

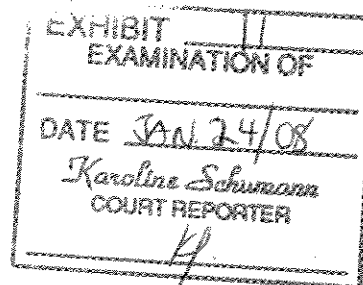
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INAC, Nunavut District
P.O. Box 2200
Qimuggjuk Building
Iqaluit, NU, X0A 0H0

December 6, 2007

Mike Richards
Senior Administrative Officer
Hamlet of Pond Inlet
Box 180
Pond Inlet, Nunavut
X0C 0S0
Ph: (867)899-8934
Fax: (867)899-8935

Submitted Via E-Mail
Our File: 3BM-PON0409
Your File: _____
CIDM # 187394



RE: July 14th, 2007 Municipal Water Licence 3BM-PON0409

The Inspector would like to thank Grant Scott Acting SAO Municipality of Pond Inlet for taking the time to meet during the inspection period and for acting as guide while conducting the inspection of the potable water source, waste treatment system and waste management areas.

Part A: Scope and Definitions

No issues were found with respect to the information contained within the current license.

The license is classed as water use and waste disposal for Municipal Undertakings as indicated on the license form.

Part B: General Conditions

It should be noted that during the period of inspection the Municipality of Pond Inlet was operating under a current water license. That license was issued the 14th of January 2004 and is scheduled to expire on January 31st, 2008 as appears of the License form as issued by the Nunavut Water Board.

A review of the Nunavut Water Board FTP site failed to produce an application or any supporting documents required in the application process for a renewal of the current water license. The Municipality is reminded that any use of water or deposition of waste into any place where it may enter water in Nunavut requires a license issued pursuant to the Nunavut Water and Nunavut Surface Rights Tribunal Act.

The licensee is reminded that the application process may take as long as three to six months. The licensee is strongly encouraged to submit their application as soon as possible to avoid the possibility that they will be forced to operate contrary to the legislation.

Additionally, during the same review of the Nunavut Water Board FTP site the Inspector failed to find the required annual reports which were to have been filed in accordance with the current license. The licensee is reminded that an annual report is required to be filed by March 31st 2008 for the year ending December 31st 2007. This report is to include all items noted in this Part under Section 1 (I through viii). Additionally, the Licensee is strongly encouraged to provide annual reports retroactive to the date of issue of the issuance of the current license.

The Licensee is also reminded that included in the annual reports are the results of the Monitoring Program as outlined in Part H of the current license. As per section 2 of this Part the Licensee is required to comply with the Monitoring program and submit the results of samples collected under the monitoring program.

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During the writing of this report the Municipality submitted the results of sampling conducted November of 2007. These results will be analysed by the Nunavut water Board and this office and comments submitted during the review of the 2007 Annual report.

During the period of Inspection the Inspector also noted that there did not appear to me a meter or volumetric measuring system installed on the intake system contrary to section 4 of this Part. The licensee is required to address this deficiency by the period of the next inspection.

During the inspection it was also noted that the license holder has installed signage at many of the stations noted under the Surveillance Network Program.

A review of the Nunavut Water Board FTP site also found an application for amendment submitted in June 2007 (One letter from the GN stated June 2006 but this appears to be a typographical error). The submission included an outline of a proposed land farm project planned for the summer of 2007. No work was noted during the period of Inspection and a further review of the FTP site notes concerns expressed both by INAC and the GN Department of Environment with the design and information supplied by the contract engineer and the GN Department of Community and Government Services. The Inspector was unable to locate an approvals document issued by the Nunavut Water Board with respect to this project. The Licensee is asked to clarify the intentions of the municipality with respect to this project and provide information on any hydrocarbon contaminated soils currently situated within the municipality.

Finally, a review of the licensing history of the Municipality as contained within the FTP site and currently issued Water License leaves great concerns for the inspector. As a search of the Nunavut Water Board FTP site confirms, none of the required submissions on behalf of the licensee during the period of this license have been received by the Nunavut Water Board. Nor, as noted in the current license, were these submissions received from the Municipality while under the authority of the previous license. This history of non-compliance with the Nunavut Waters and Nunavut Surface Rights Tribunals Act will be weighed when the application for renewal is submitted.

The Licensee is again cautioned that the application process may take as long as three to six months. The licensee would be remiss in their efforts to ensure compliance with the Act if they fail to submit their application as soon as possible to avoid the possibility that they will be forced to operate contrary to the legislation.

Part C: Conditions Applying to Water Use

The raw water from Salmon River is pumped via pipeline to a holding reservoir. From the reservoir the water is taken into the pumping station where it is chlorinated before being piped into the water delivery trucks for the community. All appeared to meet the requirements of the license during the inspection.

A visual inspection of the in-take pipe line was conducted during the period of inspection. No issues were noted. Water samples were collected near the intake pipe from the reservoir.

Metres and records were not observed during the period of inspection.

During the period of Inspection samples were collected from the reservoir. One parameter (color) returned a result of 17 Color units. The Canadian Council of Ministers of the Environment has set an aesthetic objective of 15.

Part D: Conditions Applying to Waste Disposal

Sewage treatment;

The Licensee is responsible for ensuring that effluent entering the environment meets the following standards;

Parameter:	Max Concentration
Faecal Coliform	1X 10 ⁶ CFU/dl
BOD	120 mg/L
TSS	180 mg/L
Oil & Grease	No visible sheen
PH	Between 6 and 9

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The licensee is reminded that these parameters are set by the Nunavut Water Board and are included in the terms and conditions of the issued water license. Compliance with these terms is an obligation of the Municipality.

Pursuant to Section 5 of this Part which reads;

5. The Sewage Disposal Facility shall be maintained and operated, to the satisfaction of an Inspector in such a manner as to prevent structural failure.

The Inspector has concerns that were noted with Mr Scott during the period of Inspection. It was documented during the period of inspection that on the North end of the Sewage lagoon seepage from the toe of the lagoon was present on the ground adjacent to the lagoon and entering the environment. Additionally it was noted that erosion of the lower third of the exterior berm wall had occurred. The Licensee was directed to take action to remediate this deficiency to prevent a structural failure and to remove any contaminated soils from the area adjacent to the lagoon. Further the Licensee was directed to provide photographs and confirmation that this work had been completed to the inspector upon completion. To date this information has not been forwarded to this office.

Solid Waste Management Area;

Within the Solid Waste disposal facilities the Inspector noted the following;

- Segregation of materials into Bulk Metals and Hazardous wastes was being done in the Municipality's Waste Management Area.

However it was noted by the inspector that there were volumes of standing water within both the hazardous wastes area and the bulk metals waste area. Water from the Bulk metal waste area was sampled during the period of inspection and returned positive results for Hexane extractable material (Oils and Grease) and an elevated level of Copper which exceeds the Canadian Council of Ministers of the Environment (CCME) guideline for the Protection of Aquatic Life.

<u>Parameter</u>	<u>Result</u>	<u>CCME</u>
(Trace metals -Total)		
Copper	15.7 µg/L	2-4 µg/L

The Licensee is reminded that Water management in the waste areas is a requirement of the currently issued Water license and is to be addressed in the Maintenance and Operations Manuals to be submitted to the Nunavut water Board for approval.

The Inspector strongly encourages the community to install some form of liner to contain spills or leaks that may occur during the transportation and storage of these hazardous materials and waste oil.

Part E: Conditions Applying to Modifications and Construction

It is impossible for the Inspector to determine if any of the terms of this section have been complied with as this information is not present for review on the Nunavut Water Board FTP site.

No notification of any omission has been received by this office from the Nunavut Water Board.

The Licensee is reminded that the Inspector seeks clarification on the status of the proposed construction of the Land Farm and the application for amendment currently on file with the Nunavut Water Board.



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Part F: Conditions Applying to Operation and Maintenance

The Water Intake Facility was found to be working and in good order.

The Inspector has no information concerning the Operations and maintenance manual that was to be submitted by the Licensee. As it is still a condition of the license and not addressed in any correspondence as being completed, the inspector will look to the Water Board for confirmation of compliance.

Part G: Conditions Applying to Abandonment and Restoration

A search the Nunavut Water Board FTP site was not able to locate any documents related to any section of this Part. The Nunavut Water Board will have to determine if this part has been complied with and if not advise this office.

Part H: Conditions Applying to the Surveillance Network Program (Monitoring Program)

The Licensee, according to the terms of the current water license (3BM-PON0409) is required to sample, during the months of May to August the following parameters from the locations as outlined in the current license.

<u>Parameters</u>	
BOD	Faecal Coliforms
pH	Conductivity
Total Suspended Solids	Ammonia Nitrogen
Nitrate-Nitrite	Oil and Grease (visual)
Total Phenols	Sulphate
Sodium	Potassium
Magnesium	Calcium
Total Arsenic	Total Cadmium
Total Copper	Total Chromium
Total Iron	Total Lead
Total Mercury	Total Nickel
Total Zinc	

These samples are to be collected and analysed in accordance with a Quality Control / Quality Assurance plan. The outline of which was to be provided to the Community within 60 days of the issuance of this license by the Nunavut Water Board. There is no indication that the required plan was submitted to the Municipality by the Nunavut Water Board.

It should be noted that results have been submitted to the inspector for sampling conducted by the municipality in November of 2007. A preliminary review find the results to be incomplete, a complete review will be conducted in conjunction with the review of the 2007 annual report which is to be submitted by the licensee by March 31st 2007.

Non-Compliance:

The Municipality is required to complete the following:

- Submit an application for a renewal of the existing water license
- Submit the required Annual reports
- Develop a Quality Assurance/ Quality Control Plan (contact the Nunavut Water Board)
- Develop a Solid Waste Disposal Operations and Maintenance Manual
- Address concerns identified by the Inspector concerning the Sewage Lagoon
- Submit the required Abandonment and Restoration plans as required
- Collect and submit for analysis the samples required on the Monitoring Program



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A. Keim

Inspector's Name

Inspector's Signature

Attached under separate cover;
Photos taken during Inspection of July 19th, 2007

Cc:

Peter Kusugak – Manager Field Operations section- Indian and Northern Affairs Canada

Phyllis Beaulieu – Manager licensing – Nunavut Water Board























