

August 7, 2015

VIA EMAIL

Young Anderson #1616 - 808 Nelson Street Box 12147 Nelson Square Vancouver BC V6Z 2H2

Attention: Reece Harding

Dear Mr. Harding:

Re: City of Nanaimo v. Comptr of Water Rights/WAT-004

Environmental Appeal Board Vancouver Registry No. 2015-WAT-004

We are aware of the motion passed by the City Council in respect of the Colliery Dams at the previous meeting held on July 27, 2015 (the "Meeting") in which the Council set the Terms of Reference for the Select Committee (the "Motion"). The Motion followed receipt of the Comptroller's letter to Toby Seward of the same date (the "Letter").

During the Meeting, City staff expressed concern to the Councillors that the Motion would result in further delays respecting work on the Colliery Dams and could jeopardize the City's ability to comply with the deadlines set out in the Comptroller's Order of April 29, 2015, and my subsequent letter of June 30, 2015. The Comptroller shares these concerns and reiterates that he remains committed to the terms of the April 29 Order and expects the City to put plans in place to deal with any potential delays.

Also during the Meeting, there appeared to be some confusion as to what the Comptroller meant in the Letter when he stated his expectation that the City submit the schedule being prepared by Golder (for completion of the detailed design) and the detailed design report and constructions plans "as soon as possible". The City's earlier correspondence of July 24, 2015, stated that "[d]uring the period between now and September 1, the City also will work with Golder to complete detailed design..." with tender to be awarded no later than September 1 and construction to begin in

September. The Comptroller therefore expects the schedule and detailed design report and construction plans to be submitted no later than September 1, 2015.

To be absolutely clear: the Comptroller expects compliance with the dates set out above and all of the other dates set out in the April 29 Order. Should there be any remaining questions to this end, please advise and I will do my best to respond.

Sincerely,

Pamela Manhas Barrister and Solicitor

Malalach.

PM/ss