

**News Release** 

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## City and BC Hydro confirm agreement for water supply construction

Campbell River City Council and BC Hydro have officially agreed to terms for funding, timing and construction of a new municipal water supply in John Hart reservoir.

The agreement solidifies the cost-sharing agreement between BC Hydro and the City that was agreed to by Council in the summer of 2012.

"The City and BC Hydro have been working together since 2010 to plan for construction timing and funding for a new community water supply that will be in place before the John Hart Generating Station replacement project disconnects the City's existing water supply in 2017," explains Councillor Andy Adams, who holds the finance portfolio for Council and has represented Council on the BC Hydro liaison committee for the past five years.

BC Hydro has agreed to fund 75 per cent of the costs (to a maximum of \$12.5 million) for the design and construction of an independent City water delivery system.

"This agreement is an outcome of a healthy partnership between the City of Campbell River and BC Hydro, and BC Hydro's contribution will enable the City to maintain reliable water delivery to the community throughout the John Hart Generating Station replacement project," says Ron Neufeld, deputy city manager and general manager of operations.

City funding to cover the remaining water supply project costs is budgeted in the 2014-2018 financial plan and is scheduled to be completed in 2016.

"As stated throughout the process, the City will continue to seek funding opportunities from senior levels of government for this project," Councillor Adams adds. "We appreciate the contribution from BC Hydro and will explore every opportunity to minimize the capital cost to City taxpayers. The good news is that Campbell River will be getting a brand new, state-of-the-art water supply system for a maximum of 25 cents on the dollar that will last for another 50 years."

"There was a great deal of complexity and coordination that we managed to get through in developing a final agreement that both parties are pleased with," says BC Hydro's John Hart project communication lead, Stephen Watson. "That ongoing collaboration will continue with the construction coordination of the John Hart project and the City's water infrastructure over the next few years. Just like the new John Hart facilities, the City's intake works in sourcing domestic water supply will be better positioned for seismic events."

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