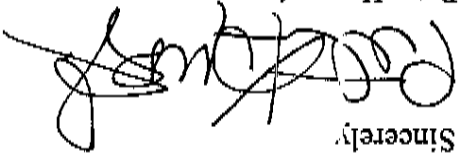


Peter Kusugak
Manager - Field Operations

Sincerely,


I need a clarification from you because modifications of water will be in contravention to the Act and be subject to enforcement in absence of a water licence.

In the City's point 5, would you provide your definition of "permanent" water, including reference to the definition in the Nunavut Waters and Nunavut Surface Rights Tribunal Act.

In the City's point 4, the North 40 Gravel Pit Soil Extraction Manual is referenced, including extraction of material below the water table and the discharging of water. Would you clarify the city's intentions, with reference to altering the groundwater and the water quality below the discharge point.

Under city's point 2, you attached the city's A&R Plan for the areas used for granular extraction in the North 40. The plan includes a section on drainage, including the present ditches which lower the water table, and a restoration plan which includes interceptor ditches to modify the flow in the area. The city should be aware that further modifications to drainage in the North 40 is not included in the new Iqaluit A-Licence.

In your letter of May 15, 2006, you propose ways to comply with the Inspectors' letters of direction and my May 11, 2006 clarification of those directions. However your letter still raises some issues.

RE: Your letter dated May 15, 2006

John Hussey
Acting Chief Administrative Officer
City of Iqaluit
Box 460
Iqaluit, Nunavut
XOA OHO

May 16, 2006

Indian and Northern Affairs Canada
Field Operations
P. O. Box 100
Iqaluit, Nunavut
XOA OHO

cc: Doug Sitland, Community Government and Services, Government of Nunavut
Philippe DiPizzo, Executive Director, Nunavut Water Board