Indian and Northern Affaires Indiennes
Affairs Canada et du Nord Canada

WATER USE INSPECTION REPORT FORM CIDM# 429139

| Date: August 3, 2010 | Licensee Rep. (Name/Title): Sam Nuqingaq- ASAO | | |
|--|--|--------------|-------------|
| Licensee: Municipality of Qikiqtarjuak | | Licence No.: | 3BM-QIK0712 |

WATER SUPPLY

| Source(s): Tulugak River | Quantity used: Unknown |
|---|------------------------|
| Owner:/Operator: Municipality of Qikiqtarjuaq | New Reservoir 2009 |

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

| Intake Facilities: A | Storage Structure: A | Treatment Systems: | Chemical Storage: NI |
|-----------------------|----------------------|----------------------|----------------------|
| Flow Meas. Device: NI | Conveyance Lines: A | Pumping Stations: NI | Screen : A |

Comments: Water from Tulugak River is now piped to the new reservoir permanently. The reservoir is to be emptied this summer after less than a year to determine if a leak has developed in the liner. Other issues included the need to remove filters as they slowed the fill process of the trucks so substantially. It is anticipated that a new filter style will be installed this fall. The pumps were also replaced with larger units.

The chlorination system appeared to be working however chlorination records were over a week behind. It is unclear if these tests were being completed or not. The Licensee noted that a cut off or gate valve should be installed on the outfall at the reservoir.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.): Primary

| Natural Water Body: No | Continuous Discharge (land or water): None | |
|------------------------|--|--------------|
| Seasonal Discharge: No | Wetlands Treatment: None | Trench: None |

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

| Discharge Quality: NA | Decant Structure: A | Erosion: A |
|------------------------------|--|-------------------|
| Discharge Meas. Device: NI | Dyke Inspection: NI | Seepages: A |
| Dams, Dykes: A | Freeboard: A | Spills: None |
| Construction: completed 2009 | O&M Plan: Unknown | A&R Plan: Unknown |
| Discharge: seasonal | Effluent Discharge Rate: Unknown – None to date. | |

Comments: The new sewage lagoon in the community is in use. The old lagoon remains on site and the licensee stated that at this time there are no plans to decommission it. The large capacity of the new lagoon will allow the Licensee the ability to decant every second year. It is hoped this will increase the treatment. A large outfall diffuser was noted on the outfall. One side appears to run up-slope and may have to be moved to allow drainage.

Solid Waste: Municipal Landfill and Metals waste area

Owner/Operator: Municipality of Qikiqtarjuaq

| Landfill: Not segregated | Burn & Landfill: U | Other Head Name and Head |
|--------------------------|----------------------|----------------------------------|
| Landfill: Not segregated | I Burn & Landfill: ∪ | l Other: Haz Mat. Area: U |
| | | |

Comments: The Municipal Land fill increased in size in 2009 and a new fence was installed. The Municipal Waste Metals Area requires sorting and segregation. The community has a large amount (1,000 cubic meters) of hydrocarbon contaminated soils that require treatment.

A new Landfarm has been constructed at the site of the old Quarry. It is expected that the liner will be installed this month and all hydrocarbon soils and waste oil barrels will be moved to the site before the fall.

FUEL STORAGE:

Owner/Operator: Government of Nunavut

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

| Berms & Liners: U | Water within Berms: NA | Evidence of Leaks: ∪ |
|------------------------|--|----------------------|
| Drainage Pipes: NI | Pump Station & Catchments Berm: Ni | |
| Pipeline Condition: NI | Condition of Tanks: Metal tanks: Drums leaking | |

Waste Oil Storage: Municipal dump (U) Owner/Operator: Municipality

Comments: The community has been storing waste oil and other barrels in a lined area. This area however has become too small and spills / leaks within the facility have caused considerable work for the Licensee. The construction of the new Land farm and barrel storage area will have the capacity to hold all of this material and provide proper and secure storage.

SURVEILLANCE NETWORK PROGRAM (SNP)

| Samples Collected Owner /Operator: No | | Owner /Operator: N | o samples results have been submitted |
|---|-----------|---------------------|---------------------------------------|
| 1 INAC: Potable water | | INAC: Potable water | |
| Signs Posted | SNP: none | | Warning: Some Signage present |
| Records & Reporting: No records of water usage or sampling. | | | |
| Geotechnical Inspection: N/A | | | |

Non-Compliance of Act or Licence: The Municipality continues to work on achieving compliance.

| A . Keim | Sent by E-mail |
|------------------|-----------------------|
| Inspector's Name | Inspector's Signature |

