NNRA WATERREPORT Sept. 2012

This is an update to the previous report tabled at the AGM.

WATER TREATMENT PLANT

The wtp is approaching commissioning having been delayed by the collapse of an earth bank on the Englishman River and the need to use only well water in Nanoose for a period of several months as the ER water was unavailable for this period. Things have been restored to normal now and the commissioning is planned for late Sept or Oct. The Red Gap wells are not being used until the water is treated.

CLAUDET WELL

This well can be used if and when the RDN can provide ammonia removal treatment to the water. The cost involved would be piping to the wtp and the installation of new treatment facilities. Due to this cost there are no current plans to use the well.

ERWS

French Creek definitely want out of the project. That would leave Nanoose with 26% as things stand now. As pointed out in the previous report this is a substantial oversupply at the moment and for quite some time. The issue is paying for the project as it comes into service until all the water is needed which is really difficult to predict.

The aquifer storage system report is due this year and a decision on aquifer storage would follow. After that the detailed design would commence probably following a tender

process. Parksville are still looking for an inservice date of 2016. A decision to use membrane filtration has been made. Also Fisheries will likely impose some additional costs on the project but these are unknown at this point.

John Hardman