

THE ENVIRONMENT ACT  
LOI SUR L'ENVIRONNEMENT  
LICENCE

Manitoba  
Conservation



Conservation  
Manitoba

Licence No./Licence n° 2728 S1

Issue Date/Date de délivrance June 28, 2006

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 Sections 10(1) and 13(1) / Conformément au Paragraphes 10(1) et 13(1)

THIS STAGE 1 LICENCE IS ISSUED TO:/CET ETAPE 1 LICENCE EST DONNÉ À:

**RANCHERS CHOICE BEEF C0-0P LTD.; "the Licencee"**

to construct a Development comprised of a beef processing facility, capable of processing 1,650 cattle per week on one shift, together with:

- a livestock transfer facility;
- plant offices and staff areas;
- an interior wastewater pretreatment facility comprised of a dissolved air flotation (DAF) unit;
- an exterior lined and covered wastewater equalization basin;
- access roadways; and
- paved parking areas;

all to be located on Lot 1 Plan 38887 in the NE 1/4 of Section 16, Township 25, Range 19 WPM, within the R.M. of Dauphin, in accordance with:

- a Proposal received from the Proponent on January 31, 2006, supported by a report prepared by DLS Engineering Inc. outlining the Proposal and the environmental effects; and
- a report dated January 31, 2006, prepared by Earth Tech (Canada) Inc. for the Proponent, outlining proposed changes to the DLS Engineering's Proposal report;

both submitted under The Environment Act, and subject to the following specifications, limits, terms and conditions:

#### DEFINITIONS

In this Licence,

“**accredited laboratory**” means an analytical facility accredited by the Standards 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;

“**approved**” means approved by the Director in writing;

“**ASTM**” means the American Society for Testing and Materials;

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

“ASTM” means the American Society for Testing and Materials;

“beef processing” means the slaughtering, bleeding, eviscerating, skinning, hot boning, and cutting processes used to produce beef products and beef by-products;

“beef processing facility” means collectively the enclosed livestock barn, the kill floor, the offal and paunch room, the inedible room, the hot boning room, the block ready room, the beef carcass coolers, and such additional freezing, storage, packing and utility rooms as proposed for the beef processing facility; and including the wastewater pretreatment unit;

“DAF” means dissolved air floatation;

“Director” means an employee of the department appointed as such by the Minister;

“equalization basin” means the lined and covered earthen constructed cell used for temporarily holding and blending pretreated wastewater from the DAF unit, as well as the sanitary sewage streams;

“HDPE” means high density polyethylene;

“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;

“noise nuisance” means a continuous or repeated noise, in an affected area, which is troublesome, annoying 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 unwanted sound

- (d) is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director within a 90-day period, from 5 different persons falling within clauses (a), (b) or (c), who do not live in the same household; or
- (e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses (a), (b) or (c), and the Director is of the opinion that if the unwanted sound had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90-day period from 5 different persons who do not live in the same household;

“pollutant” means a pollutant as defined in The Environment Act;

“PVC” means polyvinyl chloride;

“wastewater pre-treatment plant” mean the DAF and any dedicated screens, plumbing and pumps; and

“wastewater pretreatment” means the reduction of solids and fats present in the raw process wastewater by means of filtration through screens, followed by the suspension and skimming of fats and oils by means of a DAF unit.

## GENERAL TERMS AND CONDITIONS

1. In addition to any of the 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 any activity or substance or emissions associated with the construction of the Development, for such pollutants and for such duration and such frequencies as may be specified;
  - (b) determine the environmental impact associated with the release of any pollutant(s) from the Development; 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 as may from time to time be requested.
2. 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; and
  - (b) have all analytical determinations are undertaken by an accredited laboratory.
3. The Licencee shall report all the information requested through the provisions of this Licence in a manner and form acceptable to the Director.

## SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

### Respecting Sanitary Sewage

4. The Licencee shall comply with *Manitoba Regulation 83/2003*, or any future amendment thereto, in regards to any sanitary sewage generated at the construction site of the Development during the construction phase.

### Respecting Surface Runoff

5. The Licencee shall construct silt fences in the drainage routes transporting surface runoff off the property of the Development, and keep the silt fences maintained in a functioning manner until vegetation has been re-established on the disturbed areas.
6. The Licencee shall not permit or cause any pollutant to be directed into or transported by any surface drainage route leading off the property of the Development.

### Respecting Groundwater Protection

7. The Licencee shall, unless otherwise approved by the Director, install and maintain a continuous PVC liner under the concrete pad of the livestock barn and under and the concrete manure dump pad for the livestock trucks, with the edges elevated and secured to curbs, whereby the PVC liner:
  - (a) is installed in accordance with ASAE Standard EP340.2 for the installation of Flexible Membrane Linings;
  - (b) is underlain with a 339 grams/m<sup>2</sup> (10 oz/yd<sup>2</sup>) non-woven polypropylene geotextile cushion underlay, fabric style LP 1001;
  - (c) has a minimum thickness of 1.0 mm (40 mil);
  - (d) is free of holes and has a hydraulic conductivity not exceeding  $6.1 \times 10^{-9}$  centimetres per second over the entire surface area of the liner; and
  - (e) is tested for the integrity of all field seams using the air lance or ultrasonic pulse echo test methods, in accordance with ASTM Standard D 4437 - 84, and that a testing report is prepared and submitted to the Director at least one week before the PVC liner is overlain with concrete or any sub-grade material.
8. The Licencee shall, before tendering a construction contract for the lined equalization basin, submit to the Director, for approval:
  - (a) detailed design drawings incorporating a double liner system, and leakage detection and collection provisions proposed for the equalization basin, a gas relief system, and showing the elevation of the bottom of the secondary liner relative to the highest expected elevation of the local water table at that site;
  - (b) a detailed description, prepared by a qualified professional, of the equalization basin leakage detection and response strategy, describing:
    - (i) details on the proposed type and location of monitoring provisions and instrumentation to be used;
    - (ii) how the impervious integrity of the primary liner and the secondary liners will be assessed on an ongoing basis;
    - (iii) how detected leakage losses will be handled;
    - (iv) how detected leakage losses will be evaluated as to their environmental risk; and
    - (v) a contingency plan for correcting any leakage losses deemed, by the Director, to pose an unacceptable environmental risk.

9. The Licencee shall, unless otherwise proposed by the Licencee and approved by the Director:
- (a) install and maintain two continuous HDPE liners on the interior surface of the proposed equalization basin whereby the inner primary liner has a minimum thickness of 1.5 mm (60 mil), and the outer secondary liner has a minimum thickness of 1.0 mm (40 mil) and is underlain with an electrically conductive geotextile membrane to facilitate the task of locating a potential leak in the secondary liner;
  - (b) submit to the Director a copy of the full information on the liner specifications, and the installation and testing specifications for the project contract, as soon as the project contract is awarded;
  - (c) install each liner in accordance with the specifications outlined in the project contract, or in accordance with the ASAE Standard EP340.2 for the installation of Flexible Membrane Linings, whichever is the most stringent;
  - (d) weld all seams on the primary and secondary liner in accordance with the specifications outlined in the project contract;
  - (e) make certain that each liner is free of holes and has a hydraulic conductivity not exceeding  $3.0 \times 10^{-7}$  centimetres per second over the entire surface area of each liner;
  - (f) separate the primary and secondary liner with a porous geonet membrane in accordance with the specifications outlined in the project contract;
  - (g) install a gas relief system under each liner in accordance with the specifications satisfactory to the Director; and
  - (h) test each liner for the integrity of all field seams by the air lance or ultrasonic pulse echo test method, in accordance with ASTM Standard D 4437-99, and prepare and submitted to the Director a testing report for each liner, with:
    - (i) the testing report on the secondary liner seams, submitted to the Director no less than one week before the secondary liner is overlain with the geonet material and the primary liner; and
    - (ii) the testing report on the primary liner, submitted to the Director no later than two weeks after the seam testing on the primary liner, or any portion thereof in the case; and
  - (i) install a high water alarm in the equalization basin to provide warning of a potential circumstance of spill-over from the basin due to a circumstance of inflows exceeding outflows.
10. The Licencee shall pressure test the integrity of the connections of any underground piping, which is intended to transport wastewater under pressure, before such pipe connections are backfilled with earth, and advise the Director in writing once all the pressure tests have been successfully completed.
11. The Licencee shall submit, for the approval of the Director, within 1 month of the date of issuance of this Licence, a detailed groundwater monitoring strategy for the property of the Development, prepared by a qualified professional, for the purpose of determining, on an ongoing basis, whether the construction activities and future operations activities have or are impacting the quality of the groundwater beneath the property of the Development relative

to the quality of the groundwater before the commencement of construction on the property of the Development. The groundwater monitoring strategy shall describe:

- (a) the rationale and strategic purpose for the proposed number, locations and depth of any groundwater monitoring wells proposed to be used relative to the site-specific upper aquifer groundwater conditions for the property of the Development;
- (b) the elevations of the well head and of the upper aquifer water table at each proposed monitoring well;
- (c) a site plan showing the locations of all the proposed monitoring wells relative to the beef processing facility and the equalization basin, and showing the true direction of groundwater flow of the upper aquifer based on the determined elevations of the water table at each of the proposed monitoring wells and any other temporary observation wells as may be installed on-site for this purpose;
- (d) information on the adequacy of the yield from each of the proposed monitoring wells;
- (e) the water quality parameters proposed to be monitored; and
- (f) the frequency and elevation(s) at which the wells are proposed to be monitored.

#### **Respecting Terrestrial Management**

12. The Licencee shall, before commencing any construction:
  - (a) contact the Wildlife Ecosystem Protection Branch of MB Conservation for guidance on the identification and protection or transplantation of any endangered species of plants found on the construction site, or in any ditches on or immediately adjacent to the property of the Development;
  - (b) have the search, identification and transplantation of any endangered species of plants undertaken by a professional person in this field; and
  - (c) submit to the Director a brief report prepared by the person having conducted or supervised the work undertaken as per sub-clause 12(a) of this Licence, to document the findings and actions of this survey.
13. The Licencee minimize the disturbance of the any natural vegetation on the construction site, and re-vegetate disturbed and exposed areas with local indigenous vegetation to minimize the erosion and off-site transport of soil into ditches and waterways.

#### **Respecting Noise Emissions**

14. The Licencee shall not cause or permit a noise 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 to mitigate a noise nuisance.

#### **Respecting Fugitive Dust Emissions**

15. The Licencee shall, during the construction phase of this Development, undertake an effective program of dust suppression such as to prevent or reduce the migration of fugitive dust in the direction of the nearby residential area, whereby such dust would be caused either directly or indirectly by any activity associated with the construction of this Development.

**Respecting Solid Wastes**

16. The Licencee shall not undertake any on-site burning of solid waste.
17. The Licencee shall maximize, wherever possible, the collection and recycling of recyclable wastes generated throughout the construction activities.
18. The Licencee shall not deposit solid waste into the environment except into a waste disposal ground operating under the authority of a permit issued pursuant to Manitoba Regulation 150/91, or any future amendment thereof, where the operator of that facility has agreed to accept the solid waste.

**Respecting Dangerous Goods or Hazardous Wastes**

19. The Licencee shall comply with all the applicable requirements of:
  - (a) Manitoba Regulation 188/2001, or any future amendment thereof, respecting the storage and handling of petroleum products and allied products;
  - (b) the Manitoba Dangerous Goods Handling and Transportation Act, and regulations issued thereunder, respecting the handling, transport, storage and disposal of any dangerous goods brought onto or generated at the Development; and
  - (c) Manitoba Regulation 439/87, or any future amendment thereof, respecting the reporting of environmental accidents.
20. The Licencee shall:
  - (a) not store any construction equipment fuel on the property of the Development, other than as authorized within the central refueling area;
  - (b) keep refueling activities confined to a selected central refueling area;
  - (c) construct and maintain clay or lined berms on three sides of the central refueling area keyed into a clay base;
  - (d) use only the central refueling area for the storage of contained lubricants and other petroleum products;
  - (e) collect all used oil and hydraulic fluids removed from on-site machinery, transport and store them in secure, properly labeled, non-leaking containers, and regularly send the containers to a recycling facility or a facility approved to accept hazardous wastes; and
  - (f) move refueling trucks off the property of the Development to a safe location when construction equipment is not being operated, unless otherwise authorized under Manitoba Regulation 188/2001, or any future amendment thereof, respecting the storage and handling of petroleum products and allied products.

21. The Licencee shall have adequate spill recovery equipment is available on-site at all times during the construction stage.

**Respecting Monitoring, Record Keeping and Reporting**

22. The Licencee shall:
- (a) have the construction activities inspected on a regular basis by a qualified person for the purpose of inspecting and reporting upon the degree of success to which the mitigative measures proposed for the Stage 1 construction phase are being satisfactorily carried out, and submit a monthly written report the Director on the findings of the inspections until the construction phase is completed;
  - (b) implement the approved groundwater monitoring strategy, and submit to the Director the results of all the analytical data obtained on the pre-development water quality of the groundwater beneath the property of the Development, along with the elevations at which the samples were taken, and including an interpretation of the monitoring results; and
  - (c) notify the Director as soon as possible of any fuel spilled on the property of the Development.

**Respecting Operations at the Beef Processing Plant**

23. The Licencee shall not receive any cattle, nor commence any beef processing activities, at the beef processing plant until or unless:
- (a) the Licencee has received a Stage 2 operating licence authorizing the commissioning of the constructed beef processing plant; and
  - (b) a Stage 2 operating licence for the industrial wastewater treatment facility has been issued to the R.M. of Dauphin; and
  - (c) a binding Industrial Services Agreement has been signed between the R.M. of Dauphin and the Licencee for the transfer of pretreated wastewater from the Licencee's Development to the R.M. of Dauphin's industrial wastewater treatment facility; and
  - (d) the operator of the R.M. of Dauphin's industrial wastewater treatment facility has authorized the Licencee to commence the transfer of wastewater from the beef processing plant.

**Respecting In-stream Flow Needs Assessment for the Vermilion River**


24. In consideration of the water demand for the beef processing plant being sourced from the Vermillion Reservoir, the Licencee shall cooperate to the extent as may be requested by the R.M. of Dauphin, the City of Dauphin, the Intermountain Conservation District, and the Department of Water Stewardship in the development of an integrated watershed management plan that would include the identification of water demand management initiatives, alternative sources for a sustainable water supply for the City of Dauphin, and the undertaking of an assessment of in-stream flow needs to maintain aquatic ecosystem health and protect the fish habitat within the Vermilion River.



### REVIEW OR REVOCATION

- A. If, in the opinion of the Director, the Licencee has failed or is failing to comply with any of the specifications, limits, terms or conditions set out herein, the Director may, temporarily or permanently, revoke this Licence.
- B. If the Licencee has not commenced construction of the Development within three years of the date of issuance of this Licence, this 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.

In accepting this Stage 1 Licence, the Licencee acknowledges and accepts the potential prospect that under future licensed operating conditions, and at the request of the operator of the R.M. of Dauphin's industrial wastewater treatment facility, production at the beef processing plant might have to be temporarily curtailed during conditions when limited in-stream flow conditions and/or effluent quality conditions are considered to pose a potential threat to fish in the Vermilion River.

  
Tracey Braun, M.Sc.  
Director  
Environment Act