

25 April 2014

Michael Duben, CAO
The District Municipality of Muskoka
70 Pine Street
Bracebridge, Ontario P1L 1N3
Via email mduben@muskoka.on.ca

RE: North Bala Small Hydro Project - Entrance and Road Occupancy Permits

Dear Mr. Duben,

This letter is to follow up on the status of the entrance and road occupancy permit applications submitted to the District's Engineering and Public Works Department on February 24, 2014. It has now been over eight weeks since these applications were submitted and we have received no response from the District as to when these permits will be issued.

These permits are being held up while the District awaits comment from the Township of Muskoka Lakes. Our design team met with District staff regarding these applications, and our project manager, Karen McGhee, delegated to the District Engineering and Public Works Committee meeting on April 23, 2014 to provide an outline of the applications and answer questions.

In the committee discussion that ensued after Ms. McGhee's presentation, we learned such permits are normally issued by staff within one to six weeks. Committee or Council action is rare; in fact, no other site entrance or road occupancy permits have been subject to committee review in Commissioner Tony White's memory. In response to committee questions, Commissioner White also acknowledged that the longest time period for issuing such permits is six weeks. Although Commissioner White defended seeking Township comment for the permits, he was unable to explain why he had not received such feedback in the two months since the permits were submitted.

Commissioner White confirmed that feedback from the Township was the only remaining element with respect to the permits. He further said he didn't have any problem with the locations of the site entrances, that a traffic study wasn't necessary, and that it was not something for which he would expect to retain a separate engineer. Commissioner White pointed out that one of the site entrances was temporary, that it was hard to see where else the other entrance

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Page 1 of 1

District Municipality of Muskoka 25 April 2014

could go, that the traffic volume would be low once the project was finished and that an urban road such as Muskoka Road 169 doesn't present the same issues as a high-speed road where entrances are concealed by hills or curves.

For its part, the Township has failed to place the permits on any agenda in the last two months for discussion. SREL had heard they were to be discussed at Township committee meetings on Tuesday, April 22, but then were pulled from the agenda. At the April 23 District meeting, Muskoka Lakes Councillor Phil Harding was unable to say when the permits would be discussed by the Township. On leaving the meeting, Ms. McGhee asked Muskoka Lakes Mayor Alice Murphy (who was also in attendance) when the permits would be placed on the Township agenda, but Mayor Murphy did not respond to the question.

It is no secret that Mayor Murphy's main mayoral objective is to stop the North Bala Small Hydro project. If she can delay the issuance of necessary permits by refusing to schedule them for discussion, she will do so. If the Township had actual concerns, it would have raised them to the District by now. It is not reasonable to keep SREL in limbo while the Township engages in any and all tactics to obstruct a provincially-approved project.

Therefore, SREL asks that the District reach the obvious conclusion that the Township has waived its ability to comment by failing to schedule the permits for discussion for two full meeting cycles, and issue the permits. By Commissioner White's own admission, SREL has already waited longer for its permits than any other applicant. If you cannot provide the permits by the end of April, 2014. please provide a written explanation of the reason(s) you are withholding them.

Thank you for your prompt issuance of the site entrance and road occupancy permits sought by SREL.

Yours sincerely,

Frank Belerique

Director

cc: (via email)

Commissioner Tony White, District Chair John Klinck, Clerk Debbie Crowder TML CAO Chris Wray, Clerk Cheryl Mortimer

Members of the District Engineering and Public Works Committee

Township of Muskoka Lakes Mayor and Councillors

District Municipality of Muskoka Councillors

Shane C. D'Souza, McCarthy Tetrault LLP