



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/eal

FAXED

CLIENT FILE NO.: 5257.00

June 27, 2008

Levi Hofer
Miami Colony Farms Ltd.
Box 131, RR #1
Morden MB R6M 1V9

Dear Mr. Hofer:

Enclosed is Environment Act **Licence No. 2834** dated June 26, 2008 issued in accordance with The Environment Act to Miami Holding Co. Ltd and Miami Colony Farms Ltd for the construction and operation of a 15,000 sq. ft. commercial deer-hide tannery using only unsalted, frozen or "green" deer hides, located on Miami Colony land, in Section 9, Township 4, Range 6 WPM, within the R.M. of Thompson.

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 Clem Moche, Environmental Engineer at (204) 945-7013.

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,

for Tracey Braun, M. Sc.
Director
Environment Act

Enc.

c: B. Gillespie, Central Regional Director
Millennium Public Library/Manitoba Eco-Network
South Central Regional Library
RM of Thompson
M. McKernan, TetrES Consultants

NOTE: Confirmation of Receipt of this Licence No. 2834 (*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 (letter only) a copy back to the Department by July 4, 2008.

On behalf of Miami Holding Co. Ltd

Date

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

LICENCE

Licence No./Licence n° 2834

Issue Date/Date de délivrance June 26, 2008

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 14(2) /Conformément au Paragraphes 10(1) et 14(2)

THIS LICENCE IS ISSUED TO:/CET LICENCE EST DONNÉ À:

MIAMI HOLDING CO. LTD and MIAMI COLONY FARMS LTD; "the Licencees"

to construct and operate a Class 1 Development, being a 15,000 sq. ft. commercial deer-hide tannery using only unsalted, frozen or "green" deer hides, located on Miami Colony land, in Section 9 Township 4, Range 6 WPM, within the R.M. of Thompson, to produce commercial quality deer hides at a rate of up to 10,000 hides per tanning season (October-March), in load sizes of 200 hides per batch, and in accordance with:

- 1) an Environment Act proposal originally submitted to the Director on March 22, 2005, which was subsequently withdrawn and replaced with a revised proposal submitted to the Director on February 15, 2007; and
- 2) a Notice of Alteration submitted to the Director on March 20, 2008, in accordance with Section 14(1) of The Environment Act, respecting the proposal filed on February 15, 2007, concerning the proposed storage of the tannery's wastewater in an existing on-site, certified, glass-lined, steel storage tank, as well as the co-mingling of the tannery wastewater in a wheeled tanker with hog manure (generated on the Miami Colony) for annual application to the Miami Colony agricultural land in accordance with the limits, terms and conditions as laid out in this Licence.

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 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;

"affected area" means a geographical area, excluding the property of the Development.

"approved" means approved in writing;

"candidate fields" means those parcels of land to which the Licencees would, in any year, prefer to apply the mixture of hog manure and tannery wastewater;

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

"EIA" means the Licencee's Environmental Impact Assessment report dated February 2007;

"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 the affected area;
- (b) working in the affected area; or
- (c) present at a location in the 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, and 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 odour, smell or aroma 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;

"qualified person" means an agronomist, or a person trained to properly collect representative soil samples, and interpret the analytical data obtained from the chemical analyses of soil samples, relative to the limits expressed in this Licence, and to interpret the results;

"SAR" means Sodium Adsorption Ratio;

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

"Standard Methods for the Examination of Water and Wastewater" means the most recent 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 Environment Federation.

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencees 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. In addition to any of the following specifications, limits, terms and conditions in this Licence, the Licencees shall, upon the request of the Director:
 - (a) sample, monitor, analyze or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, handling, treatment and disposal systems, for such pollutants, ambient quality, aquatic toxicity, seepage characteristics and discharge rates and for such duration and frequencies as may be specified;
 - (b) determine the environmental impact associated with the release of any pollutant from the Development; or
 - (c) provide the Director within such time as may be specified, with such reports, drawings, specifications, analytical data, 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 of liquid samples in accordance with the methods prescribed in the Standard Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director; and
 - (b) ensure that all analytical determinations are undertaken by an accredited laboratory.
3. The Licencees shall submit, in writing, all information required by the Director under this Licence, in such form (including number of copies), and of such content as may be required by the Director.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting the Construction and Operation of the Tannery

4. The Licencees shall:
 - (a) construct, operate and maintain the tannery plant in such a manner that the raw water supply line to the tannery is continually equipped with a functional flow meter, as well as a functional back-flow check valve, in accordance with provincial plumbing codes, to prevent the accidental siphoning of contaminated water into the on-site potable groundwater supply line;
 - (b) install plumbing to direct all sanitary sewage generated at the tannery plant to the existing Licencees' sewage lagoon; and
 - (c) maintain the installed flow meter and check valve in proper working order at all times.
5. The Licencees shall:
 - (a) construct or install provisions in the "Chemical Storage Room" of the tannery building so as to provide 110% secondary containment for all the liquid chemicals and reagents used in the deer-hide processing area;

- (b) always store all liquid chemicals and reagents in that room; and
- (c) maintain the floor slab of the tannery building fracture free to prevent pollutant losses to the soil and groundwater beneath the tannery facility.

6. The Licencees shall limit the tanning of deer hides to no more than 10,000 hides per seasonal operation (October of any calendar year to March of the following calendar year).

Respecting the Management of Hazardous Wastes

7. The Licencees shall collect and securely store in steel drums all those solid waste substances identified in the EIA as waste stream S-2, and the sludge portions only of the liquid waste streams identified as liquid waste stream L-5 and L-6, and store and dispose of the hazardous waste in accordance with *The Manitoba Dangerous Goods Handling and Transportation Act* and regulations issued thereunder.

Respecting the Management of non-hazardous Solid Waste

8. The Licencees shall in the course of operating the tannery, dispose of all non-hazardous solid wastes associated with the tannery (except that waste being composted) to a waste disposal ground licensed or permitted pursuant to Manitoba Regulation 150/91.
9. The Licencees shall, as proposed, dispose of the organic waste originating from the deer hides, and identified in the EIA as non-hazardous solid waste stream S-1, by means of composting that organic waste in the Colony's existing composting facility for subsequent application as fertilizer to the Colony's land, provided that the Licencees submit a composting operating plan, satisfactory to the Director, at least one month in advance of commencing operations at the Development, and provided that the composting facility is continually operated to the satisfaction of the Director. Otherwise, the Licencees shall direct all of the S-1 solid waste to a permitted or licensed waste disposal ground.

Respecting Potential Air Emissions from the Tannery

10. The Licencees shall not cause any odour nuisance to occur for neighboring residents as result of air emissions released from the deer-hide tannery facility.

Respecting the On-Site Storage and Management of the Tannery Wastewater

11. The Licencees shall not release any tannery process wastewater into the environment, except in accordance with the limits, terms and conditions outlined within the provisions of this Licence.
12. The Licencees shall direct all the tannery process wastewater streams, identified in the Licencees' EIA as streams L-1, L-2, L-3, L-4, the liquid portions only of L-5 and L-6, and L-7, into the existing certified above-ground glass-lined steel storage tank located adjacent to the tannery building, unless otherwise approved or ordered by the Director, subject to the conditions that:
- (a) at all times the elevation level of fluids in the storage tank does not exceed the height of the middle of the second ring from the bottom of the storage tank until or unless the tank

has been emptied for closer examination, and re-certified for fluid storage at an alternate elevation, and that;

- (b) the Licencees provide to the Director a receipt of re-certification once every 2 years from the date of the most recent certification, until or unless the existing wastewater storage tank is replaced with a new or upgraded and certified wastewater storage tank.

Respecting the Disposal and Management of the Tannery Wastewater

13. The Licencees shall, consistent with the proposal, and the subsequent Notice of Alteration, and during such spring periods as the Licencees may normally undertake their program of applying hog manure to their land, withdraw tannery wastewater from the above ground tannery wastewater storage tank for co-mingling with hog manure exclusively within the hog manure tanker truck, or a similar approved vehicle, for combined application only to candidate fields owned by the Licencees whereby:

- (a) the disposal and management of the manure fraction is regulated by the *Livestock Manure and Mortalities Regulation*, and carried out in accordance with the prevailing approved Manure Management Plan, excepting that,
- (b) total and hexavalent chromium, as well as salinity issues, are addressed through Clauses 17 and 18 of this Licence.

Respecting the Management of Agricultural Soils Impacted with the Tannery Wastewater

14. The Licencees shall not release any wastewater from the tannery wastewater storage tank to any of the Licencees' candidate fields if:

- (a) the quality of the wastewater in the tannery's wastewater storage tank, as determined pursuant to Clause 18 of this Licence, exhibits a Sodium Adsorption Ratio (SAR) greater than 6.0; or
- (b) where the pre-application soil analyses of the candidate fields tested in the previous fall and intended for the spring disposal of the tannery wastewater, have been determined to already exhibit:
 - (i) a hexavalent chromium content of equal to or greater than 0.72 kg per hectare; and/or
 - (ii) a total chromium content of equal to or greater than 115.2 kg per hectare, in the upper 15 centimeters of soil; or
- (c) where any portion of a potential candidate field is located within 500 metres of either side of the existing natural intermittent creek that runs through the Licencees' property.

Respecting Contingency Plans and Emergency Response Plans

15. The Licencees shall:

- (a) within three months of the date of issuance of this Licence, submit to the Director, for approval, a proposed Emergency Response Plan, consistent with the "Industrial Emergency Response Planning Guide (MIAC, September, 1996)" to address such matters as spills of liquid tannery chemicals, tannery wastewater, or petroleum fuels; and
- (b) continually maintain the approved Emergency Response Plan in a current status for the duration of the operation of the Development.

Respecting Monitoring, Record Keeping and Reporting

16. The Licencees shall:
 - (a) continually meter the cumulative raw water use at the tannery during each month of the tanning season, and implement and maintain a written record within the tannery building of the total volumes (cubic metres) of raw water used in the tannery during each month of tanning operations;
 - (b) upon completion of each seasonal deer-hide tanning operation, submit to the Director:
 - (i) a copy of the monthly water use recordings;
 - (ii) the elevation level or depth of the wastewater in the wastewater storage tank; and
 - (iii) the total number of deer hides processed during that season; and
 - (c) as a one time screening exercise, obtain a representative and preserved sample of the wastewater from the wastewater storage tank at the end of the first tanning season, have the sample analyzed for a full suite of heavy metals, and upon receipt of the analytical data submit the findings to the Director.

17. The Licencees shall:
 - (a) in the course of undertaking each annual fall soil sampling program through a qualified person (respecting potential candidate fields for the following spring's hog manure and tannery wastewater land spreading events) include analytical determinations on the upper 15 centimetres of the collected soil samples for the existing residual presence of salinity (as SAR), as well as hexavalent chromium and total chromium (expressed as kg per hectare) respecting each candidate field expected to receive hog manure and tannery wastewater in the following spring, and
 - (b) submit the analytical data and the respective field identifications to the Director within 2 months of having collected the samples.

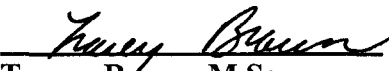
18. The Licencees shall annually in the spring, following the completion of each seasonal deer-hide tanning operation, but before commencing the task of applying the tannery wastewater and hog manure to land:
 - (a) obtain a fully mixed or otherwise representative and preserved sample of the tannery wastewater from the wastewater storage tank; and
 - (b) have the sample of wastewater analyzed by an accredited laboratory for the concentrations of:
 - (i) hexavalent chromium;
 - (ii) total chromium; and
 - (iii) Sodium Adsorption Ratio (SAR), and
 - (c) submit the analytical data to the Director within one month of receipt of the data.

19. The Licencees shall determine, and submit to the Director, the information requested in Clause 18 of this Licence before commencing the withdrawal of any wastewater from the tannery wastewater storage tank.

20. The Licencees shall submit to the Director, within two months of the issuance of this Licence, a scaled site plan of the Licencees' property, clearly delineating the boundaries of each field that may be subject to future receipt of tannery wastewater, its identifier label and its size in (ha), for each field that may be referenced in future correspondence.

REVIEW AND REVOCATION

- A. If, in the opinion of the Director, the Licencees have exceeded or are failing to meet their specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- B. If the Licencees have not commenced operation of the Development within three years of the date 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(2) of The Environment Act.
- D. This Licence shall be reviewed after a trial period of two complete years of land application and follow-up soil assessments of the impacted fields, to assess the merits / concerns of the overall Miami Colony tannery proposal initiative before committing to a more extended program.


Tracey Braun, M.Sc.
Director
Environment Act

File: 5257.0