeline Water Crossing Committee, and the May, 1996 publication "Manitoba Stream Crossing Guidelines for the Protection of Fish and Fish Habitat", published by the Department of Fisheries and Oceans and Manitoba Natural Resources.
18. The Licencee shall not alter local drainage patterns by the construction of the Development, including inflows and outflows from small wetlands adjacent to the route of pipelines.
19. The Licencee shall not construct open cut stream crossings between April 1 and June 15 of any year.
20. The Licencee shall not construct the Development in areas likely to provide bird habitat before August 1 of any year. Construction in wetland areas and in riparian zones adjacent to rivers shall not occur before August 15 of any year.
21. The Licencee shall separate and replace topsoil from backhoe and trenching operations associated with the Development in accordance with the methodology described in Figures 1, 2 and 3 attached to this Licence. This requirement is not applicable where the topsoil has been previously disturbed due to the construction of roads or drains.

Respecting Operation:

22. The Licencee shall not release chlorinated water from pipeline testing and startup activities associated with the Development to a surface water body until chlorine level concentrations are equal to or less than 0.1 milligrams per litre. Releases of chlorinated water at higher concentrations may be made to vegetated land or dry waterways, provided that chlorine level concentrations have decayed to 0.1 milligrams per litre or less before the released water reaches any body of surface water.
23. The Licencee shall not permit the interconnection of a private water supply system with the Development.

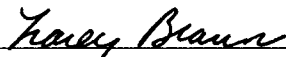
24. The Licencee shall operate the Development with respect to the volume and rate of water diverted from the Assiniboine Delta Aquifer in accordance with a Water Rights Licence issued pursuant to the Water Rights Act.
25. The Licencee shall notify Manitoba Conservation of any reports of interference of the project with the operation of private water wells. The notification shall include information on actions taken to address the reports, and may be provided in conjunction with the reports required in Clause 29 of this Licence.
26. The Licencee shall actively participate in any watershed and/or aquifer based management study being undertaken for the Assiniboine Delta Aquifer by Manitoba Water Stewardship or any watershed planning authority.

Respecting Monitoring:

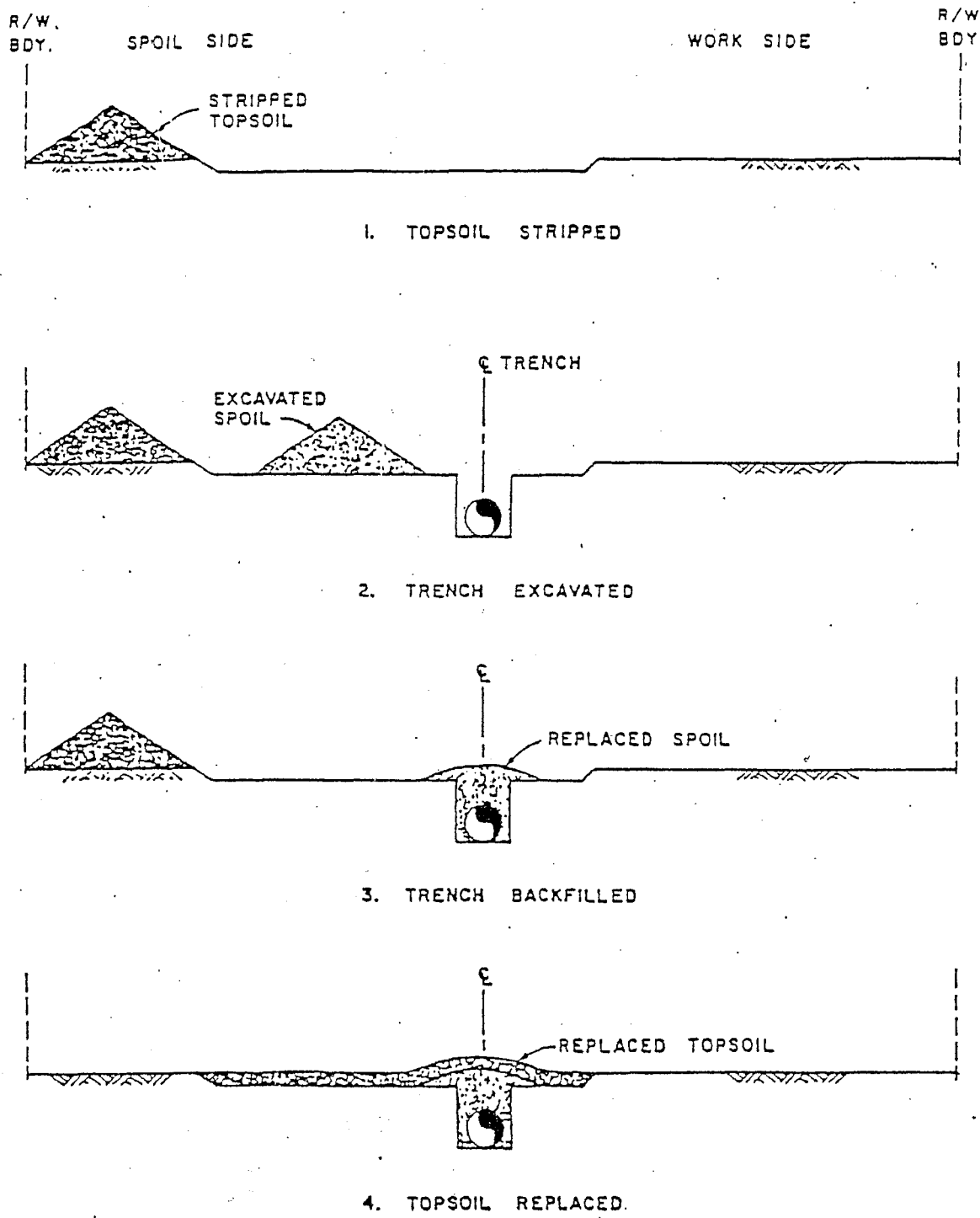
27. The Licencee shall, prior to operation of either the Oberon and/or Hummerston wellfields, inspect all existing wells within 1.6 km of the wellfield to be operated to determine baseline information on water level, well capacity, water quality and well and equipment condition. A report on this information shall be provided for the approval of the Director prior to the operation of each wellfield. The inspections and reports shall be carried out for the Licencee by qualified persons with expertise in well maintenance and hydrogeology.
28. The Licencee shall, during operation of the Development, monitor water levels in the Assiniboine Delta Aquifer as described in Section 10.0 (Compliance Monitoring During Operation) of the report "Town of Neepawa Neepawa and Region Water Supply Upgrade Project Environment Act Proposal", prepared by UMA Engineering Ltd. and dated November, 2006.
29. The Licencee shall, for the first three years of operation of the Development, prepare an annual report on monitoring results obtained pursuant to Clause 28 of this Licence. Following this period, the duration of the monitoring reporting period may be extended by the Director if the results, in the opinion of the Director, indicate that a longer reporting period is appropriate. The annual reports shall be provided within two months of the completion of each year of operation, and include an analysis of pumping impacts. Copies of the annual reports shall be provided to the Western Region and Environmental Assessment and Licensing Branch of Manitoba Conservation, and the rural municipalities of Langford and North Cypress.
30. The Licencee shall extend the baseline monitoring and reporting required by Clause 27 of this Licence, if the results of the reports required pursuant to Clause 29 of this Licence indicate that the amount of drawdown or the areal extent of the drawdown caused by the Development on the Assiniboine Delta Aquifer significantly exceeds the amounts anticipated in the Environment Act Proposal.

REVIEW AND REVOCATION

- A. 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.
- 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 11 of The Environment Act.

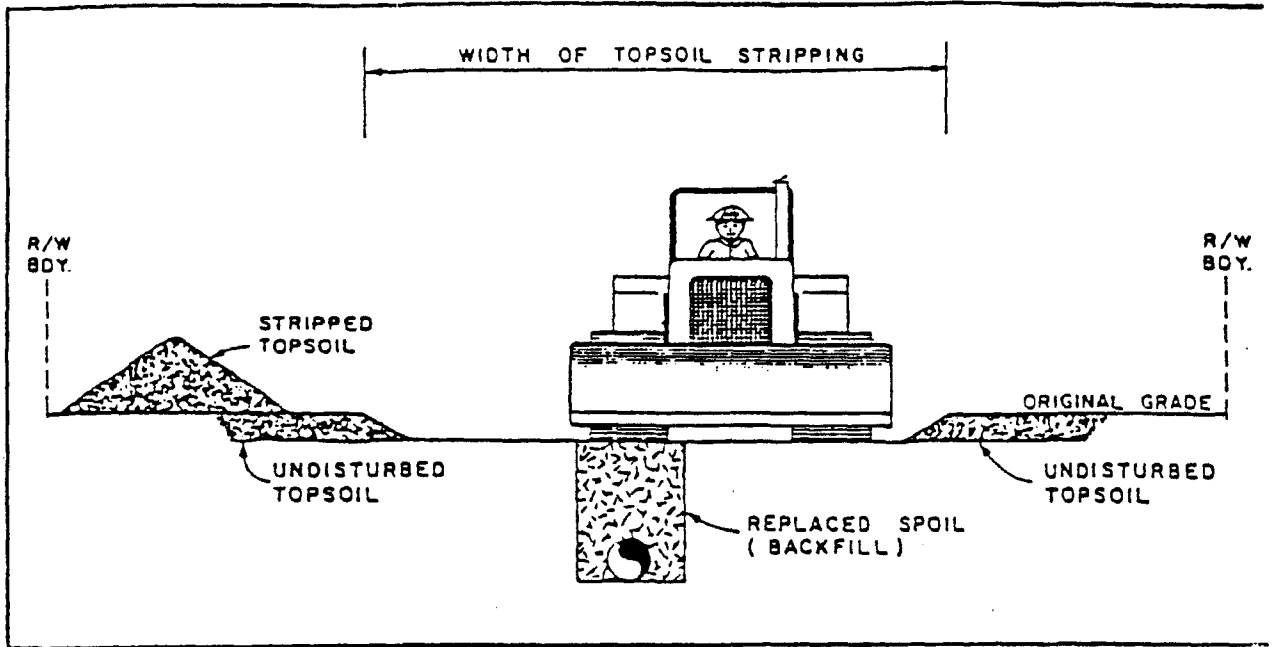


Tracey Braun, M. Sc.
Director
Environment Act



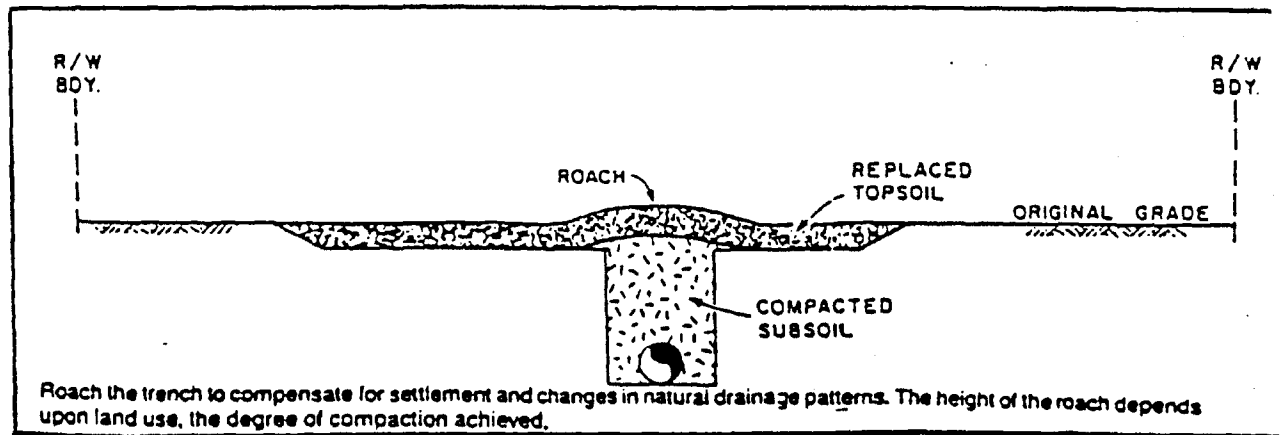
SEQUENCE OF TOPSOIL HANDLING

Figure 1.



COMPACTION OF BACKFILL

Figure 2



ROACHING THE TRENCH

Figure 3



Conservation

Environmental Stewardship Division
Environmental Assessment and Licensing Branch
123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5
T 204 945-7100 F 204 945-5229
www.gov.mb.ca/conservation/envapprovals

FAXED

CLIENT FILE NO.: 5246.00

April 3, 2007

Sheila Mowat
Chief Administrative Officer
Town of Neepawa
421 – First Avenue, Box 339
Neepawa MB R0J 1H0

Dear Ms. Mowat:

Enclosed is Environment Act **Licence No. 2762** dated April 3, 2007 issued in accordance with The Environment Act to the **Town of Neepawa** for the construction and operation of the Development being a water supply system for municipal purposes with well systems adjacent to SW 4-13-15 WPM (Oberon site) and W 22-13-14 WPM (Hummerston site), and raw water pipelines between the well systems and the water treatment plant in the Town of Neepawa, in accordance with the Environment Act Proposal dated January 5, 2007.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with.

For further information on the administration and application of the Licence, please feel free to contact Peter Crocker, Environment Officer at (204) 726-6565.

Pursuant to Section 27 of The Environment Act, this licencing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M.Sc.
Director
Environment Act

Enc.

c: B. Wright, Western Regional Director/Peter Crocker, Environment Officer
Steve Wiecek, UMA Engineering
Millennium Public Library/Manitoba Eco-Network/Western Mb. Regional Library
Town of Neepawa/R.M.'s of Lansdowne/Westbourne (As Registries)/R.M. of Langford
Kerry Francis/William & Beverley Dean

NOTE: Confirmation of Receipt of this Licence No. 2762 (by the Licencee only) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy back to the Department by April 10, 2007.

On behalf of the Town of Neepawa

Date

****A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****