

June 5th, 2018

Transmitted via email: thompsoncrp@gov.mb.ca

Attention: Don Malinowski, Acting Manager/TRC Coordinator
Manitoba Indigenous & Municipal Relations
Room 604 – 800 Portage Avenue
Winnipeg, Manitoba R3G 0N4
Tel: 204-945-8353

Dear Mr. Malinowski,

Re: Fairholme Colony – TRC Response Letter

We are providing this response to address the concerns raised by Harvey Murray, who resides 10 miles away from our farm in the Municipality of Portage la Prairie.

Mr. Murray owns a quarter section of land nearby to our farm site, which is bisected by the Assiniboine River. Approximately 45 acres of this is adjacent to our farm yard and the balance is across the river from our site.

Mr. Murray has offered several comments of a general nature, many of which are not directly related to the proposed development. Below please find the comments provided by Mr. Murray, each followed by our specific responses.

The history of this parcel of land adjoining the Fairholme yard site is that in the early 1960s, the previous owner had, by verbal agreement with the then General Manager of Fairholme Colony, promised that the Colony should use and maintain the isolated parcel of land rent-free. Fairholme proceeded to upgrade the lands between and along the two properties, including installing a water well and planting and nurturing a willow shelterbelt. All work was done with the full knowledge and approval of the previous owner and the arrangement continued in this manner for many years.

When Mr. Murray purchased the land from the previous owner, he notified Fairholme of his acquisition and requested that we cease using his property. Fairholme complied with this request as best we could in the absence of delineated property lines.

Fairholme has on occasion acted unilaterally to control serious weed problems affecting our adjacent garden and crops on the road allowance between our properties. In the absence of any permanent delineation, it is not definite if or when we may have crossed the property line in these activities but no harm was done and no malice intended.

Furthermore, although there is no access to the property except across Fairholme's property, we do not stop or hinder anyone from using our private roads to access the Murray property. We have previously asked Mr. Murray or anyone to whom he grants access to his property to let us know if they to need use our roads through our residential yard area. To date, no such access has been

requested. We have recently built a new wider perimeter road around the residential section of our Colony that leads to our lands and the adjoining Murray river lands, which road is in our view open for unrestricted public use as it no longer leads right through the heart of our residences and children at play. Mr. Murray is free to use our private road in order to access his land.

Comment by Mr. Murray:

1. *My property is on the river flat and partly up the side-hill, directly beside Fairholme Colony's yard site on the northeast side and adjacent to the Assiniboine River on the west side. It is a 45 acre parcel of land which is cut-off from the other farmland I own on the other side of the river. When I initially attempted to have the property legally surveyed, and before the surveyor could finish his report, the stakes disappeared. I, as well as the professional surveyors, found this to be very suspicious as no one else but colony members has access to that area as you have to drive through their yard site and residential area to access the property.*

Response:

Fairholme's proposed project is approximately 1 mile from Mr. Murray's property and does not impact the property line issue in any way. To the best of our knowledge, a legal survey and permanent property pins have never been installed for the isolated segment of land that abuts our yard site. It is noteworthy that our land and the Murray land are also separated by a government road allowance that has also never been identified.

Comment by Mr. Murray:

2. *When I initially purchased the land and numerous times over the past number of years, I have had several discussions with Fairholme Colony (specifically Chris Mandel) to stop farming or squatting on my land. They have ignored such requests.*

Response: This comment is unrelated to the proposed development. Given the prior explanation regarding the history and use of the land, Fairholme believes that this comment misrepresents the existing circumstances. Certainly, Fairholme will continue to work diligently to avoid any misunderstandings concerning activities in the boundary areas between our site and the Murray property.

Comment by Mr. Murray:

3. *They built a well on my property without authorization.*

Response: The well in question is not currently in service and is not required or considered in the proposed development. As described previously, this water well was built with the full knowledge and approval of the previous landowner and set into service during the tenure of his ownership. To the best of our knowledge, it is on government right-of-way and not actually on the Murray property. Notwithstanding, this water well is no longer critical to our operations and can be decommissioned and abandoned if necessary. If abandoning the well is Mr. Murray's wish, Fairholme would be prepared to provide assistance.

Comment by Mr. Murray:

4. *Again, without authorization or discussion with me, they pushed down a large windbreak of trees on my land.*

Response: The shelterbelt in question is unrelated to the proposed development. The fate of the shelterbelt was unfortunate, but we planted and nurtured it and ultimately removed it following serious damage that occurred as a result of a fire. We believe the fire was the result of natural causes but a detailed investigation was never carried out. It is not exactly clear as yet on whose land the shelterbelt was. The delineation of land boundaries is complicated by two government rights-of-way, one all along the river and another road allowance splitting the two properties. To the best of our knowledge, these boundaries have never been laid out by a legal survey. Fairholme would certainly co-operate with Mr. Murray in engaging a certified company to provide a legal survey and permanent property pins.

Comment by Mr. Murray:

5. *They polluted the aforementioned well on my property with hog sewerage from runoff water when they mismanaged their liquid manure by overflowing their slurry tank on the field above the river flat where my property lies. The run-off water with all the slurry contaminants ran into a couple of natural springs in the side-hill and into their well. Further, without consultation or authorization from me, they proceeded to dig a drainage ditch across my property and drained that contaminated water and sewerage directly into the Assiniboine River.*

Response: Fairholme is unaware of any incidents or activities from which Mr. Murray has derived his concerns about the hog sewage pollution and well contamination. There has never been any accident or activity whereby any hog manure contaminated the water well, directly or indirectly.

We discontinued the regular use of the water well shortly after Mr. Murray purchased the land, even though we are reasonably sure the well is on government land and not on Mr. Murray's property. The well in question is a shallow well that is recharged by infiltration of surface water. This type of well is impacted by flooding. Given the present concerns about bio-security in livestock production, it was in Fairholme's best interests to develop a new, permanent water supply connected to the deeper and more secure aquifer. The 2011 flood is an example of an event that would have had a serious impact on the existing shallow well, had we been relying on it.

The drainage ditch Mr. Murray mentioned drains the low river plain lands behind a dyke on Fairholme property. This drainage watercourse is, in fact, a natural swale and a pre-existing land feature. If we have done anything since Mr. Murray's ownership, we merely cleaned the swale to allow the flooded lands behind the dyke to drain completely after the 2011 flood. To say that Fairholme built the drain to run hog sewage or contaminated water into the river is untrue and an irresponsible accusation. Furthermore, the drain is completely unrelated to the proposed development.

Comment by Mr. Murray:

6. *Further, when they polluted their own well on my property, they built a new well on a quarter section of land they purchased. They then turned that area into a feedlot and put cattle on the same land as they were drawing their main source of water for the colony from, as well as proceeded to dump potato waste and French fries from McCain Foods on that same property where their new well and source of water was located.*

Response: Fairholme's new proposed development will be served from our current deep water well. The deep well is currently in service and not part of the proposed development. The cattle feeding is also a longstanding activity that remains unchanged by the proposed development. As discussed previously, we do not believe any of our activities have contaminated the well in question by Mr. Murray. Although we have no recent knowledge, we expect the well could be restored to service if necessary. In the alternative, it could be decommissioned or removed as previously discussed.

The allegations regarding the dumping of potato waste onto the ground is taking the facts completely out of context. We purchase the potato by-product from a processing plant and use it as animal feed by incorporating it into a carefully designed ration. The potato product is mixed together with other ingredients for the cattle via a feed wagon on scales, preparing and dispensing a Totally Mixed Ration (TMR). The co-product is not dumped onto the ground. Rather, it is stored on a concrete pad in a feed storage facility that doubles as a corn silage pit. We consider that the recycling of food by-products is an environmentally beneficial substitute for home-grown feed crops.

The Fairholme beef herd consists mostly of mature cows and heifers and is a traditional cow-calf operation. We hold and back-ground the weaned calves for a few weeks to better prepare them for marketing to off-site feedlots. We do retain and grow a few young female replacements for our cow herd. We do not consider this operation a feedlot. All animals are pasture-raised throughout the growing season. None of this activity is directly related to the application for our new confined livestock facility.

Comment by Mr. Murray:

7. *We intend to develop our acreage into a recreational campground and do not want either the air or the water supply of a new well we will be building to be polluted by hog manure.*

Response: Fairholme does not intend to hinder anyone's plans to maximize the use and enjoyment of the land. Our families live in complete safety and enjoyment of our property. We see no reason why others wouldn't similarly enjoy the beautiful surrounding property nearby. There is no danger of pollution from Fairholme that would preclude the development of a recreational campground on the Murray property. We presume that such use of the Murray land would require formal consideration and development approval. Our current proposed development is set back a considerable distance from Mr. Murray's property and will be unlikely to impact proposed future development of his land.

Fairholme has been successfully producing hogs on this site since 1960. Applicable rules and codes for animal production have evolved over the last half-century and Fairholme has kept pace with all required changes, upgrading our manure storage facilities and manure management practices over time. Currently, as stated in the TRC, Fairholme used an existing glass-lined steel tank as a reserve manure storage for unforeseen emergency purposes. This existing glass-lined steel structure is still registered with the Province and is in good condition, although it hasn't been in active service. Our

existing main manure storage is an earthen storage located one mile northeast of the Murray property. Physical contamination of the Murray property is not possible. Any odours emanating from the earthen storage and travelling toward the Murray property would travel across the Fairholme Colony residential area well before reaching the Murray lands, a highly unlikely scenario considering our prevailing winds.

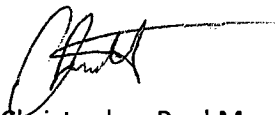
Manure storage odours rarely bother us. If odour becomes an issue, Fairholme will cover the earthen manure storage facility to the benefit of our own families as well as neighbours.

Fairholme utilizes all the manure annually as fertilizer to our grain crops, utilizing its high fiber value to build up our lighter soils. We have a registered manure-management plan, involving comprehensive soil sampling of all of our arable acreages, with planned, optimum fertilizer application after each annual crop. We have installed a permanent network of underground pipe to transfer manure to all the land we need to fertilize. We do not apply manure fertilizer to river land or in the adjacent valley, neither do we surface-spread any manure at any time, nor apply manure in winter. We directly inject all of our manure into the soil to conserve valuable fertilizer from the risk of run-off. This practice also eliminates manure-spreading odours.

We have lived on our farm site since 1959. The rules have changed, so we have complied by modifying and adapting our operations. One thing that hasn't changed is our love for the land and the area where we live. Like many Manitobans, we appreciate the Assiniboine River and its Valley, as well as the beaches it regularly provides for recreational activities. On several occasions we have enjoyed the visits of canoeists along the Assiniboine, who paused to utilize a serene beach near to us for an overnight stay or a weekend. We have no wish to pollute or destroy the beautiful landscape around us and plan to remain safely and pleasantly residing on our farm for many more generations.

And what's more, we sincerely believe we can do this together with Mr. Murray and all our neighbours and will actively work toward this end.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Christopher Paul Maendel', with a long horizontal line extending to the right.

Christopher Paul Maendel