



Nanaimo to Receive Federal Funding for New Water Reservoir

Project will include facilities to generate hydro power

January 11, 2012

Nanaimo, British Columbia – The City of Nanaimo will be constructing a new 14-million-litre drinking water reservoir to replace the existing open-air reservoir on Nanaimo Lakes Road. The new reservoir will store treated drinking water for over 30% of the City. The project will incorporate facilities to generate hydro power for sale to the grid, and pipelines to convey the water to the new reservoir location, on Nanaimo Lakes Road, just east of the Nanaimo Parkway.

“Our Government is proud to deliver long-term infrastructure funding for municipalities through a permanent annual investment of \$2 billion through Canada’s Gas Tax Fund,” said James Lunney, MP for Nanaimo-Alberni, on behalf of the Honourable Denis Lebel, Minister of Transport, Infrastructure and Communities. “Investing in infrastructure creates local jobs and economic growth, and replacing this reservoir will ensure cleaner water for Nanaimo residents for years to come.”

The \$11.2-million project will be funded through a contribution of nearly \$7.7 million from Canada’s Gas Tax Fund along with \$3.5 million from the City’s Water Reserves. Construction of the reservoir will preserve drinking water quality and provide fire protection to the lower elevations of the City – from Chase River to Departure Bay, and Snuneymuxw Reserve No. 1. It will be constructed and on-line in time to receive water from the South Fork Water Treatment Plant in late 2014.

“The City of Nanaimo is pleased that senior governments are working closely with local governments to address local infrastructure needs,” said John Ruttan, Mayor of Nanaimo. “This funding will help to improve and replace aging infrastructure, and ensure that Nanaimo’s water supply needs are met well into the future. This project also demonstrates Nanaimo’s commitment to environmental sustainability by taking advantage of technology to harness hydro-electric energy.”

The project provides an opportunity to generate hydro-electric power from the water system – an innovation that will help reduce the City’s carbon footprint and contribute to the operating costs of the water system.

“Replacing open air water storage with a closed reservoir is a practical use of Gas Tax funding,” said Parksville-Qualicum MLA Ron Cantelon. “Building in energy recovery equipment for electricity generation is a green, value-added component.”

Canada’s Gas Tax Fund provides stable, long-term funding to local governments and other organizations to help them build and revitalize public infrastructure. The fund primarily supports capital projects to improve local roads, public transit, energy systems, drinking water, air quality, wastewater and solid waste management. The Union of British

Columbia Municipalities (UBCM) administers the Gas Tax Fund in BC in collaboration with Canada and British Columbia. On December 15, 2011, the Government of Canada passed legislation to make the Gas Tax Fund a permanent annual investment of \$2 billion.

“The cost of replacing aging infrastructure is an issue in many BC communities,” said UBCM President Heath Slee. “UBCM appreciates the support provided by the Gas Tax Fund for this important upgrade to Nanaimo’s water system.”

For further information on the Government of Canada’s infrastructure investments in British Columbia, visit www.infrastructure.gc.ca. To learn more about Canada’s Economic Action Plan, visit www.actionplan.gc.ca.

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