



**Indian and Northern
Affairs Canada**

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July 20, 2010

Northwest Territories Water Board
P.O. Box 2531
Inuvik, NT X0E 0T0

Attn: Mike Harlow, Executive Director

RE: Industrial Water Use (N7L1-1824)

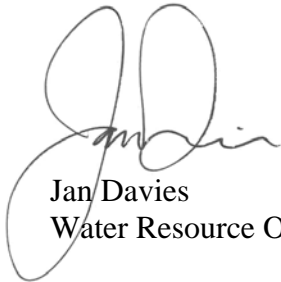
Dear Mr. Harlow,

Please find the enclosed Inspection Report for your review and/or records.

An electronic copy (un-editable Adobe pdf.) has also been provided by e-mail.

If you have any questions/concerns regarding the enclosed, and/or if additional information is required, please do not hesitate to contact me at (867) 777-8909.

Sincerely,



Jan Davies
Water Resource Officer

Cc: Conrad Baetz, District Manager, North Mackenzie District, Inuvik, NT

Enclosure: Industrial Water Use Inspection Report and Cover Letter (4 pages)



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July 20, 2010

Contaminants and Remediation Directorate
PO Box 1500, 4920 52nd St
4th Floor Precambrian Building
Yellowknife, NT, X1A2R3

Attn: Bill Coedy

RE: Industrial Water Use (N7L1-1824)

Dear Mr. Coedy,

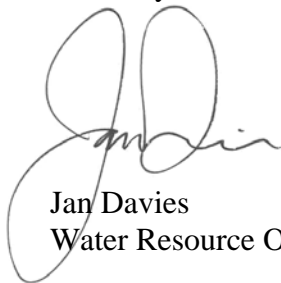
An inspection was conducted of the Johnson Point Site Remediation/Clean-up on July 8, 2010. Enclosed is a copy of the Industrial Water Use Inspection Report.

Administrative compliance with the Water Licence was assessed and upon inspection three violations were noted. Please review and address these violations and the concerns as indicated in the enclosed Inspection Report.

This report will be sent to the Northwest Territories Water Board for their review and/or public records.

If you have any questions/concerns regarding the enclosed and/or if additional information is required, please do not hesitate to contact me at (867) 777-8909.

Sincerely,



Jan Davies
Water Resource Officer

Cc: Conrad Baetz, District Manager, North Mackenzie District, Inuvik, NT

Enclosure: Industrial Water Use Inspection Report (3 pages)



INDUSTRIAL WATER USE INSPECTION REPORT

DATE:	July 8, 2010	COMPANY REP:	Bill Coedy
LICENCEE:	Contaminants & Remediation Directorate	LICENCE #:	N7L1-1824

WATER SUPPLY

Source:	Unnamed River	Quantity Used:	N/A	Meter Rdg:	N/A
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Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Intake Facilities	N/A	Storage Structures	N/A	Treatment Systems	N/A	Recycling	N/A
Flow Meas. Device	N/A	Conveyance Lines	N/A	Pumping Stations	N/A	Modifications	N/A

Notes:

1. No water use at the time of inspection.

WASTE DISPOSAL

Well Waste	Off-Site Removal	N/A	Drilling Sump	N/A	Downhole	N/A	Land spread	N/A
Tailings:	Tailings Pond	N/A	Natural Lake	N/A	Under ground	N/A		
Sewage:	Sewage Treat. System	N/A	Tailings pond	N/A	Natural Water Body	N/A		
	Continuous Discharge	N/A	Inter. Discharge	N/A				
Solid Waste:	Open Dump	N/A	Landfill	A	Burn & Bury	A	Under ground	N/A

Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Discharge Quality	N/A	Conveyance Lines	N/A	Disch. Meas. Dev.	N/A	Freeboard	N/A
Decant Structures	N/A	Pond Treatment	N/A	Dams, Dykes	N/A	Seepages	N/A
Dyke Inspections	N/A	Runoff Diversion	A	Erosion	A	Spills	A ^{2,3}

Effluent Discharge Rate:	N/A	Samples Collected:	Samples collected by CARD - AECOM during site inspection.
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Comments:

1. Debris such as sand bags near the road on the north end of the Unnamed Lake in addition to small waste metal appear throughout the site (see Figure 1). Ensure there is a final walk around to clean up any remaining debris.
2. Hydraulic fluid leak at the allu bucket from hoses (see Figure 2). Needs to be cleaned up and properly disposed of. Proper storage of equipment needs to occur to minimize any spills or leaks. Ensure any other spills or leaks are cleaned up upon demobilization from site.
3. Checked affected areas for both Spill 09-514 and 09-540. They are acceptable and the spill files can now be closed.

Notes:

1. A long metal rod with attachments at the north end of Unnamed Lake. This debris should be removed with metal waste from the area (see Figure 3).
2. Site of grey water treatment cells and discharge area look acceptable, cells had been removed.

GENERAL CONDITIONS

Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Ore & Waste Rock Stockpiles	N/A	Records & Reporting	U ^{4,5,6,7}	Surv. Net. Prog.	U ⁶
Geotechnical Inspection	N/A	Posting, Signage	N/A	Contingency Plan	A
Restorations Activities	A ^{1,2,3}	New Construction	N/A	Fuel Storage	A
Mine Water Discharge	N/A	Chemical Storage	A	Annual Report	U ^{4,5,6}

Comments:

1. Restoration activities throughout the site from last year seem to have held up to erosion and settling. Permafrost where excavations occurred in the Apron and surrounding area appear to be stabilizing by visual indications and preliminary data from monitoring.
2. The quarry for granular material at the end of the runway appears to have little contouring or restoration completed from limitations due to conditions from permafrost degradation. Contouring of this area would aid in returning the site to similar condition prior to excavation and aid with proper drainage of water from the site (see Figure 4). In order to prevent sedimentation issues, use silt fences and minimize disturbance to water and the drainage ditch while in the area.
3. On the access road to the landfill sites it was noted that the area of the road where granular material was removed has degraded and subsided due to impacted permafrost. Contouring of this area would aid in returning the site to prior condition.
4. In the 2009 Annual Report - Remediation Completion Report there were some misprints that should be noted. In Section 3.7.3 Spills and Non-Compliances, the spill on July 25, 2009 should be spill report number #2009540 not 2009513. Also the spill on August 6, 2009 should be spill report number #2009513. In Section 3.7.2 Waste Water (Greywater) System it should be noted that the years discussed in the paragraph about sodium thiosulphate should be changed from 2008 to 2009 to reflect that the activities mentioned occurred in 2009.
5. It appears that the submitted 2009 Annual Report – Remediation Completion Report is missing the discharged total quantities of ponded water derived from soil treatment and the location and direction of flow of all Waste discharged to the land. This missing information and the lateness of the report is a violation of Part B: General Conditions, Item 1, of the Water Licence.
6. All the data and information required by the Surveillance Network Program (including the results of the Quality Assurance Plan) submitted as the Remediation Completion Report and also the Quality Assurance/Quality Control Plan were both late in violation of Part B: General Conditions, Item 3, of the Water Licence. Please note in the Surveillance Network Program as per Part C: Reports, Item 1, “The Licensee shall, within thirty (30) days following the month being reported, submit to the Board all data and information required by the “Surveillance Network Program” including the results of the Quality Assurance Plan”. This information was submitted in the Remediation Completion Report but was required as mentioned above on a monthly basis to the Board.
7. The Johnson Point Landfill Monitoring Plan was submitted to the Board but was late in violation of Part G: Conditions Applying to Abandonment and Restoration, Item 2, of the Water Licence.

Notes:

Hydrocarbon contaminated soil was removed from throughout the site. While in the process of being removed, excavations and testing revealed it extended deeper below the ground surface than originally anticipated in certain areas. Further excavation of the deeper contaminated soil was discontinued based on the ability to properly delineate it's full extent due to restrictions on site. To assist the reintegration of permafrost into the area, clean material was used to backfill the excavations. Water monitoring wells and thermistors have been installed to monitor the remaining contamination as cleanup/excavation was limited. Due to the destabilization of the area and it's vulnerability to change, continued monitoring will be critical to prevent future containment failures and potential spread of contamination that remains.

Violations of Act of Licence:

1. Part B: General Conditions, Item 1,
"The Licensee shall file an Annual Report with the Board not later than December 1st of the year reported which shall contain the following information....:
 - b) the total quantities in cubic metres of each and all Waste discharged;
 - c) the location and direction of flow of all Waste discharged to the land or Water;"
2. Part B: General Conditions, Item 3,
"The Licensee shall comply with the “Surveillance Network Program” annexed to this Licence, and any amendment to the said “Surveillance Network Program” as may be made from time to time, pursuant to the conditions of this Licence.”
3. Part G: Conditions Applying to Abandonment and Restoration, Item 2,
"The Licensee shall submit a Johnson Point Landfill Monitoring Plan to the Board for approval within 12 months of the issuance of the Licence.”

General Comments:

1. The migration of contaminated material to the surface whereby it can affect water quality remains a concern as it relates to the NWT Waters Act and Regulations.

Inspector's Signature:





INDUSTRIAL WATER USE INSPECTION REPORT Pg. 3 (Continued)

Date:	July 8, 2010	Licence #:	N7L1-1824
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Inspection Images:

Figure 1

Debris on site that needs to be removed.



Figure 2

Hydraulic fluid leak from allu bucket that needs to be cleaned up. Ensure proper storage of equipment.



Figure 3

A long metal rod at the north end of Unnamed Lake that should be removed.



Figure 4

Quarry at end of runway in need of further contouring to return site to similar condition prior to excavation.

