

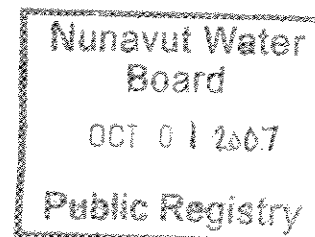
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**Cape Dorset Sewage Lagoon**

**Nunavut Water Board Pre-Hearing/Technical Meeting  
October 1, 2007**

**Opening Remarks on behalf of Applicant**

By  
**John Dawe**  
Director of Community Infrastructure  
Department of Community and Government Services  
Government of Nunavut



In all good faith, CGS tendered the construction work allowing for what we considered a reasonable expectation of the time needed to obtain the license amendment. By the time the tender validity period was drawing to a close in June 2006, it was apparent that the application would not be approved before the end of that construction season. The contract was then amended to stipulate a 2-season construction period. This permitted us to take advantage of a favourable tender price, and eliminated the need for re-tendering and further delay. At the same time, it would provide a full additional year to complete the licensing process. The construction could proceed on the access road, which was not subject to the water board process. This action was communicated to the Water Board, with assurance that it was not an attempt to circumvent the process.

A year later, the application was still not complete, but making progress. We authorized the contractor to complete the construction. This was virtually necessitated by the contractual obligation we had, and a large financial investment. By that time, technical issues were progressing toward resolution, and we had indications that approval was imminent. We were confident in the soundness of the design, and in our ability to adequately address any remaining problems through monitoring and even post-construction modifications if necessary.

Whether or not this constituted non-compliance with relevant legislation is currently the subject of discussions between CGS and INAC. We respectfully submit that this is a separate issue from the technical matters that remain before the Board for consideration. It is our hope that the Board can rule on the application on the basis of its merits, not its history. We reiterate our intentions to fully satisfy the design, construction, monitoring and other conditions of the Board. This facility will be in full compliance before it is commissioned.

For various reasons, there were a number of issues still unresolved as recently as July of this year. At that time, a meeting was held between NWB staff and the several consultants. Many of the issues turned out to be fairly minor matters of clarification or additional detail. Some of these were resolved at the time and a list was prepared of those that remained outstanding. The major ones were primarily requirements for additional geotechnical and geothermal data and analysis. This data has all since been provided, near the end of August past.

That is not to say, of course, that an issue is now fully resolved just because the data is available. Formulation of Issues is a separate agenda item to follow, and we will no doubt get a more complete picture through those discussions to follow.

Similarly, there is another agenda item to come for consideration of the details of a final hearing. As a prelude to those discussions, I respectfully suggest that the Board consider dealing with this application summarily rather than through a public hearing. Through the long history of this project, there have been several community consultations, and ample opportunity for public input. There has been formal adoption by the community of this chosen alternative. Any issues that remain are now in technical areas and these are being addressed through the various interveners and regulators. There is now ample information available to allow the Board to make a fully-informed decision, and a summary ruling would allow better use to be made of scarce time and resources.

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In conclusion, CGS is confident that this project will provide a viable and sustainable solution to a serious problem. It meets with the approval of the community, is a technologically sound design, and constructed under well-supervised conditions. The Hamlet of Cape Dorset and the Department of Community and Government Services are committed to its proper operation and monitoring, and to compliance with the conditions of approval as may be set by the Board.