

June 24, 2019

The Honourable Robert C. McLeod
Minister of Environment and Natural Resources
Government of the Northwest Territories
P.O. Box 1320
Yellowknife, NT X1A 2L9

Dear Minister McLeod:

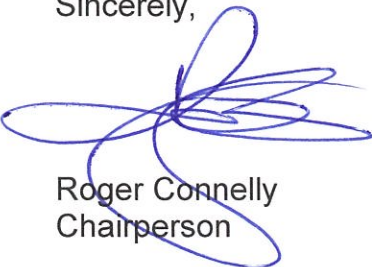
Inuvialuit Water Board 2018 – 2019 Annual Report and Financial Statements

As per the *Waters Act* Section 57 (1), the Inuvialuit Water Board is pleased to provide you with its 2018 – 2019 Annual Report and attached Financial Statements.

As outlined in our report, in addition to ongoing water licensing activities the IWB was active throughout the year in communicating and working with communities, GNWT departments and other regulatory bodies on issues of common interest or concern regarding the conservation, development and utilization of waters within the Inuvialuit Settlement Region.

The Board will be pleased to respond to any questions or concerns you may have regarding these documents.

Sincerely,



Roger Connolly
Chairperson

Attachments

cc: Dr. Joe Dragon, Deputy Minister - Environment and Natural Resources (ENR)
Dennis Marchiori, Director – Corporate Services - ENR



Inuvialuit Water Board Annual Report April 1, 2018 – March 31, 2019

1.0 Overview

The mandate of the Inuvialuit Water Board (IWB) is described in the *Waters Act* (s. 24) as being: “*To provide for the conservation, development and utilization of waters in a manner that will provide the optimum benefit for all Canadians in general and, in particular, for the residents of the portion of the Inuvialuit Settlement Region located in the Northwest Territories for which the Board is authorized to issue licences.*”

While the IWB operates within the authority and direction of the *Waters Act* and *Waters Regulations*, its activities are also subject to the requirements of the *Inuvialuit Final Agreement* (IFA) and the *Canadian Environmental Assessment Act 2012* (CEAA). Before the IWB may issue a water licence, the environmental and socio-economic impacts of any proposed development must be assessed as set out in IFA and the CEAA. IWB members consider the results of these assessment processes when reviewing and determining whether a water license should be issued and, if so, the terms and conditions of the license.

Once a water license is issued, the enforcement of the terms and conditions of the licence is the responsibility of the Government of the Northwest Territories (GNWT) Department of Environment and Natural Resources (ENR).

2.0 IWB Board Membership and Operations

The IWB is composed of a Board, made up of five members including a Chairperson, and an administrative structure established to support the IWB’s mandated activities. The GNWT Minister of ENR appoints board members. Two members of the Board are appointed based upon nominations from the Inuvialuit Regional Corporation (IRC), and one member of the Board is appointed on the nomination of the authorized federal Minister. All members of the Board hold office for a term of three years.

The Chairperson of the Board serves as the Chief Executive Officer of the IWB.

As of March 31, 2019, the members of the IWB were:

Mr. Roger Connelly, Chairperson
Mr. Richard Binder, member
Mr. Mark Cleveland, member
Mrs. Elizabeth Arey, member
Mr. Louis Covello, alternate member

During the year the Board met six (6) times as follows:

Meeting 437	May 3, 2018	Teleconference
Meeting 438	June 7, 2018	Teleconference
Meeting 439	September 5 – 7, 2018	Inuvik, NT
Meeting 440	November 8, 2018	Teleconference
Meeting 441	December 3, 2018	Teleconference

3.0 IWB Operations

Based in Inuvik, NT, the IWB administrative personnel are members of the GNWT Public Service. The staff members are:

- Mardy Semmler – Executive Director
- Freda Wilson – Office Administrator
- Bijaya Adhikari, PhD – Science and Regulatory Coordinator
- Leigh-Ann Williams-Jones – IWB Regulatory Officer

The IWB also utilized casual staff as required to support the ongoing activities of the IWB office.

The IWB operates based upon a fiscal year that matches that of the GNWT – April through March of the following calendar year. Core funding for IWB activities is provided through a contribution agreement between the GNWT (ENR) and the IWB. In addition, in any particular year, the IWB may also receive financial support from various organizations, governments or government departments and/or agencies for specific projects or activities. During 2018 - 2019 the IWB received \$913,000 under the contribution agreement with ENR. In addition, in-kind contribution for office facilities with a value of \$61,693 was provided by GNWT.

Financial details related to IWB activities during the past year are outlined in the IWB's 2018 - 2019 audited financial statements. The IWB's external auditor for the fiscal year was Crowe MacKay LLP, chartered accountants, located in Yellowknife, NT. The financial statements are enclosed with this report.

In support of its mandate, the IWB has established standardized licensing rules and procedures. These include documentation to guide administrative licensing matters as well as specific rules to guide the conduct of water licence application reviews and assessments. This information is available publicly through the IWB website (www.inuvwb.ca).

To promote public understanding of the mandate and ongoing activities of the IWB, a newsletter is published on a periodic basis. The IWB Newsletters – May 2018 and October 2018 – were distributed to GNWT and Federal departments, Inuvialuit organizations and other stakeholders. The newsletters can also be viewed on the IWB website.

4.0 IWB Water Licensing Activities 2018 – 2019

Water Licensing

The IWB issues Type A and Type B Water Licences. A determination of the type of licence to be issued is largely dependent upon the volume of water used and the waste disposed during a licensed activity.

In general terms:

- Type A Water Licences – are issued for larger scale industrial and commercial developments such as the Inuvik to Tuktoyaktuk Highway.
- Type B Water Licences – are issued for municipalities' water/waste services and smaller scale activities including most environmental clean-up projects.

As of March 31, 2019, there were thirty-three (33) 'open' water licences recorded in the area for which the IWB holds responsibility. Of this number, thirteen (13) were considered active licences with the remainder, although expired, considered closed and requiring final inspection.

Type A or B Water Licences Issued (New)

- The IWB did not issue any new water licences during the 2018 - 2019 fiscal year.
- The IWB received several other water licence enquiries and applications for new water licences during the year. Upon review by the IWB, none of these enquiries and applications met the criteria described in Water Regulations Schedule D through H that would necessitate a water licence.

Type A or B Water Licences Issued (Renewed):

- Type B Licence N5L3-0714, was renewed and issued to the Hamlet of Tuktoyaktuk on December 4, 2018. This licence renewed a prior licence and authorized the use of water and the deposit of waste for municipal services in the community. The terms and conditions of the license allow for the use of the existing water treatment plant and the solid and sewage waste disposal facilities operated by the Hamlet.

Prior to licence renewal the IWB Board and senior staff members visited the community of Tuktoyaktuk, toured the fresh water intake, solid and sewage waste disposal facilities and met with the hamlet councillors and staff to discuss a broad range of issues related to the provision of water and waste services in their community. The ENR Environmental Protection Officer and ENR Wildlife Manager also accompanied the Board on the community tour.

Type A or B Water Licence Assignment, Cancellation, Amendment or Closure

- The IWB received requests for closure of three (3) water licences:
 - N7L1-1768 – Shell Canada Ltd – Kugpik 2D Seismic;
 - N7L1-1772 – Chevron Canada Resources – Ellice/Mallik Seismic; and
 - N7L1-1803 – Imperial Oil Ventures Ltd – 2005 Winter Field Geotechnical.

Following consideration of final inspection reports and recommendations from the GNWT Water Resources Officer, these licences were closed through Board motion on November 8, 2018.

Type A or B Water Licences Expiring During the Year

- Other than the licence renewals noted above, no Type A or B Water Licences expired during this fiscal year.

Licence Management Activities

In addition to processing licence applications, the IWB is charged with reviewing and approving management plans associated with licences, as well as reviewing water licence inspection reports and annual reports from licence holders. During the year the following activities related to this responsibility occurred.

Management Plan reviews and approvals

- N5L3-0714 – Hamlet of Tuktoyaktuk – Municipal Water Licence
 - *Solid Waste Disposal Facilities Operation and Maintenance Plan;*
 - *Sewage Waste Disposal Facilities Operation and Maintenance Plan;*
 - *Spill Contingency Plan; and*
 - *Hazardous Waste Management Plan.*

Annual and Sump Monitoring Reports Reviewed

- N3L3-0570 – *Hamlet of Aklavik – 2017 Annual Report – additional information;*
- N5L3-0714 – *Hamlet of Tuktoyaktuk – 2017 Annual Report;*
- N7L3-1525 – *Hamlet of Ulukhaktok – 2017 Annual Report;*
- N7L3-1531 – *Hamlet of Sachs Harbour – 2017 Annual Report;*
- N7L3-1619 – *Hamlet of Paulatuk – 2017 Annual Report;*
- N7L1-1834 – *Shell Canada, Camp Farewell – 2016 Annual Report;*
- N7L1-1836 – *Imperial Oil Resources, Bar "C" - 2018 Annual Report;*
- N7L1-1787 – *Chevron Canada Ltd (submitted by MGM Energy Corporation) – 2018 Environmental Site Monitoring Report;*
- N7L1-1815 – *MGM Energy Corporation – 2018 Environmental Site Monitoring Report;*
- N7L1-1835 – GNWT – Department of Transportation (DOT) ITH;
 - *Pit PW 10 Sediment Spill Report;*
 - *Pit PW 10 - TSS Exceedance at SNP 1835-78 – lab results;*
 - *Pit PW 10 - TSS Exceedance at SNP 1835-78AC – lab results;*
 - *Pit PW 10 - TSS Exceedance – lab results – Sept 2018;*
 - *Pit PW 10 - TSS Exceedance – lab results – October 2018;*

- *Pit I401A - TSS Exceedance at SNP 1835-79A – lab results;*
- *Pit I401A - TSS Exceedance at SNP I401A – lab results;*
- *Pit I401A - TSS Exceedance at SNP 1835-47B – lab results;*
- *N7L1-1835 – GNWT – Department of Transportation (DOT) ITH – 2017 - 2018 Annual Report, including SNP Results;*
- *N5L8-1837 – Repsol Oil and Gas Canada Inc. – 2018 Annual Report; and*
- *N3L8-1838 – Northwest Territories Power Corporation – 2018 Annual Report.*

Inspection Reports Received and Reviewed

- *N7L1-1768 – Shell Canada Energy – recommend for closure by ENR;*
- *N7L1-1772 – Chevron Canada Resources – recommend for closure by ENR;*
- *N7L1-1803 – Imperial Oil Resources – recommend for closure by ENR;*
- *N7L1-1835 – GNWT – DOT – ITH – November 6, 2018; and*
- *N7L1-1836 – Imperial Oil Resources – Bar “C” – September 13, 2018.*

5.0 Other IWB Activities

During the year the IWB was engaged in a number of additional activities in support of its mandate. These included:

IWB Communication Strategy

The IWB approved a Communications Strategy on March 24, 2016. The strategy, when implemented, will help to ensure that all participants in water licensing processes, including communities, industry and governments, have a sound understanding of water licensing requirements, the Board’s mandate and procedures, and the responsibilities of applicants and licence holders.

The IWB continues to implement components of the Communication Strategy. Activities during the year included the completion of an *Inuvialuit Water Board - Fact Sheet*; a simplified handout that contains relevant information regarding the IWB, including the mandate, jurisdiction, roles, water licences and types, including licencing process and timeline.

Municipal Water and Waste Management Workshop

The Inuvialuit Water Board (IWB) hosted the Annual Municipal Water and Waste Management Workshop (MWWM) in Inuvik on February 6 – 7, 2019. Annual workshops are collaboratively organized with other government departments that share responsibilities for water and waste management. The workshops provide information to assist municipal governments in providing adequate, safe and reliable water and waste services while ensuring the provision of these services do not negatively impact waters in the receiving environment. The 2019 MWWM Workshop focused on three areas of waste management and water use licencing as well as providing information on the World Water Day events scheduled for the community of Tuktoyaktuk. Specifically, topics addressed during the sessions included:

1. Hazardous Waste Management and Removal - The temporary management and ultimate disposal of hazardous wastes is an issue of increasing environmental and financial concern in most communities. Representatives from the GNWT Department of Municipal and Community Affairs (MACA) and ENR provided a detailed outline of the different types of hazardous wastes that can be found in communities, how they should be temporarily stored and ultimately disposed of, the costs involved, safety requirements and the approvals required for both storage and final disposal. An update on community hazardous and large waste removal projects completed during 2017 and 2018 was also provided. The IWB also made a short presentation on "Waste Reduction Week in Canada".
2. Environmental Impact Screening Committee (EISC) Guidelines - There has been ongoing discussion on whether or not municipal water and waste management activities are subject to environmental screening under the *Inuvialuit Final Agreement*. The EISC presented and clarified the screening requirements for municipal water licence applications.
3. Surveillance Network Program Presentation – The terms and conditions of all municipal water licences identify key locations at the water intake, solid waste and sewage waste facilities where ongoing sampling is required. This testing provides confirmation that these facilities are operating in a manner that ensures water supplied into communities is safe for human consumption and wastes stored in or released from communities are not harmful to the surrounding environment. These tests also serve as an 'early warning system' in that they provide municipalities with advance notice of sudden or gradual increases in contamination at either their water or waste disposal facilities.
4. World Water Day - March 22 was recognized as World Water Day (WWD) by the United Nations in 1993. The day is intended to highlight the importance of maintaining the world's freshwater resources and the increasing challenges faced throughout the world in providing adequate freshwater to meet a growing human population. WWD events are held throughout the world every year. The IWB, with the participation of other involved government departments and agencies, celebrates the day with events in one community each year.

The 2019 workshop was attended by representatives from the Hamlets of Aklavik, Sachs Harbour, Paulatuk, Tuktoyaktuk and Ulukhaktok. GNWT departmental representatives from MACA and ENR provided presentations regarding their ongoing projects and activities related to the provision of municipal water and waste services.

The workshop was successful in bringing together all the parties involved in the provision of municipal water and waste services and in identifying areas of concern and subsequent actions to be undertaken by the parties in attendance at the workshop.

World Water Day

Initiatives identified in the IWB's Communications Strategy included public education and awareness projects dealing with water and waste management. During this fiscal, the

members strongly supported the need for additional and ongoing education efforts for both municipal council members and community residents in general, on responsibilities and impacts related to municipal water and waste management.

As this need has also been clearly articulated by other ISR municipalities during the annual IWB sponsored Municipal Water and Waste Management Workshops, the IWB undertook a new initiative. This initiative is the coordination of a World Water Day (WWD) event in one ISR community each year for the next five years. The Hamlet of Tuktoyaktuk offered to host the first World Water Day event in March of 2019.

In advance of this year's WWD event, activities were planned with the direct involvement of the municipal government, community schools, ENR, and the federal Department of Fisheries and Oceans and Parks Canada. The organization and detailed planning for the initial event commenced in early October 2018.

On March 22nd, the IWB held its first WWD event in Tuktoyaktuk at Kitti Hall from 11am to 3pm and included interactive displays, information booths, fun games and crafts using recyclables, snacks and refreshments, as well as door and raffle prizes and promotional giveaways. At the event, community members were greeted at the entrance by an IWB staff member and an IRC representative and given a door prize ticket, WWD t-shirt and reusable shopping bag. Door prizes were drawn every half an hour and the door prize bags contained promotional items from all the WWD partners, as well as information pamphlets. During lunch hour, the IWB chairperson Roger Connelly gave a speech welcoming the community to WWD and thanked all the WWD partners for their support and attendance at the event. A total of 96 community members attended the WWD event in Tuktoyaktuk.

Each of the four participating government agencies/departments, including the IWB, was responsible for an information table and conducting an activity and a craft related to water protection and pollution prevention. Each craft and activity were determined prior to the event by each of the WWD partners.

Aside from the organization/department event tables, community members were invited to enjoy coffee, tea and juice with light snacks and pizza. All cups and plates used at the event were made from recycled sugar cane and are 100% biodegradable (ie. takes 45 - 60 days to completely disappear in a commercial waste facility). A running photo presentation was displayed throughout the event, showing photos from all the pre-event activities held at Mangilaluk School, as well as photos of other initiatives hosted by each of the WWD partners. A sitting area with board games made from recyclables was also available, as well as a "do-it yourself crafts using common household recyclables display" table and take-home booklets. The crafts displayed were then raffled off at the end of the event. Some of the displayed crafts included: a bag dispenser made from a recycled coffee can; a utensils carrier made from recycled cans; a snow globe and soap dispenser using recycled mason jars; seedling starters using recycled croissant and baked goods plastic containers; a teabag wreath made from clothes pins and cardboard; and so on.

The WWD event was photographed by and published in the Inuvik Drum, posted on IRC's Facebook page and included in Mangilaluk School's March newsletter and

Facebook page. Based on the feedback received from all the WWD partners and community members, the event was a huge success and well received and appreciated by the community at large. Following a wrap-up meeting with DFO, ENR and Parks Canada, it was clear that all the WWD partners are eager to start planning the 2020 WWD event to be held in Aklavik.

NWT Board Forum

IWB representatives attended a NWT Board Forum meeting held in Yellowknife and Behchoko on September 18 and 19, 2018. The Board Forum provides an opportunity for senior representatives of regional and territorial environmental review, licensing/permitting, wildlife management and land use planning authorities to meet and discuss a broad range of issues related to their collective mandates.

Common objectives of the Forum include:

- a. Increasing mutual awareness among Forum members regarding their respective activities;
- b. Identifying and developing collaborative approaches to resolve issues of common concern;
- c. Collaborating on strategic and operational planning initiatives;
- d. Identifying opportunities to share resources and expertise;
- e. Providing a venue for Forum members to hear from industry, governments and other interested parties on issues of common interest; and
- f. Pursuing collaborative training and development initiatives.

Involvement in Meetings and Conferences

IWB Board members and staff are regularly asked to participate in meetings and conferences related to the IWB mandate. Some of the meetings and conferences attended in the past year include:

- Nunavut Impact Review Board scoping meetings (Inuvik) – April 12 – 13, 2018
- *Waters Act* Task Group – April 16 – 19, 2018
- *Waters Act* Technical Working Group – May 16 – 18, 2018
- *Waters Act/Environmental Protection Act* Technical Working Group – July 19 – 20, 2018 and August 20 – 24, 2018
- NWT Board Forum – September 18 – 19, 2018
- Pan Territorial Board Forum – September 26 – 27, 2018
- *Access to Information and Protection of Privacy Act* Training – December 5 – 7, 2018
- Arctic Oil and Gas Symposium – March 2019
- Hydrocarbon Contaminated Soil Treatment Facilities Guideline review – March 12 – 13, 2019
- NWT Board Forum – Renewable Resources Training – March 2019

Activities with other Regulatory Boards within the NWT

The IWB has continued to communicate and collaborate with other regulatory boards within the Mackenzie Valley and the Inuvialuit Settlement Region on areas of common interest.

Other Administrative and Board Activities

The IWB maintains a Public Register (all documents related to all water licence applications, licensing and reporting). The Public Register is housed in the Inuvik IWB office. The IWB maintains a copy of the Public Register on-line and can be accessed through the IWB website (www.inuvwb.ca). All documents related to each water licence application or licence are posted on a timely basis.

6.0 Areas of Focus for 2019/2020

During the 2019/2020 year the IWB will focus on the following priorities:

- As per Goal 1 of the IWB Strategic Plan, the IWB will make efficient, effective and timely decision in all licensing processes; will develop clear policies and procedures that are generally consistent with other jurisdictions and reflect best practices; and will engage in regulatory improvement processes and discussions related to water and waste management.
- As per Goal 2 of the IWB Strategic Plan, the IWB will implement the communications strategy to ensure all parties are aware of the IWB's processes, decisions and actions and the responsibilities of applicants and licence holders - including but not limited to the development of fact sheets and brochures for general distribution.
- As per Goal 3 of the IWB Strategic Plan, the IWB will continue to work in partnership with government, resource management boards and communities with the aim of collaboratively improving community capacity in water use and waste management.
- As per Goal 4 of the IWB Strategic Plan, the IWB will review its staffing requirements including researching the implications and costs of providing In House Staffing to ensure the IWB is functioning efficiently and effectively.
- Follow up on commitments made during the 2019 Municipal Water and Waste Management Workshop and planning for the next Water and Waste Management Workshop in February 2020.
- In advance of considering a renewal of the community of Aklavik water licence (expiring in November 2019), Board members and senior staff will tour the community's municipal water and waste management facilities and meet with the

Mayor, Council members and senior staff to discuss issues related to the provision of water and waste services in their community.

7.0 Conclusion

Throughout the year and in addition to fulfilling its core-mandated responsibilities, the IWB channelled significant time and effort to communicating with and discussing issues of shared interest or concern with other regional and territorial parties holding contributing responsibilities in the overall management of the regional and territorial environment. This beneficial sharing of information and coordination of approach and effort will continue throughout 2019 - 2020.



Roger Connelly
IWB Chairperson