

WATER ACT

BEING CHAPTER W-3 R.S.A. 2000 (the "Act")

WATER MANAGEMENT ORDER NO. WMO-2012/02-SR

Regional Water Services Ltd.
203, 200 Barclay Parade SW
Calgary Alberta
T2P 4R5
(the "Company")

And

Jeff Colvin
117, 5126 126 Avenue SE
Calgary, Alberta
T1Y 6R4
("Colvin")

WHEREAS the Company has a licence to divert water and operate a works (Licence No. 00186639-00-00, as amended, hereinafter called the "Licence") for the purposes of water supply to a municipal subdivision and water management for the stabilization of Cochrane Lake;

WHEREAS Colvin is the sole director and is the directing mind of the Company in regard to the activities which form the subject matter of this Water Management Order;

WHEREAS Cochrane Lake is located at NE 28- Twp 26 - Rge4 W5M, SE28- Twp 26- Rge4- W5M, NW 27- Twp 26- Rge4 W5M and SW 27 – Twp 26- Rge4 W5M in Rocky View County.

WHEREAS section 3.6 of the Licence reads as follows:

3.6 The Licensee shall operate the raw water reservoir, natural pond, and Cochrane Lake in accordance with the letter by Robert Lee-Dickenson, P. Eng., BSEI, dated December 2, 2005, unless otherwise authorized in writing by the Controller.

WHEREAS the letter by Robert Lee-Dickenson, P.Eng., BSEI, dated December 2, 2005 (the "Letter") states that the secondary purpose of the water diversion is to attain and maintain a normal water level in the natural pond and Cochrane Lake;

WHEREAS the Letter provides that the Company will maintain the levels in Cochrane Lake at a normal level of 1280.55m, and that the high water level in the lake of 1281.00m is manually

monitored and controlled by manually disengaging the pumps diverting water from the Bow River;

WHEREAS during the fall of 2011, the water level in Cochrane Lake exceeded the high water level of 1281.00m as set out in the Licence:

WHEREAS the Company has been requested on numerous occasions to lower the water level to the operating limits set out in the Licence and has failed to take the necessary action to reduce the water levels to the maximum high water level of 1281.00m;

WHEREAS the level in Cochrane Lake on May 12, 2012 is 1282.885 m which exceeds both the normal level of 1280.55 m and the Maximum water level of 1281.00 m ;

WHEREAS the high water levels at Cochrane Lake are covering septic systems and may flood residences and structures associated with those residences that are adjacent to the lake, which may cause or is causing a significant adverse effect on human health and property;

WHEREAS pursuant to section 97(1)(h) of the *Water Act*, the Director may issue a Water Management Order to a person responsible for an activity, diversion of water or operations of a works, if in his opinion, the activity, diversion of works or operation of a works causes, causes or may cause a significant adverse effect on human health, property or public safety;

WHEREAS the operation of the Cochrane Lake is an activity, diversions of water or operations of a works as defined in section 1 of the *Water Act*;

WHEREAS the Company and Colvin are each a "person responsible" pursuant to section 1(1)(kk) of the *Water Act*, and section 1(5) of the Water (Ministerial) Regulation, AR 205/98;

WHEREAS Craig Knaus, District Compliance Manager, Southern Region (the "Director") has been appointed a Director for the purposes of issuing Water Management Orders under the *Water Act*;

WHEREAS the Director is of the opinion that the failure of the Company to maintain the level of Cochrane Lake at a level of 1281.00 m will cause or is causing a significant adverse effect on the residences adjacent to Cochrane Lake;

THEREFORE, I, Craig Knaus, District Compliance Manager, Southern Region, pursuant to section 97(1)(h) of the Act, DO HEREBY ORDER:

1. Take immediate measures to commence reducing the water levels to 1281.00m. Water levels must be reduced to 1281.00 m or lower by no later than October 1, 2012.
2. Commence activities that directly mitigate the health impacts that the high water levels pose to the adjacent affected properties with a completion date of August 17, 2012
3. Submit a proposal for a Long Term Management Plan (the "Plan") to maintain the water levels at or below the 1281.00 m level to the Director by October 15, 2012.
4. Implement the Plan in accordance with the schedule of implementation as approved by the Director.

5. Submit progress reports to the Director by 8:15 am every second Monday with the first status report due August 13, 2012.

DATED at the City of Calgary in the Province of Alberta, this 25th day of July, 2012.

**Original Signed by: Craig Knaus
District Compliance Manager
Southern Region**

Section 115 of the *Water Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 115 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 – 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party(ies) shall obtain all necessary approvals in complying with this order.

Take notice that this enforcement order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this or any other legislation.