

Mr. Phillip di Pizzo
Executive Director
Nunavut Water Board
P.O. box 119
Gjoa Haven, Nunavut
X0B 1J0

August 8, 2005

Re: Outstanding Issues for Iqaluit Water License Application

Dear Mr. di Pizzo:

We are in receipt of your letter dated July 6, 2005 and a letter from INAC dated June 17, 2005 regarding the City's Water License Application.

We understand that two key issues are outstanding for the City's license application:

1. Sewage Sludge Management Plan
2. Contingency Measure Plan

Sludge Management Plan

The City has retained Earth Tech Canada to prepare a sludge management plan for the sewage treatment plant. This will include dealing with sludge generated once the existing sewage lagoon is decommissioned. The consultant is currently completing the literature review portion of the project and proceeding with the regulatory and stakeholder consultation segment of the project. The City anticipates receipt of a preliminary draft report for the sludge management plan in mid to late October of 2005. This will be forwarded to the NWB upon receipt and review by the City.

Contingency Measure Plan

The City has received a copy of letter from INAC dated June 17, 2005 regarding Contingency Measures Options. We understand that the NWB is requesting the preparation of a contingency plan for the existing sewage lagoon should the mechanical waste water treatment plant not be commissioned.

The City understands the concern regarding the need for a contingency plan for the continued use of the lagoon. The wastewater treatment plant is scheduled to be commissioned in January of 2006. The construction is proceeding on schedule and at this time we anticipate the commissioning proceeding on schedule. Due to the expected minimal remaining use of

the sewage lagoon (ie. 6 months) and the time required for the preparation of a contingency plan the City respectfully requests that the preparation of a contingency plan be a condition of the water license should the mechanical plant not be commissioned as opposed to spending the effort and funds for the preparation of a plan which will lose relevance in a couple of months.

Closing

On a personal note I have submitted my resignation to the City of Iqaluit effective August 12, 2005. Until this position has been filled I suggest future correspondence be forwarded to Geoff Baker of the City's Engineering Department.

Best Regards,

Brad L. Sokach, P.Eng.
Director of Engineering
City of Iqaluit

Geoff Baker
Manager of Capital Projects
City of Iqaluit

Cc. Ian Fremantle, CAO, City of Iqaluit
Elisapee Sheutiapik, Mayor, City of Iqaluit