

The Town of Carman is a community of approximately 2800 people and has been a member of Pembina Valley Water Corporation since its inception. We own a water treatment plant consisting of an old plant (capacity 14 l/s) no longer in use and a newer plant (capacity 18 l/s). The Town purchase 25% of water produced from the Coop's Stephenfield plant (approximately 23 million gallons) and makes the balance of water needed in our own plant. Our contract to purchase water from the Coop expires in June 2008, with an option to extend the contract for another 10 years. This option has already been exercised.

We draw raw water from the Boyne River, which runs from Stephenfield through Carman to the Red River. Our system is only as strong as the original raw water source. During the dry period of approximately 1989-90, water levels in Stephenfield Lake dropped very sharply while the flow in the Boyne River became minimal. The Town of Carman expressed great concern to the Province of Manitoba and the height of the dam at Stephenfield was increased by approximately 2-feet as a result. While a positive step, this does not resolve the issue of severe drought and lack of rainfall.

Since that period, the Pembina Valley Water Coop has built a large water plant, which draws raw water from Stephenfield Lake. We believe that this plant combined with the build up of silt in the dam face, would greatly reduce the water available in a dry period to a point no one can be certain of. There is no doubt that the drop in the lake levels could be severe and could probably create a crisis.

During periods of low rainfall, the quality of water does tend to fail and the sight and smell of water becomes an issue. In the summer of 2006, Carman briefly shut off our pipeline from the

Corporation became of concerns over water quality. This problem, we believe, would be lessened if very high demands on Stephenfield Lake and the Boyne River could be alleviated.

Carman is a growing Town with a busy Industrial Park. We purchase approximately 23,000,000 gallons from the Corporation and manufacture approximately 67,292,000 gallons in our Town plant in 2005. We are currently meeting our winter needs without difficulty, but during hot summer weather our plant works at or near capacity. There is little or no room to fit a major industry requiring significant water into our community at the present time.

The Town of Carman water plant has had many control improvements made to it in recent years including an automatic shut-off system and extensive new metering. Our efficiency rate, according to a recent filing with the Public Utilities Board is approximately 13%.

We view the Pembina Valley Water Coop proposal as a visionary plan for our community and indeed for all of Manitoba.

Respectfully Submitted,

Council of the Town of Carman