RE: 2003 Annual Report for Water Use License #NWB5QIK0207

UMA Engineering Ltd. is submitting the following annual report as per the requirements of Part B.1 of the above noted water use license. The report is being submitted on behalf of Defence Construction Canada and the Department of National Defence.

The contractor arrived at the FOX-5 site in August 2003. The following is a summary of the work completed at FOX-5 in 2003:

- Set up of the construction camp and supporting facilities were started.
- Gravel hauling began in preparation of the construction of the Tier II Soil Disposal Facility, Non-Hazardous Waste Landfill and the Landfarm.

The work plan for 2004 will be to continue with the clean up activities as described in the project description. An overall site plan is included to show the locations of the various work areas described in this report.

The contractor is using municipal facilities for water and sewage disposal. Therefore, no quantities of water used or sewage discharged for recorded. Also, there were no unauthorized spill incidents at FOX-5 to report.

A community meeting was held in Qikiqtarjuaq on March 12, 2003 to discuss the clean up program at FOX-5. A copy of the presentation and meeting notes is attached to this report.

The information requested as part of the Spill Contingency Plan in your letter dated March 12, 2004 will be addressed under separate cover.

March 31, 2004 Ms. Phyllis Beaulieu Nunavut Water Board Page 2



We trust the information provided is consistent with the requirements of Water Use Licence #NWB5QIK0207. Please feel free to contact the undersigned if you have any questions or comments.

Sincerely,

UMA ENGINEERING LTD.

Eva Schulz, P.Ag.

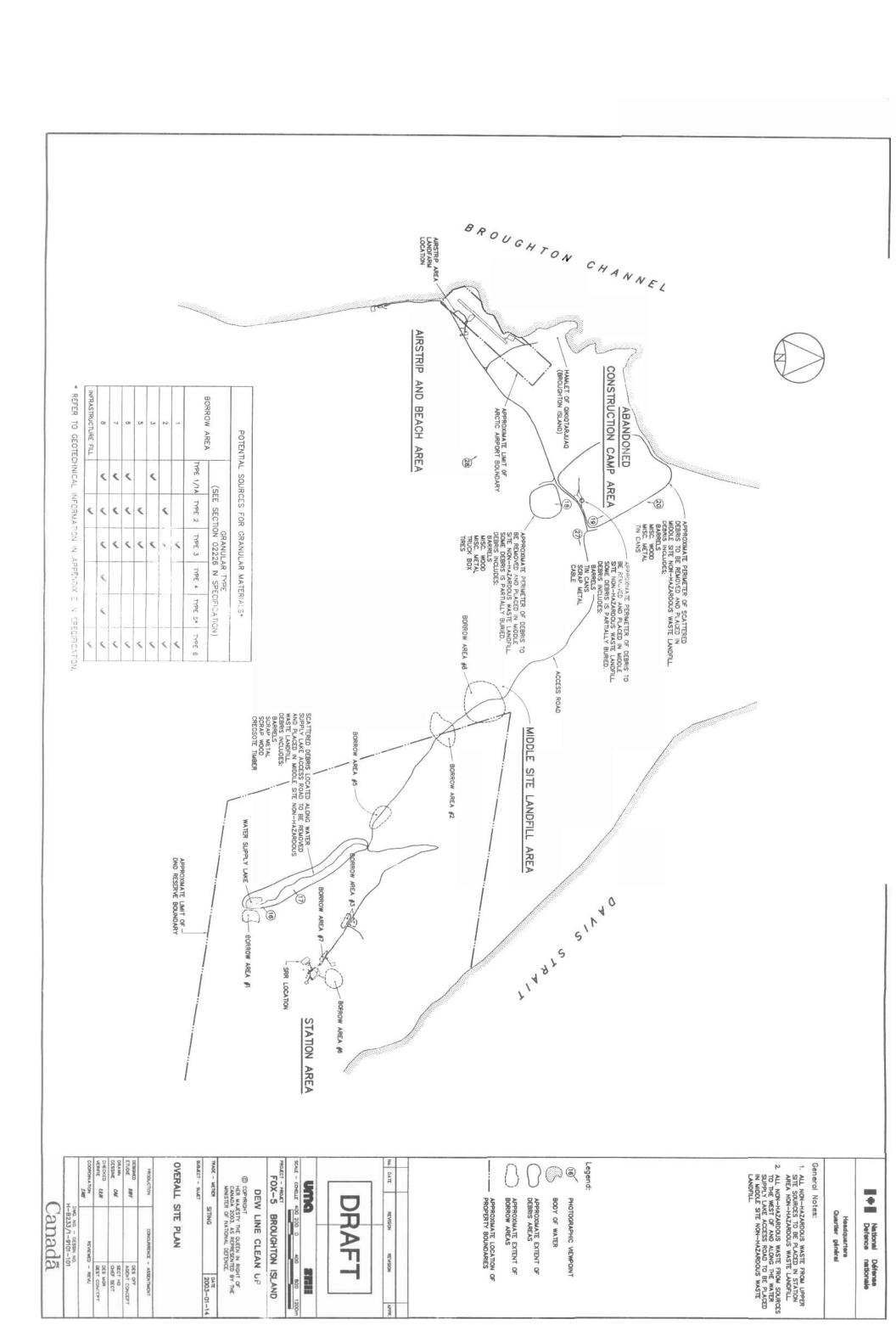
Environmental Scientist eschulz@umagroup.com

Encl. Overall Site Plan

Community Meeting Presentation and Notes

cc: Jim Wall, NWB

Phil Warren, DCC



DEW Line Clean Up Project Community Meetings 2003 March 11th- 12th 2003

March 11th- 12th 2003

Hall Beach (FOX-M)

Gjoa Haven (CAM-2)

July 3rd, 2003

Qikiqtarjuaq (FOX-5)

Community Meetings

March $11^{th} - 12^{th}$, 2003 Hall Beach (FOX-M) Gjoa Haven (CAM-2) July 3^{rd} , 2003 Qikiqtarjuaq (FOX-5)

Representatives:

Suzanne Belanger-Fontaine, Department of National Defence

Allison Lobsinger- Department of National Defence Scott Hamilton, Defence Construction Canada Nick Monteiro, Defence Construction Canada Wayne Ingham, Environmental Sciences Group Daniela Loock, Environmental Sciences Group Roland Merkosky, UMA Group Barry Fedorak, UMA Group Randy Wheeler, SGE-Acres Group Tania Guty, Public Works and Government Services Canada

Community Meetings for the New Starts in 2003

During the week of March 10th, 2003, public meetings were held at Hall Beach and Gjoa Haven, followed by a public meeting in Qikiqtarjuaq on July 3, 2003. The purpose of these meetings was to update the communities on our site work plan for the summer of 2003. This document contains a copy of each presentation delivered, the minutes of the meetings, as well as pictures of the events and the communities themselves.

Appendix C - Thumbnails of other photos taken on the tour

Hall Beach -March 11th, 2003

Meeting at 7 pm - Hamlet Council Chambers, Hall Beach

Presenters: Scott Hamilton, Nick Monteiro, Wayne Ingham, Randy Wheeler

Support: Daniela Loock,

Gjoa Haven - March 12th, 2003

Meeting at 7 pm - Community Hall, Gjoa Haven

Presenters: Scott Hamilton, Daniela Loock, Roland Merkosky Support: Nick Monteiro, Wayne Ingham, Randy Wheeler

Qikiqtarjuaq - July 3rd, 2003

Meeting at 7:00- Avviuujag Gymnasium

Presenters: Suzanne Belanger-Fontaine, Scott Hamilton, Wayne Ingham, Barry Fedorak,

Tania Guty.

Support: Daniela Loock, Allison Lobsinger

Qikiqtarjuaq Community Meeting (Fox-5)

Avviujaq Gymnasium, Qikiqtarjuaq

7:00 p.m.-12:00a.m.

Attendance

There were approximately 45-50 members of the community in attendance, as people entered the gymnasium they signed an attendance sheet, the following is a list of those people.

Jaloo ?, Russ Brandon, Stevie Kakka, Jaypated Hookiguak, Robby Nukiguak, Jopee ?, Julqe Nooluguak, Eliyah Kakudulk, Meeka ?, Ina Sanguga, Davidee Nunkiuguik, Allan Nauyavik, Rosie Alikatuktuk, Koalie Kooneelsie, Harry Alookic, Yakipa Audlakiak, Sam Nookiguak, Enookie Alookie, Larry J Poisey, Aaron Audlakiak, James Koksiak, Daisy Nuqingaq, Veronica Nauyavik, Selina Nookiguak, John Ayaruaq.

In addition 20 members of the community who either signed-in in syllabics or did not sign-in.

Translators: John Ayaruaq and Lavinia Curley

Brief Agenda

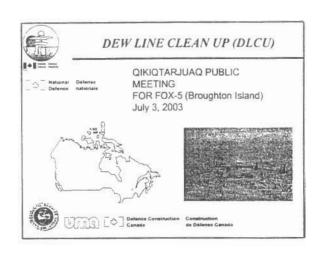
- Introduction and prayer by a member of the hamlet of Qikiqtarjuaq. In the Mayor's absence, Loasie Audlakiak, local representative of the Qikiqtani Inuit Association, opened the meeting.
- 2 Thomasie Alikatuktuk addressed the community in his function as a representative of Nunavut Tunngavik Incorporated.
- Presentations:
 - General Introduction to the DLCU Project Suzanne Bélanger-Fontaine (DND)
 - Overview of the structure of the DLCU team Scott Hamilton (DCC)
 - Overview of environmental investigations conducted at FOX-5 Dr. Wayne Ingham (ESG)
 - Overview of engineering component of the cleanup at FOX-5 Barry Fedorak (UMA)
 - Overview of land transfer process-Tania Guty (PWGSC), Note: Due to time
 constraints this was not presented but poster boards were hung in the gymnasium
 and Tania was able to respond to questions.

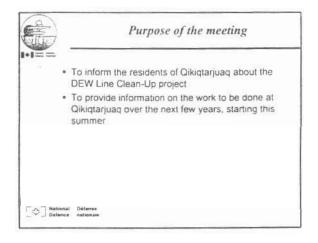
Door Prize: A pair of binoculars was awarded at the end of the meeting.

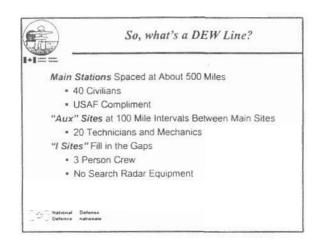
Group Discussion Highlights
 Detailed meeting notes can be found in Appendix A page.

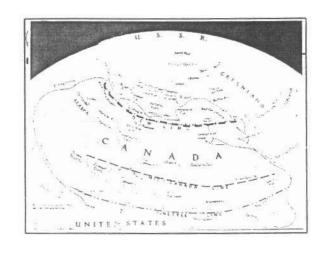
 Pictures taken at the meeting and of the community can be found in Appendix B page

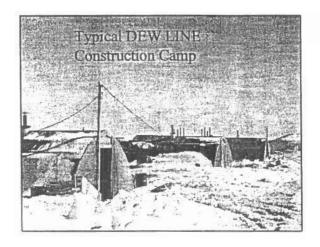
2. Presentations

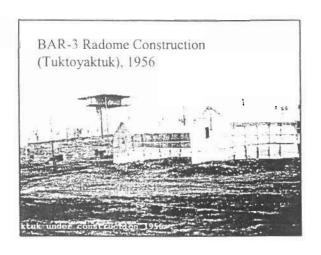


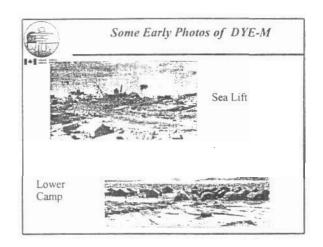


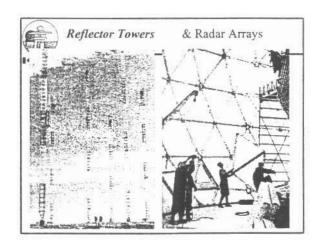


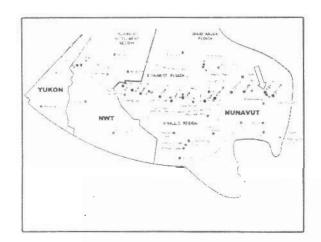


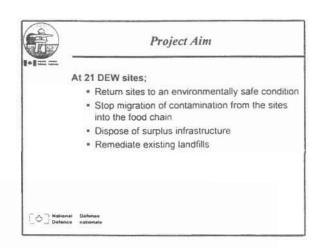


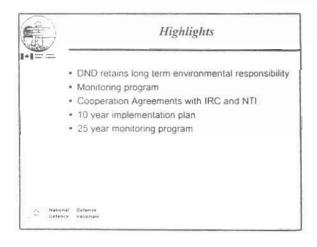


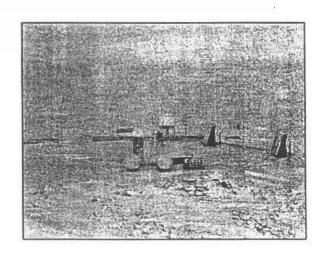














Agreements between DND and NTI

1998: Environmental agreement signed by DND and NTI in Cambridge Bay – Addresses environmental issues and how the clean-up will be carried out within Nunavut.

- Ensure that clean-ups result in a safe environment for the Inuit and wildlife;
- Wanted the sites near communities to be cleaned-up first if possible

2001: Economic agreement signed by DND and NTI in Iqaluit in August 2001

- To ensure that Inuit obtain maximum benefits possible in employment and contracting from the clean-ups;
- The Economic Agreement is based on Article 24 of the Nunavut Land Claim Agreement administered by NTI.







The work at Qikiqtarjuaq was delayed for 2 years but the negotiations between the Hamlet, the NTI and DND have resolved the problem. Thanks to the following people:

NTI/QIA:

James Eetoolook, Thomasie Alikatuktuk, Loasie Audlakiak, Charlie Evalik, Joe Ohokanoak, Geela S Kooneeliusie

Hamlet Council:

Mayor Lootie Toomasie and Deputy Mayor Gamailee Nookiguak, and councillors Loasie Alikatuktuk, Mary Killiktee, Rhoda Koksiak, Jukie Nookiguak, Loasie Audlakiak, Toomasie Newkingnak, Peteroosie Kopalie

And all the staff at the Hamlet Office and the PMO





Main issues that were negotiated:

- Land
- · Employment and contracting
- Better communications





Land transfer

- Transfer of land to the municipality:
- DND has hired consultants to start the process and the discussions with the Nunavut Government and the Minister of Indian and Northern Affairs;
- They will work in collaboration with the Hamlet to facilitate the transfer process.

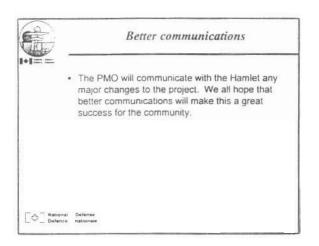


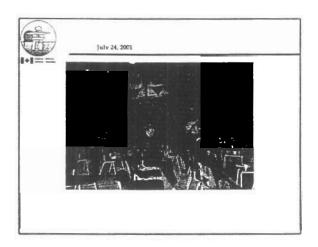


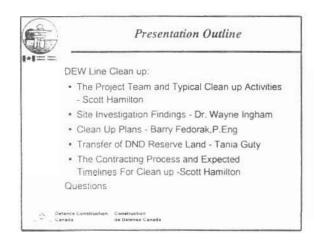
Employment and contracting

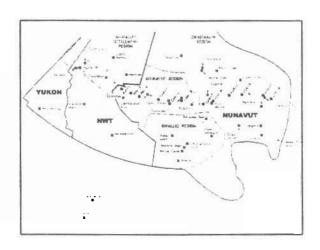
- NTI signed the agreement under Article 24 of the Nunavut Land Claim, and NTI negotiated the following for FOX-5;
- Minimum Inuit Employment level of 77,5%. This means that at least 77,5% of the person days worked on the clean-up must go to Inuit, and the final level could be higher.
- Minimum level for Inuit contracting. This means that 72% of the overall dollar value of the contract must go to Inuit firms, and the final level may be higher

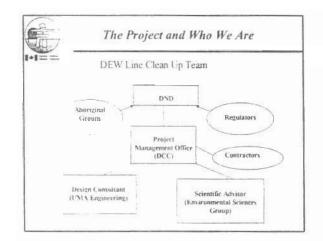
24 National Defense

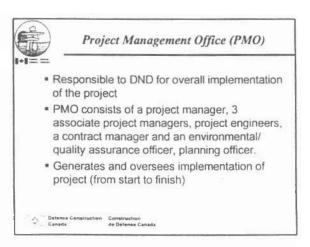


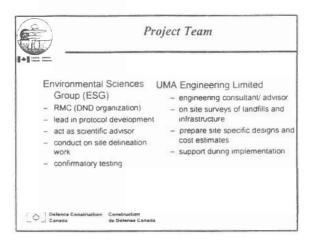


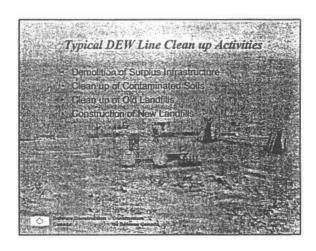


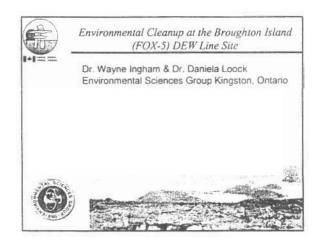


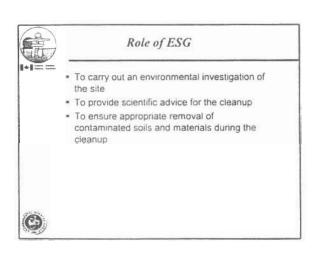


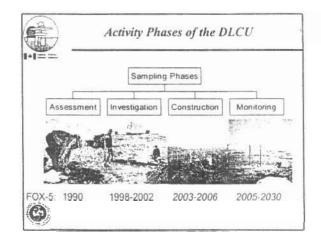


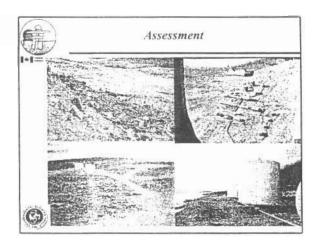














Initial Assessment

1990

Two independent assessments of FOX-5

- Environmental Sciences Group sponsored by Department of National Defence
- UMA Engineering sponsored by United States Air Force





The DEW Line Clean Up Protocol

- To restore sites to an environmentally safe condition
- To prevent migration of contaminants into the arctic ecosystem
- . Includes the DEW Line Cleanup Criteria
- · Cleanup plans for individual sites





The DEW Line Clean Up Criteria: Soil

Contaminant	Low Levels (Tier I) (ppm)	(Tier II) (ppm)
Arsenic		30
Cadmium		5.0
Chromium		250
Cobait		50
Copper		100
Lead	200	500
Mercury	Co. 12-300-003	2.0
Nickel		100
Zinc		500
Polychionnated Biphenvis (PCBs)	10	5.0

Fuel and lube oil based on site-specific evaluations

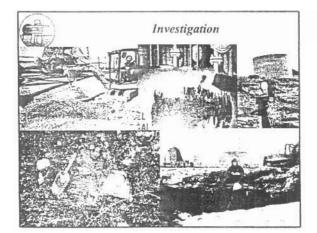




Hazardous Materials

- PCBs in excess of 50 ppm are regulated by Federal Government
- Materials which can release certain contaminants into water are regulated by Federal Government



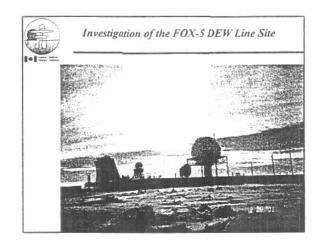


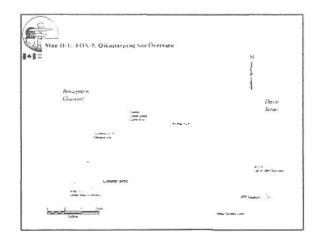


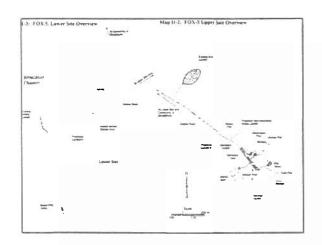
Investigation Phase

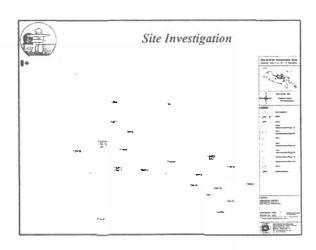
- · Determine the extent of contamination
- Assess landfills
- Inspect and test buildings, facilities and debris

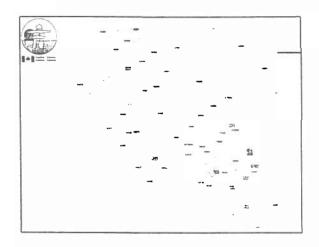


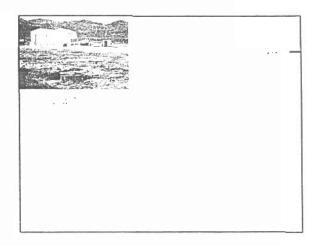


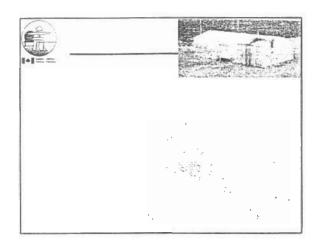














Site Investigation Results

- · Contaminants found:
 - → Fuel and lube oil, PCBs, copper, lead and zinc
- Contamination is consistent with patterns at other DEW Line sites





Site Investigation Results

- Predominantly contamination associated with fuel storage facilities (Fuel and lube oil, lead, zinc)
- PCB contamination mainly in areas where powergenerating equipment was used and from building materials





Landfill Assessment

Investigate whether contaminants are moving out of landfills:

- Take samples from above and from below of landfil
- Compare results





EWG Evaluation Process

- Environmental Working Group (EWG) independently evaluates landfills in a consistent manner using a matrix approach
 - · Where contaminants come from (Source)
 - · How do contaminants move (Pathway)
 - Are there any people, animals or plants that can be affected? (Receptors)
- *Traditional knowledge about site is also considered in these evaluations





Landfill Remediation Recommendations

High Risk Landfills in unstable locations

→ Excavate

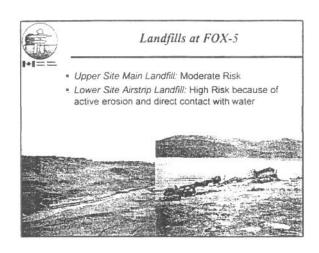
Moderate Risk Landfills

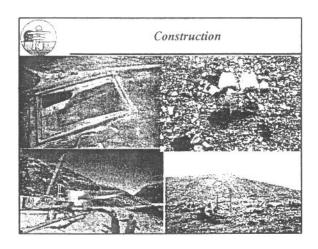
→ Leachate contain or excavate

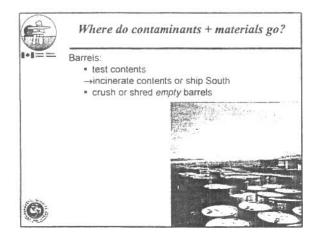
Low Risk Landfills

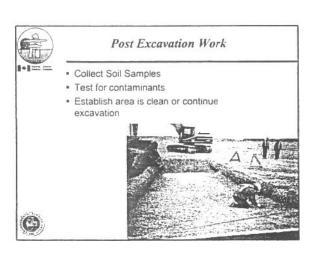
 \rightarrow Regrade

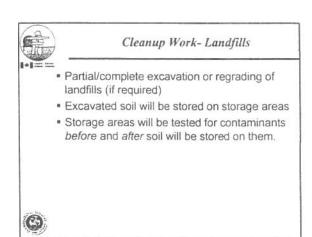


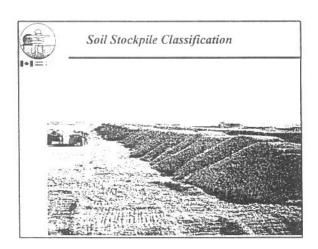


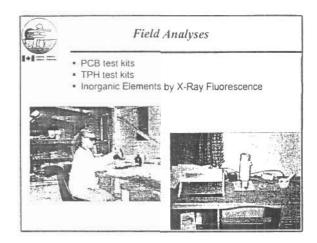


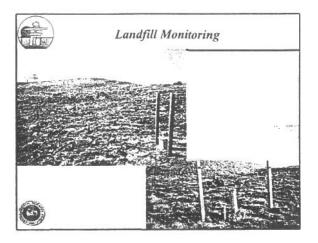


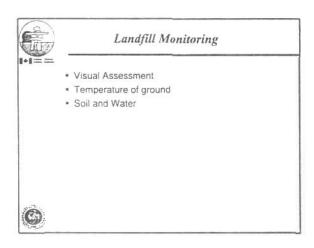


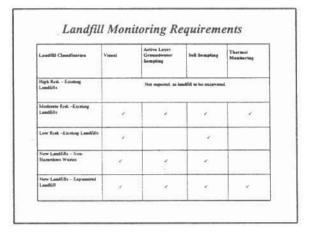


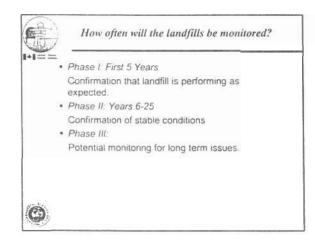


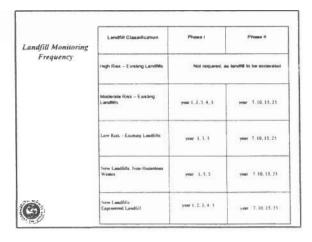


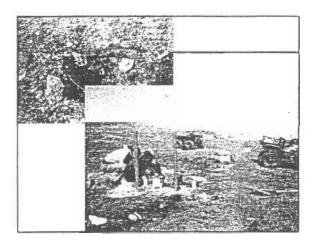


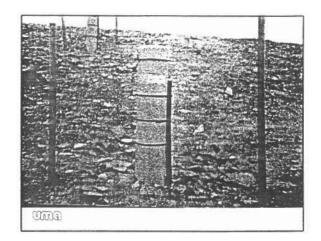














Conclusion

- A detailed environmental investigation of the FOX-5 DEW Line site was conducted by ESG.
- A detailed engineering design for the cleanup of the site was prepared based on the results of this investigation by UMA.





DEW Line Clean-up Project

ENGINEERING AND DESIGN

FOX-5

QIKIQTARJUAQ

Barry Fedorak, P.Eng





DEW Line Clean-up Project

- · Role of UMA
- Engineering and Design for the Clean Up of the FOX-5 DEW Line Site



Role of UMA

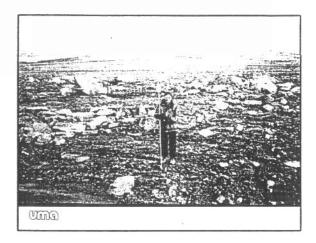
- · Site Investigations Engineering Design
- · Engineering Design and Drawings
- · Construction Quality Assurance
- · Post Construction Landfill Monitoring



Role of UMA

- · Engineering Site Investigations
 - General Site Conditions
 - Inventory of Building Materials
 - Engineering Surveys
 - Geophysical Surveys

WE 5





Engineering and Design

- Clean Up Activities at FOX-5
 - Excavation or Closure of Existing Landfills
 - New Landfills and Landfarms
 - Demolition and Debris Collection
 - Contaminated Soils Excavation



