

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 18 January 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 18 January 2000.

Pat Hemsing	Chair
Clint Henrickson	Vice-Chair
Allen Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Bob Chromka	Director
Earl Wilson	General Manager
David Hill	Policy and Planning

The meeting was called to order at 9:00 AM.

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1.0 Adoption of Agenda

The following items were discussed:

- 9.6 Dr. Lyle Oberg, MLA Strathmore-Brooks, Premier's Dinner [added]
- Alberta Farm Fuel Allowance, confirm that EID receives allowance on all fuels
- Karen Rose Land Issues, will be handled under item 9.4

001-01-2000 Moved by Mr. Henrickson that the agenda be adopted as added to. Seconded by Mr. Livingston.

CARRIED

2.0 Approval of Minutes, 15 and 16 December 1999

In discussion of the minutes of the 15 and 16 December 1999 Board Meeting the following discussion took place and corrections were made:

4.8 Proposed Land Trade, Bow City Hutterian Brethren

It was noted that some concern has been expressed about the proposed land trade by the Eyremore Grazing Association. It was agreed that the district set up a meeting with some members of the association to discuss their concerns.

12.2.2 Location

add ... Radisson Hotel.

12.5 Mrs. Culligan, Appeal of Discount Application

In discussion of this matter it was suggested that no change in the Board's policy on discounts is required, only that the advertisements and notices should be more specific that payments must be either made at the offices of the district or postmarked by a certain date and time.

8.1 Grazing Lease Listing, 2000 Grazing Period

It was noted that with a maximum listing of ~~42~~ 40 the total numbers would drop to ~~15,300~~ 15,500, which would also be an increase over the 1999 stocking numbers.

99-12-237 Seconded by Mr. Johnson.

002-01-2000 Moved by Mr. Chrumka that the minutes of the 15 and 16 December 1999 Director's Meeting be adopted as corrected. Seconded by Mr. Henrickson.

CARRIED

3.0 Business Arising From Minutes

In review of the business from the 15 and 16 December 1999 meeting there was some additional discussion regarding:

- Lake Newell Resort, Shoreline Protection [discuss with Mr. Shergill during his visit].,
- Discussion of arranging a meeting with the Antelope Creek Ranch to discuss concerns regarding stocking rates and the practice/practicalities of weighing in and weighing out of cattle,
- Update on the proposed MLA Reception hosted by the AIPA, and
- Who may vote at AIPA Director Meetings [restricted to those appointed by the board unless fewer than full compliment of EID appointed directors are in attendance].

4.0 Financial Reports

[9:25 AM, Mr. Bischoff and Mr. Hildebrand entered the meeting.]

4.2 Year-End Investment Report

Mr. Hildebrand provided the directors with an overview of investment performance for 1999. Included in the discussion were the following matters:

- there has been some plus/minus changes in market valuation of investments, trend is continuing to show some reduction in market value, does not reduce value anticipated at time of purchase,
- investment community remain positive due to overall strength of US economy, and
- the district's investment strategy remains on track and will continue to be monitored.

[9:40 AM, Mr. Hildebrand exited the meeting.]

It was noted that the frequency of investment reports will be discussed at the Board's scheduled February Retreat. At present a report of this nature is made on a quarterly basis. Emerging issues are brought to the Board on a case-by-case basis.

4.1 Financial Statements, Period Ending 30 November 1999

Mr. Bischoff provided a detailed review of the district's Financial Statements for the period ending 30 November 1999. Mr. Wilson also provided additional clarification on a number of issues. Discussion of the Financial Statements included:

- additional detail on the split on water earnings for internal review was requested, for example, the portion of water earnings from irrigated acres, terminable acres and other water uses,
- revenue/compensation is generally ahead of schedule with expenses running less than budgeted,
- some corrections forthcoming to specific accounts under maintenance due to errors in coding of expenses,
- discussion of vehicle costing and charges for vehicles attached to various departments,
- discussion of equipment pool expenses and recoveries, it appears that recoveries are running ahead of forecast while expenses are in-line with budgets, some degree of surplus is likely to be generated,
- additional analysis of phone/cellular costs, power at water control structures, etc. is anticipated to refine the presentation of expenses at the end of 1999,
- Pheasant Habitat Development Project cost-shared between EID and other agencies, with EID operating on a calendar fiscal year and other participants operating on government fiscal year

- [ending 31 March 2000],
- the district is receiving unsolicited inquiries regarding the timing of availability of the Modern Auto property,
- grazing reserve has been over-expended by approximately \$12,000, adjustments will be made at the end of the fiscal year,
- the district is still awaiting confirmation of the disposition of funds dedicated to commutation, still expecting the amount to be transferred to the Irrigation Works Reserve Fund,
- the potential participation of the PFRA in rangeland improvement projects was discussed, particularly in the areas of water supply [some additional investigation is warranted],
- discussion of various other projects and line items, flow meter testing, phone system upgrades, C.A.R.P., EIDNet and miscellaneous receivables.

003-01-2000 Moved by Mr. Chrumka that the Board approve the Financial Statement for the period ending 30 November 1999 as presented. Seconded by Mr. Plett.

CARRIED

[10:15 AM, Mr. Bischoff exited the meeting. The meeting was recessed.]
[10:30 AM, the meeting was reconvened. Mr. Matoba joined the meeting.]

7.0 Land Administration Report

7.1 Mr. Brad Calvert, SW ¼ 30-17-16 W4M

Mr. Calvert, by correspondence, has indicated his disappointment at not being granted addition acres in the SW ¼ 30-17-16 W4M. There was additional discussion of the specifics of Mr. Calvert's application and the limitations imposed on the region as a result of district's prevailing diversion license conditions. It was noted that the upcoming February 2000 Board Retreat will look into the process to allow expansion of irrigated acres in detail. This discussion will also include options that may be available to the EID under new license conditions that have been applied for.

Mr. Calvert's letter also dealt with the potential to "relocate" 35 acres of irrigation assessment from other lands to a single parcel. This request is in keeping with the district's practice of promoting more efficient irrigation. The acres proposed to be transferred are from ...

004-01-2000 Moved by Mr. Nielsen that the Board approve the transfer of 35 acres assessed as "to be irrigated" from:

**SW ¼ 36-17-17 W4M 09 acres [Brad Calvert]
NW ¼ 25-17-17 W4M 10 acres [Ken & Faye Calvert]
SW ¼ 25-17-17 W4M 10 acres [Ken Calvert]
SE ¼ 25-17-17 W4M 06 acres [Ken Calvert]
to:
SW ¼ 30-17-16 W4M 35 acres [Brad Calvert]
Seconded by Mr. Johnson.**

CARRIED

It was also suggested that Mr. Matoba advise Mr. Calvert that the district expects the consolidated acres to be irrigated in an efficient manner, following Mr. Calvert's suggestion that the lands would be irrigated with side-roll wheel move sprinklers.

7.2 Mr. Doug Gray, NW ¼ 21-20-12 W4M

Mr. Matoba noted that some additional information is required prior to dealing with Mr. Gray's request to transfer acres and intensify under the district's policies.

7.3 Mr. Joe Albers, GL # 7167 [SW ¼ 21-14-13 W4M]

Mr. Albers has requested that the district approve the transfer of Private Grazing Lease # 7167 [SW ¼ 14-13 W4M] from Mr. Bernard Austie to himself. It was noted that Mr. Albers is not yet a resident within the EID and that he be advised that until the residency requirements is satisfied, the lease cannot be transferred.

7.4 Mr. Dennis Dyck, NE ¼ 35-21-16 W4M

Mr. Dyck has requested the district approve the granting of a Terminable Water Agreement on 20 acres in the NE ¼ 35-21-16 W4M. This parcel of land has been serviced in the past from the Matzhiwin Creek under a similar agreement that has since lapsed. He had applied to have 100 acres in the parcel added as "acres to be irrigated", but the soils were not suitable. He is now requesting the Terminable Water Agreement be issued on the 20 acres where soils are suitable.

005-01-2000 Moved by Mr. Plett that the Board authorize entering into a Terminable Water Agreement for 20 acres in the NE ¼ 35-21-16 W4M. Seconded by Mr. Livingston.
CARRIED

7.5 Proposed Land Trade, Ptn. NE ¼ 28-15-15 W4M [Anderson Farms]

The district has been approached by Anderson Farms to determine whether or not the EID would be willing to trade additional right-of-way along the south boundary of the SE ¼ 28-15-15 W4M for a portion of the district's land in the NE ¼ 28-15-15 W4M. The reasons for the proposed trade are due to seepage and trapped drainage from the north that Anderson's suggest is taking place along the canal in the SE ¼ 28.

It was noted that the district has not confirmed whether or not seepage is taking place or its severity. Anderson Farms will be advised that the district will take a look at the seepage/drainage problems in the spring. The potential to shift the pivot centre north from the existing location to avoid the seepage and drainage problems will be reviewed as part of the Rolling Hills Reservoir Expansion Project.

7.6 Harvey Krause, N ½ of N ½ 03-14-13 W4M

Mr. Krause has indicated that he would be willing to lease the N ½ of the N ½ 03-14-13 W4M. In December Mr. Krause had inquired as to the district's willingness to sell these lands to him to allow expansion of his irrigation systems. The lands in question are currently subject to an annual lease to Mr. Sereda.

It was noted that the district would likely hold off making any changes to the operation of the parcel until the canal systems serving the area have been subject to rehabilitation. At that point in time the lands may be placed for tender as an irrigated lease.

There was additional discussion on the availability of water to service additional/new acres as requested by Mr. Krause. This area of the district is below storage and water should be available. The issue of which lands benefit from storage and which lands are limited in additional development due to lack of storage

was discussed. Expansion issues and criteria will be discussed by the Board as part of their February 2000 Retreat.

[11:00 AM, Mr. Matoba exited the meeting. Mr. Hildebrand, Mr. Shergill and Mr. Wetteskind joined the meeting.]

6.0 Lake Newell Resort [Westbridge Land Developments Corp., Mr. Deep Shergill, 11 AM]

Mrrs. Shergill and Wetteskind were introduced to those in attendance. Mr. Wetteskind [a local realtor] has recently been added to Westbridge's Board of Directors. Mr. Shergill reviewed in some detail the current initiative to secure new funding for completion of the Lake Newell Resort Project. He indicated that the current mortgage holders are not willing to consider a renewal and that there are discussions between Westbridge Developments Corp. and other organizations.

There was discussion surrounding the process that would be undertaken during the next month or so to retire some of the debt of the project and raise the necessary capital to allow the project to move ahead. There was additional discussion of the district's security in the project and its relationship to the water treatment plant, mortgage position, etc. Mr. Shergill offered some financial data in support of his requests.

In regards to issues surrounding shoreline protection, Mr. Shergill noted that the current financial position of the project has prevented committing additional dollars. It was also noted that recent initiatives by Blaine Homes on the east side of Lake Newell were being advertised without Westbridge's permission. Actions have been undertaken by Westbridge to prevent such future occurrences.

[11:55 AM, Mr. Hildebrand and Mrrs. Shergill and Wetteskind exited the meeting. Meeting recessed.]

[1:40 PM, Meeting reconvened, Mr. Bischoff joined the meeting.]

8.0 Preliminary Budget Report, Fiscal 2000

Mr. Wilson provided a detailed overview of the "draft" Budget for Fiscal 2000. The review included an examination of revenue from water and other sources as well as proposed expenses for Administration, Operations, Maintenance, Equipment Pool, Land Administration and IRP and Capital Projects.

A number of expense issues were reviewed in detail during the presentation. The draft Budget for Fiscal 2000 was prepared on the basis of the 30 November 1999 Financial Statements with estimates for the 31 December 1999 statements. Some accounts were noted to be subject to detailed review prior to the next review of the Budget by the Board.

The Budget is proposed for additional review and approval as part of the February Director's meeting.

[3:00 PM, Mr. Allen Nielsen, Director, exited the meeting.]

[3:30 PM, Mr. Schoorlemmer joined the meeting. Mr. Bischoff exited the meeting. The meeting recessed for a break.]

[3:45 PM, Meeting reconvened.]

5.0 Engineering Report

5.2 Tender Results [11 North Branch, Project 01-1188]

Mr. Schoorlemmer provided a review of the 22 December 1999 tender for the 11 North Branch Project being funding under the EID's Capital Construction Program as follows:

AIC Construction	\$288,600.00
BYZ Construction	\$312,300.00
Whissel Contracting	\$327,830.00
Milty Earth Moving	\$333,015.00
Sorochan Enterprises	\$348,685.00
Brooks Asphalt	\$358,540.00
MJB Enterprises	\$378,950.00
A&A Trenching	\$999,400.00
Engineer's Estimate	\$327,000.00

Mr. Schoorlemmer advised that the tender has been awarded to AIC Construction.

5.1 Project Update

Mr. Schoorlemmer also reported on the status of the following projects:

EID Capital Construction Projects:

01-1160	Lower North Branch 2.5 km. lined canal	Richardson Brothers
	- earthwork and liner complete	
	- precast structures are being installed	
	1.2 km. pipe	EID
	- completed 05 January 2000	
01-1180	J-02 West Bantry 3.6 km. pipe	EID
	- pipe installation completed on 15 December 1999	
	Cast-in-Place Inlet Structure	Charmar
	- scheduled for spring 2000	
01-1181	J-09 West Bantry 2.7 km. lined canal	EID
	- liner, earthwork and armour complete	
	- 2 precast structures to be installed	
01-1182	Lower Bow Slope 5.4 km. lined canal	Top Notch
	- liner and earthwork completed in December 1999	
	- armour is hauled and roughly placed	
	- structures to be installed	
	1.7 km. pipe [15 Bow Slope]	EID
	- work should start first week of February 2000	
01-1184	U Tilley 4.3 km. pipe	EID
	- work commenced on 15 December 1999	
	- pipe should be completed by end of January 2000	
01-1187	12-02 Secondary A Rolling Hills 2.6 km. pipe	EID

- work will commence in mid-February 2000 following completion of 15 Bow Slope

- 01-1188 11 North Branch
0.8 km. pipe [replaced concrete pipe] EID
- completed in November
6.2 km. pipe AIC Construction
- commenced in December 2000
- 01-1198 12 H West Bantry
1.4 km. pipe EID
- completed in December
- 01-1199 20 Springhill
8.8 km. pipe
- will commence in February 2000, may be tendered
- 01-1202 1999-2000 Precast Structures
9 structures to be installed EID
- work to commence in late January 2000

IRP Projects:

- 02-1183 C Springhill
4.1 km. canal EID
- earthwork, liner and armour complete
- precast structures to be installed
3.8 km. canal Richardson Brothers
- earthwork and liner 30% complete
2.3 km pipe. EID
- scheduled for installation in March 2000
- 02-1185 AG North Bantry
15 km. pipe EID
- commenced work on 06 January 2000
- 2.5 km. installed to date
- completion scheduled for late March 2000
- 02-1186 13 Springhill
1.2 km. lined canal EID
- completed in December 2000
2 Cast-in-Place Structures Robin Hansen Construction
- work commenced on 17 January 2000
14 km. pipe MJB Enterprises
- work commenced on 10 January 2000
- 1 km. installed to date

[4:15 PM, Mr. Schoorlemmer exited the meeting.]

9.0 Miscellaneous Issues

Mr. Wilson reviewed the specifics of a number of other issues, as follows:

9.1 Northwest Irrigation Operators Conference [Feb 2000]

Following a brief discussion it was noted that the EID will not be sending anyone to attend this conference.

9.2 AIPA Committee RE: Water for Intensive Livestock Operations

It was noted that the AIPA's Policy & Legislation Committee will be meeting on 25 January 2000 to review the issues discussed at the recent AIPA Director's meeting. The EID will be making a presentation, looking at a minimum charge, promoting the ability to provide up to 5 acre feet without the customer requiring a license and establishing a rate structure based on actual costs. The meeting will be attended by Mrrs. Henrickson and Hill.

There was some additional discussion of the recent AIPA Director's Meeting. It was suggested that the meetings could allow for more discussion on some issues [for example, the Intensive Livestock Water issue] prior to sending the matter to a Committee. It was also agreed that the Executive Committee could be asked to clarify who may vote at a Director's Meeting as the recent meeting was well attended and some districts may have had more than their allocated number of directors in attendance. The date for the MLA Reception is 10 May 2000. Attendance at the meeting should be confirmed ASAP.

9.3 Rolling Hills Highway Relocation, County of Newell, No. 4

Mr. Wilson noted that there have been recent discussions between the County of Newell and the Alberta Minister for Infrastructure regarding relocation of a portion of the Rolling Hills Highway. The relocation will involve land owned by the district, but the EID had not been officially contacted. There has been some contact with the County and more information should be available in the future.

9.4 Visit from Mr. Bill DeBarres

Mr. Wilson reported on a recent visit from Mr. Bill DeBarres regarding the recent advertisements for land syndication by Blaine Homes on the east side of Lake Newell. There was some discussion that Mr. Blaine's efforts did not have the approval of his Joint Venture Partner and that the EID did not expect any development to take place soon. Mr. DeBarres indicated that his clients, Karen Rose and Dale Redelback remain interested in the lands if they were to become available.

9.5 Board Retreat

Mr. Wilson reviewed with the Board the final proposed agenda for the 09 to 11 February Board Retreat.

9.6 Dr. Lyle Oberg, MLA Strathmore-Brooks, Premier's Dinner

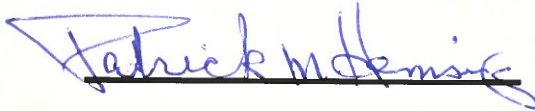
It was noted that the Premier's Dinner is scheduled for 10 February 2000 and that it conflicts with the Board's planned Retreat. A letter is to be forwarded to Mr. Oberg expressing the Board's regrets at no one being able to attend.

6.0 Lake Newell Resort [Westbridge Land Developments Corp., Mr. Deep Shergill, 11 AM]

There was additional discussion regarding the presentation made by Mr. Shergill. It was agreed that making a firm decision about the direction the EID should pursue is likely premature. Mr. Shergill is to be contacted to develop a more detailed proposal for the Board's consideration.

The meeting was adjourned on a motion by Mr. Henrickson at 5:15 PM.

Chair:



General
Manager:



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Clint Henrickson	Vice-Chair
Allen Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Bob Chrumka	Director
Earl Wilson	General Manager
David Hill	Policy and Planning

The meeting was called to order at 9:00 AM.

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1.0 Adoption of Agenda

The following items were added to the agenda:

- 6.4.2 Mr. Ray Virostek, Farm Improvement
- 6.5 Status of Bridge on Lower Bow Slope Canal [Mr. Nielsen]
- 11.5 Land Sale/Lease Issues, as per Retreat Discussions [Mr. Chrumka]
- 12.7 Meeting with Council of the County of Newell, No. 4

During discussion of additional agenda items, Mr. Nielsen also advised that Mr. Bill Durago had expressed some interest in the district's land breaking and pivot installation project [part of effluent irrigation initiative with IBP/Lakeside].

006-02-2000 Moved by Mr. Henrickson that the Board approve the agenda for the 18 February 2000 Meeting as added to. Seconded by Mr. Livingston.

CARRIED

2.0 Approval of Minutes, 18 January 2000

The following items were noted in discussion of the 18 January 2000 Board Meeting:

- Item 4.1 change \$12K to \$12,000
- Item 9.6 A letter is to be forwarded to Mr. Oberg expressing the Board's regrets at no one being able to attend.

007-02-2000 Moved by Mr. Henrickson that the Board approve the minutes of the 18 January 2000 Director's Meeting as corrected. Seconded by Mr. Plett.

CARRIED

3.0 Business Arising From Minutes

There was no additional business from the minutes.

4.0 Land Issues

4.2 Modern Auto Property

Mr. Wilson provided the following information regarding property currently leased to Mr. Beny for the Modern Auto site.

4.2.1 Notice from Mr. Bill Beny

It was noted that Mr. Beny has written to the EID providing notice that he will no longer have any need for the property as of 01 March 2000. The current lease agreement stipulates that Mr. Beny must provide 60 days written notice of termination of his lease and the current notice is only 30 days.

4.2.2 Advertisement

The EID has had some unsolicited interest expressed regarding the present Modern Auto site. An advertisement has been prepared and published in the Brooks Bulletin. It was noted that should the EID find a suitable lessee for the property as of 01 March 2000, with terms as good as or better than the

current lease, the district could accept Mr. Beny's 30 day notice, otherwise Mr. Beny will remain liable for the month of March 2000. Mr. Beny is to be advised accordingly.

In discussion of the potential for a new lease it was generally agreed that if a suitable proposal is made to the EID prior to 01 March 2000 for the property, that the details would be forwarded to the members of the Board for their consideration and recommendation.

4.1 Lake Newell Land Sales Update

Mr. Wilson advised the Board of ongoing pursuits of Dennis Blaine and Blaine Homes regarding option lands on the east side of Lake Newell. He indicated that the option agreement is supposedly a joint venture between Blaine Homes and Westbridge Land Developments Corp. It was noted that the district has been in contact with Mr. John Peters of Miller Thomson in regards to the legalities and implications Mr. Blaine's proposed actions may have on current development at the Lake Newell Resort as well as the option lands on the east side of Lake Newell. It was also noted that a decision on which options the EID should pursue will not likely be required prior to March. Mr. Wilson agreed that the district would be reviewing the potential directions that might require approval and seeking appropriate legal advice.

There was also mention of the EID's participation in an Area Structure Plan for Lake Newell.

4.3 Mr. Leonard Parker, E ½ 32-21-15 W4M

Mr. Parker has forwarded a request to the district requesting the purchase of district-owned lands in the E ½ 32-21-15 W4M. The request appears to involve the resolution of estate interests of the Parkers. The Board noted that it is not presently interested in selling any portions of these lands. It was suggested that if these lands were to be considered for development as irrigated leases they would then also be subject to bid and long-term lease.

4.6 Bow City Hutterian Brethren, Proposed Land Sale

Mr. Wilson provided the Board with an update of discussions between the district and the Bow City Hutterian Brethren relative to land trade and/or sale options. The district has expressed its interest in acquiring the W ½ 1 and W1/2 12-18-18 W4M as a supply for granular material. The Bow City Hutterian Brethren are interested in obtaining section 11-18-17 W4M.

The potential for the trade has been discussed with the Eyremore Grazing Association. They understand the district's interest in obtaining the granular material, but would prefer an outright purchase versus a trade. This option has been discussed with the Bow City Hutterian Brethren. Mr. Wilson indicated that he expected more information about the suitability of a purchase instead of the proposed trade of lands.

[9:25 AM, Mr. Matoba joined the meeting.]

4.4 Crawling Valley Park Agreement

Mr. Matoba reviewed with the Board a lease agreement between the district and the County of Newell, No. 4 for the Crawling Valley Park and Campground. The lease document has expired, but the County is looking for a renewal of the lease in support of the continued operation of the campground and park.

008-02-2000 **Moved by Mr. Plett that the Board agree to a 10 year renewal of the lease agreement for lands that form the Crawling Valley Park and Campground. Seconded by Mr. Chrumka.**

CARRIED

4.5 Doug Gray, NW ¼ 21-20-12 W4M

From a review of the details surrounding Mr. Gray's request for additional acres assessed in the NW ¼ 21-20-12 W4M it was agreed that his application should be heard as part of the district's next review of available water supplies in November 2000. It was also agreed that water use on the parcel in its current form be monitored in order to determine the water savings that might be available through changes in management and increased assessed acres. Mr. Gray is to be advised accordingly.

[9:40 AM, Mr. Matoba exited the meeting, Mr. Hale and Mr. Martin joined the meeting.]

5.0 Grazing

5.1 Capital Improvement Priority List

Mr. Hale provided a brief overview of water supply systems that could be implemented on EID lands that would benefit the operation of the pastures. Four projects have been identified including:

•	Rolling Hills Community Grazing Association	25.5 miles [approx. 41 km.]	Est \$ 405,000
•	Duchess Grazing Association	2.5 miles [approx. 4 km.]	
•	Tilley Grazing Association	6.5 miles [approx. 10.5 km.]	
•	Gem Grazing Association	8.5 miles [approx. 13.5 km.]	

Mr. Hale noted that the most crucial area for investments in water supply are in the Rolling Hills Grazing Association. It was noted that the project could be phased over a couple of years.

There was general discussion regarding how best to determine the benefits to the pastures from the investment. It was acknowledged that better distribution of water supplies would benefit the condition and use of the pastures. Mr. Hale noted that the management of the leases during recent years has allowed for better overall range conditions and that the more pressing problem is not one of lack of grass, but lack of water.

The Board debated various alternatives of project design and costs. There was discussion of how these additional investments should be funded and how the benefits might be distributed across all the district's community pastures. It was also noted that the district could set an annual budget for such improvements and then develop the projects to fit the budget. Discussion about methods to recover the investment from those making use of the pastures also took place.

The confirmation of budget allocations for this project were scheduled for additional discussion as part of the review and approval of the district's budget for fiscal 2000. It was also noted that options for recovering the capital investment from the associations should be further investigated and discussed with the district's Grazing Advisory Committee.

5.2 Antelope Creek Ranch Update

Mr. Martin reported on his recent meeting with Technical Committee members for the Antelope Creek Ranch. He reported that there does seem to be some movement on stocking rates that would be more in

line with the stocking needs of the lease patrons. There was discussion of the issues surrounding weigh-in and weigh-out of cattle. Mr. Martin noted that this appeared to be a "new issue" for the Technical Committee.

The Board noted that a number of the individuals who place cattle in the Antelope Creek Ranch have mentioned their concerns with the weigh-in and weigh-out procedures. Discussed was the value of the data collected, the type of scale used, the time taken, etc. It was agreed that these issues will be further explored at the upcoming meeting between the EID and the Management Committee of the ranch.

[10:20 AM, the meeting was recessed.]

[10:30 AM., the meeting was reconvened.]

5.3 Draft Access Management Policy

Mr. Wilson reviewed with the Board the "draft" information that has been prepared in follow-up to discussions at the Board Retreat. The purpose of the text and chart is to outline how the district might approach access issues on its lands.

The following issues were discussed:

- designation of camping areas [required to reduce random camping on EID lands],
- hunting issues, big game vs. game bird, proximity to cattle grazing, etc.
- the use of designated routes to assist in controlling access,
- use of or leasing of road allowances.
- cooperation with the County of Newell and Conservation Officers on enforcement provisions, and
- potential to work with the County of Newell to develop a by-law that would empower By-law enforcement of access issues.

It was generally agreed that random camping is the most pressing issue. the district will need to develop some designated sites in order for the draft policy to be workable. The district may also have to consider the level of development that is available at such sites and whether or not they are district operated or are developed in partnership with commercial operations.

It was agreed that the district review the Draft Access Management Policy with the Grazing Advisory Committee and then at the Irrigator Meetings. It was also agreed that individual directors suggest the name of irrigators who are not members of the Community Grazing Associations who could be invited to attend. This should help identify the broadest cross-section of opinions possible.

[11:00 AM, Mr. Hale and Mr. Martin exited the meeting. Mr. Meador and Mr. Schoorlemmer joined the meeting.]

6.0 Engineering Report

6.1 Project Status Update

Mr. Schoorlemmer reported on the status of the following projects:

EID Capital Construction Projects:

01-1160	Lower North Branch	
	2.5 km. lined canal	Richardson Bros.

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- earthwork and liner complete
- 2 precast structures yet to install
- 1.2 km. pipeline EID
- completed 05 Jan 2000

- 01-1180 J-02 West Bantry EID
- 3.6 km. pipeline EID
- completed 15 Dec 1999
- Cast-in-Place Inlet Structure Charmar Enterprises
- scheduled for spring 2000

- 01-1181 J-09 West Bantry EID
- 2.7 km. lined canal EID
- complete

- 01-1182 Lower Bow Slope Top Notch Construction
- 5.4 km. lined canal Top Notch Construction
- liner and earthwork completed in Dec 1999
- armour is placed
- 2 precast structures yet to install
- 1.7 km. pipeline EID
- pipeline installation completed 09 Feb 2000
- precast inlet and outlet structures yet to install

- In discussion of this project it was noted that the time frame for the bridge reconstruction is very tight. Mr. Wilson reviewed the history of the design and tendering of this project through Alberta Infrastructure on behalf of the County of Newell. The district has raised its concerns with the need for the project to be complete prior to the commencement of water deliveries. It was agreed that the district send a letter to the Minister of Alberta Infrastructure [the Honourable Ed Stelmach] and request his department expedite the construction of the project in time for water deliveries.

- 01-1195 Bow Slope Structures Upgrade Charmar Enterprises
- 2 New Structures, 7 Modified Structures Charmar Enterprises
- 2 new structures partially poured

- 01-1184 U Tilley EID
- 4.3 km. pipeline EID
- completed 31 Jan 2000

- 01-1187 12-02 Secondary A Rolling Hills EID
- 2.6 km. pipeline EID
- scheduled to commence construction 18 Feb 2000

- 01-1188 11 North Branch EID
- 0.8 km. pipeline [replace concrete pipe] EID
- completed Dec 1999
- 6.2 km. pipeline AIC Construction
- 400 meters installed

- 01-1198 12 H West Bantry EID
- 1.4 km. pipeline EID

- completed Dec 1999
- 01-1199 20 Springhill
6.4 km. pipeline BYZ Construction
- tender closed on 08 Feb 2000
- site preparation underway
2.4 km. pipeline EID
- scheduled to commence in Mar 2000
- 01-1202 1999-2000 Precast Structures
9 Structures EID
- 6 structures completed

IRP Projects:

- 02-1183 C Springhill
4.1 km. lined canal EID
- earthwork, liner and armour complete
- precast structures scheduled to start on 28 Feb 2000
3.8 km. lined canal Richardson Bros.
- earthwork and liner complete
- armour and structures will be completed by EID
2.3 km. pipeline EID
- scheduled for mid-Mar 2000
1 Cast-in-Place Structure Robin Hansen Construction
- partially poured
- 02-1185 AG North Bantry
15 km. pipeline EID
- project commenced construction on 06 Jan 2000
- 3.5 km. left to be completed
- 02-1186 13 Springhill
1.2 km. lined canal EID
- completed Dec 1999
2 Cast-in-Place Structures Robin Hansen Construction
- work commenced on 17 Jan 2000
- 1 structure requires backfill
14 km. pipeline MJB Enterprises
- work commenced on 10 Jan 2000
- 4 km. installed to date

6.2 Lateral 20 Springhill Tender Results

Mr. Schoorlemmer reviewed the following tender results:

<u>Engineer's Estimate</u>	<u>\$385,000.00</u>
BYZ Construction	\$310,750.00
MJB Enterprises	\$352,965.00
Brooks Asphalt	\$359,845.00
Milt's Earthmoving	\$374,127.50

Whissel Construction	\$384,908.00
Richardson Bros.	\$439,625.00
Sorochan Construction	\$445,905.00
AIC Construction	\$469,823.00
Stark's Plumbing & Heating	\$481,025.00
Canam International	\$797,478.00

The project was awarded to BYZ construction.

6.3 Proposed 2000/2001 Capital Construction Projects

The following list of Capital Construction Projects was discussed:

Project Name/Description	Length [in km.]		Estimated Cost	
	Pipeline	Canal	IRP	EID Capital
Newell/Rolling Hills Headgates				\$150,000
North Bantry Structures & Princess Lake Modifications				\$250,000
A H North Bantry	1.0			\$200,000
19 Bow Slope	17.0		\$3,000,000	
11 H West Bantry		2.0	\$500,000	
04-04 C Springhill	5.5		\$1,000,000	
Rolling Hills Main Canal		16.0		\$4,500,000
14 H West Bantry	3.0		\$500,000	
01-10 Rolling Hills	2.5			\$400,000
Bantry Pumps East		2.0		\$400,000
Precast Structures				\$200,000
Flow Measurement Structures				\$150,000
Dam Safety				\$50,000
Rolling Hills Reservoir [Design]				\$250,000
14 East Branch	3.0			\$600,000
05E & 03-05E Springhill	1.0	5.0		\$1,200,000
7-01 Bow Slope	1.5			\$400,000
John Ware Spillway		5.0		\$400,000

Project Name/Description	Length [in km.]		Estimated Cost	
	Pipeline	Canal	IRP	EID Capital
G11 & G14 North Bantry -or- 9 Bow Slope	4.0			\$700,000
Totals	38.5	30.0	\$5,000,000	\$9,850,000

It was noted that approval of the estimated amounts for the proposed projects will be considered as part of the overall budget approval. Individual projects still require approval by the Board.

[11:40 AM, Mr. Meador and Mr. Schoorlemmer exited the meeting. Mr. George Armstrong entered the meeting.]

7.0 Bassano Rural Fire Department [Presentation, 11:40 AM]

Mr. Armstrong was introduced to those in attendance. Mr. Armstrong noted that he was appearing on behalf of the Bassano Rural Fire Association. Proposals were put forward for the district, as a land owner that falls within the fire protection zone of the Bassano Rural Fire Association, to donate monies to the purchase of a new fire truck, outfitted for both buildings and grass fire protection.

Mr. Armstrong discussed the costs and options available to allow the association to purchase the required vehicle and fire fighting equipment. He did note that an agreement has been reached with the County of Newell that will see an increase in the mill rate as a means of paying the outstanding costs on the new equipment. He further indicated that the hope in the region is that much of the purchase price of \$160,000 will be covered by donations, leaving a smaller amount to be covered by the mill rate.

There was general discussion of the options presented. As well, approach being taken by others in the region [for example, PanCanadian Petroleum] was reviewed.

[11:55 AM, Mr. Armstrong exited the meeting.]

The Board discussed the options presented by Mr. Armstrong. It appears that the most fair method of participating in the costs for the upgraded fire fighting equipment is through the increased mill rate. Mr. Armstrong is to be advised that the Board declines to contribute financially in addition to the mill rate assessment.

[12 Noon, the meeting was recessed. Mr. Hill exited the meeting.]

[12:50 PM, the meeting reconvened. Mrs. Schellenberg joined the meeting.]

6.0 Engineering Report

6.4 Farm Improvement Projects

6.4.1 Mr. Fred Kruszelnicki, Ptns. NW ¼ 17 & NE ¼ 17-17-13 W4M

Mr. Meador reviewed with the Board the issues surrounding Mr. Kruszelnicki's request for the district to cost-share the installation of a pipeline to replace open ditches. It was noted that the works proposed for improvement are those of the land owner, not those of the district. In addition, most of the damage to lands that might be prevented from the pipeline installation may be attributed to past management, for

example, cattle trampling the head ditch, etc.

Mr. Meador also informed the Board that there are no plans for the method of irrigation on the parcel to change under the proposed project, the parcel would still be irrigated by surface irrigation methods. As such, it was agreed that the project does not meet the district's objectives for cost-shared funding under the Farm Improvement Program. Mr. Kruszelnicki is to be informed accordingly.

6.4.2 Mr. Ray Virostek, SE ¼ 07-16-13 W4M

Mr. Meador reviewed with the Board the details of a Farm Improvement Project that was initially approved in August 1999. The project considered the installation of a riser and valve from the Bantry Spill pipeline at EID expense and then the cost-sharing of a pipeline to the pivot at 50% up to a maximum of \$7500. The project would meet the objectives of the program by saving water and allowing the district to push-in [abandon] a ½ mile of 17-03 West Bantry canal.

In Early February Mr. Virostek received quotes for the work. The revised estimates for the pipeline installation are estimated at \$23,614.40 plus an additional \$3,000 to move the power. Mr. Meador indicated that during an on-site visit Mr. Virostek was informed the district would not consider any of the costs for in-line screening or shut-off valves for the pivot. The balance of the cost would be \$20,414.60. This total exceeds that amount previously approved. The project appears viable and the outlined costs are viewed as legitimate.

009-02-2000 Moved by Mr. Chrumka that the Board approve increasing the 50% cost-sharing from the previously approved maximum of \$7,500 to \$10, 207.00. Seconded by Mr. Johnson.

CARRIED

11.0 General Manager's Report

11.1 Irrigation Districts Act – Draft Regulations

Mr. Wilson provided an update of activities relative to the circulation of draft regulations for the Irrigation Districts Act. A meeting was held in Lethbridge on 14 February 2000 that was attended by a number from the EID as well as other irrigation districts.

The district has some concerns regarding the specifics of relocations and seepage control measures. It was noted that the district, for its own protection, should obtain a statutory seepage exemption and should prepare the necessary documentation for approval by the Irrigation Council. It was also noted that changes are still required for household purposes, increasing the amount from 1 acre foot to 5 acre feet annually.

The Irrigation Council is looking for responses and recommendations to the draft regulations by 25 February 2000. The district will outline its concerns and forward them prior to the deadline.

[1:00 PM, Mr. Schroeder joined the meeting.]

8.0 Carp Report

Mr Schroeder reviewed the following information:

EID - CARP Fish Inventory

- **7,670** fish held over from 1998

Fish Received

- 8,597 LCC (1998 class)
- 10,706 LCC (1999 class)
- **26,973** total number of fish handled at EID facility in 1999

Fish Sold/Mortality

- 6,902 Sold in 1999 season
- 2,281 culls/mortalities/samples in 1999
- **17,790** fish held over into 2000 season

2000 Status

- 8,780 Received from LCC (1999 class)*
- 202 culls/mortalities so-far in 2000
- **26,368** current EID facility inventory
- 5,500 Receiving from LCC end of Feb/March (1999 class)
- **31,868 Total EID inventory for 2000**

2000 Projected Breakdown

- 4,000 current market sized fish-\$20
- 9,000 market size in May/June 2000 season-\$20
- 4,000 market size in July/August 2000 season-\$20
- 3,000 deformed but useable fish for 2000 season (1998 class)-research \$10-\$15.
- 3,000 Small fish sell at lower price(1999 Class)-\$17
- 6,500 To small to sell-Carry over 2001
- 2,500 Morts./Culls/research
- **32,000 Total**

Projected Sales Summary

- 17,000 fish at \$19
- 6,000 fish at \$15
- **Estimated Revenue \$413,000**

Production Summary

- Feeding two new or reformulated feeds, getting best growth and conversion rates ever (fish on average are gaining well over 2% body weight/day).
- 30% of the fish delivered in December at 40g & 5" are already >150g & >8.5".
- Fish this year more vigorous and healthy than in the past two years
- Early nutrition program this year.
- Facility system finished to accommodate system capacities, additional pump, fecal separator etc.
- Continue evaluation of new Oxygen generating technology, lower operating costs by some 50%.

Sales Summary

- 1063 fish pre-sold (10% discount with 50% deposit).
- 410 fish ordered, but without deposit.
- Strongest sales in May prior to delivery times.
- 30% orders came in throughout the stocking season, last year we were sold out in June.
- Sales to Saskatchewan Government and University of British Columbia
- Water supply poor in north and farming situation \$.

Marketing Summary

- Past customers have been sent year 2000 information (784).
- All potential golf courses have been sent information (121).
- Trout producers have been sent packages of information for their customers
- Currently attending 15 pond stocking courses throughout Alberta. Nine have been completed with very good attendance (23 ave) and interest.
- Will be attending Brooks Trade Show and Lethbridge Ag-Expo.
- Continued newspaper/trade paper advertising.
- Web page.
- Sending informational and pamphlets to AAFRD, PFRA and Ag service boards.
- Exploring TV and Radio

Other Items

- LCC spawning in mid-March
- Canal Study, need to start acting for summer of 2000. A letter will be sent to ARC for possible partnership-2001.
- Signing of a Confidential Disclosure Agreement with Air Products and Chemicals, Inc.

Mr. Schroeder also reported on the Aquaculture America 2000 Conference and Trade Show held on 2 to 5 February 2000. He reported that he had attended the conference along with two individuals from Green View Aqua. Costs for the event included registration [\$380], flight [\$600], lodging [\$300] and food [\$200]. There is a possibility that IRAP funding [federal research] may be available to defray costs.

The conference had about 1500 registrants, with 200 papers presented and 400 information booths. EID-CARP has made contacts with producers in Los Angeles who have experienced similar problems to those seen in the EID operation, contacts with distributor in Idaho and a producer in Ontario that is also operating in conjunction with a college.

010-02-2000 Moved by Mr. Nielsen that the Board approve the expenses for attendance at the Aquaculture America 2000 Conference. Seconded by Mr. Johnson.

CARRIED

It was noted that more communication about upcoming events would be helpful.

There was also some general discussion regarding working with agencies interested in the raising of shrimp and providing facility space for the research. No new information is yet available under the proposed facility rental agreement.

[1:45 PM, Mr. Schroeder exited the meeting.]

There was some additional discussion regarding the overall budget items for the EID-CARP enterprise. Issues such as advertising were briefly discussed. The upcoming review of Financial Statements and proposed budget for fiscal 2000 should answer any other financial questions relative to EID-CARP.

[1:50 PM, Mr. Bischoff and Mr. Schoorlemmer joined the meeting.]

9.0 Financial Report

9.1 Financial Statements, Period Ending 31 December 1999

Mr. Bischoff highlighted the financial statements for the period ending 31 December 1999. In reviewing the specifics of the information the following items were discussed:

- increase in overall revenue from 1998 to 1999
- discussion of levels of surface disturbance/lease activity in the region
- discussion of level of seismic activity, activity level on the increase with January 2000 having almost as much activity as all of 1999
- discussion of AIPA membership costs and budgets, concern expressed over funding of special projects and more notice of financial obligations relative to those budgets being provided in advance
- additional assessment from AIPA for special projects in 2000 will be 50/50 cost-shared with government for further refinements to computer models for Year 2000 Regulatory Review
- discussion of EID Special Projects and Grazing Reserve Fund activities, it was noted that some adjustment in allocation of funds needs to be approved of by the board

011-02-2000 Moved by Mr. Livingston that the board approve directing sufficient funds in excess of operating costs to the Grazing Reserve to balance the fund at a \$0 balance and sufficient funds to the Special Projects Reserve to maintain a \$0 balance and direct all other funds to the Irrigation Works Reserve Fund. Seconded by Mr. Henrickson.

CARRIED

The Board also discussed the disposition of funds in the Commutation Fund. It was also noted that there has been no amortization to date of facilities for the EID-CARP project. This process will commence in 2000 with either rental of facility or depreciation or a combination of the two. In discussion of EIDNet activities it was noted that the net costs to the district for irrigator accounts was not fully recovered. Part of this is attributable to changes in method of equipping the enterprise, with the change from ownership of equipment to that of leasing.

012-02-2000 Moved by Mr. Chrumka that the Board approve the Financial Statement for the period ending 31 December 1999 as presented. Seconded by Mr. Johnson.

CARRIED

9.2 Fiscal 2000 Budget

Mr. Wilson provided a detailed review of the Proposed Budget for Fiscal 2000. In review of the information the following issues were discussed:

- no forecast change in price for water supplied to oil & gas exploration activities,
- Community Grazing Associations have been issued their compensation payments for 1999,
- budget forecasts a rate for irrigation set at \$7.50 per acre,
- administration expense is estimated to be lower than in 1999, due to changes in staffing levels
- legal expenses, telephone expenses, etc. reviewed,
- budget includes cost-of-living increase estimated at 2% with an additional 1% for merit increases,
- Director's expenses were detailed,

- increases in Pheasant Habitat Development will be recovered from increased grant structure,
- Grazing Reserve Fund will be renamed Grazing Capital Projects
- discussion of proposed water delivery pipeline for the Rolling Hills Grazing Association, some merit in cost-savings from doing the complete project, estimated cost at \$425,000,
- increase amounts dedicated to Grazing Capital Projects to \$400,000,
- discussion of proposed Capital Construction Programs under EID Capital and IRP Programs as per previously discussed listing [Item 6.3],
- discussion of planned Special Projects, additional AIPA assessment, reprinting of Tapping the Bow [specific approval will be required prior to commissioning project], transfer of archival material to the Glenbow Museum,
- discussion of EIDNet activities and district covering cost of subscription for irrigators,
- discussion of EID-CARP budget, projected \$125,000 loss for 2000 operations [includes \$98,000 of internal charges for interest and rent], require sale of 30,000 fish to break even

The Board discussed the setting of the rate for irrigation acres for 2000. The proposed budget was developed based on a rate of \$7.50 per acre.

013-02-2000 Moved by Mr. Johnson that the Board reduce the annual rate for irrigation acres to \$7.00 per acre. Seconded by Mr. Plett.

In discussion of this motion it was noted that revenue from other than irrigation acres already contributes \$10.00 per acre against the costs of operating the district. It was agreed that rehabilitation remains a high priority of the Board. A vote on the motion was held.

DEFEATED

The Board also discussed provisions for cost-of-living allowances and merit increases included in the budget. The philosophy of cost-of-living versus merit was debated.

014-02-2000 Moved by Mr. Livingston that the Board adopt the Proposed Budget for Fiscal 2000 as presented with the addition of funds to bring estimated budget for Grazing Capital Expenditures to \$400,000. Seconded by Mr. Nielsen.

CARRIED

10.0 Equipment Dispersal

Mr. Wilson reviewed with the Board the options that are available to dispose of various pieces of equipment. A combination of bids have been received. The district is looking to obtain the best overall prices for disposal of equipment.

015-02-2000 Moved by Mr. Johnson that the Board approve of disposing of equipment based on the following:
Michener Allen Auctioneering \$175,000 less 10% for net payment of \$157,500
1976 941 Crawler Loader S/N 80H5955
1993 John Deere Grader S/N DE772BH541873
1996 Hitachi 300 Hoe S/N 15L-8612
Brooks Asphalt and Aggregate \$130,000
1996 Hitachi 220 Hoe S/N 15D-10738
Top Notch Construction \$10,000
1978 Towner Disc S/N 75122416
for a total dispersal price of \$297,500.

CARRIED

[3:35 PM, the meeting was recessed. Mr. Bischoff exited the meeting]
[3:55 PM, the meeting was reconvened.]

11.0 General Manager's Report

11.2 Household Water Users

There was brief discussion of follow-up on limitations to water for household use under the forthcoming Irrigation Districts Act. Initiatives are underway to increase the limitation from one [1] to five [5] acre feet.

11.3 License Application Update

Mr. Wilson provided an update on the recent discussions to obtain improved license conditions for the district. Following review of technical information provided to the EID by Alberta Environment [AENV] the district is planning to respond that the license conditions appear acceptable with new minimum flows below Bassano Dam being set at 300 cfs or 400 cfs. An official response to AENV will be forwarded.

11.4 AIPA Executive Request RE: CWRA

Mr. Wilson reviewed with the Board a request from the AIPA for him to become more involved in the Canadian Water Resources Association [CWRA]. Following discussion it was agreed by the Board that Mr. Wilson may consent to the request of the AIPA that he be named as the AIPA's representative to CWRA, Provincial.

11.5 Board Retreat Follow-Up

This item was postponed to the next meeting of the Board.

11.6 Farm Meeting Schedule [Topics, Dates, etc.]

The following topics were agreed upon for presentation and discussion at the upcoming Irrigator Meetings. The proposed dates and locations were agreed upon as follows:

- 07 March 2000 [7:00 PM], Patricia, Alberta
- 08 March 2000 [2:00 PM], Rosemary, Alberta
- 08 March 2000 [7:00 PM], Rolling Hills, Alberta

1. Financial Report
2. New Irrigation Districts Act
3. Expansion Plan
4. Irrigated Lease Policy Options
5. Draft Access Management Policy
6. Farm Improvement and Infrastructure Savings Cost-Share Programs
7. 1999/2000 to 2000/2001 Rehabilitation Program Highlights

12.0 Upcoming Events

12.7 Meeting with Council of the County of Newell, No. 4

It was noted that the following subjects could be reviewed and discussed at the meeting with the County of Newell:

- draft access management policy and County involvement in enforcement, and
- proposed fly-over.

The meeting is scheduled for 01 March 2000, hosted by the County of Newell.

12.5 Town of Brooks Meeting

It was noted that there are no apparent issues at present that need discussion between the Town and the EID. Mr. Wilson will check with the Town to see if they have issues that may require a meeting.

12.2 Bow Bloc Meeting, 07 March 2000

Mr. Wilson noted that the next meeting of the three irrigation districts along the Bow River is scheduled for the offices of the EID at 10 AM on 07 March 2000. The meeting will be attended by Mr. Wilson, Mr. Hemsing and Mr. Henrickson.

11.0 General Manager's Report

11.7 EID Endorsement, Nomination of Mr. Jim Graham to Alberta Agriculture Hall of Fame

Mr. Livingston provided some background information relative to an initiative that is currently underway to have Mr. Graham appointed to the Alberta Agriculture Hall of Fame. The nomination is being prepared by the Alberta Cattle Commission. Mr. Livingston noted that Mr. Graham had been involved in many community issues in support of irrigated agriculture and had served a term as a director of the EID. The EID has been requested to support Mr. Graham's nomination.

The Board was in agreement with supporting the nomination and requested that a letter of support be drafted.

11.8 Potato Survey

Mr Wilson advised a survey is to be conducted in the regions of the LNID, TID, BRID, SMRID and EID to determine the potential to establish a third potato processing facility in southern Alberta. the survey is being conducted by Ed Braun and Associates of Calgary. It is their task to:

- identify farmers who are interested in developing or expanding potato production,

- identify irrigated land which may be available for rent for potato production, and to
- identify issues for farmers who might be interested in growing potatoes.

The survey will be conducted primarily by telephone with a completion date of 01 April 2000. This information was provided through the offices of the AIPA by Alberta Agriculture, Food and Rural Development.

12.0 Upcoming Events

12.1 Next Board Meeting

The next meeting of the Board was scheduled for 21 March 2000, commencing at 9:00 AM.

12.3 AIPA Meeting @ Brooks, 14 March 2000

The Board were advised that the next meeting of the directors of the AIPA is scheduled for 14 March 2000 at the offices of the EID. Voting at the meeting will be by EID appointed directors. Mr. Wilson noted he would advise Board members of the substance of the agenda.

12.4 Chamber of Commerce Meeting, 22 February 2000

It was agreed that the district send the following individuals to attend the meeting of the Brooks and District Chamber of Commerce scheduled for 22 February 2000, Mr. & Mrs. Henrickson and Mrs. and Mrs. Livingston. Two gratis tickets have been provided and two additional tickets are to be purchased.

12.6 Annual Meeting, 12 April 2000

The Annual Meeting of the district has been tentatively scheduled for 1:30 PM on the 12th of April 2000.

12.7 Meeting to Discuss Draft Access Management Policy

In follow-up to the discussion held earlier in the meeting [Item 5.2] it was agreed that a meeting with representation from the Grazing Advisory Committee/Community Grazing Associations as well as other irrigator non-users of the lease be scheduled for 2:00 PM on 01 March 2000.

12.8 Meeting with PanCanadian Petroleum

Mr. Hemsing questioned the need or merit of a meeting with PanCanadian. If held, it would be the EID's turn to host the meeting. Mr. Wilson indicated that he was not aware of any pressing issues at present, but would contact Mr. Farmer to determine need and/or interest.

12.9 Ag Summit 2000

There was some brief discussion of the Ag Summit 2000 initiative being developed in Alberta. A set of meetings are being organized to permit producers and those interested in agriculture in setting directions for farm safety nets and other ag issues. There was some question as to whether or not this is a topic for the district or for its irrigators/producers.

It was agreed that the district participate in the events by sending a couple of directors to attend meetings. Those directors expressing some interest include Mr. Hemsing, Mr. Chrumka, Mr. Plett, Mr. Johnson and perhaps Mr. Nielsen. The district will provide more info on dates and locations of meetings as they

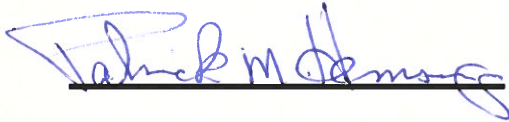
become available.

The meeting was adjourned on a motion by Mr. Henrickson at 5:00 PM.

13.0 General Manager's Contract

Following the close of the meeting the Board signed the contract with the General Manager.

Chair:



General
Manager:



Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 21 March 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 21 March 2000. Those in attendance were:

Pat Hemsing	Chair
Clint Henrickson	Vice-Chair
Allen Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Bob Chrumka	Director
Earl Wilson	General Manager
David Hill	Policy and Planning

The meeting was called to order at 9:00 AM.

1.0	Adoption of Agenda	3
	016-03-2000	3
2.0	Approval of 18 February 2000 Minutes	3
	017-03-2000	3
3.0	Business Arising from 18 February 2000 Meeting	3
4.0	Financial Report	3
	4.1 Approval of Financial Statements, Period Ending 29 February 2000	3
	018-03-2000	3
	019-03-2000	4
5.0	By-Laws	4
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1.0 Adoption of Agenda

The following item was added to the agenda:

6.9 Transfers of Grazing Leases

016-03-2000 Moved by Mr. Henrickson that the Board adopt the agenda as added to. Seconded by Mr. Johnson. CARRIED

2.0 Approval of 18 February 2000 Minutes

The following corrections were noted in the Minutes of the 18 February 2000 Meeting:

- removal of sentence following Motion 010-02-2000,
- note that the movement in stocking rates is in keeping with the needs of the lease patrons, not primarily in the interests of the district.

There was also discussion of some of the statistical information presented as part of Agenda Item 8.0 dealing with the number of culls within the C.A.R.P. project.

017-03-2000 Moved by Mr. Henrickson that the Board approve the Minutes of the 18 February 2000 Director's Meeting as corrected. Seconded by Mr. Chrumka. CARRIED

3.0 Business Arising from 18 February 2000 Meeting

There was no additional business noted from the 18 February 2000 meeting.

[09:30 AM, Mr. Bischoff joined the meeting.]

4.0 Financial Report

4.1 Approval of Financial Statements, Period Ending 29 February 2000

Mr. Bischoff provided a review of the January and February 2000 combined Financial Statement. The following issues were discussed:

- it was noted that a new format for the reporting of capital improvements on district lands used by Community Grazing Associations will be place for the next set of statements,
- discussion of the district's contributions and external contributions to the Pheasant Habitat Development project [its funding operates more in line with the government fiscal year than that of the district],
- discussion of the details of the Irrigation Works Fund,
- it was noted that a chart will be added to the C.A.R.P. Financial Statements,
- it was noted that the individual budget code allocations for the EIDNet will be added to the Financial Statements, and
- discussion of various accounts receivable and the methods for their collection or other disposition.

018-03-2000 Moved by Mr. Johnson that the Board approve the removal of amounts owing from Mr. Harold Torkelson in the amount of \$254.68 plus accrued interest of \$21.10 for a total of \$275.78 as the amounts were deemed non-collectable. Seconded by Mr. Nielsen.

CARRIED

There was additional discussion regarding other accounts receivable and the available methods to bring about their collection. It was agreed that the staff of the district would determine those who should receive additional letters and other potential action [for example, removal of services where warranted].

019-03-2000 Moved by Mr. Henrickson that the Board approve the Financial Statements for the period ending 29 February 2000. Seconded by Mr. Plett. **CARRIED**

[10:00 AM, Mr. Bischoff exited the meeting.]

5.0 By-Laws

5.1 By-Law 820 [2000], By-Law Establishing Annual Irrigation Rates

Mr. Hill provided an overview of the details of By-Law 820.

020-03-2000 Moved by Mr. Nielsen that By-Law 820, a by-law establishing annual irrigation rates, be read and approved the 1st and 2nd times. Seconded by Mr. Livingston. **CARRIED**

021-03-2000 Moved by Mr. Henrickson that the Board unanimously approve the reading of By-Law 820 for a 3rd time. Seconded by Mr. Livingston. **CARRIED UNANIMOUSLY**

022-03-2000 Moved by Mr. Livingston that By-Law 829 be read and approved the 3rd time. Seconded by Mr. Henrickson. **CARRIED**

5.2 By-Law 821 [2000], By-Law Imposing Special Rates

Mr. Hill provided an overview of the details of By-Law 821.

023-03-2000 Moved by Mr. Chrumka that By-Law 821, a by-law imposing special rates, be read and approved the 1st and 2nd times. Seconded by Mr. Plett. **CARRIED**

024-03-2000 Moved by Mr. Henrickson that the Board unanimously approve the reading of By-Law 821 for a 3rd time. Seconded by Mr. Livingston. **CARRIED UNANIMOUSLY**

025-03-2000 Moved by Mr. Chrumka that By-Law 821 be read and approved the 3rd time. Seconded by Mr. Nielsen. **CARRIED**

5.3 By-Law 822 [2000], By-Law Establishing a Tariff of Rates for Domestic Water Privileges

Mr. Hill reviewed the details of By-Law 822. It was noted that this By-Law provides the basis for the conveyance and charging for water used for domestic water privileges as defined in the current Irrigation Act.

026-03-2000 Moved by Mr. Nielsen that By-Law 822, a by-law establishing a tariff of rates for domestic water privileges, be read and adopted the 1st and 2nd times. Seconded by Mr. Henrickson. **CARRIED**

027-03-2000 Moved by Mr. Johnson that the Board unanimously approve the reading of By-Law 822 for a 3rd time. Seconded by Mr. Livingston. **CARRIED**

028-03-2000 Moved by Mr. Plett that By-Law 822 be read and approved the 3rd time. Seconded by Mr. Henrickson. CARRIED

5.4 By-Law 823 [2000], By-Law Fixing the Date and Times for the 2000 Election of Directors

Mr. Hill provided an overview of the details of By-Law 823. This By-Law establishes the process and dates for the election of Directors for Division Three (3), Incumbent Mr. Henrickson and Division Six (6), Incumbent Mr. Chrumka. It was agreed that the Notice of Election, accompanied by a map, should be included in the mail-out of the Annual Report and other information for the upcoming Annual Meeting.

029-03-2000 Moved by Mr. Nielsen that By-Law 823, a by-law fixing the date and times for the 2000 election of directors, be read and approved the 1st and 2nd times. Seconded by Mr. Henrickson. CARRIED

030-03-2000 Moved by Mr. Johnson that the Board unanimously approve the reading of By-Law 823 for a 3rd time. Seconded by Mr. Livingston. CARRIED

031-03-2000 Moved by Mr. Johnson that By-Law 823 be read and approved the 3rd time. Seconded by Mr. Chrumka. CARRIED

5.5 Application to Add Irrigation Acres, Options

It was noted that the pending proclamation of the Irrigation Districts Act may bring about changes to the manner in which the Board evaluates applications for increases in "irrigation acres" [currently referred to as acres "to be irrigated"]. The district plans to have some discussion about the options available to it with Mr. Len Ring, Manager of the Irrigation Secretariat. The evaluation of various applications will also be influenced by the components the district considers as part of its overall expansion plans.

[10:15 AM, the meeting was recessed.]

[10:30 AM, the meeting was reconvened. Mrrs. Matoba and Hildebrand joined the meeting.]

6.0 Land Administration Report

6.1 Westbridge Development Corporation Financing, Update

Mr. Hildebrand provided an update of activities and discussions between the district and Westbridge Development Corporation in regards to the re-negotiation of their financial arrangements for the Lake Newell Resort development. Mr. Hildebrand noted that Westbridge believes it has the financing in place but is awaiting confirmation.

Mr. Hildebrand also reviewed with the Board the various options that might be available for security on the lands. It was noted that there may be a need to provide information to Board members prior to the next Board meeting if the decision time for Westbridge becomes compressed.

6.2 Blaine Homes Option, Update

Mr. Hildebrand also provided an update on the activities of Blaine Homes relative to their Joint Venture with Westbridge Developments Corporation. While some informal communication has taken place between the district and Blaine Homes, the district, through its agreement with the Joint Venture Partnership needs to deal with both organizations.

There was discussion of the steps that might take place for Blaine Homes to be able to proceed on its own. There may be a need to discuss changes to the present agreement should Blaine Homes obtain the

legal authority to exercise its option agreement. Mr. Hildebrand indicated that more detail would be available following determination of whether or not Blaine Homes will be in a position to exercise the option.

6.3 Offer to Purchase Property, Karen Rose

Mr. Wilson noted that the district had received, from Karen Rose, an offer to purchase for the same lands as are held under the option agreement with Blaine Homes and Westbridge Developments Corporation. As the district is constrained by its legal agreements it was agreed that Ms. Rose's cheque be returned to her [via Double Registered Mail] and be informed the district cannot consider her offer.

6.4 Lease Options, Modern Auto Property

Mr. Hildebrand provided a detailed overview of the options for leasing of the Modern Auto Property. The advertisement has elicited three offers which have been reviewed by the district. The details of the various offers were discussed by the board, including:

- Used Car Lot & Service [Same as Current Property Use]
- Shop Supplies [Near to Same as Current Property Use, Some Renovation]
- Restaurant [Would Require Significant Renovation]

There was discussion of the options and rental/lease fees proposed by each of the organizations who have bid on the property. None of the packages, as presently organized, meet the district's needs for economic return and security.

Options to improve the potential agreements were discussed. Mr. Hildebrand was requested to look into ways to improve the offers with those who tendered bids.

[11:25 AM, Mr. Hildebrand exited the meeting.]

6.5 Irrigable Unit Discharge

Mr. Matoba provided information relative to a removal of an Irrigable Unit Resolution on a portion of the NE ¼ 23-18-14 W4M. He confirmed that there is a separate delivery to meet the household/domestic water requirements of the proposed subdivided parcel and a separate delivery for the irrigation purposes to the balance of the parcel.

032-03-2000 Moved by Mr. Henrickson that the Board authorize the discharge of the Irrigable Unit Resolution as it applies to the subdivided parcel in the NE ¼ 23-18-14 W4M. Seconded by Mr. Livingston. CARRIED

6.6 Transfer of Private Grazing Lease [Austie to Albers]

Mr. Matoba noted that Mr. Albers has now taken up residence within the Eastern Irrigation District, completing the final requirements to allow the transfer of GL # 7167 [SW ¼ 21-14-13 W4M] from the previous lessee Mr. Austie.

033-03-2000 Moved by Mr. Johnson that the Board approve the transfer of GL #7167 from Mr. Austie to Mr. Albers. Seconded by Mr. Chrumka. CARRIED

6.9 Transfers of Grazing Leases

Mr. Matoba noted that the district has recently received requests to approve the transfer of other Grazing

Leases as follows:

GL # 7068, SE ¼ 11-14-13 W4M, Ptn. NE ¼ 02-14-13 W4M [200 Ac.] Lawrence Cordes to Joel Cordes.
GL # 7219, Ptn. 01 & 02-14-13 W4M [390.13 Ac.] Leigh Cordes to Joel Cordes.
GL # 7070, Ptn. 02, 11 & 14-14-14 W4M [467 Ac.] Ken Miller to Leigh Cordes.
GL # 7071, NW ¼ 13-14-14 W4M [156 Ac.] Ken Miller to Leigh Cordes.

034-03-2000 Moved by Mr. Nielsen that the Board approve the transfers of the GL # 7068 from Lawrence to Joel Cordes, GL # 7219 from Leigh Cordes to Joel Cordes, GL # 7070 and GL # 7071 from Ken Miller to Leigh Cordes. Seconded by Mr. Chrumka.

CARRIED

6.7 Farm Lease Tender, Results

Mr. Matoba noted that two (2) bids have been received for the district's dryland lease in the SE ¼ 09-21-14 W4M. Both bids received, one from Eckert and one from Martin are for \$15.00 per acre plus taxes. The prior lessee was Mr. Eckert.

035-03-2000 Moved by Mr. Livingston that the Board award the dryland lease in the SE ¼ 09-21-14 W4M to Mr. Eckert at the bid price of \$15.00 per acre plus taxes. Seconded by Mr. Henrickson.

CARRIED

[11:35 AM, Mr. Matoba exited the meeting. Mr. Meador and Mrrs. Ron Remus and Perry Elliot, representing the Lake Newell Condo Association joined the meeting.]

7.0 Lake Newell Condo Association, Presentation by Mr. Ron Remus [11:30 AM]

Mrrs. Remus and Elliot reviewed with the Board the problems that were taking place in regards to shoreline erosion in the area of the Lake Newell Resort Development. They indicated that they are aware that the shoreline is under the control of the district and that the developer may also have some responsibility. They indicated that they would like to see some repair work take place, but that they found themselves in the middle between the district and the developer.

It was noted that the shoreline erosion is not threatening any of the property of the private land owners in the Lake Newell Resort. The main concern appears to be future erosion and the best means of preventing and/or minimizing its potential effects. It was also noted that there is a means to effect repairs and place material to prevent future erosion. The estimated cost is in the area of up to \$8,000.

Mrrs. Remus and Elliot also noted that they did not feel the Condo Association will be able to provide any of the funding for the repairs. They provided an overview of the work that is being completed by the Condo Association in the common areas of the development. There was also general discussion of the status of the development and Westbridge Development Corporation. There was also discussion of various options that are being evaluated to allow completion of the project and protect the interests of the district and the residents.

[11:55 AM, Mrrs. Remus and Elliot exited the meeting.]

The Board reviewed the options available to them in addressing the shoreline erosion/protection and the relationship to this work of the district and the developer. It was also noted that shoreline protection is an issue that should have more review in any future development agreements as a means of providing a clearer long-term picture of the responsibility of the district and any developer or land owner association.

It was also agreed that the district should look to recover what costs it can from Westbridge Development

Corporation in future discussions, but that the field work to complete the shoreline protection work should be authorized.

**036-03-2000 Moved by Mr. Livingston that the Board authorize the installation of the shoreline protection in the vicinity of the Lake Newell Resort at a cost of up to \$8,000.
Seconded by Mr. Plett. CARRIED**

[12 Noon, the meeting was recessed.]

[12:55 PM, the meeting was reconvened.]

6.8 Land Purchase/Trade with Bow City Hutterian Brethren, Update

Mr. Wilson reported on the context of his last discussions with the Bow City Hutterian Brethren. He confirmed that they are aware of the district's preference to purchase the lands as compared to a trade of lands. He indicated that the district's offer price has still not been accepted by the Bow City Hutterian Brethren.

There was discussion of the merits of other pricing structures as well as an upset limit the district may be prepared to offer. Mr. Wilson noted that he expects further discussion to take place and that there is no need to adapt the district's offer or approach until he has heard from the Bow City Hutterian Brethren relative to the current offer.

8.0 Operations Report

8.1 Farm Improvement Project, Leigh Cordes

Mr. Meador provided an overview of a Farm Improvement Project that considers the change from surface irrigation to pivot irrigation. Mr. Cordes has also indicated that while most of the parcel would be irrigated under the pivot, a couple of the corners would continue to be irrigated by surface methods.

There was general discussion of how the improved water use efficiency can be evaluated against the Board's cost-sharing formula for Farm Improvement Projects. To assist in clarifying the Board's direction with these "water savings" projects, it was agreed to look at other proposals for similar Farm Improvement Projects prior to proceeding with a decisions.

8.2 Farm Improvement Project, Brian Mortensen, SE ¼ 14-17-13 W4M

The Farm Improvement Project proposed by Mr. Mortensen also involved that change from surface irrigation to pivot irrigation. It was noted, however, that Mr. Mortensen does not intent to irrigate the corners that are assessed.

These proposed Farm Improvement Projects that consider the "water savings" were discussed in light of the overall policy direction that is being pursued by the district. The district is interested in water savings due to improvements in on-farm water management. There was discussion regarding eventual trading in and movement of assessed acres and how the district might be able to ensure that the incentives offered under the Farm Improvement Program best achieve the desired results.

It was also noted that since the meetings held earlier in the year with water users, there is an increased interest in the cost-shared funding offered by the district. This is particularly the case in the Rolling Hills area where there are a number of irrigators currently converting from surface or side-roll wheel moves to pivots. The board discussed how to achieve the most water savings from these projects. Various cost-sharing methods were proposed that would provide an incentive for irrigators to "give up" acres falling outside pivot circles or reducing the amount of cost-sharing available if assessed acres were maintained

outside of the pivot circle.

It was agreed that no decision would be made on the present requests in favour of a more complete evaluation of how to use the district's Farm Improvement Program to achieve the on-farm water savings. More projects are currently being evaluated by the district. It was agreed that they should be discussed at the next Regular Meeting of the Board and that the board's policy should be clarified at that time. It was also noted that this approach to water savings will also assist the district in the development of criteria for increases in future irrigation acres and expansion plans.

[1:15 PM, Mr. Schoorlemmer joined the meeting.]

9.0 Engineering Report

9.1 Projects Update

Mr. Schoorlemmer provided a report of ongoing rehabilitation projects and their status. The following information was presented:

EID Capital Construction Projects:

01-1160	Lower North Branch 2.5 km. lined canal	Richardson Brothers
	- complete except for clean-up	
	- check structure gate remaining	
	1.2 km. pipeline	EID
	- complete except for clean-up	
01-1180	J-02 West Bantry 3.6 km. pipeline	EID
	- complete except for clean-up	
	Cast-in-Place Inlet Structure	Charmar Enterprises
	-scheduled for construction commencing week of 27 March 2000	
	- will be completed by 14 April 2000	
01-1181	J-09 West Bantry 2.7 km. lined canal	EID
	- complete	
01-1182	Lower Bow Slope 5.4 km. lined canal	Top Notch Construction
	- complete except for clean-up	
	1.7 km. pipeline	EID
	- complete except for clean-up	
01-1195	Bow Slope Structures Upgrade 2 New Structures, 7 Modified Structures	Charmar Enterprises
	- concrete work to be completed by 29 March 2000	
	- gates remaining	
01-1184	U Tilley 4.3 km. pipeline	EID
	- complete except for clean-up	

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01-1187	12-02 Secondary A Rolling Hills 2.6 km. pipeline EID - pipe has been installed - pond and structures remain
01-1188	11 North Branch 0.8 km. pipeline [replace concrete pipe] EID - completed Dec 1999 6.2 km. pipeline AIC Construction - pipe has been installed - pipeline turnouts will be done during the current week
01-1198	12 H West Bantry 1.4 km. pipeline EID - complete except for clean-up
01-1199	20 Springhill 6.4 km. pipeline BYZ Construction - pipe has been installed - pond and structures remain 2.4 km. pipeline EID - will be completed by 24 March 2000
01-1202	1999-2000 Precast Structures 10 Structures EID - complete Lakeside Pivots 3.2 km. pipeline EID -scheduled to commence on 23 March 2000

IRP Projects:

02-1183	C Springhill 4.1 km. lined canal EID - earthwork, liner and armour complete - 4 precast structures remain 3.8 km. lined canal Richardson Bros. - earthwork and liner complete - armour and structures will be completed by EID 2.3 km. pipeline EID - will be completed by 23 March 2000 1 Cast-in-Place Structure Robin Hansen Construction - complete
02-1185	AG North Bantry 15 km. pipeline EID - pipeline complete - pond and structures remain
02-1186	13 Springhill 1.2 km. lined canal EID - completed Dec 1999

2 Cast-in-Place Structures Robin Hansen Construction
- complete
14 km. pipeline MJB Enterprises
- pipeline will be complete by 28 March 2000

Mr. Schoorlemmer also reviewed the overall project costs, actual versus budget, etc. with the board.

[2:10 PM, the meeting was recessed.]

[2:20 PM, the meeting was reconvened. Mrrs. Hale and Braun joined the meeting.]

10.0 Grazing Report

10.1 Water Line Project, Rolling Hills Grazing Association Lease, Estimates

Mr. Hale proved the Board with an update of the details for the proposed water line into the lands used by the Rolling Hills Grazing Association. The location and design of the project has now been completed with an estimated cost of \$500,000.

There was discussion as to the long-term benefits of the lease and the means of linking the capital improvement costs to the carrying capacity/sustainability of the range. There was also discussion of the details and location of the project. The pipeline installation will require 50 pipeline crossings of buried oil and gas pipelines. The project has also been designed to allow for expansion. In particular, an additional mile will also provide some new water benefits for the EID swing fields.

**037-03-2000 Moved by Mr. Plett that the Board approve the construction of the water pipeline project at an estimated cost of \$500,000 [including the additional mile of pipeline].
Seconded by Mr. Nielsen. CARRIED**

[2:45 PM, Mrrs. Schoorlemmer, Meador and Braun exited the meeting.]

Mr. Hale also reviewed with the Board the details of the breaking of lands as part of the Lakeside Effluent Project. There was discussion of the best methods for seeding the land, renting for pedigreed seed, growing cereals for silage, etc. There was general agreement that wheat silage may be the best economic option for the district.

Mr. Hale also noted that he is awaiting a letter from the Newell Grazing Association regarding their loss of use of certain lands [developments at Lake Newell, Kitsim Pivots Swing Field, etc.]. In this regard it was noted that payments are not made to Grazing Associations for oil & gas developments within swing fields and this may be a part of the reason for the concerns expressed by the Newell Grazing Associations. It was agreed that the Board would wait until a letter was received before dealing with the issue.

[3:00 PM, Mr. Hale exited the meeting.]

11.0 Equipment Pool Report

11.1 Approval to Dispose of Trucks, Charlton Auction

A listing of vehicles proposed for sale at auction was reviewed with the Board.

038-03-2000 Moved by Mr. Nielsen that the Board approve of the disposal of vehicles as proposed. Seconded by Mr. Johnson. CARRIED

12.0 General Manager's Report

12.1 Year 2000 Regulatory Review, Update

Mr. Wilson provided a brief update on the progress of the Year 2000 Regulatory Review. The AIPA, AAFRD and AENV are continuing to prepare the technical information that will be used in the review. The evaluation is not proceeding as quickly as anticipated. More information on the Public Information components of the review is expected in the near future.

12.2 Bow Bloc Meeting

Mr. Wilson reported on the recent Bow Bloc Meeting between the WID, BRID and EID. It was noted that the one area where increased involvement in the basin may be required relates to changes now being made in the Bow River Basin Water Council. In regards to other matters it was noted that the legal actions involving the WID may also be coming to a conclusion. The outcomes of the actions may lead to further changes in WID long-term plans. It was also noted that Mr. Apesland may move from the WID proper, to a new subsidiary that would explore and capitalize on land development opportunities in the WID region.

12.3 Possible Appeal of Board Decision, Mr. Brad Calvert

Mr. Wilson advised that he has received a letter from Mr. Len Ring, the Manager of the Irrigation Secretariat, the Mr. Calvert is looking to appeal the Board's decisions about the refusal to approve additional assessed acres. Mr. Wilson is providing an overview of the district's review process and meetings where the matter was discussed. Mr. Ring indicated that a decision on whether or not to entertain an appeal will be made following review of this information.

12.4 Board Retreat, Follow-Up

12.5 Irrigator Meetings, Follow-Up

The Board reviewed the outcomes of the Board Retreat and the recent Irrigator Meetings. The following issues were discussed:

- Access Management Policy
 - it was agreed to move ahead as quickly as possible with identifying potential designated camping areas,
 - continue to investigate the most appropriate method to use the County of Newell, No. 4 By-Law Enforcement Officer and Conservation Officers to help "police" the situation,
 - begin to identify how best to advise the public of the direction the district is taking,
 - discussion of appropriate signage, etc., and
 - discussion of other access issues, such as hunting – most Community Grazing Associations have indicated they do not want to be in the position of granting permission.
- Irrigation Expansion Limit
 - the district should commence the process to identify the steps and criteria that will be used to determine the district's expansion limit, and
 - technical review [with the assistance of models] will be required to meet the requirements of the Irrigation Districts Act and the information packages that will need to be sent to water users.
- Irrigated Lease Policy
 - discussion at rural meetings was not conclusive,
 - appeared to be support for long-term leases, set the rate, sell the "lease"
 - discussion of the disposition of current leases when their terms expire,
 - timing of offers to current lessees relative to any change in the district's policy, and
 - need to be fair and equitable in the transition from current to future policy, etc.

12.6 Retirement for Mr. Rick Ross, LNID

It was noted that the district has booked three to attend the LNID Retirement Reception for Mr. Rick Ross [Mr. Wilson, Mr. Hill, Mr. Henrickson]. It was also agreed that the EID participate with the AIPA in providing a gift [\$50 donation].

12.7 AIPA MLA Reception, 10 May 2000, Edmonton, Alberta

There was discussion of the upcoming MLA Reception hosted by the AIPA.

039-03-2000 Moved by Mr. Livingston that the Board register 7 Directors and 2 Staff to attend the AIPA MLA Reception in Edmonton on 10 May 2000. Seconded by Mr. Henrickson.

CARRIED

[4:00 PM, Mr. Henrickson exited the meeting.]

12.8 Ag Summit Meeting Schedule

The following Ag Summit Meeting dates were provided:

- 04 April 2000 Drumheller, AB [Mr. Hemsing, Mr. Plett, Mr. Nielsen]
- 05 April 2000 Claresholm, AB
- 06 April 2000 Taber, AB

Detailed information packages on the structure and purposes of the meeting are available.

12.9 Grass Carp Committee Meeting

It was agreed that the district's internal Grass Carp Committee meet on 29 March 2000 at 10 AM. Mr. Wilson agreed to confirm the date and time with Mr. Henrickson. A meeting with the LCC CARP group will be scheduled following the EID's meeting.

12.10 Armtec

There was discussion of an offer by Armtec's new parent company to discuss long-term plans for the company and its range of products as well as future irrigation district needs. It was agreed that Mr. Wilson accept the invitation to attend.

12.11 Board Meeting Schedule

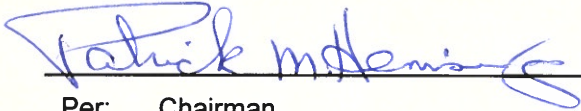
The following meeting schedule was confirmed:

- 12 April 2000, Annual Meeting
- 20 April 2000, Regular Meeting
- 23 May 2000, Regular Meeting
- 27 June 2000, Regular Meeting

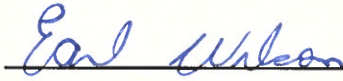
12.12 Notice of Legal Action Against the District

Mr. Wilson provided an overview of current legal action against the district by a former employee. The substance of the action was discussed. It was noted that offers have been made through the district's solicitor.

The meeting of the Board was adjourned on a motion by Mr. Nielsen at 4:20 PM.



Per: Chairman



Per: General Manager

Regular Meeting – Board of Directors – Eastern Irrigation District
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The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Thursday, 20 April 2000. Those in attendance were:

Pat Hemsing	Director	
Clint Henrickson	Director	
Allen Nielsen	Director	
Don Plett	Director	
Neil Johnson	Director	
Tom Livingston	Director	[Mr. Livingston attended via Phone for the Election of Officers Portion ONLY]
Bob Chromka	Director	
Earl Wilson	General Manager	
David Hill	Policy and Planning	

The meeting was called to order at 9:15 AM.

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Report of the Returning Officer, Election of Directors 2000

Mr. Wilson noted that only one nomination for each of Division Three [3] and Division Six [6] had been received by 5:00 o'clock in the afternoon on Wednesday, 19 April 2000. He declared Mr. Henrickson elected by acclamation for Division Three [3] and Mr. Chrumka elected by acclamation for Division Six [6].

Election of Officers

In accordance with Section 39 (1) of the Irrigation Act [c. I-11, RSA 1980 and amendments thereto], the members of the Board conducted the election of one of their number as Chair and one of their number as Vice-Chair. Mr. Livingston, Director, attended this portion of the meeting by telephone.

Mr. Wilson called for nominations for the position of Chair of the Board of Directors.

Moved by Mr. Livingston that Mr. Hemsing be nominated as Chair of the Board of Directors.

Moved by Mr. Johnson that Mr. Chrumka be nominated as Chair of the Board of Directors. Mr. Chrumka declined the nomination.

Moved by Mr. Chrumka that Mr. Johnson be nominated as Chair of the Board of Directors. Mr. Johnson declined the nomination.

Mr. Wilson called a second and third time for nominations for the position of Chair of the Board of Directors.

Mr. Hemsing was declared elected as Chair of the Board of Directors.

Mr. Hemsing called for nomination for the position of Vice-Chair of the Board of Directors.

Moved by Mr. Livingston that Mr. Henrickson be nominated as Vice-Chair of the Board of Directors.

Moved by Mr. Plett that Mr. Chrumka be nominated as Vice-Chair of the Board of Directors.

As no other nominations were forthcoming a secret ballot vote of the members of the Board was held.

Mr. Hemsing declared Mr. Chrumka elected as Vice-Chair of the Board of Directors.

Moved by Mr. Livingston that the ballots for the election of the Vice-Chair of the Board of Directors be destroyed. Seconded by Mr. Johnson.

CARRIED

1.0 Adoption of Agenda

Mr. Henrickson noted that some discussion of the disposition of an abandoned CPR right-of-way between Bertha Farms and McMann is needed. This was added to the agenda as Item 8.10.

040-04-2000 Moved by Mr. Nielsen that the Board adopt the agenda as added to. Seconded by Mr. Chrumka. CARRIED

2.0 Approval of 21 March 2000 Minutes

In discussion of the minutes of the 21 March 2000 meeting the following corrections were noted:

Item 6.6 Mr. Matoba noted that Mr. Albers has taken up residence within the Eastern ...

Item 10.1 There was some discussion as to whether or not the agreement at the 21 March 2000 meeting was to seed wheat silage, or whether or not further discussion on the matter was contemplated. It was noted this item remains on the agenda for this meeting.

041-04-2000 Moved by Mr. Henrickson that the minutes of the 21 March 2000 meeting be adopted as corrected. Seconded by Mr. Plett. CARRIED

3.0 Business Arising from 21 March 2000 Meeting

There was no additional business from the 21 March 2000 Meeting.

[9:30 AM, Mr. Bischoff and Mr. Hildebrand joined the meeting.]

4.0 Financial Report

4.1 Approval of Financial Statements, period ending 31 March 2000

Mr. Bischoff provided a detailed review of the Financial Statements for the period ending 31 March 2000. The following items were discussed:

- it was noted that these statements contain a more detailed breakdown of revenue items, along with their corresponding budget figures and performance charts [water revenue, oil& gas compensation items & lease revenue],
- all grazing lease revenue and expenses have been moved into the Land Administration department budget,
- discussion of upcoming changes/corrections to Consulting Labour charges, some work needed to ensure that internal labour costs are allocated to the correct projects, for example, Lakeside Pivot developments, Rolling Hills Reservoir Expansion, various Grazing Projects, etc.
- projected sales of Grass Carp should be reviewed early and determination should be made about increasing "sales force" through contracts.

042-04-2000 Moved by Mr. Plett that the Financial Statements for the period ending 31 March 2000 be accepted as presented. Seconded by Mr. Henrickson. CARRIED

4.2 Update, Rate Enforcement Proceedings

Mr. Bischoff noted that the Confirmation of the Rate Enforcement Return is scheduled for 25 May 2000 in Medicine Hat, Alberta. The majority of accounts relate to "domestic" water supplies which, under the upcoming Irrigation Districts Act [c. I-11.7, S.A. 2000] will not be rate enforceable. It was generally agreed that the district may have to collect charges for "household" use in advance of services being provided.

4.3 Investment Report

Mr. Hildebrand provided a detailed report of the status of the district's investments along with opportunities that will need additional discussion later during the fiscal year. It was noted that the total market value of investments remains ahead of redemption values.

[10:05 AM, Mr. Bischoff and Mr. Hildebrand exited the meeting. Mr. Meador joined the meeting.]

5.0 Operations Report

5.1 Date for Irrigation Deliveries

It was noted that the date for water deliveries for irrigation remains scheduled for Friday, 05 May 2000.

5.2 Farm Improvement Policy [Water Use Efficiency Criteria and Evaluation]

The Board discussed the criteria that could be used to determine the value of various levels of on-farm water use efficiency improvements. The following policy and evaluation criteria were discussed by the Board:

Farm Improvement Policy Water Use Efficiency Criteria

Guidelines to Determine Cost-Sharing/District Contribution When Converting to a More Efficient Method of Irrigation

Note: All projects require the approval of the Board. The maximum value for cost-sharing is based on a 50/50 sharing between the landowner and the district to a maximum of \$7500 [unless irrigation acres are removed from the assessment roll]. Approvals are on a per parcel basis to a maximum of the \$7500.

1. Uncontrolled surface irrigation to machine leveled/improvement surface irrigation.
Maximum district contribution \$25/acre
2. Surface irrigation to side-roll wheel moves.
Irregular shaped parcel of land No contribution
Rectangular shaped parcel, maximum district contribution \$25/acre
3. Side-roll wheel moves to pivot.
Maximum district contribution
. \$2500 minus \$200/acre for irrigation acres outside of wetted area of pivot
. \$2500 plus \$100/acre for irrigation acres that are removed from the assessment roll
4. Surface irrigation to pivot.
Maximum district contribution
. \$7500 minus \$200/acre for irrigation acres outside of wetted area of pivot
. \$7500 plus \$100/acre for irrigation acres that are removed from the assessment roll

In all instances:

- applications may only be made by the registered owner of the parcel, and
- irrigation acres are to be moved from existing locations in the parcel into the area that will be irrigated under the efficiency improvement prior to any additional irrigation acres being considered,
- all payments by the district are made at the completion of the installation by the landowner, and
- the district will reduce the payment by the amounts owing the district for the installation of any new facilities required to allow for the on-farm improvements.

043-04-2000 Moved by Mr. Chrumka that the Board adopt the criteria for cost-sharing contributions by the District for water use efficiency improvements under the Farm Improvement Program. Farm Improvement grant for more efficient method of irrigating is a one-time only grant per parcel. Seconded by Mr. Plett. CARRIED

[10:55 AM, the meeting recessed.]

[11:05 AM, the meeting reconvened.]

5.3 Farm Improvement Projects, Water Use Efficiency Improvements

The Board reviewed the specifics of twelve [12] Farm Improvement Projects where water use efficiency

conversions have been proposed by the landowner.

44-04-2000 **Moved by Mr. Henrickson that the Board approve the following projects for cost-sharing under the Farm Improvement Program for water use efficiency conversions as per the district's policy.**

NE ¼ 14-14-13 W4M	surface irrigation to pivot
Heinrich & Ella Nannt		
SW ¼ 14-14-13 W4M	surface irrigation to pivot
Fred & Irene Nannt		
SW ¼ 23-14-14 W4M	surface irrigation to pivot
Dale & Lacey Pfahl		[advise to keep acres under full pivot circle]
SE ¼ 14-17-13 W4M	surface irrigation to pivot
Brian & Candice Mortensen		[advise to keep acres under full pivot circle]
SE ¼ 23-14-13 W4M	surface irrigation to pivot
Fred & Irene Nannt		
NE ¼ 07-15-13 W4M	surface irrigation to pivot
Wendy Benci		
SE ¼ 01-15-14 W4M	surface irrigation to pivot
Leigh Cordes		[ensure application is from registered owner]
NE ¼ 26-16-13 W4M	side-roll wheels to pivot
North Shore Farms Ltd.		[confirm application is from registered owner, advise to keep acres under full pivot circle]
SW ¼ 07-15-13 W4M	side-roll wheels to pivot
G. Brad & Saiobain Schroeder		
SW ¼ & Ptn. NW ¼ 06-17-12 W4M	side-roll wheels to pivot
Albert & Joanne Dovichak		
S ½ 35-16-13 W4M [Irrigable Unit]	side-roll wheels to pivot
Ike and Eileen Schroeder		
SE ¼ 16-16-13 W4M	side-roll wheels to pivot
J. Andrews		

Seconded by Mr. Chrumka.

CARRIED

[11:40 AM, Mr. Schoorlemmer joined the meeting.]

6.0 Engineering Report

6.1 Engineering Update

Mr. Schoorlemmer provided a brief verbal overview of the status of current rehabilitation projects.

There was general discussion in reference to the work taking place as part of the Bantry Canal Seepage Investigation. It was noted that the district is considering the development of a Seepage Control Plan under the upcoming Irrigation Districts Act.

Mr. Schoorlemmer also reported that a number of pre-construction meetings have been held recently with irrigators in preparation for this fall's construction period. The meetings and response from landowners is favourable. The localized issues concern locations of points of delivery, filling in of abandoned canal rights-of-way, etc.

6.2 Bantry East Pump Ditch [01-1201]

Mr. Schoorlemmer reviewed with the Board the capacity options that are presently being investigated for the Bantry East Pump Ditch Rehabilitation. It was noted that the SE 1/4 15-16-13 W4M is presently not assessed for irrigation, but that the potential to service the parcel needs to be included in the design if the parcel were to be irrigated.

The Board agreed that the parcel be included in the design of the rehabilitation project and that the landowner proceed with soil testing and a subsequent application that will be considered as part of the district's overall expansion policy.

[12:10 PM, the meeting recessed. Mr. Schoorlemmer exited the meeting.]

[1:10 PM, the meeting reconvened. Mr. Hale and Mr. Redelback joined the meeting.]

7.0 Grazing and Oil & Gas Operations Report

7.1 Date for Cattle Entering Community Pastures

Mr. Hale reported that cattle are scheduled to enter the Community Pastures on 01 May 2000 on re-grass areas and on 15 May 2000 for the balance of the native pasture.

7.5 Antelope Creek Ranch

Mr. Hale provided an update on the use of the Antelope Creek Ranch as part of the overall management of the Community Grazing Associations. It was noted that some improvement in stocking rates have been achieved for this season.

There was also discussion of improved facilities for the "weigh-in" and "weigh-out" of cattle into the Antelope Creek Ranch. The district has been approached by the ranch operators to determine if the EID would be willing to "up-front" and participate in the costs of a new scale. It was noted that the ranch may not have the money to participate in their current budget, but that they could repay their portion [proposed at 2/3 ranch and 1/3 EID] in their next fiscal period.

045-004-2000 Moved by Mr. Chrumka that the EID agree to purchase a scale for use at the Antelope Creek Ranch on the basis of the following conditions:

- 1. The maximum final cost-sharing by the EID be limited to \$3,500 dollars, and**
- 2. The operators of the Antelope Creek Ranch agree, in writing, to repay the EID for all costs associated with the purchase of the scale minus the district's portion of the cost-sharing, and**
- 3. That the carrying/interest costs for financing the purchase also be paid for by the operators of the Antelope Creek Ranch.**

Seconded by Mr. Johnson.

CARRIED

7.6 General Lease Conditions

Mr Hale provided the following report on the conditions of the community pastures:

- carry-over grass, moisture conditions and stock water is in fair to good condition west of Highway 36,
- community pastures east of Brooks have good carry-over grass and with some spring moisture will have a good start to the season,
- there are concerns relative to water supplies in the Rolling Hills and Tilley regions as well as the south half of the Patricia area, good herd management will be required to match water supplies

and available grass

7.2 Results of Tender, Grazing Lease # 7169 [Ptn. 17 & 20-18-14 W4M]

Mr. Hale advised that for the lease of pasture lands south of the EID Office Complex has closed. The successful bidder is Mr. Val Mrakava at the bid price of \$43.63 per AUM. This lease does not reduce the participation in Community Grazing Association access as it is an annual lease only.

7.3 Update, Pasture Improvement Project [Lakeside Pivots, Duchess Grazing Association]

Mr. Hale provided a verbal overview of the district's progress on completing this project. The pivots are installed, the land has been broken, rock picking is substantially complete and the area is ready for seeding. There was discussion of the best methods for seeding to meet the district's long-term management of the project. A number of options were discussed including:

- seed wheat with fall rye under seeded [would allow some fall grazing],
- seed spring triticale with fall rye or fall triticale under seeded [would allow some fall grazing],
- seed wheat with fall triticale under seeded [would allow some fall grazing],
- seed wheat for silage, complete fall land improvements [rock picking, floating, drainage, etc.]

It was agreed to attempt a combination of the noted options, with preference given to being able to complete fall work as a means to ensure that the lands are ready for permanent grass cover in 2002.

7.7 Request to Purchase Lands, [Ptn. NE ¼, NW ¼, SE ¼ & SW ¼ W4M]

Mr. Beasley has requested the district sell approximately 300 acres in the above noted land location. This land lies north and east of the Matzhiwin Creek in the Duchess Grazing Association. It was noted that the district has no interest in selling these lands.

7.8 Disposition of Grazing Lease # 8140 [Ptn. NW ¼ 01-20-13 W4M]

It was noted that Grazing Lease #8140 is accessible by only two landowners whose other lands adjoin those contained in the lease. The history of the lease of the lands was discussed. It was also noted that there is no long-term benefit to owning this cut-off parcel and operating it as part of the district's land base.

046-04-2000 Moved by Mr. Johnson that the Board place the lands in Grazing Lease #8140 [being a portion of the NW ¼ 01-20-13 W4M lying to the north of the North Bantry Canal] for sale by invited tender from Beasley Ranching and from Scott & Leza Sewall. The minimum bid price is set at \$500 per acre and bids are to be accompanied by a deposit [cheque] in the amount of 10% of the total bid price, with bids to close prior to the next meeting of the Board. Seconded by Mr. Nielsen.

CARRIED

7.9 Grazing Lease # 7022 [W ½ 22-17-17 W4M] and # 7073 [NW ¼ 14-17-17 W4M], Lazy A Farms Ltd.

Mr. Andrews has requested that the above noted leases in the name of Lazy A Farms Ltd. [previously in the names of Charles Andrews and/or David Andrews] not be assessed the "convenience charge" for each lease. It was noted that while the two leases are presently held by a single lessee, the leases themselves are two separate leases and could be leased to different parties. As such, it was agreed that the present assessment of convenience charge is correct.

7.10 Request/Inquiry from Tide Lake Grazing Association

Mr. Hale noted that he had received an inquiry from the Tide Lake Grazing Association regarding the disposition of a surface water dam in the SE ¼ 19-11 W4M. They have indicated that this facility is blocking natural drainage into their lease area.

Mr. Hale reported that the facility has been in place since 1945/1946 and was installed by Ducks Unlimited and the district. It was noted that it would not appear reasonable to remove the dam after this period of time. There was discussion of the merits or possibility to extend the water pipeline servicing the Patricia area. Mr. Hale indicated he would collect some additional information.

7.11 GAC [Grazing Advisory Committee] Update

Mr. Hale reported that the GAC is generally pleased with current operations of the Community Grazing Associations. While there was some support for the use of Feeder Brands as “proof of ownership”, the Board’s recent clarification that it does not comply with policy has been accepted.

[2:00 PM, Mr. Hale and Mr. Redelback exited the meeting. Mr. Hildebrand joined the meeting.]

**9.0 Lake Newell Condominium Association [Mr. Ron Remus]
RE: Water & Sewage Treatment, Westbridge Development Corp.**

Mr. Hildebrand noted that there are a couple of issues that will be discussed in the visit with Mr. Remus. One has to do with the overall status of financing and/or default by Westbridge Development Corp. The second has to do with the operation and status of the Lake Newell Utility Corp.

Mr. Hildebrand provided a report on the current status of agreements, mortgages, etc. between the district and Westbridge Development Corporation. Various options that could trigger events on foreclosure and related events were discussed. It was noted that the immediate concern of the Lake Newell Condominium Association has to do with the operation of the water treatment and sewage utility. It was also noted that the developer has not been paying the bills related to the operation of the utility.

Mr. Hildebrand noted that the Condominium Association has met with the developer to discuss options. There are a number of various approaches that could work to secure the operation of the utility and protect the interests of the EID and the land owners.

[2:15 PM, Mr. Remus joined the meeting.]

Mr. Remus provided an overview of recent discussions between the developer and the Condominium Association. Mr. Remus also reported that there are significant outstanding bills against the developer for the work of contractors in operating the utility, for example, fees for hauling of sewage, payments on leased equipment, etc.

It was noted that the local land owners are prepared to provide for the operation of the utility, but that the developer is looking for a “neutral” third-party to also be involved. Mr. Remus explained that the association would like the district to operate as the billing authority and collect monies and pay contractors for the operation of the utility. This would ensure ongoing operations in a manner that meets the needs of the residents, while also dealing with the concerns of the developer.

The Board and Mr. Remus discussed the level of day-to-day and economic involvement that an approach of this nature could require. It was also noted that other parties could also provide this service to the Condominium Association.

[2:30 PM, Mr. Remus exited the meeting. Mr. Wilson, General Manager, also exited the meeting to ensure that his property ownership could not be perceived as a conflict of interest in reaching a decision regarding the request of the Condominium Association.]

The Board discussed the options and merits of assisting the Condominium Association with billing and money collection. It was noted that the district does not want to be in the position of a bill collector in the event that insufficient monies are collected to meet the costs of operating the utility. There was also discussion suggesting that it may be in the district's long-term financial interest to not "cloud" its legal mortgage position by operating the utility on the basis on an agreement with the Condominium Association and the developer.

It was agreed that the district advise the Condominium Association that it declines the invitation to be involved in the present operation of the utility by acting as a service bureau to bill and collect monies and pay contractors.

[2:45 PM, the meeting recessed.]

[2:55 PM, the meeting reconvened. Mr. Wilson, Mr. Hale and Mr. Redelback joined the meeting.]

7.0 Grazing and Oil & Gas Operations Report

7.4 Oil & Gas Operations Report

Mr. Redelback provided the Board with a detailed overview of oil and gas operations on district-owned lands. The review included:

- the present rate structure for compensation related to surface leases, seismic activities and pipelines and facility installations,
- the presently defined plans by oil and gas operators relative to their work forecasts for 2000, and
- the results of discussion with oil and gas operators relative to coordinating drilling and facility installation with grazing patterns by the Community Grazing Associations as a means of reducing the impacts of their activities.

Various site-specific issues were discussed. It was agreed that significant efforts needs to be made to minimize conflicts between oil and gas and grazing operations on the same land base.

[3:10 PM, Mr. Hale and Mr. Redelback exited the meeting. Mr. Matoba joined the meeting.]

8.0 Land Administration Report

8.1 Disposition of Lease # 8140

8.2 Grazing Lease # 7022 [W ½ 22-17-17 W4M] and # 7073 [NW ¼ 14-17-17 W4M], Lazy A Farms Ltd.

8.3 Request to Purchase Lands, [Ptn. NE ¼, NW ¼, SE ¼ & SW ¼ W4M]

It was noted that the above items had been considered by the Board under Agenda Item 7.0, being items 7.8, 7.9 and 7.7 respectively.

8.4 Lease Renewal, Dryland Water Ski Club [Rock Lake]

**047-004-2000 Moved by Mr. Nielsen that the Board agree to renew the lease agreement between the district and the Dryland Water Ski Club at Rock Lake for the 2000 lease period.
Seconded by Mr. Plett. CARRIED**

It was noted in discussion of the Water Ski Club's use of the site that it may be necessary for the district to

designate a camping area at the site and to ensure that the Water Ski Club has event insurance for their operation of their organization, along with the required notice [if any] to the district of those events.

8.5 Irrigable Unit Designation

8.5.1 Brummelhius, NE ¼, NW ¼, SE ¼ & SW ¼ 18-16-15 W4M

8.5.2 Lelek, SE ¼ & SW ¼ 16-18-16 W4M

Mr. Matoba provided an overview of the need for the registration of Irrigable Units on the above noted parcels under the auspices of the Irrigation Act.

048-04-2000 Moved by Mr. Henrickson that the Board authorize the registration of Irrigable Units against the NE ¼, NW ¼, SE ¼ & SW ¼ 18-16-15 W4M owned by Tony & Petra Brummelhuis and the SE ¼ & SW ¼ 16-18-16 W4M owned by Tim & Christine Lelek. Seconded by Mr. Plett. CARRIED

8.6 Proposed Land Trade, Mr. Donald MacIntyre

Mr. MacIntyre requested the Board consider a trade of lands so as to allow for lands to be developed for irrigation purposes. The Board declined Mr. MacIntyre's offer.

8.7 Offer to Purchase, Ptn. NE ¼ 20 & NW ¼ 21-15-13 W4M

Mr. & Mrs. Maldaner of Rolling Hills, Alberta requested that the Board sell to them the irregularly shaped parcel in the NE ¼ 20 & NW ¼ 21-15-13 W4M. The portion of the lands lying to the north of the drain are cut-off from the balance of the parcel. The lands are not presently leased but may be used by cattle grazed from the private lands to the north.

049-04-2000 Moved by Mr. Plett that the lands in the NE ¼ 20 & NW ¼ 21-15-13 W4M lying to the north of the North Rolling Hills Drain be placed for sale by public tender, with a minimum bid price of \$500 per acre, plus subdivision, fencing, legal and transfer costs. Seconded by Mr. Johnson. CARRIED

8.9 Newell Regional Solid Waste Corporation Request

Mr. Wilson reviewed with the Board a request from the Newell Regional Solid Waste Management Authority Ltd. for the district to sell portions of lands for waste transfer stations. It was noted that the locations suggested may have potential for development for irrigation. It was agreed that the district decline the offer to sell the referenced lands.

In related discussion it was noted that many of the existing waste areas in the region could be converted to the type of transfer sites required, reducing the need for new locations.

[3:35 PM, Mr. Matoba exited the meeting. Mr. Hildebrand joined the meeting.]

8.8 Lease Update, Former Modern Auto Property

Mr. Hildebrand provided an overview of activities undertaken to secure a lessee for the former Modern Auto Property. He indicated that while he has not received any formal offers, he has had a number of discussions with Garth's Restaurant who continues to explore the potential of a banquet and bar-b-q facility on the property.

Mr. Hildebrand noted that Mr. Rattai is not interested in developing a number of offers that might meet the

district's needs – rather he would like the district to propose an arrangement that he could consider. Mr. Hildebrand indicated that such an offer has been tentatively developed for presentation to Mr. Rattai should the Board so wish. The details of the potential offer were presented. Following a review of the details of the offer the board agreed that it should be presented to Mr. Rattai, but that the district should continue to advertise the availability of the property.

8.10 Disposition of CPR Right-of-Way [Ptn. 27-20-14 W4M]

Mr. Henrickson noted that he has been contacted by Bertha Farms Ltd. regarding problems with the disposition of the abandoned CPR railway line. It was noted that there is insufficient information to determine what role [if any] the district could fulfill in this matter.

[4:00 PM, Mr. Hildebrand exited the meeting.]

10.0 General Manager's Report

10.1 Land Access Policy, Directions

Mr. Wilson reviewed with the Board the details of the Access Management Policy that have been discussed at regional Irrigator Meetings and the recent Annual Meeting. The board discussed the needs for changes. it was agreed that the policy should be prepared for distribution to the public, that the camping areas should be designated, that signage should be prepared and public advertisement information should be prepared. It was also noted that the district will continue to work to develop an agreement with the County for their assistance in policing "trespass" outside designated camping areas. It was agreed that the final details on these matters be reviewed again at the May meeting of the Board.

**050-04-2000 Moved by Mr. Henrickson that the Board approve the Access Management Policy.
Seconded by Mr. Nielsen. CARRIED**

10.2 SAFPIC Membership

Mr. Wilson reviewed the request from the Southern Alberta Food Processors Initiative Consortium for the district to purchase a membership for the fee of \$1000. The board agreed to not act on the request at the present time.

10.3 Joint Issue Committee [AIPA, Municipalities]

Mr. Wilson noted that the EID, through the participation of Mr. Henrickson is well aware of the ongoing activities of the Joint Issues Committee that has been established to deal with concerns of districts and municipalities. No action is presently required.

10.4 Bill 204

A brief overview of Bill 204, the Agricultural and Recreational Land Ownership Amendment Act 2000. It was noted that this proposed legislation could impact the district's land ownership. It was agreed that this matter be mentioned to MLAs during the upcoming AIPA MLA reception.

10.5 MLA Reception, 10 May 2000 @ Edmonton, Alberta

Mr. Wilson advised that the board and staff attending this function will plan on leaving Brooks mid-morning on 10 May 2000, overnight in Edmonton and return the next day. A "primer" of issues to discuss with MLAs will be prepared in advance.

10.6 PC Convention

Early notice of the PC Convention scheduled for 27 to 29 October 2000 in Calgary has been received. The district will register three individuals to attend, with the names to be confirmed prior to the event.

10.7 Response, the Honourable Ed Stelmach, Minister of Infrastructure

There was brief discussion of the response from Mr. Stelmach regarding the scheduling of rehabilitation to the Carseland Bow River Headworks System. It was agreed that more effort will be required if there is to be any advancement in the project scheduling for the headworks of the BRID. Earlier scheduling of construction will add increased water management flexibility in the Bow River, particularly during low and high flow events. It was agreed that this item also be discussed with Mr. Stelmach and other MLAs at the upcoming Edmonton reception.

10.8 Proposed Update, AIPA Irrigation Impact Study [Economic Impacts]

Mr. Wilson reviewed information that the AIPA has circulated regarding the potential for an update of the economic input/output sections of the Irrigation Impact Study. It was noted that the estimated cost [prepared by UMA Engineering Inc.] is estimated to be \$80,000. The board discussed the need for this update and its timing and relevance to current economic conditions in the districts. At present, the board agreed to not support such an initiative – pending further, more compelling information.

10.9 Irrigation Council Tour

Mr. Wilson noted that a tour with Irrigation Council is being scheduled, currently proposed for the last week in July. Discussions of the best times to host the tour were discussed.

10.10 Species at Risk Legislation [Federal], Bill C-33

Mr. Hill provided an overview of the major elements in the proposed Species at Risk legislation. It was noted that while cooperative mechanisms are enabled, there is no structure provided to issues relating to compensation. In addition, the enforcement provisions appear excessive and could reduce the overall cooperative nature of legislation that has been anticipated. It was agreed that the district would continue to monitor issues relative to this legislation. It was also agreed that the matter could be discussed with provincial MLAs at the MLA Reception.

10.11 Ag Summit Meeting, Brooks, Alberta

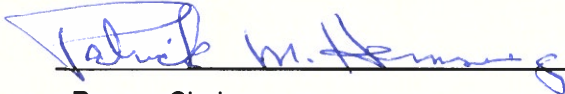
It was noted that the Strathmore-Brooks PC Association will be hosting an “Ag Summit” with Dr. Oberg, MLA at the Heritage Inn on 05 May 2000.

10.12 Equipment Purchases Update

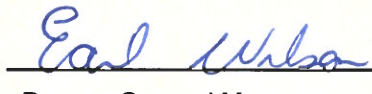
Mr. Wilson advised that the district has purchased a used disc for \$5,500 and a used drill for \$3,700. He requested permission to look for a utility trailer to assist with the delivery of Grass Carp. To date, rental units have not been found. The option of purchasing a unit was discussed. The estimated cost for such a unit ranges between \$4,000 and \$5,000.

051-04-2000 Moved by Mr. Henrickson that the Board approve the purchase of the trailer unit if no rental units can be found. Seconded by Mr. Plett. CARRIED

The meeting was adjourned on a motion by Mr. Plett at 4:35 PM.



Per: Chairman



Per: General Manager

Regular Meeting - Board of Directors - Eastern Irrigation District
Tuesday, 23 May 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 23 May 2000. Those in attendance were:

Pat Hemsing	Chair	
Bob Chrumka	Vice-Chair	
Clint Henrickson	Director	
Allen Nielsen	Director	
Don Plett	Director	[9:14 AM]
Neil Johnson	Director	
Tom Livingston	Director	

Earl Wilson	General Manager
Shelley Endersby	Administrative Assistant

The meeting was called to order at 9:08 a.m.

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Regular Meeting - Board of Directors - Eastern Irrigation District
Tuesday, 23 May 2000

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1.0 Adoption of Agenda

The following items were added to the agenda.

- EID Clean Up (Back Fill) Policy added to Engineering Report as Item 7.5,
- Tide Lake discussion added to Land Administration Report as Item 8.10,
- Oil wells within CPR added to General Manager's Report as Item 10.12, and
- MLA Meeting Update added to General Managers Report as Item 10.13.

052-05-2000 Moved by Mr. Henrickson that the Board adopt the agenda as added to. Seconded by Mr. Chrumka. CARRIED

2.0 Approval of 20 April 2000 Minutes

In discussion of the minutes of the 20 April 2000 meeting the following corrections were noted:

Item 5.2 Motion 043-04-2000, to read;
"Moved by Mr. Chrumka that the Board adopt the criteria for cost-sharing contributions by the District for water use efficiency improvements under the Farm Improvement Program. Farm Improvement grant for more efficient method of irrigating is a one-time only grant per parcel. Seconded by Mr. Plett. CARRIED"

Item 7.6 "the Rolling Hills Water Pipeline will provide significant relief in all areas excepting the south half of the Patricia area." This line is not required.

053-05-2000 Moved by Mr. Chrumka that the minutes of the 20 April 2000 meeting be adopted as corrected. Seconded by Mr. Nielsen. CARRIED

3.0 Business Arising from 20 April 2000 Meeting

Mr. Chrumka noted that he had inquired from Mr. Matoba as to whether or not the Dryland Water Ski Club had provided the EID with insurance documentation. As of this point in time the district has requested the documentation but it has not yet arrived.

4.0 Organization Meeting

The following organizational assignments were agreed to:

Executive Committee Chair, Vice-Chair, General Manager

C.A.R.P. Committee Mr. Henrickson, Mr. Nielsen, Mr. Livingston
Ex-Officio: Chair, Resource: General Manager

A.I.P.A. Mr. Hemsing, Mr. Henrickson [also serving as AIPA Vice-Chair]
Mr. Livingston, Mr. Nielsen, Mr. Chrumka, Mr. Wilson
[Alternates: Mr. Johnson, Mr. Plett, Mr. Hill]

Prairie Conservation Coordinating Committee Mr. Livingston, Mr. Martin
Alternate: General Manager

Bow Bloc Chair, Vice-Chair, General Manager

EID/SMRID Joint Ventures Committee Chair, Vice-Chair, General Manager

EID/County [Joint Issues Committee] Chair, Mr. Nielsen, Mr. Livingston, General Manager

Bow River Basin Water Council Mr. Hill, Alternate: General Manager
It was agreed that assignments to the Council should be re-evaluated following the election of Directors for the merged Council and Foundation.

Medicine Hat College [Brooks Campus] Advisory Committee General Manager

Brooks & District Chamber of Commerce Mr. Henrickson

Per Diem & Mileage Rates

054-05-2000 Moved by Mr. Henrickson that the per diem and mileage rates be set at \$150.00/day, and \$0.35/kilometer. Seconded by Mr. Nielsen.

CARRIED

By-Laws

Organizational by-laws [required under the Irrigation Districts Act] will be addressed at a future meeting.

Other Organizational Information

Signing Authorities Chair, Vice-Chair, General Manager, Accountant
Oil & Gas Agreements: Mr. Redelback, C.A.R.P. Transfer Agreements: Mr. Schroeder

Credit Cards Chair, Vice-Chair, General Manager, Mr. Hill, C.A.R.P.: Mr. Schroeder

[9:40 AM, Mr. Bischoff joined the meeting.]

5.0 Financial Report

5.1 Approval of Financial Statements, Period Ending 30 April 2000

Mr. Bischoff provided a detailed review of the Financial Statements for the period ending 30 April 2000. The following items were discussed:

- it was noted that these statements have a new look and the charts are indicative,
- water revenues are above last year's total,
- oil and gas revenues are over budget by 1.5 million (50%),
- the number of private leases billed out is lower than last year, Mr. Bischoff will audit,
- a comment was made that the auditor's bill was over the bid, Mr. Wilson indicated that he had Mr. Ens do some extra work,
- salary and wages were up due to new pay roll system, vacation time is billed monthly into salary and banked time was paid out in April,
- director's expense shows a credit of \$1,600.00 this month, some expenses were taken out and added to Administration for promotions,
- Administration, Maintenance, Operations, and Equipment are all below budget, and
- Project Summary would be discussed during Engineering Report with Mr. Schoorlemmer.

055-05-2000 Moved by Mr. Johnson that the Financial Statements for the period ending 30 April 2000 be accepted as presented. Seconded by Mr. Livingston. **CARRIED**

5.2 Update, Rate Enforcement Proceedings

At the time of the meeting, Mr. Bischoff stated that five people remain on rate enforcement. Court is scheduled for Thursday, May 25, 2000, but it is expected that the Credit Union will pay for four people and the Royal Bank is expected to pay for the fifth person.

[10:10 AM, Mr. Bischoff exited the meeting, Mr. Meador joined the meeting.]

6.0 Operations Report

6.1 Canal Operations Report

The canal flow report was reviewed and discussed by the Board. The demand is high and the river flows remain low, snow melt has not really started yet.

6.2 Farm Improvements

Mr. Meador reviewed with the Board a request in NE 12-15-14 W4M, irrigated lease owned by the EID and rented by Mr. G. Cook. Mr. Cook would like to irrigate a major portion of this land with wheel moves and flood the remainder, sixty acres in total. He feels the land does not flood well because of high and low spots. He would like the EID to install a delivery and well, at EID cost, on the south end of the quarter, in the middle of the quarter. The legal delivery for this quarter is in the SE corner and will still be needed. This quarter is classified as terminable, 141 acres on the water roll and was approved in May of 1991.

This parcel was leveled by the County of Newell and the EID in the winter and spring of 1991. Because of high and low spots, the EID paid Broersen Construction \$2,397.50 in April of 1997 to second grade this land. The Board does not consider this to be a farm improvement. The land was leased as flood irrigated leveled. The Board also questioned who would pay for the second delivery.

056-05-2000 Moved by Mr. Nielsen that the renter pay 50% of the cost of materials for the installation of a second delivery and well, EID providing the labor and 50% of material cost. Seconded by Mr. Johnson. CARRIED

Mr. Meador indicated that there was two or three other applications in the works, and that they would be presented at a future meeting.

[10:26 AM, Mr. Meador exited the meeting and the meeting recessed.]

[10:36 AM, the meeting reconvened. Mr. Schoorlemmer joined the meeting.]

7.0 Engineering Report

7.1 Engineering Update

The monthly engineering update was reviewed by the Board and discussed with Mr. Schoorlemmer.

Mr. Schoorlemmer reviewed the project status/monthly update. It was noted "U" Tilley [01-1184] was over budget due to a \$60,000.00 over-charge by Ipex, for pipe. It is Ipex's intent to credit this charge to another project in the fall.

7.2 01-1203 11H West Bantry

It is proposed to plastic line 2000 metres of 11H West Bantry. Everything upstream and downstream of the reach is already lined. The estimate of the project is \$480,000.00. It is proposed to have this project a

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01-1204 04-04C Springhill Report

Questions arose regarding the value in delivering irrigation water to a subdivided portion of NE ¼ 33-19-14 W4M with 40 acres of first water. It was speculated that this parcel would eventually be further subdivided and developed into housing which would require only household water service. The Board requested more information on this parcel including future plans by the landowner and other options for delivering water to the parcel. The Board decided to delay their decision on this project until the next Board meeting.

Mr. Schoorlemmer presented a rehabilitation proposal for 14H West Bantry in section 19-16-13 W4M and section 24-16-14 W4M. He reported that this reach of canal, serving 355 acres is in poor condition due to erosion, willow growth, deteriorated structures and seepage. The recommended rehabilitation is a closed pipeline with an overflow spill into a drain upstream of the pipeline inlet. The estimated project cost is \$412,000.00. A project report has been prepared for submission to Irrigation Council for IRP funding.

7.5 EID Clean-Up (Canal Backfill) Policy

Another member indicated the EID has a “blanket” easement in place dating back to 1968. The EID policy states that we do not haul in dirt and level land for landowners. There was some discussion of the merits of cost-share with the land owner. Hauling in dirt would become part of a project expense, not as a farm improvement.

There was a great deal of discussion on cost sharing 50/50, perhaps taking capital asset charges off, charge for water only, or it could be left off assessment the first year until reclaimed or until the next "fly over" before the land was added back.

The majority of Board members feel that we should only restore canals with the material available adjacent to the canal. Where a farmer needs extra dirt, it should be his cost. The district could do the work for him, but he would have to pay as some projects are not economically feasible. There was discussion regarding the difficulty in determining where to draw the line if the district were paying.

059-05-2000 Moved by Mr. Plett that there will be no charge for capital assets on reclaimed canals. Seconded by Mr. Johnson. CARRIED

7.6 01-1208 19 Bow Slope Report

Mr. Schoorlemmer indicated that this project would be on the agenda at the next meeting, but was reviewing applications for water from last year. Mr. Van Hall would like to install pivots in four quarters and transfer 44 acres. He questioned whether the design of this project should be altered for these parcels. The cost and the size of the pipeline was questioned. He indicated that either a full pivot could be installed on the dry parcel and wheel moves could be placed on the remainder, or two pivots (one small) could be installed -- albeit Mr. Van Hall had a request for four.

The Board directed Mr. Schoorlemmer to size for 3 cfs on each of the two parcels that have flood irrigation now, this would accommodate two pivots at some future time.

[12:08 PM, the meeting recessed, Mr. Schoorlemmer exited the meeting.]

[1:07 PM, the meeting reconvened. Mr. Matoba joined the meeting.]

8.0 Land Administration Report

8.1 Sale of Ptn. NE ¼ 20 & N ½ 21-15-13 W4M

A motion was passed at the previous meeting to advertise these lands for tender. The party who submitted the original offer, Dwight and Beth Maldaner, were not interested in purchasing this parcel at a minimum of \$500 per acre. Given their response, Mr. Matoba asked the Board if they still wished to advertise. The Board directed Mr. Matoba to leave it for now.

8.2 Irrigable Unit Discharge E ½ 16-17-16 W4M

The SE ¼ and S ½ of NE ¼ 16-17-16 W4M [less the subdivision] were made into an irrigable unit as the pivot covered parts of both parcels. Water was delivered from the north delivery and the landowner, Mr. Piper, pumped out of the drain at a point near the middle of SE ¼ 16. The north delivery was considered the legal delivery for the two parcels. With the District's approval, the south quarter has since been transferred to Wilfley Holdings Ltd. A pivot has been erected to irrigate this parcel. The drain running through the middle of this quarter has been eliminated. Mr. Wilfley will pump out of a dugout in the SE corner of the quarter and the overflow will spill into the drain on the south side of the quarter. The delivery shown in the northeast corner of the SE ¼, which has not been used for several years will be re-activated. Mr. Piper retains the S ½ of NE ¼ 16 and will irrigate a half circle with the existing pivot. He will pump out of the large dugout located west of the subdivision.

060-05-2000 Moved by Mr. Nielsen that the Irrigable Unit be discharged and the legal delivery remain unchanged. Seconded by Mr. Henrickson. CARRIED

8.3 Brooks Pistol and Small Bore Rifle Club

Mr. Matoba indicated the club's wish to renew the land use permit for another year.

061-05-2000 Moved by Mr. Johnson that the land use permit be renewed for another one year term. Seconded by Mr. Plett. CARRIED

8.4 Transfer of Water Rights from SE ¼ & SW ¼ 23-17-17 W4M to SW ¼ 30-17-17 W4M

Mr. Matoba presented a Transfer of Irrigation Acres Agreement between John Miller and Brad Calvert,

both of Bow City. Mr. Miller agrees to a temporary transfer of 80 acres of irrigation assessment to Mr. Calvert for the summer of 2000 only. Irrigation rate charges to remain as they are.

Mr. Wilson commented that this was the first transfer presented to them under the new Irrigation Districts Act and that this will probably be an annual agreement between the parties. He also commented that he saw no reason to deny the transfer as they are off of the same canal, moving upstream.

062-05-2000 Moved by Mr. Livingston to approve the transfer of 80 acres of irrigation assessment, owned by Mr. Miller to Mr. Calvert for the summer of 2000 only. Seconded by Mr. Plett.

CARRIED

[1:15 PM, Mr. Hildebrand joined the meeting.]

8.5 Dinosaur Park, Scandia Ranch Land Exchange

Mr. Wilson updated the Board on the proposed land trade that the Board initiated two years ago.

063-05-2000 Moved by Mr. Livingston that the Board approve the land trade between Dinosaur Park and Scandia Ranch land. Seconded by Mr. Nielsen. **CARRIED**

8.6 Modern Auto Update

Mr. Hildebrand explained that the former Modern Auto building is currently zoned as light Industrial Commercial #1 by the Town of Brooks. He indicated that there had been some interest shown by Prairie Meadows Auto Body [zoning would not permit activity] and Garth's restaurant [Mr. Rattai has not been willing to commit at this time].

There had only been one other offer in the last three weeks. Liquidation World from Calgary had expressed some interest. They have looked at three different locations in town and favoured the EID site. They offered \$5.00 a square foot. The building is 9,300 sq. ft. with an additional 2,800 sq. ft. upper level for a total of 12,000 sq. ft. Although Liquidation World prefers a larger building, two options were presented including, a \$157,000.00 addition to the existing building [at an estimated \$220,000.00 for major renovations] or renovations plus an addition [for an additional \$150,000.00].

Mr. Hildebrand explained that they would be interested in signing a ten year lease that included 5% per year of the renovation costs to allow the EID to recover their investment. A clause in any proposed lease agreement would require that should the ten year lease be terminated early, the renovation recovery would be paid. Board members asked Mr. Hildebrand to counter offer with Liquidation World for \$7.00 per square foot, 7% per year, and check on other quotes for renovation costs.

Mr. Hildebrand inquired if it was of interest of the Board to invest in renovations to the existing building to make it more appealing to possible renters. The Board noted that sale of the land was not possible for at least a couple of years anyway, and that they did not intend to sell the property until the contamination was cleaned up. Board directed Mr. Hildebrand to continue dealing and searching for prospective tenants.

8.7 Lake Newell Resort Update

Mr. Wilson and Mr. Hildebrand provided the Board with the following update:

- The first mortgage company has not foreclosed against Westbridge Developments Corp.. The Lake Newell Condo Association have started to pay all the bills to operate the utilities. The company that owns the water treatment plant were going to pull the plant, but have backed off and

- Vibrook is hauling the sewage. Both are being paid by the Condo Association.
- Blaine Homes has obtained a court order that gives him exclusive ownership to the option on the lands south of Bantry Bay. The Board questioned how this could happen as they felt the development had to be done in an orderly fashion around Greenwald Inlet and then Bantry Bay, all with Westbridge Developments Corp.. Mr. Hildebrand informed the Board that each option was separate.
- Mr. Wilson explained that there is two small low areas that when the lake is full, water crosses the peninsula and the area between these is less than three feet above the lake. The Board instructed Mr. Wilson to keep this land in the lake right of way. Mr. Wilson reported that it is quite possible that Blaine Homes will want to close this deal by the end of June.

[2:20 PM, Mr. Hildebrand exited the meeting.]

8.8 Railway Right-of-Way, Sec. 27-20-14 W4M

Musgrove's and McMahon's own the land north of the railway and Phillipsens [Bertha Farms Ltd.] own the lands to the south. The County of Newell originally offered the railway land to the people on the north, but Mr. Phillipsen has appealed their decision and they have asked the EID for input.

The district's canal runs in the CRP lands for a quarter of a mile on the west side of the section and the John Ware spillway is immediately adjacent to the land on the east quarter mile. The natural drainage from the middle portion of Mr. Philipsen's land runs along the old tracks to the east and then under the tracks to the spillway.

Mr. Wilson asked the Board if they felt we should try to purchase the land to protect the spillway on the east and to accommodate the rehabilitation of the canal on the west at some future time. At that time we would try to square up some of the land parcels.

064-05-2000 Moved by Mr. Plett that Mr. Wilson investigate purchasing the railway right-of-way from the County of Newell. Seconded by Mr. Chrumka. CARRIED

[2:27 PM, Mr. Matoba exited the meeting and Mr. Hale joined the meeting.]

8.9 County of Newell's Verger Gravel Pit

Mr. Livingston reported that some County Councillor had informed him that the EID did not want the road allowance opened up to provide new access to the Verger Gravel Pit. Mr. Wilson replied that to his knowledge, the EID had not been asked nor had offered any opinion on the matter.

8.10 Tide Lake Update

Board members inquired of Mr. Hale whether any discussions with Tide Lake Grazing Association had taken place. Mr. Hale reported he had not. It was decided to monitor the operation and capacity of our Patricia water line before offering Tide Lake the option of extending it to their land.

8.11 Request to Lease Ptn. SE ¼ 05 & SW ¼ 04-20-16 W4M

Mr. Hale reported that Ducks Unlimited had sent a letter indicating their interest in leasing the above noted parcel. Ducks Unlimited may be the "middle man" between Hohloch and Antelope Creek Ranch. Mr. Hohloch is not a resident of the County of Newell. The Board discussed whether or not the EID could lease to a non-resident.

Mr. Hale stated that the grass lease rate is \$2.00 per acre. It was noted that this parcel should be leased

at a flat rate and be a year-by-year lease.

065-05-2000 Moved Mr. Nielsen that Ptn. SE ¼ 05 & SW ¼ 04-20-16 W4M be leased to Ducks Unlimited Canada, to be reviewed annually, at a flat rate of \$500.00 for this 70 acre parcel. Seconded by Mr. Chrumka. CARRIED

8.12 Tender Results on Land Sale Ptn. NW ¼ 01-20-13 W4M

Mr. Hale stated that two tenders were received for the old Elsbett lease land – one from Mr. Beasley in the amount of \$753.00 per acre and one from Mr. Sewall for \$705.00 per acre.

066-05-2000 Moved by Mr. Henrickson to accept the \$753.00 per acre Beasley bid as a dry parcel of land. Seconded by Mr. Livingston. CARRIED

Mr. Wilson indicated to the Board that he, Mr. Martin, Mr. Hale and the Board have been invited on a tour June 12, 2000 by Ducks Unlimited Canada to observe improvements in the Rosemary lease.

067-05-2000 Moved by Mr. Johnson to purchase a solar pump. Seconded by Mr. Henrickson. CARRIED

Mr. Livingston inquired if the Board was interested in observing range improvement on range land in Sweet Grass, Montana. He felt it would be very informative to observe native range land renovating. He indicated that he and Mr. Hale would look into possible dates, dates before June 15, 2000.

[3:03 PM, Mr. Hale exited the meeting.]

9.0 Equipment Report

9.1 Results of Equipment Sales

Board reviewed results of equipment sales held at Charlton's Auction on April 22, 2000 and Calgary Public Auction on April 28, 2000.

9.2 Fuel Tender Results

The fuel tender schedule was reviewed by the Board. Mr. Wilson indicated that Co-op's fuel was preferred by shop personnel because of service and they are "low" bid. The Co-op bid also includes full membership which usually has returned a 6% to 10% dividend. He indicated that An-mart did not like to make small fuel deliveries.

068-05-2000 Moved by Mr. Nielsen to accept Co-op's tender for fuel for the year. Seconded by Mr. Livingston. CARRIED

[3:12 PM, the meeting recessed.]

[3:25 PM, the meeting reconvened. Mr. Schoorlemmer joined the meeting.]

7.3 01-1204 04-04C Springhill [continued]

The Board agreed to accept additional information on this project at this time.

Mr. Schoorlemmer reported that the landowner of the parcel in NE ¼ 33-19-14 W4M intends to set up a wheel moves sprinkler system with a pump at the official delivery point as shown in the project report. Discussion took place regarding the possibility of leaving this branch of 04-04C Spinghill as an open ditch.

Mr. Schoorlemmer indicated that an open ditch would not be feasible because there would be no provision for excess spill water. Discussion took place regarding serving this parcel with a pipeline branch from the Springhill pressure system. Mr. Schoorlemmer indicated that this would be investigated.

069-05-2000 Moved by Mr. Plett that 04-04C Springhill Project be approved as presented provided that the other options are explored. Seconded by Mr. Nielsen. CARRIED

[3:32 PM, Mr. Schoorlemmer exited the meeting.]

10.0 General Manager's Report

10.1 PAWM Membership Request

Mr. Wilson indicated the letter received from PAWM [Prairie Association for Water management] to renew membership. For many years the EID has joined as a single, not a corporate member. Membership fee is \$20.00 per year and Mr. Wilson advised that the district could retain this membership.

070-05-2000 Moved by Mr. Livingston that the \$20.00 individual membership be approved for payment. Seconded by Mr. Plett. CARRIED

10.2 Chamber Letter Requesting Donations for Summerfest

The request from the Chamber of Commerce for donation for Summerfest was declined by the Board.

10.3 Species at Risk (Calgary, June 2, 2000)

Mr. Wilson reported that this presentation could be available in the Brooks area sometime over a two week period from July 10th to 21st, 2000. He stated that Mr. Martin would be attending this presentation in Calgary on June 2, 2000. Mr. Wilson suggested that he schedule presentation for the Board in the afternoon of either July 10th or 11th. The Board suggested July 10, 2000.

10.4 Joint Issues [Questionnaire]

This questionnaire was completed by Mr. Wilson and Board members.

10.5 Fording Coal Update

Mr. Hemsing reported that he, Mr. Wilson and Mr. Chrumka had attended a meeting with two Fording Coal representatives, as well as MLA, Dr. Lyle Oberg.

Fording Coal is pursuing a four or five year plan to build and open a mini power station. It was indicated that more information on this issue to come. At present it is in the very early stages and Fording Coal are in the process of talking to landowners. It was suggested that perhaps Kitsim Reservoir could be a possibility for the cooling pond. The Board noted that weeds would be a big problem with this type of project. Depending on how the mine is developed, it could impact most of the irrigated land on the Antelope Creek canal.

10.6 Bassano Dam Hydro

Mr. Wilson noted that consulting money needs to be spent to conduct economical studies. The Board directed Mr. Wilson to prepare an outline for future meetings.

10.7 Economic Impact Study [AIPA]

Mr. Wilson reported that regarding the proposed AIPA project, that Mr. Klassen has yet to prepare the information update. An AIPA Director's meeting is scheduled for June 13, 2000 in Strathmore and Mr. Wilson suggested that the information should arrive soon. Mr. Wilson advised Board member that he would fax this information out to Board members when it becomes available.

10.8 Carbon Credits

Mr. Wilson reported that agreements were signed before Christmas between TransAlta and some oil companies at a rate of \$5.00 per acre per year. This was done in Iowa. Mr. Wilson inquired if the Board felt the EID should contact TransAlta regarding the district's land base and also on behalf of its water users for forage crops, 0% tillage etc. The Board direction was to proceed to contact TAU and bring back more information.

10.9 Land Access

Mr. Wilson displayed the access signs Mr. Martin had prepared. Mr. Wilson reported that Mr. Martin had to speak with seven individuals during his Victoria Day weekend patrol. Three parties indicated that they were aware of the new policy, four parties were contacted who were not aware of the district's policy as they were from out of the area. One individual commented that his family had been camping on the west side of Lake Newell every May long weekend since 1974.

Mr. Wilson also advised the Board that some of the fencing had been completed east of Rolling Hills, but that Crawling Valley was not fenced yet. He advised the Board that the County of Newell's By-law officer had been contracted for ten hours a week to patrol these restricted areas.

Mr. Wilson displayed a sample of the warning ticket that will be issued and noted that a development schedule for tracking needed to be addressed. Mr. Wilson stressed that they would not be denying access, but controlling vehicles and camping.

10.10 Water Transfer

Mr. Livingston wanted to clarify that soil testing was indeed a requirement upon transferring of acres.

10.11 Oil & Gas

Mr. Livingston requested information on the procedure for rent reviews on existing oil and gas leases. Another Board member suggested that oil and gas activity not take place on the Rolling Hills back road, but keep activity to the west [Reeve's field]. Mr. Redelback will be asked not to process any oil activity in this area until the Board looks into this.

10.12 MLA Update

It was noted that Mr. Wilson, Mr. Hill and all Board members [with the exception of Mr. Johnson] attended the MLA reception in Edmonton on May 10, 2000. The reception appeared to be well received and should be continued.

10.13 Upcoming Meetings

The following schedule of meetings was presented:

- Ag Summit 2000 [Edmonton], June 7th & 8th 2000, Mr. Wilson to check Calgary dates,

Regular Meeting - Board of Directors - Eastern Irrigation District
Tuesday, 23 May 2000

- Ducks Unlimited Tour, June 12th 2000 ,
- Montana Rangeland Improvement [to be schedule prior to June 15, 2000],
- AIPA Director's Meeting, June 13, 2000, Strathmore, Alberta,
- Board Meeting, June 27, 2000,
- Board Meeting, July 25, 2000,
- Irrigation Council Tour, July 27, 2000, and
- Board Meeting, August 29, 2000.


Mr. Wilson also provided the following informational Items

- A letter was received from Alberta Agriculture, Food and Rural Development regarding a delay in any changes in cost share agreements for one year,
- An invitation to attend the SMRIP Celebrations on Labour Day,
- Request Mr. Martin provide informational items/brochures to Chamber of Commerce tourist booth regarding designated camping areas.

The meeting was adjourned on a motion by Mr. Plett at 5:12 PM.



Per: Chairman



Per: General Manager

Special Meeting - Board of Directors - Eastern Irrigation District
Monday 26 June 2000

The Special Meeting of the Board of Directors of the Eastern Irrigation District was held on Monday, 26 June 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy and Planning
Ed Hildebrand	Consultant, Resource Planning

The meeting was called to order at 6:05 PM.

1.0	Lake Newell Resort Discussion	1
1.01	Westbridge Developments Corp., 1 st Mortgage Foreclosure	1
1.02	Lake Newell Resort Utility Company	2
1.03	Discussion of Options Available to the District	2
1.04	Blaine Homes Update	3

1.0 Lake Newell Resort Discussion

Mr. Wilson noted that the purpose for the meeting was to allow the Board to discuss a range of options related to the current financial problems being experienced by Westbridge Developments Corporation at the Lake Newell Resort. He also noted that representatives of Westbridge, as well as the district's lawyers and auditor will be attending the Regular Meeting of the Board on 27 June 2000. No decisions are required at this meeting.

1.01 Westbridge Developments Corp., 1st Mortgage Foreclosure

Mrs. Wilson and Hildebrand provided a brief historical overview of the district's previous and current agreement and arrangements with developers at the Lake Newell Resort. It was noted that Mr. Deep Shergill, President of Westbridge Developments Corp. has forward the district a letter that outlines a proposal he wishes to make at the 27 June 2000 Board Meeting.

From all available information it does appear that the group of individuals who are holding the current mortgage on the Lake Newell Development are not interested in renewing their financing for Westbridge's project and are about to commence foreclosure action. The Board discussed the lands that are included in the project and the lands that currently are not developed.

It was also noted that should the foreclosure proceed the district would lose its position as the holder of a 2nd mortgage on the property. It was also noted that the amount left owing the district is based on the original forecast of potential sale value for the property whereby the district is paid for lots at the time they are transferred to private owners. It was also noted that the district has NO capital investment in the project.

1.02 Lake Newell Resort Utility Company

There was discussion regarding the disposition of the Lake Newell Resort Utility Company. This utility provides the treated water for the residents included in the development and also operates the hauling of sewage from the project. At the present time the district has additional security for the amounts owing under the 2nd mortgage by holding the 1st mortgage on the Utility Company in addition to a pledge of shares.

The Board discussed the most preferable means to ensure that the Utility Company continues to function to the benefit of the development without the need for capital investment by the district. It was noted that there may be merit in suggesting the Lake Newell Condominium Association approach the County of Newell relative to obtaining "hamlet" status under the Municipal Government Act.

1.03 Discussion of Options Available to the District

To assist with the general discussion of the direction the Board may wish to take in response to forthcoming proposals from Westbridge, a number of options were prepared for discussion. These included:

- Do Nothing
 - let the mortgage holder foreclose against Westbridge Developments Corp.,
 - monitor sale of lands acquired by lender,
 - allow Westbridge to continue to operate Utility Company,
 - let things work themselves out at their own pace, etc.
- Allow Foreclosure to Proceed, EID Foreclose on Utility Company [due to Technical Default]
 - provides additional options in operation of the Utility Company including:
 - district own and operate the utility company, levy capital "hook-up" charge for new and existing undeveloped lots,
 - district convey the utility company to the Condo Association and let them operate and levy capital "hook-up" charges, etc.
 - encourage residents and Condo Association to explore the feasibility of organizing themselves as a "hamlet" under the Municipal Government Act and apply for whatever capital and/or operating grants might be available.
- EID Buy-Out of 1st Mortgage Interest, Foreclose on Westbridge and Utility Company
 - in addition to previously noted options relative to foreclosure on the Utility Company this approach would enable the district to:
 - sell lots and blocks as it wishes, or
 - to find a credible developer to take over development
 - would require a capital investment by the district, which to date has never been contemplated
- Attempt Reduced Cost Buy-Out of 1st Mortgage Interest due to High Cost to Service Undeveloped and New Lots in Development

In support of the various options a number of financial estimates were reviewed as a means of determining whether or not there is an economic reason for the district to consider an investment in the project.

It was generally agreed that the Board has NO interest in making any capital investments in the project or in direct operation of the Utility Company. It was also noted that the discussions with Westbridge Developments Corp., along with the district's legal and auditor representatives may point to other options.

1.04 Blaine Homes Update

The Board discussed the disposition of the Option Agreement held jointly by Westbridge Developments Corp. and Blaine Homes on lands along the east shore of Lake Newell. It was noted that recent option payments have been made solely by Blaine Homes and Dennis Blaine is looking to exercise the option to purchase independent of Westbridge Developments Corp.

Mr. Blaine has approached and received an Order of the Court from a Court Master stating that he does have the right to exercise the option unilaterally. In addition, the district has been informally advised that Westbridge Developments Corp. continues to object to Dennis Blaine exercising the option and have appealed the Master's decision. The appeal is to be heard in August 2000.

The district is also continuing to define the lands that might be available under the option agreement if and when Blaine Homes can demonstrate that they may act independently. A map indicating the most recent proposed areas was reviewed.

The meeting was adjourned on a motion by Mr. Nielsen at 7:30 PM.



Per: Chairman



Per: General Manager

Regular Meeting - Board of Directors - Eastern Irrigation District
Tuesday, 27 June 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 27 June 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy and Planning

The meeting was called to order at 9:00 AM.

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2.0	Approval of Minutes, 23 May 2000	3
	072-06-2000	3
3.0	Business From 23 May 2000 Meeting	3
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Regular Meeting - Board of Directors - Eastern Irrigation District
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11.0 General Manager's Report	13
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11.04 Fording Coal Update	13
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11.08 Year 2000 and Bow River Basin Plan, Public Consultation Program, Review and Update	14
11.09 CWRA Conference	14
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1.0 Adoption of Agenda

The following items were added to the agenda:

- 7.04 Vandalism
- 11.13 Sherraine Schalm Reception
- 6.03 AG North Bantry Pipeline

071-06-2000 Moved by Mr. Nielsen that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes, 23 May 2000

The following items were noted for correction or clarification in the minutes of the 23 May 2000 meeting:

- 11.5 Mr. Henrickson was not in attendance at that meeting,
- 10.11 Additional information regarding follow-up was requested,
- 7.5 remove wording, "Small ditches are easements.",
- 3.0 note that request for information on status of insurance from Dryland Water Ski Club was answered, and
- 8.9 Mr. Livingston noted that the minutes should reflect that the district had no objections to a road leading west from the Verger Gravel Pit or making use of the existing oil lease road.

072-06-2000 Moved by Mr. Chrumka that the Board adopt the minutes of the 23 May 2000 meeting as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business From 23 May 2000 Meeting

Mr. Wilson noted that he would follow-up on the discussion from Item 10.11 relative to surface lease activity in the area of the "Reeve's Field" to the south of Lake Newell and west of the Rolling Hills Reservoir.

[9:15 AM, Mr. Bischoff joined the meeting.]

4.0 Financial Report

4.01 Approval of Financial Statements, Period Ending 31 May 2000

Mr. Bischoff provided an overview of the district's Financial Statements for the period ending 31 May 2000. In discussion of the statements the following items were highlighted:

- presentation graphics will be enhanced in order to provide better comparisons,
- an inconsistency remains between the district's payroll and accounting programs resulting in an double accounting for vacation time costs, a resolution is currently being evaluated,
- the costs related to increased needs to deal with water quality issues, screening, dragging, chemical treatments, etc. were discussed,
- costs for the Lakeside Pivot project were reviewed,

- costs for signage and creation of designated camping areas were discussed,
- current insurance coverage will be checked to determine if solar panels are a covered item or are self-insured,
- the status of various reports from research activities was discussed [with particular reference to the fertilizer project],
- outstanding accounts were also discussed with agreement that outstanding accounts for domestic/household water be informed that facilities will be removed or made unavailable unless payments are made, and
- lease 2920 with North American Gem should be cancelled and follow-up requirements looked after [in particular reclamation requirements].

073-06-2000 Moved by Chrumka that the Board accept the Financial Statements for the period ending 31 May 2000. Seconded by Mr. Johnson. CARRIED

4.02 Approval to Use VISA for Payment of EID Accounts Receivable

Mr. Bischoff review a proposal that would allow the district to accept certain payments via Debit and/or Credit Card. At the present time the EIDNet makes almost exclusive use of this method of payment. The Board reviewed the costs for such service and its relationship to discounts offered on certain payments. There was additional discussion about maintaining the current Royal Bank service versus switching to the Treasury Branch.

074-06-2000 Moved by Mr. Chrumka that the Board allow for payment of accounts up to \$500 to be made by Credit Card and that the district allow for full payment of accounts via Debit Card. Seconded by Mr. Henrickson. CARRIED

4.03 Commutation Fund

Mr. Wilson reviewed with the Board a letter received from the Honourable Ty Lund, Minister of Agriculture, Food and Rural Development regarding the disposition of funds in the district's Commutation Fund. It was noted that the Minister agreed with the district's proposal to place the funds in the Irrigation Works Fund, but that he would leave that decision to them and to other district boards.

75-06-2000 Moved by Mr. Henrickson that the Board transfer all funds in the Commutation Fund to the Irrigation Works Fund and that the Commutation Fund be discontinued. Seconded by Mr. Chrumka. CARRIED

[10:15 AM, the meeting recessed. Mr. Bischoff exited the meeting.]
[10:30 AM, the meeting reconvened.]

11.0 General Manager's Report

11.03 Species at Risk Legislation, Overview, Info for 10 July Meeting with Dr. Raillard

Mr. Hill provided a brief overview and analysis of the Species at Risk Act [SARA]. This review was completed jointly by Mr. Hill and Mr. Martin. It outlines improvements in the draft legislation over previously proposed legislation and points to the areas where the district should remain concerned as the statute moves through the approval stages. It was noted that this information was intended as

background to discussions with Dr. Martin Raillard on 10 July 2000. It was also noted that "highlighted" copies of the SARA are available to the directors through the office.

11.05 WID News Release

Mr. Wilson noted that the Western Irrigation District has embarked on a campaign to increase the acres served in their district. A number of newspaper articles highlight a proposal to get individuals on the roles at preferred rates and charges as a means of creating increased economic viability of the district.

11.12 Offer to Sponsor Field Trip to All Elementary Schools

It was noted that Mr. Chrumka had suggested the district investigate the possibility to host tours and cover some of the costs for such hosting for all elementary schools in the region. This was seen as a means of ensuring some local knowledge about the value of the irrigation infrastructure. The tours could be scheduled to meet curriculum requirements. It was particularly noted that Bassano Dam could be a focus for such tours as all water in the region is diverted from the river at that point. It was also agreed that the Brooks Aqueduct could be a feature of the tours.

Costs for such a program would include transportation and perhaps ice cream/beverage and/or souvenir. Mr. Wilson noted that with the Board's indicated support he would contact Mr. Bellamy, the Superintendent for the Grasslands Regional School Division with the idea. Program specifics can be created later to meet the needs of the schools in the region.

11.13 Sherraine Schalm Reception

Mr. Wilson reported that the district has received an invitation to attend a "donation" reception and send-off for Sherraine Schalm to assist in her participation in the Sydney Olympics. It was agreed that the district decline the invitation.

11.06 Potential Staffing Changes

Mr. Wilson reviewed with the Board options to meet the district's needs for completing legal surveys, associated drafting and additional back-up support for computer network and internet operations. He indicated that he has reviewed these options with staff to get some consensus on the best way to meet project and work requirements.

The following general directions were discussed:

Task/Completed by	Option 01, Hire ALS, CAD Technician				Option 02, Contract Work				Option 03, Hire Landman			
	ALS	CAD Tech	Carol	Robert	Erwin	Carol	Robert	Consultant	Landman	Carol	Robert	Consultant
Legal Survey Field Work	✓							✓				✓
Calculations	✓	✓						✓				✓
Drafting		✓						✓				✓

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Tuesday, 27 June 2000

Task/Completed by	Option 01, Hire ALS, CAD Technician				Option 02, Contract Work				Option 03, Hire Landman			
	ALS	CAD Tech	Carol	Robert	Erwin	Carol	Robert	Consultant	Landman	Carol	Robert	Consultant
Land Titles Registration	✓	✓						✓				✓
Title Transfers	✓	✓			✓				✓			
Land Agreements	✓	✓	✓			✓			✓			
Check Subdivision Plans	✓						✓		✓			
Oil & Gas Crossing Agreements				✓			✓		✓			
Oil & Gas Back-Up									✓			
District Land Sales & Purchase Agreements	✓?	✓?					✓	✓	✓			
Computer Network Back-Up		✓										
Internet Back-Up		✓										

Mr. Wilson provided a detailed overview of how the various options could be managed in order to complete the required project work.

5.0 Land Administration Report

5.01 Lake Newell Resort

It was noted that representatives from Westbridge Developments Corporation and the district's legal representatives from Miller Thomson and auditor from Bevan, Halbert, Ginet, Ens and Gerrard would be attending the meeting to discuss proposals by Westbridge relative to the Lake Newell Resort.

5.02 Westbridge Development Corp. Presentation, 10:55 AM

The following individuals joined the meeting:

Westbridge Developments Corporation ...

Mr. Deep Shergill

Mr. Jeet Shergill

Mr. Herb Wetteskind

Miller Thomson ...

Mr. John Peters

Mr. Shaun Collins

Bevan, Halbert, Ginet, Ens and Gerrard ...

Mr. Mark Ens

Mr. Deep Shergill provided a detailed overview of his firms relationship with the district and the Lake Newell Resort Project. He also outlined the details of a proposal that Westbridge feels would best

meet its needs, the future success of the development project and provide the best returns to the district. Mr. Shergill's proposal included the following:

- sale of 74 lots in Area 1 at a discounted price [maintaining as much value as possible],
- sale of all or portions of Blocks 2, 3, 5, & 6, and
- EID taking over the Utility Company and the Marina.

Mr. Shergill noted that his proposal looks at attempting to deal with a number of issues critical to Westbridge at the same time. He indicated that it was his opinion that simply letting the foreclosure go ahead would result in a devalued project.

There was discussion of the various aspects of Westbridge's proposal, in particular dealing with the district's view of its access to the Utility Company and the Marina. There was also some discussion of Westbridge's involvement in Area B and the lands held jointly under option by Westbridge and Blaine Homes along a portion of the east shore of Lake Newell.

[12:05 PM, Mrrs. Shergill and Wetteskind exited the meeting. The meeting recessed.]

[1:15 PM, the meeting reconvened.]

The Board discussed the details of the proposal presented by Westbridge Developments Corporation. The district's legal and audit representatives also provided input into the aspects of the various options available to the Board. From the discussion it was clear that the district is not willing to become an investor in the project and that with the pending foreclosure and other legal actions there is no immediate need for the district to take any action.

There was discussion of the most preferable or viable means to secure the Utility Company for the development. It was agreed that even in this instance, there is no need for early action by the district. The district requested Miller Thomson to clarify the ability of the Utility Company to charge "hook-up" fees to the 74 undeveloped lots in Area 1 as well as for future developments in Areas 2, 3, 5 & 6. It was agreed by the Board that no action is required at the present time. It was also agreed that the district advise Westbridge Developments Corporation that it cannot entertain its recent proposal.

[2:00 PM, Mrrs. Hildebrand, Peters, Collins and Ens exited the meeting.]

11.0 General Manager's Report

11.06 Potential Staffing Changes

Mr. Wilson noted that while Option 01 adds two staff members, it provides for the least expensive approach to dealing with legal survey and other requirements. The primary challenge to Option 01 is finding an ALS who is willing to undertake both field and administrative work. If a suitable ALS candidate cannot be found, then the district will have to move with either Option 02 or 03.

It was noted that a search for the ALS will commence in the near future. If a suitable candidate can be found, the district would then begin the search for the CAD Technician.

[2:10 PM, Mr. Meador and Mr. Schoorlemmer joined the meeting.]

6.0 Engineering Report

6.01 19 Bow Slope

Mr. Schoorlemmer provided the following overview of the proposed 19 Bow Slope Rehabilitation Project:

- project includes entire 19 Bow Slope system with the exception of 19-01 Bow Slope,
- includes sub laterals of 19-03, 19-04, 19-05, 19-06, 19-07 and 19-08,
- 19 Bow slope system serves an area south and west of the Bow Slope Canal in the vicinity of Scandia and drains into the Bow River,
- total length proposed for rehabilitation approximates 14 kilometers
- serves 1695 acres, 750 of which are irrigated by gravity surface irrigation, 935 acres via pump and 10 acres of terminable acres by pumping,
- canal severs five ¼ sections,
- control structures are in poor condition, bank width and height are inadequate,
- some areas infested with willows and trees further hampering operation and maintenance of the system,
- control of return flow is difficult and results in excessive erosion,
- some seepage also adversely effects reaches of farm land along the system,
- recommended rehabilitation involve replacing the 19 Bow Slope system with a closed PVC gravity pipeline for the 14 kilometers in length at an estimated cost of \$2,486,000.

076-06-2000 Moved by Mr. Plett that the Board approve the rehabilitation of the 19 Bow Slope system as proposed at an estimated cost of \$2,486,000 under the IRP program. Seconded by Mr. Johnson. CARRIED

6.02 10-10 Rolling Hills

Mr. Schoorlemmer provided the following overview of the proposed 01-10 Rolling Hills Rehabilitation Project:

- project serves 967 acres of predominantly sprinkler irrigated land,
- canal is subject both to erosion and seepage,
- erosion is significant in some areas,
- system also suffers from inability to deliver water to all assessed acres in a timely manner,
- a gravity surface irrigation to pivot conversion will effect the design and cost of the system,
- the proposed rehabilitation involves installation of a gravity closed PVC pipeline at an estimated cost of \$466,000

There was discussion regarding the implications of the proposed conversion of assessed lands from gravity surface irrigation to pivot. It was unclear as to whether or not the district's policies for cost-sharing of savings in a rehabilitation project. It was suggested that the maximum cost-sharing that could be payable to the land owner is \$15,000 under the district's policy, but that not proceeding with the conversion would add additional cost to the project. It was agreed that the policy and circumstances of this aspect of the project be clarified with the land owner.

077-06-2000 Moved by Mr. Nielsen that the Board approve the rehabilitation of the 01-10 Rolling Hills system as proposed at an estimated cost of \$446,000. Seconded by Mr. Johnson. CARRIED

6.04 Water Supply Pipeline, Rolling Hills Grazing Association Lease

Mr. Schoorlemmer provided a brief update of the status of construction on the stock watering pipeline serving lands in the Rolling Hills Grazing Association lease. He noted that a number of pipeline crossings still need to be completed, but that project construction had proceeded well and the overall project should be under budget.

6.03 AG North Bantry Pipeline

It was noted that some concerns have been expressed regarding the design capacity of the above noted project. There have been incidents where the volume of water available from the pipeline to meet the needs of the users appears to be limited. It was noted in discussion that while the pipeline is correctly sized for the assessed acres, most of the irrigable parcels are small in size and the volume of concurrent users does have an effect on the volumes that can be delivered through each turnout. It was also noted that much of the land serviced by the pipeline is irrigated by gravity surface methods and some lands are being irrigated that are not on the assessment roll of the district.

It was noted that the district may need to improve communication and/or training of the users of similar facilities as a means of promoting more realistic expectations. It was also noted that future pipeline projects where many small sized parcels are being served be closely evaluated to determine design parameters. It was also agreed that those along the pipeline who are using water on lands not assessed by encouraged to make application to have those irrigation acres added.

7.0 Operations Report

7.01 Canal Flow Records

The Board reviewed the diversion data of the district. It was noted that almost 1 acre foot per acre has been delivered to farms to this point in the season. There is a high level of difference in the amounts delivered based on regional location in the district. Even with the prevailing dry conditions and slow upstream snow melt, there does not appear to be a significant risk of water shortages for the balance of the diversion period.

7.02 Reservoir Status

The Board also reviewed the status of reservoir storage, draw-down and refilling. All reservoirs are at acceptable operating levels, with almost 90% of Firm Live Storage currently available. Snake Lake has assisted in meeting the demand on the lower Springhill Canal system in a significant manner and is currently being refilled.

7.03 Farm Improvement Projects

Mr. Meador reviewed the following proposed Farm Improvement Projects:

- **N ½ 16-18-16 W4M, Dwight & Cheryl Pierson**
 - gravity to pivot conversion
 - proposed pivot area 130.2 acres, flood area 30 acres for a total area of 160 acres
 - current assessment is 149 acres, moves 47.8 acres under proposed pivot, with remaining 30 acre field to be irrigated by gravity
 - net increase in acres is 11 acres
 - *recommendation, move acres under pivot, move pumpsite, pay Capital Assets Charge on 11 acres*
 - *proposed cost-sharing is nil, EID installs the pipeline riser*
- **SW ¼ 23-16-16 W4M, Gerrit Beekman**
 - wheels to pivot conversion
 - proposed pivot area 131 acres
 - current assessment 139 acres
 - current assessment under proposed pivot 121 acres
 - moving all assessed acres under the pivot leaves net decrease in acres of 8 acres
 - currently not pumping from legal point of delivery
 - water savings only available if pump location is changed
 - *recommendation, should not be considered unless irrigator moves to legal delivery point which is not expected to take place*
- **SW ¼ 22-18-16 W4M, Reimer & McKellar**
 - flood and wheels to pivot conversion
 - proposed pivot area 131 acres
 - current assessment 136 acres
 - current assessment under proposed pivot 120.5 acres
 - move balance of acres under pivot with net reduction of 5 acres
 - *recommendation, approve inclusion in Farm Improvement Program, flood conversion at \$2,850, wheels conversion at \$1,550 minus \$200/acre for 6 acres outside of pivot*
 - *proposed cost-sharing is \$3,200*

078-06-2000 Moved by Mr. Henrickson that the Board approve the Farm Improvement Projects as recommended. Seconded by Mr. Chrumka. CARRIED

7.04 Vandalism

It was noted that three of the district's water control facilities have been subject to vandalism in recent weeks. One incident appears to have been of the "party crowd" variety with little potential for impact on district operations.

The other two appear to have been done by individuals who "know" what they are doing. At the Rolling Hills Canal Headgates an attempt was made to open the gates using equipment available at the site. The equipment ran out of gas and while additional water was diverted into the Rolling Hills Canal there was little damage.

The most recent incident saw individuals break into the control building for the Kitsim Reservoir outlet where gates were opened wide. This event had the potential for serious damage to private property and canal and transportation infrastructure. Automation equipment downstream from Kitsim picked up the surge in the flow and began diverting as much as possible into Lake Newell via the Bow Slope Spillway. Field staff noticed the additional flow late in the evening and moved to reduce the flow from Kitsim Reservoir. Little damage actually took place even though canals and road

crossings were passing flows in excess of design capacity.

The RCMP have been advised of all incidents. Of particular concern is the potential for wide spread damage to private land and the canal infrastructure. Methods to respond to the vandalism were discussed. It was agreed that the local newspapers be used to increase awareness in the community. By advising irrigators and others of recent events, the number of people paying attention to vehicles and people along the canal network should work to reduce future occurrences.

[3:25 PM, Mr. Meador and Mr. Schoorlemmer exited the meeting. Mr. Matoba joined the meeting.]

8.0 Land Administration Report [Part 2]

8.01 Oasis Signage Request

Mr. Matoba provided an overview of a request to erect signage on district owned lands by Mr. Rick Baxter of Gorrick Financial Services Ltd. operating as Prairie Oasis. It was noted that the application meets the Board's policy. A fee of \$100 for 5 years applies to an approval.

079-06-2000 Moved by Mr. Johnson that the Board approve the signage request of Mr. Baxter in keeping with the Board's policy for the same. Seconded by Mr. Plett.
CARRIED

8.02 Brooks Moto Cross Lease

Mr. Matoba presented the Board with a lease renewal request by the Brooks Moto Cross Club. The lease has been limited to renewal terms of 2 years. The club is requesting a 5 years lease as it wishes to fund some improvements to the facility. It was generally acknowledged that the presence of this facility has reduced the impact of unauthorized motorcycle access to other district owned lands.

The consensus of discussion was that the district would encourage the improvements but does not wish to extend the lease renewal term from 2 to 5 years. It was also acknowledged that the club could be informed that the district does not have an intent to not renew the lease after the expiration of the current renewal.

080-06-2000 Moved by Mr. Chrumka that the Board approve the renewal of the lease to the Brooks Moto Cross Club for a 2 year renewal period. Seconded by Mr. Henrickson.

CARRIED

8.03 Sound Vibrations Lease

It was noted that the lease with Mr. Steve Norris of Sound Vibrations is up for renewal. The lease has been maintained in a professional manner and was recommended for renewal.

081-06-2000 Moved by Mr. Chrumka that the Board renew the lease with Mr. Steven Norris of Sound Vibrations for a one year term. Seconded by Mr. Henrickson.

CARRIED

8.04 Modern Auto Property Lease Options Update

A brief report of the status of interest in leasing the former Modern Auto Property was presented. It was noted that those who have in the past expressed some interest have not confirmed their intentions. The property has been signed as being available and those who have expressed some interest are being questioned as to their intentions.

[3:45 PM, the meeting recessed.]

[3:55 PM, the meeting reconvened. Mr. Schroeder joined the meeting.]

9.0 C.A.R.P. Report

Mr. Schroeder reported on the following items relative to C.A.R.P. operations:

- production and inventory were reviewed,
- sales and deliveries of fish were discussed,
- sales lagging behind forecast,
- fish have been set aside for "in canal" research project,
- discussion of marketing efforts, success and options, and
- discussion of topics and agenda items for forthcoming meeting with the LCC.

It was noted that the members of the district's C.A.R.P. Committee should meet at 9 AM on 29 June 2000 prior to the meeting with the LCC.

[4:20 PM, Mr. Schroeder exited the meeting.]

11.0 General Manager's Report

11.10 Upcoming Events

The upcoming list of events was reviewed:

- C.A.R.P. Committee Meeting, 29 June 2000 @ 10 AM, EID Boardroom [Committee Members],
- Species at Risk Legislation Meeting, 10 July 2000 @ 2 PM, EID Boardroom [All Board],
- Potato Growers Grand Opening, 19 July 2000 @ 11:30 AM [To be Determined],
- July Board Meeting, 25 July 2000 @ 9 AM, EID Boardroom [All Board], and
- Irrigation Council Tour, 27 July 2000 @ 9 AM, start at EID Office [All Board].

[4:25 PM, Mr. Hale joined the meeting.]

10.0 Grazing Report

10.01 G.A.C. Tour with Board of Directors

There was discussion about the merits of a grazing lease tour of the Board as well as representatives of each of the Grazing Associations. Should the dry conditions continue there may be need to adjust stocking rates, move cattle or remove some livestock from the lease. There was discussion of the current lease conditions throughout the EID's native and improved pastures.

Reference to previous dry years was also made.

It was agreed that having the input of all involved should result in the best contingency plans. It was agreed that the tour be held on 20 July 2000 [prior to the July Board Meeting]. An early departure time of 7 AM at the district's Brooks office was discussed.

10.02 Tour of Pasture Lands in Montana

It was also noted that the Board and members of the Grazing Advisory Committee could tour some range improvement projects in Montana. This tour was planned earlier and needed to be rescheduled. The date proposed for the tour was agreed upon as of the 18 July 2000, with a 7 AM departure time.

[5:05 PM, Mr. Hale exited the meeting.]

11.0 General Manager's Report

11.01 Letter from Bertha Farms

Mr. Wilson provided an update on the discussions between the district and the County of Newell regarding sale of a portion of CPR right-of-way between Bertha Farms Ltd. and the McMahons and Musgroves. While the district had indicated it would be willing to consider purchasing the right-of-way, commitments had already been made between the County and the McMahons and Musgroves.

It appears that the County has made some provisions to deal with the concerns expressed by Bertha Farms. The letter from Bertha Farms Ltd. was provided to the district as information only.

11.02 Request to Host Canadian Farm Writers Federation Tour and Luncheon

Mr. Hill provided an update on a proposed tour of southern Alberta by members of the Canadian Farm Writers Federation. The tour will be held in three locations in southern Alberta in late September. One of the tours will be looking at the connections between intensive agriculture and environment and will spend much of time in the EID region. The district has been asked if it would consider providing a presentation during the tour, providing assistance with some publications and hosting a luncheon for the tour.

082-06-2000 Moved by Mr. Chrumka that the Board agree to cover the costs for a luncheon for the tour by the Canadian Farm Writers Federation and also participate in the presentations. Seconded by Mr. Livingston. CARRIED

11.04 Fording Coal Update

Mr. Wilson provided an update on the recent discussions between the district and Fording Coal regarding their plans to open a coal mine in support of electric generation. Fording is presently attempting to conduct a field investigation program to determine the extent and depth of their coal resources in the area. Much of the early stages of development is seen as taking place on district owned lands.

It was noted that Fording has proposed a schedule of fees payable to land owners for their

exploration drilling activities. The schedule proposed by Fording is \$300 per ¼ section and an additional \$100 per drill hole. There was discussion about the traffic and timing of the exploration and comparisons to ongoing seismic activity and its compensation for access. The Board agreed that the schedule of fees proposed by Fording was not sufficient.

083-06-2000 Moved by Mr Livingston that the Board authorize the exploration on its lands by Fording Coal on the basis of \$1000 per ¼ section and \$300 per drilled hole. Seconded by Mr. Henrickson. CARRIED

- 11.07 Bow River Basin Council, Update, Pending Election of Directors and Officers**
11.08 Year 2000 and Bow River Basin Plan, Public Consultation Program, Review and Update

Due to a shortage in time these items were deferred to the next meeting of the Board. Background information had been previously provided to the directors.

11.09 CWRA Conference

Mr. Wilson reported on the recent conference of the Canadian Water Resource Association held in Saskatoon, Saskatchewan. He indicated the conference was well attended and provided a forum for researchers and academics to meet and discuss issues with those directly involved in water management. Overall he indicated his impressions of the conference were favourable.

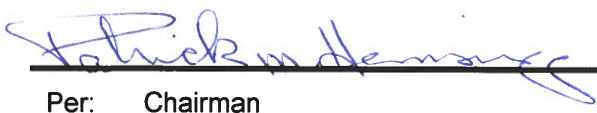
He also indicated that some presentations have a tendency to make significant claims based on "sketchy" data. A paper regarding irrigation fell into this category and the presenter was challenged to support his conclusions. Attendance at these conferences does require active participation in support of water management and irrigation.

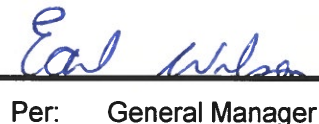
Mr. Wilson also noted that those presenters who may fall into the "environmental activist" category also appear to have much greater access to the media. As expected, the "good news" presentations are not well reported – only those that generate some controversy. As such, the water management industry, irrigation districts included, needs to be vigilant in challenging the assumptions and conclusions of some presentations.

11.11 Maintenance Evaluation Report

Mr. Wilson noted that he had recently received the annual ICW Maintenance Evaluation Report. He indicated that overall the district's rehabilitated works are in good repair with few problems identified. Those areas where problems have been indicated are generally due to weed or vegetation growth. In one instance concern over a lined canal has been expressed. Mr. Wilson noted that he would be responding in writing to the report. It was agreed that some of these areas might be included on the upcoming tour with the Irrigation Council. In some cases, some remedial work might also be required.

The meeting was adjourned on a motion by Mr. Nielsen at 5:20 PM.


Per: Chairman


Per: General Manager

Regular Meeting - Board of Directors - Eastern Irrigation District
Tuesday, 25 July 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 25 July 2000. Those in attendance were:

Pat Hemsing	Chair	
Bob Chrumka	Vice-Chair	
Allan Nielsen	Director	
Don Plett	Director	
Neil Johnson	Director	[9:10 AM]
Tom Livingston	Director	
Clint Henrickson	Director	
Earl Wilson	General Manager	
David Hill	Resource Policy and Planning	

The meeting was called to order at 9:05 AM.

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Regular Meeting - Board of Directors - Eastern Irrigation District
Tuesday, 25 July 2000

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1.0 Adoption of Agenda

The following items were agreed to be added to the agenda for discussion:

- Item 4.03, Financial EIDNet Subscription costs for district employees.
- Item 8.0, Grazing A delegation from the Rosemary Grazing Association is expected to attend.
- Item 8.02, Grazing The Irwin's are interested in a possible land/lease trade due to land trade between EID and Dinosaur Park, they are concerned about losing access to water, etc.
- Item 8.03, Grazing Discussion of a Fire Ban
- Item 9.08, GM's Report Update on Bow River Basin Council
- Item 9.10, GM's Report Update on Trout Unlimited News Release, Coverage, etc.

084-07-2000 Moved by Mr. Nielsen that the Board adopt the agenda as added to. Seconded by Mr. Plett. CARRIED

2.0 Approval of Minutes, 27 June 2000 Meeting

The following corrections were made to the minutes of the 27 June 2000 Meeting:

- Item 6.02 system also suffers from inability to deliver water to all assessed acres in a timely manner, and
- Item 11.11 ... are generally due to weekd and vegetation growth, ...

085-07-2000 Moved by Mr. Henrickson that the Board adopt the minutes of the 27 June 2000 Meeting as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business From Minutes, 27 June 2000

It was noted that some follow-up as to the disposition of insurance coverage for solar panels was yet required. It was noted that the additional information would be available as part of the Financial Report.

[09:15 AM, Mr. Bischoff joined the meeting.]

4.0 Financial Report

4.01 Financial Statement, Period Ending 30 June 2000

Mr. Bischoff provided an overview of the district's financial statements for the period ending 30 June 2000. In discussion of the statements the following items were highlighted:

- discussion of the elements comprising the "Miscellaneous" code under Administration,
- discussion of costs associated with weed control [dragging of canals] under Operations,
- discussion of irrigated lease expenses [district pre-payment of taxes prior to lease payments by lessees] under Grazing,

[09:35 AM, Mr. Hildebrand joined the meeting.]

- discussion of the outstanding proposal to trade/buy land with the Bow City Hutterian Brethren, more follow-up required,
- discussion of status of Grass Carp Canal Research Project, not yet underway due to non-arrival of electrical barrier, and
- discussion of EIDNet and ongoing initiatives.

086-07-2000 Moved by Mr. Henrickson that the Board accept the Financial Statements for the period ending 30 June 2000. Seconded by Mr. Johnson. CARRIED

4.03 EIDNet, Employee Subscription Rates

There was brief discussion surrounding the rates for Internet access charged to employees. It was noted that at the time the district began paying a \$10 per month fee for water users, the district's employees began to pay the same amount for their access.

4.02 Investment Report

Mr. Hildebrand provided an overview of the performance and status of the district's long-term investments. It was noted that the Ontario Hydro Strip Coupons [purchased June 1995] mature as of 08 August 2000. There was discussion of the best approach to investment of these funds. It was noted that they are not likely to be required to support current fiscal year rehabilitation. The Board discussed options to consider short-term [30 day] investments, 12 month investments or purchase of subordinated debentures from Alberta Energy. Various interest rates were discussed. At present the most flexible option appears to be a short-term investment while other opportunities are searched for and evaluated.

In other general discussion, it was noted that the district has not included solar panels in its insured equipment. The premiums combined with the deductible make them infeasible to insure in a cost-effective manner.

[10:05 AM, Mr. Bischoff and Mr. Hildebrand exited the meeting. The meeting recessed.]

[10:20 AM, Mr. Schoorlemmer and Mr. Meador joined the meeting. The meeting reconvened.]

5.0 Engineering Report

5.01 7-01 Bow Slope Rehabilitation

Mr. Schoorlemmer provided the following overview of the 7-01 Bow Slope Rehabilitation Project:

- project involves rehabilitation of the upper reach of the 7-01 Bow Slope system,
- proposed rehabilitation considers installation of 36" and 24" PVC pipe,
- project serves approximately 1,026 assessed acres [at present 721 acres by surface irrigation, 335 acres by sprinkler],
- estimated project cost is \$600,000,
- project to be funded under the EID Capital Program,
- problems with the existing installation include seepage, capacity, condition of banks and structures,
- design allows for a cost-savings through conversion of some surface irrigation to pivot sprinkler] amounting to an overall savings of \$45,000, which shared under the district's

Infrastructure Water Delivery Cost-Share Policy of \$11,250 for each of two irrigators.

087-07-2000 Moved by Mr. Nielsen that the Board approve the 7-01 Bow Slope Canal Rehabilitation Project at an estimated cost of \$600,000, including the Infrastructure Water Delivery Cost-Sharing as outlined, funded from the EID Capital Works Program. Seconded by Mr. Johnson. CARRIED

There was some discussion by the Board about the relationship or limits to using the Infrastructure Water Delivery Cost-Sharing Program with the district's Farm Improvement Program. It was noted that the district's practice in discussion with landowners has, to date, been on an "either/or" basis. It was also noted that situations may arise where it is in the district's interest to authorize both programs or to add to them by special authorization where situations merit.

It was also noted that there may be some merit in looking into serving the NW ¼ 35-16-16 W4M, Mr. Rosen, through a small pipeline extension to replace the existing self-leveling canal.

5.02 7-01 Secondary A Rolling Hills Rehabilitation

Mr. Schoorlemmer provided the following overview of the 7-01 Secondary A rolling Hills Rehabilitation Project:

- project involves rehabilitation of close to 3 kilometers of canal,
- proposed rehabilitation is comprised of gravel armour on polyethylene liner,
- new checks and turnout structures to be installed,
- serves 1,030 assessed acres, of which 124 are surface irrigated,
- estimated project cost is \$430,000,
- project to be funded under EID Capital Program, and
- problems with existing installation include seepage, poor canal banks and structures.

088-07-2000 Moved by Mr. Plett that the Board approve the 7-01 Secondary A Rolling Hills Rehabilitation Project at an estimated cost of \$430,000 as outlined, funded from the EID Capital Works Program. Seconded by Mr. Johnson. CARRIED

5.03 Rolling Hills Canal Rehabilitation [01-1205]

Mr. Schoorlemmer provided the following overview of the Rolling Hills Canal Rehabilitation Project:

- project involves rehabilitation of 14 kilometers of the Rolling Hills Main Canal,
- Main Canal serves in total approximately 30,000 acres,
- proposed rehabilitation considers lining and armoring in existing location, with the exception of two small relocations,
- structures will be replaced, with one structure modified and one structure removed,
- estimated project cost is \$5,160,000,
- project to be funded under the EID Capital Program, and
- problems with existing facility include seepage, capacity and water control structures.

In discussion of the project the following matters were also discussed:

- the project will allow the construction of some strategically placed large dugouts on district

owned lands adjacent to the canal which can be used for over-winter water supply sources for some industrial and other water uses,

- low-tech versions of automation such as exist in other locations will be installed to assist in operation of the system and more timely management of water supplies,
- the potential replacement of a bridge at the beginning of the project area on Highway 530 was noted as needing to be replaced [not specifically for the rehabilitation, but for road improvements] and it was agreed to correspond with the County and support requests to Infrastructure to rebuild this bridge in concert with the canal rehabilitation,
- the relocations may involve some discussions between lessees of the district in order to reach agreement on disposition of lease lands, etc.,
- the first relocation results in some loss of lease land by Lester and some increase in lands available to Sigurdson, the acres are small and this should not prove to be a problem,
- the second relocation results in more substantial changes to the lands available to current lessees, the district is encouraging discussions between the lessees, Gutfriend and Cordes, to arrive at agreed upon changes to lease boundaries that will be required by the relocation.

089-07-2000 Moved by Mr. Nielsen that the Board approve the Rolling Hills Canal Rehabilitation Project at an estimated cost of \$5,160,000 as outlined, funded from the EID Capital Works Program. Seconded by Mr. Livingston. CARRIED

5.04 19 Bow Slope Infrastructure Savings

Mr. Schoorlemmer reported that this project was presented to the Board at the June Board Meeting. While there have been some discussions with land owners regarding new options for infrastructure cost savings, these discussions have been concluded in a manner that does not require the project approval to be revisited.

5.07 East Bantry Pump System [01-1201]

Mr. Schoorlemmer provided an update on various options being considered as part of the East Bantry Pump System Rehabilitation. The project will be presented to the Board as part of the August meeting. It was noted that the Board's earlier instructions to include a dry parcel of land with suitable soils [SE ¼ 15-16-13 W4M] into the design of the project has made possible a number of alternatives for discussion.

The alternatives moving the turnout for the E ½ 15-16-13 W4M upstream to the ¼ line at a savings of approximately \$20,000 or moving west an additional half-mile with savings of about \$90,000. There was also discussion of the use of "remote delivery agreements" and other agreements to allow for the infrastructure cost savings. It was also noted that the Board's existing policy to share cost-savings on infrastructure may not be sufficient in some instances and it was noted that those cases would be presented on the basis of their merits to any project.

5.05 Irrigation Council Tour and Meeting

Mr. Schoorlemmer provided the Board with an overview of the locations for the upcoming Irrigation Council Tour scheduled for 27 July 2000. The tour will highlight C Springhill Canal Rehabilitation, the Lakeside Effluent Pivot Project [EID Lands], the Lower Bow Slope Rehabilitation, the proposed rehabilitation for the 19 Bow Slope system and the options available for irrigation expansion associated with improvements to the Rolling Hills Reservoir.

It was noted that the meeting portion will include discussion of the Irrigation Infrastructure Management System [IMS], Expansion Plans, Water Measurement and the Year 2000 Review.

It was noted that Mr. Livingston, Mr. Johnson and Mr. Plett would not be available for the tour. Mr. Les Lyster, an Assistant Deputy Minister with Agriculture, Food and Rural Development will be attending.

5.06 Maintenance Condition Evaluation Report, EID Response

Mr. Wilson reviewed with the Board his proposed response to the Maintenance Condition Evaluation Report 1999 prepared by the Irrigation Council. The district's responses were confirmed as information items.

6.0 Operations Report

6.01 Canal and Reservoir Status Reports

Mr. Wilson provided an overview of water delivery statistics for the current period and year-to-date. It was noted that the district would be making use of its Temporary Authority for diversion volume as well as diversion rate. Reservoirs are in good condition for the time of year and lack of rainfall. There was some discussion of the level of coordination that is taking place between the districts on the Bow River, Trans Alta Utilities Corporation and Alberta Environment. No water shortages are foreseen at the present time. The district will need to consider fall irrigation options later in the year.

6.02 Farm Improvement Projects

Mr. Meador presented the following Farm Improvement Projects:

E ½ 16-14-13 W4M Joe & Gertrude Albers

090-07-2000 Moved by Mr. Johnson that the Board approve the Farm Improvement Project as follows:

NE ¼ 16-14-13 W4M	Already Pivot
SE ¼ 16-14-13 W4M	Convert Wheels to Pivot
Base Allowance	\$2500
Minus 9 Ac @ \$200/Ac	\$1800 [Assessed Acres Outside of Pivot Area]
Total Cost-Share Payment	\$700
Seconded by Mr. Chrumka.	

CARRIED

NW ¼ 21-14-13 W4M Joe & Gertrude Albers

091-07-2000 Moved by Mr. Johnson that the Board approve the Farm Improvement Project as follows:

NW ¼ 21-14-13 W4M	Convert Wheels to Pivot
Base Allowance	\$2500
Minus 5 Ac @ \$100/Ac	\$500 [Capital Assets Charge for Additional 5 Ac]
Total Cost-Share Payment	\$2000
Seconded by Mr. Henrickson.	

CARRIED

[The meeting recessed at 11:40 AM. Mr. Schoorlemmer and Mr. Meador exited the meeting.]
[The meeting reconvened at 12:55 PM. Mr. Matoba joined the meeting.]

7.0 Land Administration Report

7.01 Brooks and District Fish & Game Association [Rifle Club] Lease

Mr. Matoba provided an overview of the proposed renewal of the lease for the Rifle Club. The renewal is proposed for two years at the rate of \$100 per year plus taxes. The location of the lands contained in the lease are in the S ½ 17-18-14 W4M.

092-07-2000 Moved by Mr. Johnson that the Board approve the renewal of the Brooks and District Fish & Game Association [Rifle Club] lease for a two year period at the rate of \$100 per year plus taxes. Seconded by Mr. Henrickson. CARRIED

7.02 Jenny Tryhorn Lease

Mr. Matoba provided a brief overview of a lease renewal between the District and Jenny Tryhorn [BrooksTrees Urban Garden], located in part of the NW ¼ 13-20-13 W4M. There was discussion of the actual use of the property and the commercial activity versus the lease fee that has been proposed. It was agreed that while an agreement to allow the activity to take place should be entered into, there is no need to attach an annual lease fee to the activity.

093-07-2000 Moved by Mr. Livingston that the Board approve the lease of a portion of the NW ¼ 13-20-13 W4M to Mrs. Jenny Tryhorn for a five year term, with an agreement specifying and authorizing the use but with no annual fee. Seconded by Mr. Johnson. CARRIED

[1:05 PM, Mr. Matoba exited the meeting. Mr. Hale and Mr. Gerald Retzlaff entered the meeting.]

8.0 Grazing Report

8.01 Follow-Up to Tour of Lease Areas

Mr. Retzlaff, representing the Rosemary Grazing Association, was introduced to those in attendance at the meeting. The discussion dealt with the recent tour of District staff, directors and representatives of the Grazing Advisory Committee to view the overall condition of native and improved pastures.

It was noted in discussion, that while the District has not made a final decision, the consensus of those on the tour was that the range would be best preserved if all cattle were removed from the lease areas as of the 15 September 2000. Mr. Retzlaff noted that the Association he represents are concerned about the pending decision to remove cattle from the leases prior to the end of season. He indicated that in the lands that are used by their Association there will be some fields of grass that are not used during this grazing period.

In discussion of the tour it was noted that approximately 70% of the Grazing Advisory Committee members indicated that a 15 September 2000 pullout should be initiated. While the lease conditions varies by region, it was agreed, the overall lack of moisture and new growth during the 2000 grazing

period requires early attention in preparation for the 2001 grazing period. There was discussion of the improvements that have been installed to get water into various leases to improve the use of grass, as well as the various management methods being used by the Community Grazing Associations. It was also acknowledged that more effort may need to be made to distribute cattle from leases throughout the lands made available by the EID.

It was also noted that similar discussions took place in the fall of 1999, when abundant rainfall had assisted grass growth and some associations expressed an interest to extend the grazing period into November. Much of the grass available in 2000 was carry-over from 1999 and may not have been available if the grazing period had been extended the previous year. The same premise holds true for present lease conditions, an early removal will leave some carry-over that may be significant in terms of 2001 grazing opportunities.

[1:40 PM, Mr. Retzlaff exited the meeting.]

It was noted that some areas of the EID lease lands might benefit from an earlier cattle removal than the 15 September 2000. This is the case for the areas used by the Rolling Hills Grazing Association. It was also noted that a shorter grazing period will result in reduced revenue to the district from its grazing operations.

094-07-2000 Moved by Mr. Henrickson that the district advise all Community Grazing Associations that cattle must be removed from all lease areas no later than the 15 September 2000 and that billings for use of the grass will be adjusted accordingly. Seconded by Mr. Livingston. CARRIED

There was additional discussion of the recent tour to Montana to view alternative methods for pasture renovation. It was agreed that the methods attempted may have some direct application to re-grass areas in the District that are not producing much grass.

095-07-2000 Moved by Mr. Livingston that the district, in consultation with the Community Grazing Associations, select 5 plots of up to 100 acres each to test and research the effectiveness of the pasture renovation methods observed in Montana. Seconded by Mr. Henrickson. CARRIED

The Board also discussed other measures to reclaim or improve re-grass fields that are not producing. It was noted that comparing breaking and farming, with seeded-in grass and a control field would provide a good test for the effectiveness of various options to improve tame pastures.

096-07-2000 Moved by Mr. Nielsen that the district select a suitably sized parcel of land to test the effectiveness of breaking and farming versus seeded-in grass with a control field as a means of determining the best method for tame pasture improvement. Seconded by Mr. Chrumka. CARRIED

Mr. Hale was encouraged to contact the Grazing Associations in regards to these research initiatives and keep them aware of progress. It was also noted that some discussion with Lakeside may provide a means to test effectiveness of manure applications as well.

8.04 Cattle Loss, Patricia Grazing Association

Mr. Hale noted that 5 cattle had been lost in the Patricia Grazing Association due to emphysema from going from dry grass to green grass. Four of the cattle lost were owned by a single lease patron, Mr. John Genovese.

It was noted that the district is not responsible for losses of this type. Mr. Hale advised that he had talked about the situation with the Patricia Grazing Association and encouraged them to look into what they might be able to do by means of compensation. Reference was made to funds paid to the association from oil and gas disturbance in the area perhaps being used.

8.02 Todd Irwin, Lease Trade

There was brief discussion of a proposed lease trade between the district and Mr. Irwin. The issue appears to be in response to the pending land trade between the district and Alberta and lands at the Scandia Ranch and in proximity to Dinosaur Provincial Park. Mr. Irwin has indicated that with the proposed trade he may be cut-off from water supplies. It was noted that more information is required before it can be dealt with. Mr. Hale noted that he would confer with others in the EID regarding the land trade with Alberta and any other information regarding Mr. Irwin's request.

8.03 Fire Ban

It was agreed that with the prevailing dry conditions and the recent fire ban announced by the County of Newell, No. 4 that the district also place fire ban signs at all of its designated camp sites.

8.05 Billing Issue, Patricia Grazing Association [Oil & Gas Operations]

Mr. Hale noted that he had recently received a billing from the Patricia Grazing Association via Mr. Grant Musgrove for fees that they would like collect in reference to gates being left open and cattle having to be moved, etc. It was noted that the details of the invoice are unclear, as are the rates that have been proposed. Mr. Hale was requested to review the matter with the Patricia Grazing Association and present more information at the next meeting of the Board.

The discussion also noted the increase in conflicts between grazing operations and oil and gas activities during the year. The level of activity is one source of the problem, as are concerns that not all companies are completing their work to the standards required by the district. This is particularly the case with some Texas Gates and fencing projects. It was agreed that the district increase their representation of these concerns with oil and gas operators.

[2:30 PM, Mr. Hale exited the meeting.]

9.0 General Manager's Report

9.01 Fording Coal Test Hole Program

Mr. Wilson provided a brief update of a counter-offer made to the district by Fording Coal for access fees for their exploratory drilling program. It was noted that the drilling had already commenced. The board agreed to decline the counter-offer in favour of the price structure previously approved.

9.02 PC Convention

It was noted that the PC Convention is scheduled for Calgary, Alberta on October 27, 28 & 29, 2000. It was agreed that the district register four delegates to attend the convention. Those tentatively agreeing to attend include Mr. Hemsing, Mr. Chrumka, Mr. Johnson and Mr. Livingston.

It was also noted that the Harvest Gala has been scheduled for 13 October 2000. The Board agreed that the district book a table of eight for the function.

9.03 Hydro Electric Pricing

Mr. Wilson reviewed with the Board information provided the district by Irrican Power Cooperative relative to power sales during the 2000 generation period. It was noted that the high level of demand for water coupled with the dry weather has produced significant economic returns during the period.

It was also agreed that the district schedule activities to renew the economic evaluation of power production activities at EID facilities.

9.04 Westbridge Developments Corporation, Foreclosure Update

It was noted that no significant change in information or status has taken place since the last meeting.

9.05 Blain Homes & Holdings Ltd. Option, Update

Mr. Wilson reported that the district is awaiting some further clarification of the status between Westbridge Developments Corp. and Blain Homes & Holdings Ltd. regarding the exercise of the Option Agreement for lands in Area D. Some additional clarification is expected in mid-August. In the interim, the district has been preparing information to assist in defining the lands that should be retained from the option lands as right-of-way for Lake Newell.

9.06 Draft AIPA Presentation to Standing Policy Committee

Mr. Wilson provided an overview of the draft presentation that will be made by the AIPA to the Standing Policy Committee on Agriculture. The purpose of the presentation is to encourage an increase in the total funding provided for irrigation rehabilitation. Some of the details of the presentation were highlighted. It was also noted that the date for the meeting has been moved to September.

9.07 Upcoming Events

The following upcoming events were noted:

- 27 July 2000 Irrigation Council Tour & Meeting, 8:30 AM
- 29 August 2000 Board Meeting, 9:00 AM

[3:15 PM, the meeting recessed.]

[3:25 PM, the meeting reconvened.]

9.08 Trout Unlimited Follow-Up

Mr. Wilson provided an update on the recent press coverage initiated by Trout Unlimited regarding low flows and an alleged fish kill on the Bow River below the Bassano Dam. It was noted that the new release issued by Trout Unlimited was based on forecasted flows and not on actual flows. The actual flows were never reduced to the levels included in the news release.

There was discussion of the impacts of such news releases and the cooperative efforts that are in place between the districts on the Bow River, Trans Alta Utilities Corporation and Alberta Environment. It was also noted that this matter could be the subject of conversation with Environment officials during the upcoming Irrigation Council Tour.

9.09 Disposition of Irrigated Farm Leases – Policy Directions

It was agreed to leave this subject to discussion at a later meeting.

9.10 Staff Changes/Update

Mr. Wilson noted that one of the district's Water District Supervisors is resigning his position. The district will create some temporary cover for the much of the balance of the season.

9.11 EID Land Improvements, Lakeside Pivots

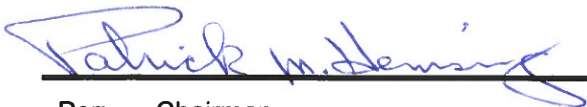
There was discussion as to the best means to improve the EID lands under the Lakeside Pivots following silage operations. It was agreed to proceed as soon as possible with farming and floating and seeding of a fall crop or being ready to seed in early spring 2001.

It was also noted that Lakeside may not yet have secured as much land as they need for the effluent irrigation project. More information may be available at a later date.

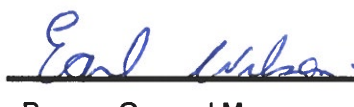
9.12 Dryland Paddling Brochure

Mr. Livingston noted that he had become aware of a brochure that encourages the use of district facilities for recreation purposes. He indicated that he was concerned that the information included be consistent with the district's land access policies. It was noted the district would review the document and provide an update at the next meeting of the Board.

The meeting was adjourned on a motion by Mr. Henrickson at 3:35 PM.



Per: Chairman



Per: General Manager

Special Meeting - Board of Directors - Eastern Irrigation District
Monday, 14 August 2000

The Special Meeting of the Board of Directors of the Eastern Irrigation District was held on Monday, 14 August 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy and Planning

The meeting was called to order at 1:35 PM.

1.0	Overview, Blain Homes and Holdings Ltd. and Mr. Dale Redelback	1
	2:00 PM, Mr. Ken Lutes	2
	2:30 PM, Mr. Dennis Blain [Blain Homes & Holdings Ltd.], Mr. Phil Archer [Associate of Mr. Blain]	2
	097-08-2000	3

1.0 Overview, Blain Homes and Holdings Ltd. and Mr. Dale Redelback

Mr. Wilson provided an overview of recent happenings regarding lands along the east side of Lake Newell known as the lands in Area D. These are the lands that are subject to an Option Agreement between the district and Blain Homes and Holdings Ltd. and Westbridge Developments Corporation.

A couple of weeks ago surveyors from Global Surveys Corporation attended to the site to complete surveys on behalf of Blain Homes and Holdings Ltd. It was noted that they were denied access to the property by Mr. Redelback. While the RCMP attended, Mr. Redelback produced copies of payments for the lease and permit. As there was no way to clarify the documents on-site, the surveyors left the area.

The district had previously [as of October 31, 1998] cancelled the Annual Permit to Mr. Redelback for a portion of the W ½ 32 & SE ¼ 31-17-14 W4M [approximately 91 Acres]. It appears that the district accepted payment for the cancelled permit lands for each of 1999 and 2000 along with the payment for the Redelback's lease agreement. The lease agreement comes to an end next year.

There was general discussion regarding the status of the cancelled permit in light of the district inadvertently accepting payment for it. It was noted that in any case the terms and conditions of the permit do not allow Mr. Redelback to deny access to those approved for access by the district. In addition, the permit, if still valid would come to an end as of 31 October 2000.

There was some discussion of the administration of lease documents and payments. It was noted this matter will need some additional review to ensure that problems such as this one do not occur in the future. There was also some discussion as to the implications, if any, of the actions of Mr. Redelback on the Option Agreement between the district and Blain Homes & Holdings Ltd.

2:00 PM, Mr. Ken Lutes

The district has asked Mr. Lutes to take a look into the implications of the recent actions by Mr. Redelback and to clarify the district's position regarding access to the lands previously held under annual permit by Mr. Redelback.

Mr. Lutes provided an overview of situation that prompted the district to enter into a 10 Year Lease with Mr. Redelback and the lands also issued to him under Annual Permit. He did note that the permit agreements were not always signed on an annual basis [the last permit agreement on file was June 1994]. He acknowledged that the district had cancelled the permit in 1998, but had inadvertently accepted payment for the former permit lands along with the lease payments by Mr. Redelback.

Mr. Lutes noted that the method by which payment was made may not have placed the permit in current status. Regardless, he noted that if it were judged that the permit was valid, it did not give Mr. Redelback any exclusive use to the property. Mr. Lutes noted that the wording of the permit agreement was specific that the EID could authorize persons to have access to the permitted lands and that Mr. Redelback's use was reserved to the pasture of horses and control of trespass to those not authorized by the district to be there.

Mr. Lutes noted that the district could provide written authorization to Blain Homes & Holdings Ltd., their surveyors and Mr. Redelback providing specific authorization for Blain Homes and the surveyors to be on the site to complete their work. It was also noted that including a copy of the permit agreement would assist the RCMP in validating the authorization given by the district to Blain Homes & Holdings Ltd.

2:30 PM, Mr. Dennis Blain [Blain Homes & Holdings Ltd.], Mr. Phil Archer [Associate of Mr. Blain]

[Mr. Hildebrand joined the meeting.]

Mrs. Blain and Archer were welcomed the meeting. Mr. Blain noted that he and Mr. Archer may be involved in some future development activities in the region and as such, he had asked Mr. Archer to accompany him as a means of meeting the board and other representatives of the district. He also indicated that Mr. Archer is not involved in the Option Agreement or actions relative to Area D.

Mr. Blain noted that his purpose in attending this meeting was to discuss the difficulties in accessing the lands under the Option Agreement for surveys, etc. Mr. Blain expressed his concern regarding delays in his being able to exercise the Option Agreement. There was discussion relative to the legal actions taken by Mr. Blain in order to be granted the exclusive right to exercise the Option Agreement with the district, as it was entered into as a joint venture between the district, Blain Homes & Holdings Ltd. and Westbridge Development Corporation.

Mr. Blain suggested that he was in a position where the delays in the process were going to create a loss. He indicated that he had placed the next option payment in trust with his lawyer pending the surveyor being granted access to the lands. He suggested that the district has conducted itself in a manner that has delayed his obtaining the lands during the past four months.

There was discussion of the district's response to the earlier court order and registered appeal. It was noted that the district had taken legal advice and had proceeded with determining the lands

Special Meeting - Board of Directors - Eastern Irrigation District
Monday, 14 August 2000

available under the Option Agreement while allowing Blain Homes & Holdings. Ltd. to work out its relationship with Westbridge Developments Corp. It was noted that at one point in the discussions it appeared that either or both Blain Homes & Holdings Ltd. and Westbridge Developments Corporation were considering legal action against each other and the district.

Mr. Blain indicated that he still wishes to exercise the Option Agreement and wishes to do so quickly. He indicated that the development was well prepared to move ahead and that he had secured local investment participation in the project that was now at risk due to the delays. He suggested that he was still prepared to move ahead, to place some \$230,000 of his own funds into the project and requested the district consider a \$400,000 first mortgage for 8 months at 4% interest.

There was additional discussion regarding the Option Agreement as well as the ongoing issues surrounding the Lake Newell Resort Development and the pending foreclosure actions against Westbridge Developments Corporation. Mr. Archer noted that he felt the Lake Newell Resort Development was a good project and that new investors/developers would take a serious interest in the project, likely during the winter months. No specific initiatives were detailed.

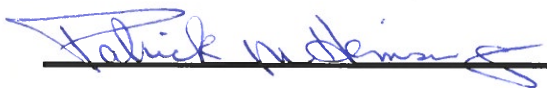
[3:20 PM, Mr. Blain and Mr. Archer exited the meeting.]


There Board discussed the details and intent of the Option Agreement relative to Area D, as well as the complications presented by Mr. Redelback and Mr. Blain's suggestion that the district has delayed his ability to exercise the Option Agreement. A number of potential legal options were discussed with Mr. Lutes in conjunction with the present instructions given to Mr. John Peters of Miller Thomson.

097-08-2000 Moved by Mr. Livingston that the district engage the services of Mr. Lutes to review documentation and other matters relative to the Option Agreement between the district and Blain Homes & Holdings Ltd., review matters with Mr. Peters of Miller Thomson and provide his analysis of the documentation to the Board at their 29 August 2000 meeting. Seconded by Mr. Nielsen. CARRIED

There was additional discussion regarding the status of the foreclosure action at the Lake Newell Resort. There was brief discussion as to the range of options the district might be able to consider as the actions proceed. It was agreed that the district could determine what other individuals or organizations might be interested in the project and perhaps act as a catalyst to assisting in the completion of the project.

The meeting adjourned on a motion by Mr. Henrickson at 4:30 PM.


Per: Chairman


Per: General Manager

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 26 September 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 26 September 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy & Planning

The meeting was called to order at 9:05 AM.

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	125-09-2000	3
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6.03	Bernhard & Rosel Schulz, Follow-Up to Motions 107, 108, 109-08-2000	5
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Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 26 September 2000

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8.11 AIPA Annual Conference & AGM, 19 to 21 November 2000, Lethbridge, Alberta	13
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1.0 Adoption of Agenda

In discussion of the agenda it was noted that the Engineering Report would be moved to the end of the Board Meeting. Mr. Wilson also noted that there would be an additional item under the General Manager's report as follows:

- 8.17 Westbridge Developments Corporation RE: Lake Newell Resort

**124-09-2000 Moved by Mr. Henrickson that the Board adopt the agenda as added to.
Seconded by Mr. Chrumka. CARRIED**

2.0 Approval of Minutes, 29 August 2000

In discussion of the minutes of the 29 August 2000 meeting, it was noted that motion 122-08-2000 should also include a reference to the amount of the billing that was subject to the negotiations, being the \$900 for the roundup of cattle.

125-09-2000 Moved by Mr. Henrickson that the Board approve the minutes of the 29 August 2000 meeting as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business From Minutes

3.01 Patricia Grazing Association Bill for Gates Left Open [CNRL]

Mr. Wilson noted that the district had met with Canadian Natural Resources Limited [CNRL] regarding the invoices forwarded to the district from the Patricia Grazing Association. CNRL did reluctantly agree to pay to the district the sum of \$900 relating to the roundup of cattle related to gates left open. The district has forwarded this amount to the Patricia Grazing Association.

Mr. Wilson also noted that agenda item 6.08 would provide a further opportunity for the Board to discuss concerns about the impacts of the pace of oil & gas exploration and production.

3.02 Todd Irwin Lease & Dinosaur Provincial Park

Mr. Wilson provided an update on the research into lease arrangements between the district and the province [Dinosaur Provincial Park] and Mr. Irwin. The documents indicate that the district was granted [as of 15 August 1956] the right to graze portions of Dinosaur Provincial Park and further were authorized to sublet the grazing. The intent of the grazing was limited to winter grazing [11 February 1965] for the district's sub-lessee [Mr. Robert Irwin].

Mr. Wilson advised that the use of lands within the park have not always been in accordance with prior understandings of the limits contained in agreements. He indicated the district will be working to find some accommodation of the concerns of the district, Mr. Irwin and Dinosaur Provincial Park.

[9:20 AM, Mr. Bischoff joined the meeting.]

4.0 Financial Report

4.01 Financial Statements, Period Ending 31 August 2000

Mr. Bischoff provided an overview of the district's Financial Statements for the period ending 31 August 2000. The following items were noted in discussion of the statements:

- fees for irrigation and other water billings are now in the process of being billed,
- oil & gas surface lease compensation and seismic operations were discussed in detail,
- attention was drawn to the change in statements from last year, particularly in the area of lease expenses, in prior years these were netted against the lease revenue on the revenue

- side, beginning in 2000 these costs have been placed into the relevant revenue and expense portions of the statements,
- it was also noted that lease expenses will exceed the budget, perhaps by as much as \$80,000,
 - fees for fencing material were also discussed, it was noted that the actual amount expended is about 35% higher than forecast by the Grazing Associations [some additional work needs to be done on this area for the 2001 budget period],
 - there will be a slight overage in expenses to budget for EID Capital Construction Projects,
 - Administration, Maintenance, Operations and Equipment Pool budgets are all in line with expectations,
 - Land Administration is in first full-year of separate accounting, some work needs to be done to evaluate Internal Labour Charges, recoveries are expected to reduce net irrigated lease fee expenses,
 - discussion of change in tax assessment for EID lease lands under Lakeside Effluent Irrigation Project,
 - review of Special Projects including,
 - cost-share and partnerships for fly-over and digital data production, County of Newell at \$90,000, Ducks Unlimited at \$20,000, Town of Brooks and EID, and
 - publication of additional copies of Tapping the Bow, 750 copies agreed to be the best price/book for publication.

126-09-2000 Moved by Mr. Henrickson that the Board approve the Financial Statements for the period ending 31 August 2000 as presented. Seconded by Mr. Livingston.
CARRIED

[10:00 AM, Mr. Bischoff exited the meeting. Mr. Matoba and Mr. Hildebrand joined the meeting.]

6.0 Land Administration Report

6.04 Proposed Land Sale/Trade, Doug & Whaley Mar

Mr. Wilson noted that he had met with the Mars to discuss the Board's offer to purchase. They have declined that offer, but would still be interested in trading the SW ¼ 10 for the NW ¼ 22-18-15 W4M. There was discussion as to the merits of any trade. It was agreed that the district is not interested in the trade. Fencing of the SW ¼ 10-18-15 W4M will be scheduled.

6.01 Request from Silver Sage RE: Lease Additional Land

Mr. Wilson reported that the district has received a request from the Eastern Irrigation Agricultural Society [Silver Sage] to expand the areas of district land under lease to them. It was noted that a small expansion eastward is requested to improve the parking area and allow for some minor earthwork improvements to move drainage on the site to the south. At the present time the site drains into the present parking area. An additional extension of lands to the south has also been requested as part of the organizations future plans for boarding of horses.

The Board discussed options that might be available to meet the request of the Silver Sage. It was noted that the new use [related to boarding of horses, etc.] should likely be dealt with separate to the original lease. It was also agreed that an increase in size of the initial lease would assist in improving parking at the facility. It was noted that the lease prices for the additional lands should be

in line with the cost per acre of the existing facility.

127-09-2000 Moved by Mr. Livingston that the district agree to extend the area of the existing lease to include additional lands to the east for improved parking and drainage at the same cost per acre as the existing lease and further that the district enter into an additional lease agreement with the society for lands to the south of the existing lease, again at the same price per acre as the existing lease. Seconded by Mr. Henrickson. **CARRIED**

6.02 Request to Purchase Land, Ptn. SE ¼ 19-16-15 W4M [Mr. Richard Motokado]

Mr. Matoba indicated that the district has received a request from Mr. Motokado to purchase approximately 33.3 acres of district land located in the SE ¼ 19-16-15 W4M. The price offered by Mr. Motokado is \$300.00 per acre.

In discussion of the request it was noted that the Board had changed its price for sale of lands from \$300 per acre to \$500 per acre. It was also noted that there is the potential to trade Mr. Motokado approximately 17 acres in the SW ¼ 5-16-15 W4M for the lands requested in the SE ¼ 19-16-15 W4M. This trade would improve the status of both parcels of land.

128-09-2000 Moved by Mr. Livingston that the Board offer to trade approximately 33 acres in the SE ¼ 19-16-15 W4M for 17 acres in the SW ¼ 5-16-15 W4M. Seconded by Mr. Henrickson. **CARRIED**

It was noted that if Mr. Motokado is not willing to pursue the proposed trade of lands that the board would only consider a sale of lands at a price of \$500.00 per acre.

6.03 Bernhard & Rosel Schulz, Follow-Up to Motions 107, 108, 109-08-2000

Mr. Matoba that the Schulz's have requested that the changes approved during the 29 August 2000 meeting be postponed until the 2002 irrigation period. The reasons for the request have to do with completion of proposed EID rehabilitation and Mr. Schulz being able to prepare the land for installation of a pivot prior to next year's irrigation period.

129-09-2000 Moved by Mr. Henrickson that the Board authorize the changes in irrigation acres approved of at the 29 August 2000 meeting to be effective for the 2002 irrigation period. Seconded by Mr. Johnson. **CARRIED**

6.05 Proposed Land Purchase, SE ¼ 21-24-16 W4M [from Ms. J. Cherwayco, in Gem Grazing Association]

Mr. Hildebrand noted that he has been in contact with Mrs. Cherwayco regarding the potential purchase of her lands in the SE ¼ 21-24-16 W4M [located within the land area used by the Gem Grazing Association]. It was noted that Mrs. Cherwayco appears interested in maintaining the surface lease compensation from leases on the property.

The board discussed the merits of purchasing the property and including it within the lands provided to the Gem Grazing Association. It was also noted that it would be preferable to purchase the property without any long-term obligation to allow surface rights payments to remain with Mrs.

Cherwayco.

130-09-2000 Moved by Mr. Plett that the Board offer to purchase the SE ¼ 21-24-16 W4M from Mrs. Cherwayco at the price of \$500 per acre, inclusive of all surface rights leases and payments. Seconded by Mr. Livingston. CARRIED

It was also noted that the district may wish to explore a similar offer to Mr. Timko regarding the SE ¼ 16-16-11 W4M located in the Minor Swing Field.

6.06 Update, Former Modern Auto Property Lease

Mr. Hildebrand reported on recent discussions with potential lessees of the former Modern Auto Property. He indicated that interest has been expressed in leasing the rear portion of the facility for an auto repair operation. Lease fees proposed at present are \$1,600 per month plus \$400 per month towards taxes plus 75% of the utility costs.

There was discussion for the need to ensure that any splitting of the site be handled in a manner that one operation does not adversely effect the other. It was noted that the repair use would need to be organized in a manner that it was not unsightly to other potential uses for the balance of the property.

It was also noted that the district should approach Realtors in the area to determine if they or clients might have interest in the front portion of the facility for a commercial operation. This is a different approach to previous attempts by the district to obtain lessees for the facility. It was agreed that the district make the contacts with the realtors and continue to discuss what lease conditions may need to apply to the auto repair operation to make it compatible with future tenants in the balance of the facility.

Mr. Hildebrand also noted that there may be some opportunity to obtain a reduction in taxes for the 2001 period. He also noted that painting contractor has not yet undertaken the painting of the facility and may loose that contract if it is not completed in the next short period of time.

[10:50 AM, Mr. Matoba and Mr. Hildebrand exited the meeting. The meeting recessed.]

[11:00 AM, the meeting reconvened. Mr. Plett exited the meeting.]

6.07 Letter, Mr. Dean Martin

Mr. Wilson noted that the district had received an unsolicited offer to purchase lands in portions of the NW ¼ 1-18-15 W4M [approximately 25.5 acres] and the NE ¼ 1-18-15 W4M [approximately 109.8 acres]. No price was offered.

It was noted that these lands border those of the Lake Newell Resort area and the golf course that has been proposed. It was agreed that Mr. Martin be informed the district is not against discussing a sale, but would not do so until there was some confirmation that the golf course project would proceed.

6.08 Oil & Gas Activity Report RE: Drilling Activity & Fencing Policy

Mr. Wilson noted that the staff of the district has discussed various methods that might be used to

reduce the number of conflicts between district and oil & gas operations on district-owned lands. It was agreed that the pace of surface lease activity may not be compatible with district operational requirements unless some improvement in coordination of efforts can be accomplished.

There was discussion of changes in policy regarding gates as a method to reduce situations such as that experienced this year in lands used by the Patricia Grazing Association. It appeared that there would be merit in agreeing to a standard of operation for gates in the grazed areas that would be common across the entire district. There was general agreement that for the period between May 01 and October 31 all gates not “padlocked” open would be required to be closed. This requirement would be common to all authorized users on the district’s lands – the grazing associations and the oil & gas operators.

[11:10 AM, Mr. Plett joined the meeting.]

There was additional discussion of concerns that have been expressed regarding fencing and maintenance of gates at surface lease facilities. Mr. Wilson noted that he is planning some informal meetings with the larger corporations carrying on oil & gas operations on the district’s lands. The focus of the meetings will be to obtain better cooperation from the operators. As an example, it was noted that oil & gas operators could be informed that they have until 01 April 2001 to ensure their facilities meet the district’s standards for fencing, gates, etc. If such installations do not meet the standards, the district would contract the work to bring them up to standard and then bill the lease holder at 200% of the costs.

It was agreed that some additional discussion of the district’s operations would take place following the informal meetings with the operators of surface leases on the district’s lands. It was also agreed that a review of the district’s policies regarding such operations could be completed at that time.

[11:25 AM, Mr. Meador joined the meeting.]

7.0 Operations Report

7.01 Canal Flow Report

Mr. Wilson provided the Board with an overview of the water supply operations in the district. It was noted that with the proposed 06 October 2000 shut-down of water deliveries, the district should be able to fill reservoirs to desired winter operating levels. There was a detailed review of water use throughout the district during the 2000 irrigation period. It was noted that the gross diversion from the Bow River for the current season was presently calculated as 2.3 acre feet per irrigated acre.

It was agreed that the dry conditions, combined with district operations and cooperation in the Bow River Basin during this season is further proof of the validity of the district’s proposed license amendments of Temporary Diversion Authority. The success of the current diversion period also indicates that some expansion to irrigation acres can take place.

7.02 Farm Improvement Projects

Mr. Meador provided the Board with the details of a number of Farm Improvement Projects [increases in water use efficiency]. Decisions regarding these projects were as follows:

131-09-2000	Moved by Mr. Henrickson that the district approve the Farm Improvement Project in the NW ¼ 27-20-15 W4M, Mr. Gerald Martin as follows: Surface Irrigation to Pivot Irrigation Conversion Allowance Plus Return of Irrigation Acres Outside of Pivot [5 ac @ \$100/ac] Total Allowance Minus Costs for crossings and installation. Seconded by Mr. Johnson.	\$7500 \$500 \$8000 CARRIED
132-09-2000	Moved by Mr. Henrickson that the district approve the Farm Improvement Project in the SW ¼ 10-17-16 W4M, River Bow Ranches as follows: Surface Irrigation to Pivot Irrigation Conversion Allowance [45 ac] Wheels to Pivot Irrigation Conversion Allowance [93 ac] Total Allowance Minus Irrigation Acres Kept Outside of Pivot Circle [12 ac @ \$200/ac] Costs for materials and installation Paid to EID by River Bow Ranches Seconded by Mr. Plett.	\$2596.05 \$1788.39 \$4384.44 \$2400.00 \$2184.22 \$199.78 CARRIED
133-09-2000	Moved by Mr. Johnson that the district approve the Farm Improvement Project in the NE ¼ 27-18-13 W4M, G.W. Murray Ranches Ltd. as follows: Surface Irrigation to Pivot Irrigation Conversion Allowance Minus Capital Assets Charge, Increase in Irrigation Acres [2 ac @ \$100/ac] Cost of materials and installation Total payable to G.W. Murray Ranches Ltd. Seconded by Mr. Chrumka.	\$4485 \$200 \$3327 \$958 CARRIED
134-09-2000	Moved by Mr. Johnson that the district approve the Farm Improvement Project in the SE ¼ 22-18-13 W4M, G.W. Murray Ranches Ltd. as follows: Surface Irrigation to Pivot Irrigation Conversion Allowance Minus Capital Assets Charge, Increase in Irrigation Acres [18 ac @ \$100/ac] Costs of materials and installation Total payable to G.W. Murray Ranches Ltd. Seconded by Mr. Henrickson.	\$6890 \$1800 \$1075 \$4014 CARRIED

- 135-09-2000** Moved by Mr. Henrickson that the district approve the Farm Improvement Project in the SE ¼ 21-16-16 W4M, Chris & Marg Schmidt as follows:
- | | |
|---|--------|
| Surface Irrigation to Pivot Irrigation Conversion Allowance | \$7500 |
| Minus | |
| Capital Assets Charge, Increase in Irrigation Acres [1 ac @ \$100/ac] | \$100 |
| Total payable to Chris & Marg Schmidt | \$7400 |
- The total payable to Schmidt will be further reduced by a previously approved cost-share Farm Improvement with the total limit for the conversion and 50% of costs of the drain relocation being limited to \$7400. Seconded by Mr. Livingston. **CARRIED**
- 136-09-2000** Moved by Mr. Livingston that the district approve the Farm Improvement Project in the NE ¼ 17-17-16 W4M, River Bow Ranches as follows:
- | | |
|--|--------|
| Surface Irrigation to Pivot Irrigation Conversion Allowance | \$7215 |
| Minus | |
| Capital Assets Charge, Increase in Irrigation Acre [9 ac @ \$100/ac] | \$900 |
| Costs of materials and installation. | |
- Seconded by Mr. Johnson. **CARRIED**
- 137-09-2000** Moved by Mr. Henrickson that the district approve the Farm Improvement Project in the SW ¼ 19-15-15 W4M, Tom & Shirley Ovinge as follows:
- | | |
|---|--------|
| Surface Irrigation to Pivot Irrigation Conversion Allowance | \$3750 |
| Wheels to Pivot Irrigation Conversion Allowance | \$1250 |
| Plus | |
| Return of Irrigation Acres Outside of Pivot [7 ac @ \$100/ac] | \$700 |
| Total payable to Tom & Shirley Ovinge | \$5700 |
- Seconded by Mr. Livingston. **CARRIED**

It was noted that copies of the agreements/documentation for Farm Improvement Projects is placed on the land file for each quarter section that qualifies for funding. This presence on the files should ensure that funding is provided only once per land unit.

Mr. Meador advised that some of the Farm Improvements are requiring the district to evaluate the use of culverts versus bridges in small drains crossed by pivots. In some instances the additional drain maintenance cost associated with culvert crossings is not too prohibitive to consider them being used. It was also noted that most conversions to pivots do involve low pressure pivots, with drop tubes and no cold-weather shut-offs. This is the most efficient water application method currently in use.

[12:05 PM, the meeting recessed.]

[12:45 PM, the meeting reconvened, Mr. Johnson exited the meeting.]

8.0 General Manager's Report

8.01 By-law 824 (2000) Remuneration & Expenses for Directors

Mr. Hill provided an overview of By-Law 824 (2000). This is one of the by-laws that is a requirement of the Irrigation Districts Act.

- The 1st reading of By-Law 824 (2000) was approved on a motion by Mr. Henrickson, seconded by Mr. Plett.
- The 2nd reading of By-Law 824 (2000) was approved on a motion by Mr. Livingston, seconded by Mr. Chrumka.

8.02 By-law 825 (2000) Quorum, Voting & Election of Officers

Mr. Hill provided an overview of By-Law 825 (2000). This by-law is also a requirement of the Irrigation Districts Act. A number of changes were suggested to the by-law in the areas of Absentee Voting, Tie votes and Votes Recorded. The by-law will be returned for discussion at the 24 October 2000 meeting of the board.

8.03 Bow River Basin Council, Update

Mr. Hill provided an update on the recent activities of the Bow River Basin Council [BRBC]. The following items were noted from the 13 September 2000 inaugural meeting of the BRBC:

- The new Bow River Basin Council is "up and running" – full-time staff in place.
- Initial focus on organization, increase/raising of profile for BRBC, fund-raising and projects.
- Review of Springbank Area Structure Plan [focus on development, run-off, density, etc.] [This project may have some application to future ASP's around Lake Newell, it was developed by the municipality with public input throughout, made adoption process easier.]
- New fisheries regulations along lower Bow River [Bears paw Dam to Bassano Dam] developed through multi-stakeholder process. High level of support from all sectors [greater than 90% agreement].
- U of C Water Quality Study of Rural Wells in Bragg Creek watershed, update [up to 40% of wells show readings exceeding Canadian Water Drinking Guidelines at least once during year, focus on fecal and total coliforms].
- Urban Stormwater Management Implementation Project update, needs funding, intended to provide voluntary guidelines/standards for urban municipalities to manage storm water quality and run-off, needs additional funding to be completed [should look to urban municipalities, City of Calgary has provided \$10K, Alberta Environment has provided \$10K, BRBC has provided \$10K – still needs \$50K to complete].
- Year 2000 Review update:
 - BRBC will provide forum/workshops, etc. for public & stakeholder input during review process,
 - BRBC is in process of selecting individuals to the scenario working group [at least one for each category of membership], this group will review all technical data prior to public review and in follow-up to public review and will remain in place for review of data for Bow River Basin Plan, [Mr. Hill is sit as member for Licensee Members],
 - Alberta Environment is looking for a new "in-house coordinator" for the Year 2000 Review, Mr. Rodney Jones left to take a position in South Africa and Mr. Russ Lewis leaves the end on September to take a position in the private sector [this could further delay the review process],
- Other Issues discussed at meeting included:
 - Trout Unlimited's Press Release RE: Low Flows, general discussion showed strong support for TU to adopt a more cooperative approach and to be part of long-term solution, members of BRBC are interested in the "context" of flow data, support meeting existing licenses, etc., TU has officially indicated that Bow River below Bassano is not a priority area for their organization,

- Enforcement and Compliance issues are getting higher priority from Alberta Environment, inspection of licensed facilities [primarily municipal and industrial at least once every two years throughout the basin],
- Organizations in Bow Basin encouraged to raise issues with background information for future meetings, issues should be evaluated in terms of what solutions can be reached through cooperative action.
- Directors have been elected, with two from each category of membership, Commercial & Industrial Members [Bill Berzins, Reid-Crowther & Menno Homan, Eco-Links Engineering], Licensee Members [Richard Phillips, BRID & David Hill, EID], Municipal Government Members [Bob Haney, Councillor - Town of Banff & Barry Erskine, Alderman - City of Calgary], Non-Profit Interest Groups & Academia Members [Dr. Elisabeth Dixon, U of C & Tracey Tarves, River Valleys Commission], Regulatory, Administrative and First Nations Members [Norm Carlson, Calgary Regional Health Authority & Robert Crow Chief, Siksika Nation] and Individual Public Members [Judy Stewart, Lawyer & Steve Meadows]
- Election of officers [Chair, 1st Vice-Chair and 2nd Vice-Chair] to be elected by directors at 03 October 2000 meeting. Mr. Hill indicated he would support Mr. Berzins being nominated to fill the role of the Chair as he has done a good job of this during the transition period.

8.04 Changes to Irrigation Districts Act

Mr. Hill reviewed a draft letter proposed to be forwarded to Mr. Len Ring, Manager of the Irrigation Secretariat regarding proposed changes/improvements to the Irrigation Districts Act.

The main focus of the letter is to highlight how the addition of a new type of water use, "rural water use purposes" and corresponding amendments could meet the needs of the EID and other districts as well. The letter also outlines improvements in wording relative to section 25, Alternate Parcel Irrigation Agreements, section 48, Public Meetings and section 96, Application to Add Irrigation Acres.

The recommendations in the letter are consistent with the direction being put forward by the AIPA. It was agreed that copies of the letter be provided to Mr. Klassen of the AIPA and Mr. Jim Brown, Chair of the AIPA Policy & Legislation Committee.

138-09-2000 Moved by Mr. Henrickson that the board agree to forward a letter outlining the proposed changes to the Irrigation Districts Act to the Irrigation Council via Mr. Len Ring. Seconded by Mr. Livingston. CARRIED

8.08 Harvest Gala, 13 October 2000, Calgary, Alberta

Mr. Hill noted that the district has purchased a table for the Harvest Gala to be held on the 13th of October 2000 at the Roundup Centre in Calgary. Those agreeing to attend on behalf of the board include Mr. & Mrs. Hemsing, Mr. & Mrs. Chrumka, Mr. & Mrs. Plett and Mr. & Mrs. Livingston with Mr. & Mrs. Wilson as alternates.

8.15 Litigation Update, Bow-Carseland Headworks

Mr. Hill provided a brief information update on pending litigation between Mr. Bob Paget and other interveners against Alberta Environment. The main focus of the litigation includes an allegation that the issuance of a license by Environment to itself for the operation of the Bow-Carseland Headworks

requires a mandatory Environmental Impact Assessment. Other matters related to the license are also under dispute in the litigation. The BRID is an intervener with Alberta Environment, represented by Mr. Tom MacLachlan.

Mr. David Percy [Miller Thomson, University of Alberta] has been asked to do a legal review of the licenses issued on the headworks, to the BRID and Alberta Environment in preparation for the litigation. He indicated that this work will not raise any “conflict-of-interest” concerns in his ongoing relationship with the EID.

8.16 Conference/Public Meeting, Chestermere Lake

It was noted that there is a meeting scheduled for 30 September 2000 in Chestermere to deal with issues surrounding the operation of the lake. Mr. Halvar Jonson, Minister of Environment is slated to be in attendance. A number of technical presentations are scheduled. It was agreed there was no need for the EID to attend the meeting.

[1:30 PM, Mr. Johnson joined the meeting.]

8.05 Rolling Hills Reservoir Expansion Plan

Mr. Wilson provided his perception of the meeting and tour of 18 September 2000 with Mr. Ty Lund, Minister of Agriculture, Food and Rural Development of the Rolling Hills Expansion Project. There was discussion regarding the best method available to the district to promote and get the province's participation in the project.

It was noted that the project could still benefit either from a tour of the site with Mr. Ed Stelmach, Minister for Infrastructure, but that the district could also travel to Edmonton to meet with him if that better meets his schedule. It was also agreed that the district contact Dr. Lyle Oberg, MLA to assist in making the arrangements and in ensuring that he is briefed on the district's plans so that he can assist in obtaining the cost-shared funding.

There was agreement that the best approach to securing additional funding for the project would be to market the benefits of the project as a whole, rather than looking for money from Alberta Infrastructure for the reservoir expansion and then funding the increased irrigated acres from an alternate source. The next focus should be ensuring that the government knows how the district wants their involvement in the project and move the initiative to a decision by Alberta.

8.06 AIPA Presentation to Standing Policy Committee

Mr. Wilson reported on the AIPA presentation to the Standing Policy Committee in Edmonton on 19 September 2000. He noted that the members of the committee appeared to receive the message well. The only cabinet ministers in attendance were Ty Lund [Agriculture] and Halvar Jonson [Environment]. The presentation recommended restoring the level of cost-shared funding under the IRP program to \$25 million. He also indicated that senior department officials within Alberta Agriculture, Food and Rural Development have prepared their preliminary budgets based on a restoration of the \$25 million funding level from the present \$17.2 million.

8.07 Premier's Dinner, Lethbridge, Alberta

139-09-2000 Moved by Mr. Livingston that the Board approve purchasing three (3) tickets for the Premier's Dinner on 05 October 2000 in Lethbridge, or alternately split the costs for a table at the dinner with the Bow River Irrigation District.

Seconded by Mr. Johnson.

CARRIED

It was noted that those who would attend on behalf of the district would be Mr. Hemsing, Mr. Chrumka, Mr. Henrickson and Mr. Wilson as an alternate.

8.09 PC AGM & Conference, 27 to 29 October 2000, Calgary, Alberta

The board has previously approved attending the PC AGM & Conference slated for Calgary, Alberta. Those who will be attending on behalf of the district include Mr. Hemsing, Mr. Chrumka, Mr. Livingston and Mr. Johnson. It was noted that those attending need to obtain their memberships prior to attending the event.

8.10 Joint Issues Conference [AIPA/MDs & Counties], 20 October 2000, Lethbridge, Alberta

Mr. Wilson provided a brief overview of upcoming Joint Issues Conference. It was agreed that the district ensure good attendance at the meeting. Those scheduled to attend include Mr. Hemsing, Mr. Johnson, Mr. Nielsen or Mr. Chrumka and from staff Mr. Wilson, Mr. Meador and Mr. Schoorlemmer.

8.11 AIPA Annual Conference & AGM, 19 to 21 November 2000, Lethbridge, Alberta

It was agreed that the entire board be registered for the Annual Conference and AGM of the AIPA scheduled for Lethbridge, Alberta. Mr. Wilson will select staff members attending. It was also noted that Mr. Rick Martin is a presenter at the conference.

8.12 Irrigated Leases [Policy Discussion]

There was some additional discussion regarding a formalization of policy changes for irrigated leases. A number of the initial 20 year irrigated leases will be coming to the end of their term in a short period of time and decisions need to be undertaken to determine how these lands will be managed at the end of the period.

It was noted that there was general agreement during the Board's Retreat in February 2000 that the best approach would be to lengthen the terms of leases to encourage a "purchase" of the lease with the annual rental being established in a separate process. This process appears to be easy to implement for any new lands that might be part of an irrigated lease.

There was discussion of the district setting a price per acre to extend the current 20 year term irrigated leases to leases without an end term, with the annual rental again determined in a separate process. There was also discussion of the merits of placing the expired leases for bid, in the same manner as new lands might be handled.

It was agreed that the finalization of the process would require additional future discussion.

8.13 Bassano Dam [Hydro Project]

Mr. Wilson provided a brief update on issues surrounding the potential to develop a hydro generation project at the Bassano Dam. It was noted that while energy prices are on the increase, there is more generation capacity being added. With the lead time taken in developing a project of this nature and complexity, the district needs to be well prepared to manage the process.

It was noted that there is some uncertainty regarding the future position of the Siksika land claims relative to any hydro development at the Bassano Dam. The board agreed that the district attempt to determine the potential problems that might come about from the Siksika in launching a project. It was agreed that the district have some preliminary discussions with Mr. Monte Solberg, MP and through him with officials within Indian Affairs.

In regards to overall priorities, it was also agreed that developing an irrigator approved Expansion Plan and the expansion of the Rolling Hills Reservoir and associated project are of a higher priority than the potential hydro development. As such, most of the district's effort will focus on expansion and with the exception of informal discussions with Mr. Solberg and Indian Affairs.

8.14 Board Member Fax Machines

It was noted that the a number of the fax machines used by members of the Board are not operating in an acceptable manner. A number of the thermal paper machines have already been replaced. It was agreed that the district replace the balance of those machines with plain paper fax machines. This involves fax machines provided for Mr. Chrumka, Mr. Nielsen, Mr. Johnson and Mr. Plett.

[2:30 PM, Mr. Schoorlemmer joined the meeting.]

5.0 Engineering Report

5.01 Project Status Update

Mr. Schoorlemmer provided an overview of the financial status of IRP and EID Capital Works Projects. The budgets for those projects between now and the end of the calendar year and the start of 2001 up to the water season of 2001 were discussed. It was noted that four (4) rehabilitation projects have been advanced from their original schedule, one (1) under the IRP program and three (3) under the EID Capital Works Program.

5.02 01-1234, North Bantry & Princess Lake Structure Rehabilitation

Mr. Schoorlemmer presented the details of the proposed rehabilitation. The construction involves two (2) sites as follows:

J North Bantry Check Structure

- The structure and gate are in poor condition and in need of total replacement.
- Proposed new structure will be cast-in-place with a Langemann gate installed to provide upstream level control.

Princess Lake Structure

- The site has the ability to divert and store water in response to sudden shut0oofs

downstream, thus reducing return flow.

- The site will not be automated, but located so that field staff can stop or reduce return flow and then access stored water to provide quicker meeting of demand.
- Project involves two (2) check structures, a turnout and some earth work.

The estimated cost for the project is \$397,000, funded from the EID Capital Construction Program.

140-09-2000 Moved by Mr. Livingston that the Board approve the 01-1234 North Bantry & Princess Lake Rehabilitation at an estimated cost of \$397,000. Seconded by Mr. Henrickson. CARRIED

5.03 01-1216, 14 East Branch

The following details of the proposed 01-1216 14 East Branch Rehabilitation Project were presented:

- The 14 East Branch system is about 5 kilometers in length serving 1100 acres.
- This project has been advanced a year from that forecast in the 5 Year Plan.
- Problems with the existing system include farm severance, seepage, erosion and poor access for operation and maintenance.
- Irrigation in 33-18-16 W4M is presently restricted to a terminable agreement, serviced from the NW ¼ 28-18-16 W4M with requirements for designation of an Irrigable Unit.
- The project can be engineered in a manner that reduces overall water requirements and provides a delivery to section 33, allowing for the acres to be converted to irrigation acres.
- The recommended rehabilitation consists of a 4.3 kilometer pipeline, with a design capacity of 28 cfs.

The estimated cost for the project is \$830,000, funded from the EID Capital Construction Program.

141-09-2000 Moved by Mr. Henrickson that the Board approve the 01-1216 14 East Bantry Rehabilitation at an estimated cost of \$830,000. Seconded by Mr. Livingston. CARRIED

5.04 01-1238, John Ware Spillway

Mr. Schoorlemmer provided the following details for the proposed rehabilitation of a portion of the John Ware Spillway east of the Duchess. Project details include:

- This 2 mile portion of the John Ware Spillway conveys both irrigation and natural run-off.
- The main issue addressed by rehabilitation is erosion due to the steep grade of the spillway.
- Erosion next to some farm yards and farmland is an increasing problem.
- The proposed rehabilitation considers installation of concrete structures for grade control, channel reshaping, bank building and installation of rock armour.
- The project will be scheduled over two years.

The estimated cost for the current year's proposed rehabilitation is \$410,000, funded from the EID Capital Construction Program.

142-09-2000 Moved by Mr. Livingston that the Board approve the 01-1238 John Ware Spillway Rehabilitation at an estimated cost of \$410,000. Seconded by Mr. Johnson. CARRIED

[3:00 PM, Mr. Schoorlemmer exited the meeting.]

8.0 General Manager's Report

8.17 Westbridge Developments Corporation RE: Lake Newell Resort

Mr. Wilson reported on a recent meeting between the district, the developers at the Lake Newell Resort, the Lake Newell Resort Condominium Association and a representative of the County of Newell, No. 4. The meeting is in response to the pending foreclosure against assets of Westbridge Developments Corporation and the current response of the district to proposals forwarded by the developer.

It was noted that the County of Newell has looked into the process of creating a Hamlet for the area. There do not appear to be any onerous requirements on behalf of the County or the residents in this regard. Hamlet status would also make the community eligible for cost-shared funding for infrastructure. The Condominium Association has been operating the Water Treatment Plant and Sewage Transfer operations of the Utility Company, albeit without the necessary licenses and approvals to do so. The district has insisted that the loss of 2nd mortgage position of lots to be sold be handled in a manner that would allow the Water Treatment Plant and assets of the Utility Company to be made available to the district in a "free and clear" manner.

Westbridge has indicated that they are near the end of a refinancing and sales scheme that will retire the interests of the 1st Mortgage holder through the sale of the 74 lots. New investors will secure their investment through a 1st mortgage on the balance of lands owed by Westbridge within the project area. Westbridge has indicated that they are not sure if they can provide the water treatment plant and other assets of the Utility Company free and clear by the 09 October 2000 date for the closing of the sale of the 74 lots. They indicated that they did feel it could be completed by 15 November 2000. Westbridge has also requested the district consider the addition of \$250 in mortgage on the lands in Area B to be non-interest bearing for the balance of the mortgage period [up to 31 August 2002].

The board discussed the various ramifications of the pending sale, foreclosure, etc. It was noted that while not obligated to do so, the district can exert influence that would protect the long-term interests of the residents by attempting to secure the water treatment plant and assets of the utility company in a free and clear status. Westbridge has agreed that extending the closing time for delivering the water treatment plant and assets of the utility company would enable them to agree in advance not to object or defend the district's foreclosure against them should they not be able to raise the necessary funds.

143-09-2000 Moved by Mr. Chrumka that the Board agree to extend the final closing date for Westbridge to provide the district with assets of the utility company in a free and clear status and to allow the additional \$250,000 mortgage on lands in Area B to be non-interest bearing up to the closing of the mortgage agreement on 31 August 2002 on the condition that Westbridge provide the undertaking to neither object to nor defend against the district's right to foreclose on the assets of the Utility Company and that the district receive confirmation that the Water Treatment Plant is free and clear of all encumbrances by 09 October 2000. Seconded by Mr. Johnson. **CARRIED**

The meeting was adjourned on a motion by Mr. Henrickson at 3:55 PM.



Per: Chairman



Per: General Manager

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 24 October 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 24 October 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy & Planning

The meeting was called to order at 9:10 AM.

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Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 24 October 2000

7.03	01-1230 09 Bow Slope IRP # 1885	9
	152-10-2000	9
	153-10-2000	9
7.04	01-1235 AH North Bantry [EID Capital Project]	9
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7.05	Construction Update	10
7.06	Rolling Hills Reservoir Enlargement Project	10
7.07	Draft Capital Project Listing for 2001/2002	10
8.0	Land Administration Report	11
8.01	Grazing Lease Transfer [Gleddie Ranches to Max Tateson]	11
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8.02	Direction Signs [Trans Canada Transmission]	11
	156-10-2000	12
8.03	Lease Approval[s], Former Modern Auto Property	12
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8.04	SE ¼ 21-24-16 W4M, Mrs. Cherwayco Land Purchase	12
8.05	Blain Homes & Holdings Ltd. Update	12
8.06	Westbridge Developments Corporation Update	12
8.07	Conversion of Terminable Agreements [Surcharge]	13
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9.0	General Manager's Report	13
9.01	FIAP Payout	13
9.02	IRP Payback Policy RE: Proposal by Raymond Irrigation District	14
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9.04	Retirement, Mr. Brian Colgan	14
9.05	Duck's Unlimited Canada, Fund-Raiser	14
9.06	Joint Issues Conference [Follow-Up]	14
9.07	AIPA Conference Attendance	15
9.08	PC AGM & Conference	15
9.09	November Board Meeting, 28 November 2000	15
9.10	December Board Meeting, 19 December 2000	15
9.11	Board & Staff Christmas Social, 15 December 2000	15
9.12	Discussion of Seismic Operations on EID Private Leases	15
9.13	Private Irrigated Lease Policy	15

1.0 Adoption of Agenda

The following items were added to the agenda:

- 6.04 Use of Old Dump at Scandia
- 8.07 Conversion of Terminable Agreements [Surcharge]
- 9.07 Add Discussion of AIPA Nomination Process to Conference Overview
- 9.12 Discussion of Seismic Operations on EID Private Leases

**144-10-2000 Moved by Mr. Henrickson that the Board adopt the agenda as added to.
Seconded by Mr. Chrumka. CARRIED**

2.0 Approval of Minutes, 26 September 2000

The following corrections to the minutes of the 26 September 2000 meeting were noted:

- 6.03 The discussion and motion should refer to 2002, not 2001.
- 7.02 Motion 137-09-2000 should note the correct “seconder” to the motion, Mr. Livingston.
- 8.17 The text of the discussion relative to Westbridge Developments Corporation needs some edits for consistency.

145-10-2000 Moved by Mr. Chrumka that the minutes of the 26 September 2000 meeting be adopted as corrected. Seconded by Mr. Nielsen. CARRIED

3.0 Business From Minutes

In discussion of business from the minutes it was confirmed that the district is proceeding with ordering the additional copies of “Tapping the Bow”.

4.0 By-Laws

Mr. Hill provided an overview of the following by-laws.

4.01 By-Law 824, Establishing the Rate of Remuneration and Expenses for Directors

By-Law 824 was subject to two reading at the 26 September 2000 meeting of the Board. The by-law sets out the remuneration and expenses payable to directors. The by-law will remain in place until replaced by a future by-law.

The 3rd reading of By-Law 824, Establishing the Rate of Remuneration and Expenses for Directors was approved on a motion by Mr. Johnson, seconded by Mr. Henrickson.

4.02 By-Law 825, Governing Quorum and Voting Procedures and Governing the Election of Officers of the Board

By-Law 825 sets out definitions for quorum, establishes voting procedures at meetings of the Board and sets out the process for the election of the officers of the Board. The by-law will remain in effect until replaced by a subsequent by-law.

The 1st and 2nd readings of By-Law 825, Governing Quorum and Voting Procedures and Governing the Election of Officers of the Board were approved on motions by Mr. Chrumka and seconded by Mr. Henrickson.

146-10-2000 Moved by Mr. Livingston that the Board unanimously approve the holding of the 3rd reading of By-Law 825. Seconded by Mr. Chrumka. CARRIED

The 3rd reading of By-Law 825, Governing Quorum and Voting Procedures and Governing the Election of Officers of the Board was approved on a motion by Mr. Livingston and seconded by Mr.

Henrickson.

[9:30 AM, Mr. Bischoff joined the meeting.]

5.0 Financial Report

5.01 Financial Statements, Period Ending 31 September 2000

Mr. Bischoff provided a detailed review of the district's Financial Statements for the period ending 31 September 2000. In discussion of those statements the following matters were discussed:

- total water revenue will be higher than budgeted, due in large part to water requirements for oil & gas exploration,
- some concern has been expressed to various directors regarding the board's decision to provide some cost-shared payment for loss of cattle in the Patricia Grazing Association,
- it was agreed that a broader understanding of some policy issues relative to grazing should be sought with the Community Grazing Associations and it was agreed that a meeting should be organized with representation from 3 or 4 members of each Association and an agenda and background information should be prepared in advance,
- it was agreed that the district have some preliminary discussions with Ducks Unlimited (Canada) [Mr. Jay Bartsch] to determine projects that could be implemented following next year's completion of the Contra Costa project,
- it was agreed that those individuals with Private Grazing Leases from the district whose payments are in arrears be sent letters indicating that payment must be made in full [including interest] prior to 30 November 2000 or the leases will be cancelled,
- it was also noted that the cancellation should be consistent with the terms of the lease agreements and that the agreements themselves be reviewed to ensure they are consistent with the new terms and requirements of the Irrigation Districts Act,
- there was discussion of the timing of completing of transactions, land transfers and payments for lands approved for sale to the Graham's for their water storage project,
- it was agreed that letters be sent to individuals with Accounts Receivable from 1999 indicating, where possible, that payment in full [including interest] is to be received or installed services, etc. will be removed,
- it was agreed that the district will review all of its forms of agreements, work orders, contracts, etc. to ensure they are consistent with the Irrigation Districts Act and include provisions for payment of interest, etc.,

147-10-2000 Moved by Mr. Chrumka that letters be sent to the holders of Private Grazing Lease Agreements with the district whose payments are in arrears that payment in full [including interest] must be made to the district by 30 November 2000 or Lease Agreements will be cancelled. Seconded by Mr. Plett. CARRIED

148-10-2000 Moved by Mr. Henrickson that the Board approve the Financial Statements for the period ending 31 September 2000. Seconded by Mr. Johnson. CARRIED

[10:45 AM, Mr. Bischoff exited the meeting.]

5.02 Investment Report, 3rd Quarter 2000

This information was included in the pre-meeting package for information only. No additional questions were raised at the meeting.

5.03 Projected Year End

Mr. Wilson provided an overview of estimates of year-end financial positions as compared to budget amounts as follows:

Revenue

Water Revenue

Oil & Gas Exploration	\$150,000.00
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Oil & Gas Compensation

Annual Rental	\$600,000.00
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Initial Consideration	\$700,000.00
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Seismic	\$1,300,000.00
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Pipeline	\$600,000.00
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Community Pastures

Cattle Grazed	(\$100,000.00)
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Sub-Total:	\$3,250,000.00
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Expenses

Administration	(\$150,000.00)
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Maintenance	(\$150,000.00)
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Operations	\$70,000.00
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Equipment Pool	\$0.00
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Land Administration	\$150,000.00
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Sub-Total:	(\$80,000.00)
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Special Projects	(\$30,000.00)
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Grazing Projects	\$110,000.00
------------------	--------------

Sub-Total:	\$80,000.00
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Total of Revenue in Excess of Expenditure as Compared to Budget:	\$3,250,000.00
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Capital Reserve

Opening Balance	\$26,935,000.00
Budgeted Closing Balance	\$26,285,000.00
Gravel Royalties	(\$15,000.00)
Reclassification of Irrigation Acres	\$17,000.00
Sale of Land, Lake Newell	\$600,000.00
Sale of Land, Miscellaneous	\$100,000.00
Land Purchase Expense	(\$75,000.00)
Transfer of Commutation Fund	\$500,000.00
Capital Projects	(\$750,000.00)
Revenue Over Expenses Transfer of Funds	\$3,250,000.00
Project Year End Balance	\$29,912,000.00

Mr. Wilson noted that these projections are intended to assist the Board in discussions of projects and planning issues contained in later parts of the agenda.

[10:55 AM, the meeting recessed.] [11:00 AM, the meeting reconvened. Mr. Meador joined the meeting.]

6.0 Operations Report

6.01 Farm Improvement Projects

Mr. Meador presented the details of two Water Efficiency Farm Improvement Projects.

149-09-2000	Moved by Mr. Henrickson that the district approve the Farm Improvement Project in the SW ¼ 01-21-16 W4M, Rodney & Joanne Dyck as follows:	
	Surface Irrigation to Pivot Irrigation Conversion Allowance	\$7500
	Minus	
	Irrigation Acres Kept Outside of Pivot Circle [20 ac @ \$200/ac]	\$4000
	Cost of Materials for gate, pump well	\$2087
	Total Payable to Rodney & Joanne Dyck prior to Earthwork	\$1413
	[Earthwork costs to be determined]	
	Seconded by Mr. Johnson.	CARRIED
150-10-2000	Moved by Mr. Johnson that the district approve the Farm Improvement Project in the SW ¼ 30-24-15 W4M, Margaret Douglass as follows:	
	Surface Irrigation to Pivot Irrigation Conversion Allowance	\$7500
	Minus	
	Irrigation Acres Kept Outside of Pivot Circle [1 ac @ \$200/ac]	\$200
	Change to Delivery	\$1200
	Total Payable to Margaret Douglass	\$6100
	Seconded by Mr. Henrickson.	CARRIED

It was noted that the total amount spent on Water Efficiency Farm Improvements in 2000 should be available at the next meeting of the Board as information. This is intended to ensure that appropriate budget estimates can be prepared for the 2001 Fiscal Period.

Mr. Meador also noted that he has received a couple of requests from individuals interested in purchasing and moving off the barn on lots owned by the district in Rolling Hills. The lots are in the final stages of subdivision for sale. It was agreed that Mr. Meador arrange to accept sealed bids or quotes from interested parties and proceed with the disposal of the buildings.

6.02 Operations Year End Report

Mr. Wilson provided an overview of the year end water operations for the district. It was noted that the district's reservoirs are all at their preferred winter operating levels and that diversions from the Bow River at Bassano Dam have ended. Gross diversions for the year amounted to 675,250 acre feet or approximately 2.4 acre feet/acre. About 278,000 of 281,000 possible acres were irrigated at least once during the period.

6.03 License Application Update

Mr. Wilson provided an overview of recent discussions between the district and Alberta Environment concerning the district's 1988 license application. It was reported that Mr. McMillan has seen the need for the additional license demonstrated in the EID's use of its Temporary Diversion Authority during the 2000 diversion period.

Mr. Wilson noted that the district diverted about 85,000 acre feet under the Temporary Authority. Some of this volume could have been diverted to refill reservoirs later during the year, but a significant amount of the diverted flow was used to support irrigation demand in areas of the district without upstream reservoir support [estimated at an average of 3 acre inches prior to 09 June 2000].

The various options open to the district to gain approval for its additional/supplemental license were discussed. There was consensus that the district attempt to have additional technical data prepared and analyzed its license application approved as quickly as possible and in advance of the 2001 diversion period.

6.04 Use of Old Dump at Scandia

Mr. Nielsen noted that he had concerns expressed that the old dump in Scandia is being used as a dumping area for garbage. Mr. Meador noted that the EID is using the site as a place to store trees removed along rehabilitation projects. The trees are left to dry out and then are burned. It was agreed that if the general public is also using the site that it be fenced and access controlled to prevent the unauthorized dumping at the site.

[11:50 AM, the meeting was recessed. Mr. Meador exited the meeting.]

[12:55 PM, the meeting was reconvened. Mr. Schoorlemmer joined the meeting.]

7.0 Engineering Report

7.01 Tender Results, 01-1205 Rolling Hills Canal Rehabilitation

Mr. Schoorlemmer presented the Board with the following tender results:

Contract A, Stn. 0+000 to 6+075

Engineer's Estimate	\$1,545,000
Top Notch Construction	\$1,180,000
Richardson Brothers	\$1,195,250
North American Rock	\$1,497,875
Elenor Enterprises	\$1,576,100
BYZ Construction Inc.	\$1,558,100
DeGraaf Excavating	\$1,588,480

The bid has been awarded to Top Notch Construction.

Contract B, Stn. 6+075 to 13+800

Engineer's Estimate	\$1,160,000
Richardson Brothers	\$1,178,850
Top Notch Construction	\$1,183,400
North American Rock	\$1,482,750
DeGraff Excavating	\$1,619,600
BYZ Construction	\$1,768,100

The bid has been awarded to Richardson Brothers following their agreement to remove certain qualifiers from their bid.

Contract C, Cast-in-Place Structures

Engineer's Estimate	\$569,000
BYZ Construction	\$715,700
MJB Enterprises Ltd.	\$756,612
Porter Tanner	\$758,050
Trevcon Enterprises	\$847,800
Graham Construction	\$1,055,239

The bid has been awarded to BYZ Construction. There was some general discussion regarding the rising cost of cast-in-place concrete work. The district will continue to evaluate bid pricing for these types of projects and may, depending on price, plan on doing some such work on future projects with its own resources.

7.02 Tender Results, 01-1234 North Bantry & Princess Lake Structure Rehabilitation

Mr. Schoorlemmer presented the Board with the following tender results:

Cast-in-Place Structures

Engineer's Estimate	\$227,000
MJB Enterprises Ltd.	\$278,102

BYZ Construction	\$278,300
Trevcon Enterprises	\$365,000

It was again noted that the bid prices for cast-in-place concrete work is increasing. It was also noted that board approval to award the project to MJB Enterprises is required as the lowest bid places the total project costs higher than the total estimated project costs approved by the board.

151-10-2000 Moved by Mr. Henrickson that the board approve the awarding of the 01-1234 North Bantry & Princess Lake Structure Rehabilitation to MJB Enterprises at the bid price of \$278,102. Seconded by Mr. Johnson. CARRIED

7.03 01-1230 09 Bow Slope IRP # 1885

Mr. Schoorlemmer provided the board with the details of the proposed 09 Bow Slope Rehabilitation as follows:

- the 09 Bow Slope system serves 671 irrigated acres, 370 acres of which are irrigated by gravity means and the balance by sprinkler irrigation methods,
- the system is 4.1 kilometers in length, including a 0.6 kilometer lateral,
- current system capacity is 0.77 m³/sec [27 cfs],
- system is in poor condition, with seepage [48 acres], capacity, bank condition, structures and farm severance,
- proposed rehabilitation includes relocating the point of delivery to the system to the Bow Slope Canal and replacing the surface canal with a PVC pipeline,
- estimated project cost is \$927,000,
- project is intended to be funded under the IRP funding program.

In discussion of this project it was noted that some existing services for household water supplies are being removed. Under the terms of the district's present policy, these deliveries are replaced on a 50/50 cost-sharing basis with the landowner, with the district's maximum contribution being \$5000. There was discussion as to whether or not the cost-sharing level is appropriate. Specific instances were illustrated.

152-10-2000 Moved by Mr. Johnson that the district amend its cost-sharing limits for re-establishing deliveries for household purposes that are removed due to canal rehabilitation to a 75% district and 25% landowner cost-sharing, with the district's maximum contribution being limited to \$7500. Seconded by Mr. Chrumka. CARRIED

[Mr. Nielsen abstained from voting as he has a household delivery effected by the policy and the 09 Bow Slope project.]

153-10-2000 Moved by Mr. Chrumka that the board approve the 01-1230 09 Bow Slope Canal Rehabilitation, IRP # 1885 as presented, at an estimated cost of \$927,000. Seconded by Mr. Plett. CARRIED

7.04 01-1235 AH North Bantry [EID Capital Project]

Mr. Schoorlemmer provided the board with the details of the proposed AH Bantry Rehabilitation as

follows:

- the AH Bantry system provides the tail-out for the North Bantry system north of Patricia,
- the portion of the AH Bantry System contained in this project is approximately 1 kilometer in length,
- the major problem with the system is erosion with approximately 9.5 meters [31 feet] of drop,
- a number of control structures have been washed out in recent years,
- project rehabilitation involves about 100 meters of bank rebuilding, a pipeline inlet structure/check and then about 800 meters of pipe, followed by an addition 200 meters of bank rebuilding and a new check/drop structure,
- estimated project cost is \$320,000,
- the project will be funded from the EID's Capital Construction Program

154-10-2000 Moved by Mr. Henrickson that the board approve the 01-1235 AH North Bantry Rehabilitation as presented, at an estimated cost of \$320,000. Seconded by Mr. Nielsen. CARRIED

7.05 Construction Update

Mr. Schoorlemmer provided a brief verbal overview of current construction project status. It was noted that canal rehabilitation has started. Some projects are awaiting frost conditions before placing liner and armour. If present mild weather conditions continue, the district will also be able to advance the start of some pipeline installations projects.

7.06 Rolling Hills Reservoir Enlargement Project

Mr. Wilson reviewed with the board the options available to the district in proceeding with work on the Rolling Hills Reservoir Enlargement Project. He noted that the earlier discussions regarding financial performance for 2000 indicates that there are means to plan for the construction of this project.

There was also discussion of the best methods to advance the Province's participation in this project, above the present level of funding in the IRP funding program. A draft letter to the Minister, the Honourable Ty Lund, with copies to Mr. Lyle Oberg, MLA for Strathmore-Brooks and Mr. Ed Stelmach, Minister for Infrastructure was presented. It was agreed to proceed with forwarding the letter.

It was agreed that the district continue with the design work for the reservoir enlargement. Final project scheduling and funding allocation can be reviewed and confirmed at a later date.

7.07 Draft Capital Project Listing for 2001/2002

Mr. Wilson reviewed with the board the projected project listing for the 2001 EID Fiscal Period and the 2001/2002 Cost-Shared Funding Fiscal Period as follows:

1.	Rolling Hills Main Canal [Phase 02]	\$2,200,000.00
2.	18 Bow Slope	\$1,300,000.00
3.	05 East Branch	\$400,000.00

4.	24 Rolling Hills	\$700,000.00
5.	G11 & G14 North Bantry	\$1,000,000.00
6.	B North Bantry	\$250,000.00
7.	11B Springhill	\$600,000.00
8.	N Tilley	\$300,000.00
9.	06 & 06½ East Branch	\$1,600,000.00
10.	John Ware Spillway	\$500,000.00
11.	Structures, Dam Safety, Flow Measurement, Automation	\$500,000.00
12.	C North Branch	\$7,300,000.00
13.	Rolling Hills Reservoir Enlargement	\$6,250,000.00
14.	Miscellaneous Projects	\$100,000.00
	Total Proposed Projects	\$23,000,000.00

Mr. Wilson noted that this level of construction activity would see an overall reduction in year-end balance of the Irrigation Works Reserve of some \$2.5 to \$3 million. He also noted that this is based on increased funding in the IRP program [with the Province returning to \$25 million annually being available] and the Province's participation in the Rolling Hills Reservoir Enlargement project.

Mr. Wilson also noted that these projects and their proposed schedule would be returning for further Board consideration as part of the fiscal 2001 budget. This schedule would also see completion of all but one of the projects included in the district's five-year plan.

There was some additional discussion of the potential to proceed with hydro development at the Bassano Dam. It was agreed that while this project is not included in the proposed project funding, the project could be considered more as an investment rather than an expenditure.

[2:20 PM, Mr. Schoorlemmer exited the meeting. Mr. Matoba and Mr. Hildebrand joined the meeting.]

8.0 Land Administration Report

8.01 Grazing Lease Transfer [Gleddie Ranches to Max Tateson]

Mr. Matoba provided information regarding the proposed assignment of Grazing Lease #7045 from Gleddie Ranches Ltd. to Max & Corrine Tateson.

155-10-2000 Moved by Mr. Henrickson that the Board approve the assignment of Grazing Lease #7045 from Gleddie Ranches Ltd. to Max & Corrine Tateson. Seconded by Mr. Chrumka. CARRIED

8.02 Direction Signs [Trans Canada Transmission]

Mr. Matoba provided information about a request to install signage on district lands. He noted that the proposed signs are in keeping with the Board's policy, but requires the Board's approval.

156-10-2000 Moved by Mr. Henrickson that the Board approve the placement of signs on district lands in the NW ¼ 01-20-12 W4M, NE ¼ 02-20-12 W4M and NW ¼ 12-20-12 W4M as per the district's policy guidelines. Seconded by Mr. Johnson.
CARRIED

8.03 Lease Approval[s], Former Modern Auto Property

Mr. Hildebrand provided information regarding potential lessees of portions of the former Modern Auto Property. It was noted that leasing of the building in two sections is being contemplated, the rear portion, separate from the front portion of the building.

157-10-2000 Moved by Mr. Johnson that the Board approve the leasing of the rear portion of the building and yard at 111 - 3rd Street West to Mr. John Tjeerdema and Mr. Richard Ochsner operating as StarTech Automotive as per the proposed lease agreement expiring on 31 October 2002, with \$1200 of lease fees being credited for painting and repairs to the roof of the tool room [estimated at \$2000] and improvements to the chain link fence to be completed by the district. Seconded by Mr. Chrumka.
CARRIED

Mr. Hildebrand also noted that there is a potential lessee for the front portion of the building. Negotiations as to complete terms have not yet been agreed upon. It was noted that in advance of entering into a lease the district would repair a broken window in an access door and complete work to fix/repair flooring in a portion of the building. Final lease proposals will be returned for Board approval when completed.

8.04 SE ¼ 21-24-16 W4M, Mrs. Cherwayco Land Purchase

Mr. Hildebrand noted that the land sale between the district and Mrs. Cherwayco is in the final stages and should close on 31 October 2000. The price paid is as approved by the Board being \$500 per acre inclusive of surface lease entitlements.

Mr. Hildebrand also noted that Mr. Timko has been approached regarding the potential purchase of SE ¼ 16-16-11 W4M. Mr. Timko has declined any purchase of those lands by the district.

8.05 Blain Homes & Holdings Ltd. Update

Mr. Hildebrand reported that Blain Homes & Holdings Ltd. is proceeding with the exercise of their Option Agreement and the matter may close by the end of October 2000.

8.06 Westbridge Developments Corporation Update

Mr. Hildebrand provided an information update on Westbridge Developments Corporation's ongoing efforts to resolve their mortgage and financial difficulties. It appears that the present 1st mortgage holder is cooperating with the initiative. The other items that the district has indicated need to be completed include:

- confirmation that the water treatment plant has been acquired "free & clear",
- confirmation that all other obligations of the utility company have been settled,
- transfer of all utility company assets including buildings and land [Blocks 7 & 8] to a

- temporary district-owned holding company,
- new mortgage on lands in Area B in the amount of \$250,000, non-interest bearing until 31 August 2002,
- extension of the original mortgage on Area B extended from 31 August 2001 to 31 August 2002
- postponement of subsequent mortgages in favour of the new EID mortgage, and
- discharge of the district's mortgage on Blocks 1 to 6.

8.07 Conversion of Terminable Agreements [Surcharge]

It was noted that the district has a number of terminable agreements that are subject to an annual surcharge. The surcharge is assessed any terminable water agreement that could be converted to irrigation acres, but has not been.

It was noted that since the holders of these terminable agreements were assessed the surcharge the district's requirement for Capital Assets Charges has increased from \$50 to \$100 per acre. It was also noted that the current surcharge of \$5.00 per acre relates to the district's previous Capital Assets Charge.

The Board reviewed the methods that could be implemented to encourage the conversion of the terminable agreements to irrigation acres. It was agreed that some credit be given for previous surcharge payments against the Current capital Assets Charge. It was also agreed that the surcharge should be increased to \$10 per acre for this class of terminable agreements beginning with the 2001 irrigation period.

158-10-2000 Moved by Mr. Chrumka that the Board advise the holders of all terminable agreements currently being assessed a surcharge that the district will provide a credit of \$30 per acre against the current Capital Assets Charge of \$100 per acre for all acres under terminable agreement that are converted to irrigation acres prior to the end of December 2000 and further that all such agreement that are not converted will be subject to a \$10 per acre surcharge beginning in 2001. Seconded by Mr. Plett. CARRIED

[2:50 PM, Mr. Matoba and Mr. Hildebrand exited the meeting. The meeting was recessed.]
[3:00 PM, the meeting was reconvened.]

9.0 General Manager's Report

9.01 FIAP Payout

Mr. Wilson reported on the district's efforts to ensure that the Province's extended FIAP program provided the largest possible benefits. It was noted that payments to corporations were limited to \$500,000, while providing the payments to the lease patrons would produce a much higher return in total monies. Mr. Wilson noted that discussions with Alberta Agriculture, Food & Rural Development confirmed that the district's community grazing lands could be treated as a single unit with payments going directly to the lease patrons. It was also noted that the district will be receiving payments on the improved pastures.

It was noted that the district had prepared the forms and sent letters to all of the lease patrons

informing them of the FIAP program and how to apply. The payment should amount to about \$96.80 per cow for the animals pastured on the district's lands in 2000.

9.02 IRP Payback Policy RE: Proposal by Raymond Irrigation District

The Board discussed proposals by the Raymond Irrigation District regarding the present policy on payback of IRP funds. It was noted that the Irrigation Council does have this matter under discussion. Further it was noted that the cost-sharing arrangements between the districts will be subject to upcoming review and the whole matter will be discussed in more detail at a later date. As such, the district concluded to follow a "do nothing" approach at the present time.

9.03 New Telephone System for Main EID Office Complex

Mr. Wilson provided an overview of the difficulties the district is presently having with its phone system. Even with a concerted effort, the current phone system is failing and is beginning to effect customer service. Mr. Wilson provided an overview of investigations and recommendations into a new phone system that meets current needs. He noted that staff of the district have taken a close look at present and future requirements and have recommended the district install a new phone system that includes voice mail and other facilities. The estimated price for the new system is \$29,000 with the possibility for some additional reduction based on final design and deployment.

159-10-2000 Moved by Mr. Livingston that the Board authorize the purchase and installation of a new upgraded phone system. Seconded by Mr. Johnson.

CARRIED

9.04 Retirement, Mr. Brian Colgan

It was agreed that there was no pressing need for a representative of the district to attend the Edmonton Retirement function of Mr. Brian Colgan of Alberta Agriculture, Food & Rural Development. It was agreed to send a card and congratulations.

9.05 Duck's Unlimited Canada, Fund-Raiser

It was noted that the district has the option to purchase a couple of tickets for the upcoming Duck's Unlimited [Canada] fund raising banquet. The district has not participated in this event on an official basis in the past. It was agreed that there was no need for the district to purchase tickets or to send official representatives.

9.06 Joint Issues Conference [Follow-Up]

There was brief discussion of the recent AIPA hosted meeting of the Joint Issues Committee of AIPA and rural municipalities. It was agreed that some districts and municipalities do not have good communications. There was some discussion as to the long-term expectations and or benefits of the district continuing its involvement on this committee. It was generally agreed to monitor the results that come out of the conference before determining the district's future participation.

It was also agreed that the district consider the merits of meetings with local municipalities to discuss common areas of concern at some point in time during the upcoming winter.

9.07 AIPA Conference Attendance

The board members were provided with recent updates of the agenda for the AIPA Annual Conference and Annual General Meeting. It was also noted that the EID does not wish to make any nominations for awards at this year's function.

9.08 PC AGM & Conference

There was a brief report on the tone of the recent PC AGM & Conference held in Calgary, Alberta. It was noted that access to MLA's and Cabinet Ministers was good and that support for the irrigation industry appears strong.

9.09 November Board Meeting, 28 November 2000

9.10 December Board Meeting, 19 December 2000

The proposed dates for the next two meetings of the Board were agreed upon. It was also noted that information regarding an upcoming Range Conference in Red Deer would be circulated when it has been received.

9.11 Board & Staff Christmas Social, 15 December 2000

The board were advised of the arrangements that have been confirmed for the district's Christmas Social, scheduled for the 15th of December 2000.

9.12 Discussion of Seismic Operations on EID Private Leases

There was discussion of the overall impacts of the aggressive seismic programs carried out on the district's land base during 2000. It was agreed that some additional attention needs to be applied to these activities to ensure that they do not adversely impact cattle grazing operations any more than necessary. There was also discussion of how the district shares the compensation it receives in this regard with lessees.

9.13 Private Irrigated Lease Policy

It was agreed that the Board discuss the details of its Private Irrigated Lease Policy at the November meeting of the Board. It was noted that this matter was discussed by the Board at their retreat in February 2000. There was some discussion regarding the best method to address the renewal of these leases and that it might be best accomplished by reviewing and discussing a draft policy.

The meeting was adjourned on a motion by Mr. Henrickson at 3:45 PM.


Per: Chairman


Per: General Manager

Special Meeting – Board of Directors – Eastern Irrigation District
Wednesday, 15 November 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Wednesday, 15 November 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy & Planning
Ed Hildebrand	Consultant, Resource Planning

The meeting was called to order at 2:00 PM.

1.0	Review of Proposed Wind-Up of Discussions/Actions with Westbridge Developments Corporation	1
	160-11-2000	2
	161-11-2000	2
2.0	Update, Restructuring of the Alberta Electricity Industry	2
3.0	Redesign of Board Room/New Table Construction	2
	162-11-2000	2
4.0	Nominations for Officers of the Alberta Irrigation Projects Association	2
5.0	Update, Blain Homes and Holdings Ltd.	3

1.0 Review of Proposed Wind-Up of Discussions/Actions with Westbridge Developments Corporation

Mr. Wilson and Mr. Hildebrand provided an update of ongoing discussions between the district, the residents at the Lake Newell Resort and Westbridge Developments Corporation [and their lenders]. The focus of the discussion was to clarify the steps that the EID would require in any transfer of the Utility Company and its assets as well as the steps required for the EID to discharge their current 2nd mortgage of properties in Blocks 1 to 6.

It was agreed that the district needs to be assured that issues relating to the Utility Company and operation of the water treatment plant are completed in a satisfactory manner. The Board discussed options that would promote future development at the site and would provide the best chance of success for the creation of a Hamlet at the Lake Newell Resort. In particular, the role the district might be able to play in a smooth transition of the Utility Company and associated assets was discussed.

It was noted that it may be advisable for the district to prepare to transfer the assets of the Utility Company, water treatment plant, etc. to a subsidiary company of the district – both to ensure that the facilities can be easily transferred to a future Hamlet and to protect the district proper from any liability.

160-11-2000 Moved by Mr. Chrumka that the district, upon the conclusion of sales, discharges, retirement of debts, costs and mortgages agree, to receive the assets of the Utility Company and associated works into a newly created wholly-owned subsidiary of the district, with the new company being structured in a manner to protect the Eastern Irrigation District from all liability related to the Utility Company, its facilities and operation. Seconded by Mr. Henrickson. **CARRIED**

161-11-2000 Moved by Mr. Johnson that the district extend the previously approved dates for closing and conclusion of all sales, discharges, retirement of debts, costs and mortgages by 30 days. Seconded by Mr. Plett. **CARRIED**

2.0 Update, Restructuring of the Alberta Electricity Industry

Mr. Wilson provided an update of recent presentations and discussions relative to the impact of the restructuring of Alberta's Electricity Industry. It was noted that the district, farmers and residential customers may choose to remain on the regulated rate for up to five years and may withdraw on between 30 and 90 days notice.

The expected increases in electricity costs were discussed. The upcoming 29 November 2000 auction of power was also discussed. It was noted that the St. Mary River Irrigation District and Irrican Power Cooperative have been investigating the process and viability of participating in the auction. There was also discussion of the district participating in a larger purchasing group as a means of obtaining some cost savings over expected increases.

It was also noted that this matter will be discussed by the Alberta Irrigation Projects Association at their upcoming Annual General Meeting on 21 November 2000.

3.0 Redesign of Board Room/New Table Construction

Mr. Wilson reviewed with the Board some of the options with a redesign of the Board Room. It was noted that some structural changes in the size of the room, combined with a new configuration of tables will provide the district with more flexibility for meetings. It was noted that the costs for the changes to facilities and new tables is estimated to be around \$10,000.

162-11-2000 Moved by Mr. Livingston that the Board approve the changes to the Board Room and purchase of the new tables as proposed. Seconded by Mr. Plett. **CARRIED**
Opposed: Mr. Johnson

4.0 Nominations for Officers of the Alberta Irrigation Projects Association

Mr. Hill noted that the members of the current AIPA Executive have all agreed to let their names

stand for nomination. It has also been suggested that with Mr. Klassen's health situation being uncertain, that continuity in the executive of the AIPA is assisted by continuing with the executive. It was also noted that the Lethbridge Northern Irrigation District has nominated Mr. Morris Zienstra as a Vice-Chair of the AIPA. It was also noted that nominations from the floor can also be made at the Annual General Meeting.

5.0 Update, Blain Homes and Holdings Ltd.

It was noted that Mr. Blain is in the process of exercising his Option Agreement for lands along the east side of Lake Newell. Mr. Blain has already moved some equipment onto the site for road grading and objections to the proposed development are likely to be pursued by Dale Redelback, Karen Rose and others.

Mr. Wilson noted that he would be meeting with some of the adjacent landowners in the near future to be made aware of their planned responses to development.

The meeting was adjourned on a motion by Mr. Henrickson at 3:45 PM.



Per: Chairman



Per: General Manager

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 28 November 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Tuesday, 28 November 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy & Planning

The meeting was called to order at 9:00 AM.

1.0	Adoption of Agenda	2
	163-11-2000	3
2.0	Approval of Minutes	3
	2.01 24 October 2000	3
	164-11-2000	3
	2.02 15 November 2000	3
	165-11-2000	3
3.0	Business From Minutes	3
4.0	Financial Report	3
	165-11-2000	4
5.0	Engineering Report	4
	5.01 Project Status Update	4
	5.02 01-1246 Precast Structure Program	5
	167-11-2000	5
6.0	Operations Report	6
	6.01 Farm Improvement Program, Start-Up Date	6
	6.02 Expenditure Overview	6
	6.03 E ½ 26-20-16 W4M, Flood to Pivot Conversion	6
	168-11-2000	6
	6.04 Flood Damage Claim, SW ¼ 35-17-14 W4M	6
	169-11-2000	7
7.0	EIDNet Report	7
	7.01 EIDNet Status Report	7
	170-11-2000	7
	7.02 Industry Canada CAP [Community Access Program] Grant Approval	7
	171-11-2000	8
	172-11-2000	8

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 28 November 2000

8.0	Oil & Gas Land Activities Report	8
	173-11-2000	9
9.0	Land Administration Report	9
9.01	Irrigation Development Applications	9
	174-11-2000	9
	175-11-2000	9
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	177-11-2000	9
	178-11-2000	10
	179-11-2000	10
	180-11-2000	10
	181-11-2000	10
	182-11-2000	10
9.02	Irrigation Lease Rate Reviews	10
	183-11-2000	10
9.03	Aggregate Royalty Agreement	10
	184-11-2000	10
9.04	Approval of Lease Transfers	11
	185-11-2000	11
	186-11-2000	11
9.05	Update, Conversion of Surcharge Terminable Agreement Acres to Irrigation Acres	11
9.06	Discussion of Simpson Lease	11
10.0	Equipment Report	11
	187-11-2000	11
11.0	General Manager's Report	11
11.01	Letter from the Honourable Ty Lund, Minister of AFRD	11
11.02	Letter from the Honourable Dave Hancock, Minister of Justice	12
11.03	SMRID & EID Joint Meeting	12
11.04	EID License Application Update	12
11.05	Report, Lake Newell Resort Condominium Association Meeting	12
11.06	Draft Changes to Irrigated Lease Policy	13
11.07	Western Canadian Grazing Conference	13
11.08	Northwest Irrigation Operators Tour [19 to 22 February 2000]	13
11.09	Bassano Dam Hydro	13
	187-11-2000	13
11.10	East Branch Automation	13
	188-11-2000	13

1.0 Adoption of Agenda

The following items were added to the agenda:

- 2.02 Approval of Minutes, 15 November 2000
- 9.04 Lease Transfer, Lease 8142
- 9.06 Discussion of Simpson Lease [Mr. Chrumka]

- 11.10 East Branch Automation

163-11-2000 Moved by Mr. Nielsen that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes

2.01 24 October 2000

The following correction to the minutes of the 24 October 2000 meeting was noted:

- Page 7 of 15, Agenda Item 6.02, About 278,000 ~~or~~ of 281,000 possible acres were irrigated at least once during the period.

164-11-2000 Moved by Mr. Henrickson that the minutes of the 24 October 2000 Director's Meeting be adopted as corrected. Seconded by Mr. Livingston. CARRIED

2.02 15 November 2000

165-11-2000 Moved by Mr. Livingston that the minutes of the 15 November 2000 Director's Meeting be adopted as circulated. Seconded by Mr. Henrickson. CARRIED

3.0 Business From Minutes

In discussion of issues raised at the 24 October and 15 November 2000 Director's Meetings the following matters were noted:

- the proposed meeting with Community Grazing Associations to discuss matters of lease policy, etc. has not yet been scheduled, but will likely be targeted for January 2001,
- a brief overview of the current status of agreements between the district and Westbridge Developments Corporation at the Lake Newell Resort and between the district and Blain Homes & Holding Ltd. was provided,
- the district is still attempting to secure a lessee for the front portion of the former Modern Auto building and property, and
- the district has received payments under the Province's FIAP.

[9:10 AM, Mr. Bischoff joined the meeting.]

4.0 Financial Report

The following issues were reviewed in discussion of the Financial Statements for the period ending 31 October 2000:

- only about 10% to 12% of current rates remain unpaid at the end of October 2000
- a letter of notice needs to be sent to the holders of Household Purposes Agreements advising that beginning in 2001 all fees for such agreements need to be paid in advance,
- fees for Water Quality Testing that show up under Operations will be moved to the correct location under Special Projects,
- it was noted that the planned school tours of Bassano Dam have not yet been scheduled

and further that the schools included in the tour will be kept to those in the Grasslands Regional School Division for 2001,

- it was also noted that forecast expenditures for Grazing Projects for 2001 will appear in budget material for the next fiscal period, and
- a brief overview of options relative to the district's Joint Venture in the CARP initiative will be evaluated as part of the 2001 budget period.

165-11-2000 Moved by Mr. Chrumka that the Financial Statement for the period ending 31 October 2000 be approved. Seconded by Mr. Henrickson. CARRIED

Mr. Bischoff also advised that letters sent to various outstanding accounts receivable have yet to be responded to. A schedule for the removal of certain facilities will be put in place prior to the next water diversion period.

[9:45 AM, Mr. Bischoff exited the meeting. Mr. Schoorlemmer joined the meeting.]

5.0 Engineering Report

5.01 Project Status Update

Mr. Schoorlemmer reported on the following rehabilitation projects currently on-going in the district:

EID Capital Construction Program

- 01-1201 East Bantry Pump Ditch EID Crews
 - earthwork and liner installation completed
 - precast structures completed
- 01-1205 Rolling Hills Canal [Phase 01]
 - Contract A, 6.7 km. of lined canal TopNotch Construction Ltd.
 - started on 08 November 2000
 - approximately 1 km. of earthwork & liner installation complete
 - Contract B, 7.1 km. of lined canal Richardson Brothers Construction Ltd.
 - started on 20 November 2000
 - Contract C, Cast-in-Place Structures BYZ Construction Ltd.
 - started on 21 November 2000
 - 16 Rolling Hills Pipeline Tie-In EID Crews
 - complete
- 01-1207 01-10 Rolling Hills EID Crews
 - 3 km. of pipeline installed
- 01-1213 7-01 Bow Slope EID Crews
 - 2.5 km of pipeline
 - scheduled to commence about 01 December 2000
- 01-1215 7-01 A rolling Hills EID Crews
 - 3 km. of lined canal
 - earthwork & liner installation complete
 - precast structures remaining
- 01-1216 14 East Branch EID Crews
 - 4 km. pipeline
 - scheduled to commence in January 2001

- 01-1234 North Bantry & Princess Lake Structures
 - 2 Cast-in-Place structures MJB Enterprises Ltd.
 - old structure demolition completed
 - replacement structures scheduled to begin in December 2000
 - 2 Precast Structures EID Crews
 - scheduled to commence in February 2001
- 01-1235 AH North Bantry EID Crews
 - 1 km. pipeline scheduled to begin in mid-January 2001
- 01-1238 John Ware Spillway EID Crews
 - 2 km. of drain reconstruction
 - project commenced on 23 November 2001
- 01-1246 Precast Structure Program 2000-2001 EID Crews
 - scheduled to commence in January 2001, pending approval

IRP Program

- 02-1203, IRP # 1872 11 H West Bantry EID Crews
 - 2 km. of lined canal
 - earthwork & liner installation complete
 - structures remain
- 02-1204, IRP # 1873 04-04 C Springhill Canal EID Crews
 - 6.7 km. pipeline
 - scheduled to commence 1st week of December 2000
- 02-1206, IRP# 1874 14 H West Bantry EID Crews
 - 2.7 km. pipeline
 - project commenced on 23 November 2000
- 02-1208, IRP# 1875 19 Bow Slope EID Crews
 - 13.5 km. pipeline
 - scheduled to commence mid-December 2000
- 02-1230, IRP# 1885 09 Bow Slope EID Crews
 - 4.8 km. pipeline
 - scheduled to commence in mid-February 2001

Mr. Schoorlemmer also provided an overview of the costs for these projects and their status in comparison to budget allocations. It was also noted that the type of work being undertaken by EID Crews is very cost-competitive, particularly in the area of pipeline installation. It was also noted that IPEX is forecasting a potential 5% drop in prices, following their last June 50% increase.

5.02 01-1246 Precast Structure Program

Mr. Schoorlemmer provided an overview of the district's proposed Precast Structure Program, along with locations and potential construction scheduling.

167-11-2000 Moved by Mr. Johnson that the 01-1246 Precast Structure Program be approved as presented, with funding for the program, estimated at \$136,000, from the EID Capital Construction Program. Seconded by Mr. Henrickson.
CARRIED

[10:20 AM, Mr. Schoorlemmer exited the meeting. Mr. Meador joined the meeting.]

6.0 Operations Report

6.01 Farm Improvement Program, Start-Up Date

Mr. Meador provided an update on the Water Efficiency Conversion portion of the district's Farm Improvement Program. He noted that the district adopted the policy as of 20 April 2000 [Motion # 043-04-2000]. All of the approvals by the board are for projects that were completed following the approval date. Mr. Meador indicated that some irrigators had questioned the potential to receive funding for projects that were planned during the winter of 1999/2000 but did not go into operation until the spring of 2000. It was agreed that the Water Efficiency Conversion portion of the Farm Improvement Program only be effective for projects approved following the April approval.

Mr. Meador also reviewed some of the rationale behind Water Efficiency Conversion projects that had been rejected by the district. In most cases these projects were not approved as the efficiency gains could not be guaranteed. For example, irrigators were not willing to move pump locations to their legal points of delivery, or maintained open head ditches with spill facilities past pump locations, etc. It was agreed that the district could still consider Farm Improvement Program cost-sharing for portions of these projects, but not under the Water Efficiency Conversion. The approvals would be under the general Farm Improvement Program that limits the 50% district contribution to a maximum of \$7,500.

6.02 Expenditure Overview

Mr. Meador provided a detailed breakdown of the costs of approved Farm Improvement projects for 2000. It was noted that the budget allocation had been set at \$100,000, while the actual costs are forecast to be in the area of \$165,000. It was also agreed that the district is achieving the water management improvements and benefits that it wants to obtain under the program and that budget allocations for 2001 will be prepared considering the experience of 2000.

6.03 E ½ 26-20-16 W4M, Flood to Pivot Conversion

Mr. Meador provided a review of the details of a Water Efficiency Conversion project in the E ½ 26-20-16 W4M. The proposed conversion is from surface irrigation to pivot. The project qualifies for the maximum district participation, minus the costs for a 10" tee & valve. The previous surface irrigation deliveries in the south east corner of the SE 1/4 will be abandoned.

168-11-2000 Moved by Mr. Plett that the district approve the Farm Improvement Project in the E ½ 26-20-15 W4M, 752686 Alberta Ltd. [Lutes] as follows:	
Surface Irrigation to Pivot Irrigation Conversion Allowance	\$7500
Minus	
Cost of materials for 10" Tee & Valve	\$1000
Total payable to 752686 Alberta Ltd.	\$6500
Seconded by Mr. Henrickson.	CARRIED

6.04 Flood Damage Claim, SW ¼ 35-17-14 W4M

Mr. Meador provided an update of a Flood Damage Claim that was forwarded to the district's insurers for adjustment. It was noted that the district does have some liability with the event, but as the total claim is less than the district's deductible under its insurance coverage, the insurance

company has returned the claim to the district for action.

169-11-2000 Moved by Mr. Johnson that the district authorize the payment of \$207.75 as the total claim for flood damages occurring in the SW ¼ 35-17-14 W4M, Mr. Karl Deschner. Seconded by Mr. Henrickson. CARRIED

[10:50 AM, Mr. Meador exited the meeting. Mr. Hayes joined the meeting.]

7.0 EIDNet Report

7.01 EIDNet Status Report

Mr. Hayes provided an overview of current account activity for the EIDNet as follows:

• Full-time Network Connections	5, 1 additional planned for early 2001
• Full-time Dial-Up Connections	2
• Domain Name Hosting/Commercial Web Accounts	40
• Credit Union Dial-Up Accounts	251
• Public Dial-Up Accounts	250
• Rate Payer Accounts	576
• Employee Home Accounts	25

In discussion of the various accounts, Mr. Hayes reported on an long-term outstanding account for a full-time dial-up connection with Tirol. A total owing for the balance of the contract term with Tirol is \$3100. The EIDNet has had discussions with Tirol on the best method to bring the account current. There has been general agreement that Tirol will pay to the EIDNet an amount of \$513 per month in advance for each month in the balance of the contract, with their Internet access being suspended should their be a failure in any of the payments. There was discussion as to Tirol's current economic condition and the merits of the district attempting to finds methods to collect outstanding funds versus suspension of services.

170-11-2000 Moved by Mr. Livingston that the district authorize the payment plan for Tirol for the balance of the contract period with the monthly fee of \$513 per month being required in advance at the beginning of each monthly period and on the understanding that the account will be suspended for any non-payment of funds. Seconded by Mr. Henrickson. CARRIED
Opposed: Mr. Chrumka

7.02 Industry Canada CAP [Community Access Program] Grant Approval

Mrrs. Hill and Hayes provided an update of the district's participation in Industry Canada's CAP Program. The district was encouraged by Industry Canada to apply for an additional grant to meet "value-added" internet access and to add community access locations to all communities in the region. The EIDNet has applied for and been approved for a grant that includes the following elements:

- extended community access to the internet [core element of grant],
- development of internet-based secure hardware & software for e-commerce,
- pilot testing of high-speed wireless connectivity for business applications, and

- development of GIS data, hardware, software & analysis products for the EID & the public.

It was noted that the EIDNet's portion of the grant approval is to match funding dollar-for-dollar with cash and/or in-kind contributions. The local community sites need to be operational for a 24 month period. It was also noted that the board's Internet Committee has also reviewed the details of the grant, but that the board's approval is sought to accept the grant.

171-11-2000 Moved by Mr. Chrumka that the board authorize acceptance of the Industry Canada [CAP] Grant. Seconded by Mr. Plett. CARRIED

It was also noted that the community sites will have their products and access "branded" as an Industry Canada initiative, with service provided by a local firm and internet access provided by the EIDNet.

There was additional discussion regarding the funding aspects of the grant approval. It was noted that payments to the district under the grant are based on 20% at the time of contract signing/Milestone Report 01, 60% at six months/Milestone Report 02 and the final 20% at 12 months/Milestone Report 03. The EIDNet would like to move ahead with the project at a quicker pace than that allowed by the payment structure. It was agreed that the district could arrange pre-funding of the grant payments.

172-11-2000 Moved by Mr. Chrumka that the district approve the EIDNet borrowing funds covered by the Industry Canada grant in advance of having received them, up to the full amount of the grant funds to be received and repaid to the district. Seconded by Mr. Johnson. CARRIED

[11:20 AM, Mr. Hayes exited the meeting. Mr. Redelback joined the meeting.]

8.0 Oil & Gas Land Activities Report

Mrrs. Wilson and Redelback reported on the substance of meetings held recently with a number of the major oil & gas operators in the region. The focus of the meetings was to discuss options that might be available to reduce the impact of exploration and production activities on grazing operations.

To date the EID has met with representatives of Pan Canadian Petroleum, Canadian Natural Resources and Star Tech. Discussion with each of these organizations included a review of activities planned for 2001, the district's experience with operations in 2000 and a discussion of potential actions that could be undertaken to improve coordination and reduce impacts.

At the meeting the district indicated it was considering the following restrictions to oil & gas activities:

- not allowing any seismic programs in May or June,
- not allowing any land spreading after 15 April unless it occurs following grazing [virtually eliminates land spreading in May and June],
- hiring fencing contractors to repair all oil company fences or repairs to damaged district fences at two time cost, and
- insisting on coordination of all well completions to keep completions following grazing

activities.

It was noted that the firms contacted expressed an understanding of the district's concerns and indicated that they would work to adapt their programs to meet these criteria. It was noted that the level of cooperation indicated should significantly reduce the impacts of grazing activities.

173-11-2000 Moved by Mr. Livingston that the district approve the directions being proposed to reduce the impacts of oil & gas exploration and production activities on district-owned lands and accompanying grazing activities. Seconded by Mr. Johnson.

CARRIED

[11:50 AM, the meeting recessed. Mr. Redelback exited the meeting.]

[12:55 PM, the meeting reconvened. Mr. Matoba joined the meeting.]

9.0 Land Administration Report

9.01 Irrigation Development Applications

Mr. Matoba provided an overview of all irrigation development applications that have been received by the district, along with their criteria evaluations. Mr. Matoba noted that there remains only approximately 4,250 acres between the current level of assessment and the district's irrigation expansion limit of 286,000 acres.

The following decisions were made in response to the applications to add irrigation acres:

174-11-2000 Moved by Mr. Henrickson that the district approve a Terminable Water Agreement for John & Sandra Day in a Ptn. of the NE ¼ 36-18-14-W4M in the amount of 20 acres. Seconded by Mr. Plett.

CARRIED

175-11-2000 Moved by Mr. Henrickson that the district approve the addition of 25 irrigation acres in the NE ¼ 03-20-13-W4M, Georgette Buck, pending soils if required. Seconded by Mr. Chrumka.

CARRIED

There was general discussion regarding the merits of approving additions of irrigation acres pending a future acceptable soil classification versus requiring the soils classification in advance of considering the application. It was noted that with the few acres the district has remaining before meeting its Irrigation Expansion Limit that requiring irrigators to invest in the soils investigation in advance may be an undo cost.

176-11-2000 Moved by Mr. Johnson that the district approve the addition of 25 irrigation acres in the S ½ 14-16-16-W4M, Carey Cumming, pending soils if required and consolidation of irrigation activities to a single pump site location. Seconded by Mr. Chrumka.

CARRIED

177-11-2000 Moved by Mr. Henrickson that the district approve the addition of 38 irrigation acres in the SW ¼ 18-15-15-W4M, Norm Chelte, pending moving 17 acres from another assessed location and pending soils if required. Seconded by Mr. Johnson.

CARRIED

- 178-11-2000** Moved by Mr. Livingston that the district approve the addition of 100 irrigation acres in the E ½ 32-21-17-W4M, Chizik Holdings, pending soils. Seconded by Mr. Henrickson. **CARRIED**
- 179-11-2000** Moved by Mr. Livingston that the district approve the addition of 100 irrigation acres in the SW ¼ 05-20-12-W4M, 826167 Alberta Ltd. [operating as Bar 4T Ranch], pending soils and any Irrigable Unit or Remote Delivery Agreements that may be required, Seconded by Mr. Johnson. **CARRIED**
- 180-11-2000** Moved by Mr. Livingston that the district approve a Terminable Water Agreement for Springside Hutterian Brethren in the N ½ & SW ¼ 32-20-13-W4M in the amount of 40 acres. Seconded by Mr. Johnson. **CARRIED**
- 181-11-2000** Moved by Mr. Livingston that the district approve the addition of 15 irrigation acres and the conversion of 15 Terminable Agreement acres to irrigation acres in the SE ¼ 04-21-15-W4M, Heinz Dick. Seconded by Mr. Henrickson. **CARRIED**
- 182-11-2000** Moved by Mr. Henrickson that the district approve an Annual Agreement in the amount of 8 acres in the SW ¼ 04-21-15-W4M, Heinz Dick, for the 2001 diversion period. Seconded by Mr. Livingston. **CARRIED**

9.02 Irrigation Lease Rate Reviews

Mr. Matoba provided the board with an overview of current irrigated leases required rate review for the next five year payment period. There was discussion of the appropriate rates of offer to be made to the lessees.

- 183-11-2000** Moved by Mr. Plett that the district approve offers for renewed lease terms as follows:

- Lease 8142 [Final Term of 20 Year Lease] \$35/ac & \$5/ac for dry corners
- Lease 8136 [Final Term of 20 Year Lease] \$35/ac & \$5/ac for dry corners
- Lease 8266 [2nd Term of 20 Year Lease] ... no change in per acre fee, \$5/ac for dry corners
- Lease 8267 [2nd Term of 20 Year Lease] ... no change in per acre fee, \$5/ac for dry corners
- Lease 8251 [2nd Term of 20 Year Lease] ... no change in per acre fee, \$5/ac for dry corners
- Lease 8271 [2nd Term of 20 Year Lease] \$25/ac & \$5/ac for dry corners
- Lease 8250 [2nd Term of 20 Year Lease] \$35/ac & \$5/ac for dry corners
- Lease 8268 [2nd Term of 20 Year Lease] \$30/ac
- Lease 8225 [3rd Term of 20 Year Lease] no change
- Lease 8290 [Annual Lease] no change

Seconded by Mr. Livingston.

CARRIED

9.03 Aggregate Royalty Agreement

- 184-11-2000** Moved by Mr. Johnson that the district approved the rate for the Aggregate Royalty Agreement with the County of Newell, No. 4 for the Crawling Valley Gravel Pit located in the NE ¼ 09 and NW ¼ 10-24-17-W4M at the rate of \$1.50 per cubic meter for a period of 2 years commencing in 2001. Seconded by Mr. Chrumka. **CARRIED**

9.04 Approval of Lease Transfers

185-11-2000 Moved by Mr. Nielsen that the district approve the transfer of Lease 7030 Ralph Burrows Jr. to Bryce Burrows. Seconded by Mr. Plett. **CARRIED**

186-11-2000 Moved by Mr. Plett that the district approve the transfer of Lease 8142 from Tracy Hemming to Peter Mousette et al. Seconded by Mr. Henrickson. **CARRIED**

9.05 Update, Conversion of Surcharge Terminable Agreement Acres to Irrigation Acres

Mr. Matoba reported that he has heard from about half of those individuals who hold Terminable Agreements with Surcharges that they will convert to irrigation acres under the district's offer by 31 December 2000.

9.06 Discussion of Simpson Lease

Mr. Matoba reported on his review of how a single lease in the name of Tom Simpson was split into two leases. It was also noted that there has been a request to join the two leases into a single unit. The history of the lease and its implications on the number of cattle that the lease holders could place in the Community Grazing Associations was discussed. It was agreed that the two leases will not be consolidated.

[2:35 PM, Mr. Matoba exited the meeting.]

10.0 Equipment Report

The results of the recent Fleet Tender were reviewed by the district. Some miscellaneous discussion regarding the overall tender process and vehicle replacement progress was discussed.

187-11-2000 Moved by Mr. Nielsen that the district approve the purchase of eight [8] vehicles as tendered from Sorensen Pontiac Buick GMC of Medicine Hat at the unit price of \$21,159.00 per vehicle. Seconded by Mr. Chrumka. **CARRIED**

[2:50 PM, the meeting recessed.]

[3:05 PM, the meeting reconvened.]

11.0 General Manager's Report

11.01 Letter from the Honourable Ty Lund, Minister of AFRD

There was general discussion of the reply from Mr. Lund to the district's request for one-time capital funding of the proposed Rolling Hills Reservoir Expansion. It was noted that the district could delay implementation of the project for a year should funding from Alberta be available.

It was agreed that a meeting with Mr. Lund be arranged to further discuss the project and the potential for funding from Alberta to be acquired in the fiscal 2001/2002 budget period of the Province.

11.02 Letter from the Honourable Dave Hancock, Minister of Justice

It was noted that the district had received a letter from Mr. Hancock, the Minister of Justice, indicating that he sees no need to provide either a reduction in liability or exemption from liability to Irrigation District corporations from the Occupier's Liability Act. The district had sent a request to Mr. Lund that was then forwarded to Mr. Hancock.

It was noted that this decision is in direct conflict with the recommendations of the Irrigation Act Review Committee. It was agreed that the district work through the AIPA to support efforts to gain the reduction in liability or exemption for liability under the Occupier's Liability Act.

11.03 SMRID & EID Joint Meeting

Mr. Wilson provided a brief overview of the items discussed at the 23 November 2000 meeting between the SMRID and EID. Topics included:

- transfer provisions and requirements under the Irrigation Districts Act,
- the recent IMS Funding Proposal by AFRD [both districts agreed that the project was worth the contributions being sought, but that we should not agree too quickly to provide the funding as AFRD had committed to provide it at an early date],
- payback provisions under the Irrigation Rehabilitation Program,
- agreement that no changes to the current sharing formulas under the Irrigation Rehabilitation Program are required,
- discussion of the impacts of Electric Utility Deregulation process and increasing energy costs and related option,
- discussion of merits of early construction of Bassano Dam Hydro project, with note that Irrican is interested in the site should the EID not wish to proceed, and
- discussion of the merits of continuing with the AIPA/AAMDC Joint Issues Committee and general agreement to evaluate the process following the next meeting.

11.04 EID License Application Update

Mr. Wilson noted that he had met on an informal basis with Mr. Al McMillan of Alberta Environment to determine the options that might be available to finalize the district's license application. He indicated that Mr. McMillan will wait for the completion of a technical and model review using the Irrigation District Model and the Water Resource Management Model. This work is currently underway.

11.05 Report, Lake Newell Resort Condominium Association Meeting

Mr. Wilson reported on a recent meeting of the Lake Newell Resort Condominium Associations. It was noted that there is strong agreement to move towards Hamlet status for the development. A number of other items were also discussed. The owners of the lots purchased from Westbridge Developments Corporation were in attendance and one of the owners was elected to the Condominium board. There was also discussion of RV Storage and the potential to form a Marina Association. More information on these items may be forwarded to the district at a later date.

11.06 Draft Changes to Irrigated Lease Policy

Mr. Wilson reported that he has forwarded some matters relative to changes in the district's Irrigated Lease Policy and accompanying agreements to Mr. Ken Lutes for legal review. This matter will return to the board for discussion upon completion of the review.

11.07 Western Canadian Grazing Conference

It was agreed that the district send a number of staff, board and Community Grazing Association representatives to attend the Western Canadian Grazing Conference in Red Deer, Alberta from 06 to 08 December 2000. The district will be represented by Mr. Hale. Mr. Johnson and Mr. Nielsen, with representatives from the Community Grazing Associations to confirm by 01 December 2000.

11.08 Northwest Irrigation Operators Tour [19 to 22 February 2000]

Mr. Wilson noted that he would provide some additional details about the tour at the next meeting. He indicated that a mix of board and staff should be selected to attend.

11.09 Bassano Dam Hydro

Mr. Wilson provided an overview of the various steps the district might wish to consider in advancing a hydro installation at Bassano Dam. Given the current status of Electric Utility Deregulation and the associated increasing power costs, it may be more economically advantageous to build the project sooner rather than later.

It was also noted that the district should complete a detailed economic feasibility analysis to accompany the engineering work completed to date.

187-11-2000 Moved by Mr. Livingston that the board authorize the expenditures to complete an economic feasibility review of the proposed Bassano Hydro Project. Seconded by Mr. Chrumka. CARRIED

11.10 East Branch Automation

Mr. Wilson provided an update on the status of remote monitoring and control equipment on the East Branch Canal. He noted that some persistent problems are being addressed on the upper third of the canal, due primarily to the nature of installed equipment.

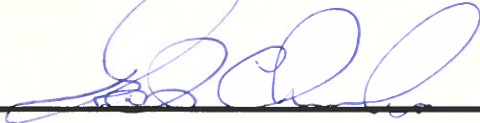
He also noted that more robust equipment is now available that should provide for increased security of operations as well as improved operations. Mr. Wilson suggested that the overall retrofit costs for the entire canal is estimated at \$300,000, but that the district should only proceed with the first third at this point in time. The balance of the replacement can be scheduled over the next couple of years.

188-11-2000 Moved by Mr. Johnson that the district proceed with the retrofitting and replacement of remote monitoring and automation equipment for the upper third of the East Branch Canal at an estimated cost of \$100,000. Seconded by Mr. Livingston.

CARRIED

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 28 November 2000

The meeting was adjourned on a motion by Mr. Henrickson at 3:45 PM.



Per: Chairman



Per: General Manager

Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 21 December 2000

The Regular Meeting of the Board of Directors of the Eastern Irrigation District was held on Thursday, 21 December 2000. Those in attendance were:

Pat Hemsing	Chair
Bob Chrumka	Vice-Chair
Allan Nielsen	Director
Don Plett	Director
Neil Johnson	Director
Tom Livingston	Director
Clint Henrickson	Director
Earl Wilson	General Manager
David Hill	Resource Policy & Planning

The meeting was called to order at 9:00 AM.

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3.0	Business From Minutes, 28 November 2000	3
3.01	Irrigated Lease Policy Follow-Up	3
3.02	Annual Permit Refusal, Gordon Kay	4
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4.02	Status, Conversion of Terminable Agreement with Surcharges	4
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4.04	Status, Land Sale to Graham	4
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5.0	Engineering Report	5
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5.02	Criteria for Project Evaluation, 5 Year Plan	5
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6.0	Lease Transfer, Lease 7028, Frank Braun to Ray Braun	6
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Regular Meeting – Board of Directors – Eastern Irrigation District
Tuesday, 21 December 2000

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7.06	Grazing Lease Policy Review [Format/What is on the Table]	8
7.08	Damages Related to Seismic Activities on Private Grazing Leases	8
8.0	Land Access Policy Report [2000 Experience]	9
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9.0	Pheasant Habitat Development [PHD] Report	9
199-12-2000		9
10.0	Grass Carp Update	9
11.0	Bassano Dam Hydro Update	10
12.0	Northwest Irrigation Operators Inc., Tour Info	10
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13.0	Letter, Canadian Bankers Association	10
14.0	Budget Discussion [Preliminary]	10
15.0	Greenhouse Gas Emissions	11
16.0	Suggested Meeting Dates	11

1.0 Adoption of Agenda

The following items were added to the agenda for discussion:

- 3.02 Annual Permit Refusal, Gordon Kay [Mr. Livingston],
- 4.02 Status, Conversion of Terminable Water Agreements with Surcharges [Mr. Nielsen],
- 4.04 Status, Land Sale to Graham [Mr. Nielsen],
- 4.05 Corporate Credit Cards [Mr. Chrumka],
- Western Canadian Range Conference [Mr. Hemsing],
- Seismic Activity on Private Grazing Leases [Mr. Nielsen], and
- Miscellaneous Requests for Additional Irrigation Acres, Mr. Doug Gray, Beasely Ranches [Mr. Nielsen].

189-12-2000 Moved by Mr. Chrumka that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes, 28 November 2000

The following corrections or clarifications were noted to the minutes of the 28 November 2000

meeting:

- Item 6.01 at page 06 It was agreed that the reference to Water Efficiency Conversion refers only to changes in on-farm irrigation practices of the landowner and a conversion from surface irrigation or other irrigation method to a more efficient method of irrigation.
- Item 7.02 at page 08 Motion 172-11-2000 should be corrected to read as follows:
"Moved by Mr. Chrumka that the district approve the EIDNet ~~drawing borrowing on~~ funds covered by the Industry Canada grant in advance of having received them, up to the full amount of the grant funds to be received **and repaid to the district**. Seconded by Mr. Johnson."
- Item 9.03 at page 10 Motion 184-11-2000 should be correct to read, " ... for a period of 2 years commencing in 2001."

189-12-2000 Moved by Mr. Chrumka that the board adopt the minutes of the 28 November 2000 Director's Meeting as corrected. Seconded by Mr. Plett. CARRIED

3.0 Business From Minutes, 28 November 2000

3.01 Irrigated Lease Policy Follow-Up

Mr. Wilson reported on his recent discussions with the district's solicitor, Mr. Ken Lutes, regarding options to increase the tenure and value of irrigated leases on lands owned by the district. Mr. Wilson noted that while it is legally possible to develop a lease agreement and accompanying policy that make for leases without a specific termination date, it was Mr. Lutes advise to not do so.

There was lengthy discussion regarding the most feasible and preferable options to increase the value of irrigated leases to the EID and the lessees. It was noted that the district has a number of current 20 year irrigated leases that will be nearing completion of their current lease terms. These leases were granted as fixed term, 20 year leases with the lessee having the option to transfer the lease during the term.

The district had previously identified that there may be merits in increasing the term of these leases, both to the district and the lessee. A number of options were discussed, including:

- remaining with the current policy and agreements for existing leases [ie. they will expire at the conclusion of their 20 year lease term], or
- approving a change in district policy and lease agreement structure that would allow for a 10 year renewable extension to lease agreements that would maintain the transferability of the lease with the payment of some fee [ie. 2 years lease rent], or
- approving a change in district policy and lease agreement structure that would allow for a 10 year non-transferable extension to the lease with the payment of some fee [ie. 1 year lease rent].

It was agreed that this matter will be returned to the agenda for discussion and approval of a direction for the January 2001 Director's Meeting.

[10:20 AM, the meeting recessed.]
[10:30 AM, the meeting reconvened.]

3.02 Annual Permit Refusal, Gordon Kay

Mr. Livingston reported on a field visit that he had with Mr. Kay and Mr. Tebo of the district regarding the recent refusal of Mr. Kay's application for an annual agreement. The specifics of the nature of water supply, existing and potential on-farm water storage were discussed. It was noted that should Mr. Kay wish to present his concerns and proposals to the board he is welcome to arrange for an appointment to speak with the board.

[10:35 AM, Mr. Bischoff joined the meeting.]

4.0 Financial Report

4.01 Approval of Financial Statements for Period Ending 30 November 2000

Mr. Bischoff provided a detailed overview of the Financial Statements for the period ending 30 November 2000. There was some specific discussion of selected line items as well as the overall level of oil & gas compensation payments received during 2000.

190-12-2000 Moved by Mr. Henrickson that the directors approve the Financial Statements for the period ending 30 November 2000. Seconded by Mr. Livingston.

CARRIED

4.02 Status, Conversion of Terminable Agreement with Surcharges

Mr. Bischoff reported that 12 of 16 Terminable Water Agreements subject to surcharges have been identified and confirmed by the agreement holder to be converted to irrigation acres. Of the remaining 4 Terminable Water Agreements, 2 agreement holders have not responded to the district's offer, 1 agreement holder has indicated a preference to remain with the surcharge and 1 agreement holder is currently considering a conversion.

4.03 Accounts Receivable, Private Grazing Leases

Mr. Bischoff reported that all outstanding payments for Private Grazing Leases have been received.

4.04 Status, Land Sale to Graham

There was some discussion regarding the progress and status of the land sale from the district to the Graham's for the water storage and supply for South Slope Feeders. Items related to legal surveys, subdivision approval, restrictive covenants, etc. have delayed completion of the sale and transfer of lands and funds. The district administration was encouraged to determine what could be done to accelerate completion of the sale.

4.05 Corporate Credit Cards

Mr. Chrumka suggested that the district consider providing Corporate Credit Cards to all directors for their use in carrying out district business. This was suggested as a means of increased

convenience.

191-12-2000 Moved by Mr. Chrumka that the directors approve the provision of Corporate Credit Cards for all directors for their use in carrying out approved district business. Seconded by Mr. Johnson.

In discussion of the motion it was noted that no director would or should be compelled to accept a Corporate Credit Card, but could receive one if they wished. There was general discussion as to the need and increased convenience such a process would allow. It was the consensus of the directors that there was insufficient need to warrant the approval of the cards. A vote on the motion was called. **DEFEATED**

[11:20 AM, Mr. Bischoff exited the meeting, Mr. Schoorlemmer joined the meeting.]

5.0 Engineering Report

5.01 Rehabilitation Projects Update

Mr. Schoorlemmer provided a printed overview of the status of all current EID Capital Construction Projects and Irrigation Rehabilitation Projects. Various aspects of the on-going construction and costs for the projects was reviewed.

Mr. Schoorlemmer also discussed the potential to accelerate a proposed EID Capital Construction Project from the fall of 2001 to the spring of 2001. He noted that the district's progress on a number of projects is ahead of schedule and there could be an opportunity to move the proposed rehabilitation of G11 & G14 North Bantry forward. Mr. Schoorlemmer indicated that approval to advance the project so that materials could be pre-ordered could allow the district to proceed with the work ahead of schedule and could make better use of the district's staff resources for installation.

192-12-2000 Moved by Mr. Nielsen that the directors approve the advanced scheduling of rehabilitation of G11 & G14 North Bantry to allow for design and pre-ordering of materials, with actual project details returning to the board for final approval. Seconded by Mr. Chrumka. CARRIED

5.02 Criteria for Project Evaluation, 5 Year Plan

The directors discussed the project evaluation criteria that should be used in developing the priority listing for the next 5 Year Rehabilitation Plan. The purpose of the criteria are to assist in overall project evaluation and the setting of priorities. The past practice of the district has been for the directors to approve the criteria in advance of the evaluation of potential projects.

The following criteria and relative ratings were discussed:

- Farm Severance 0 to 6
- Seepage 0 to 14
- Capacity 0 to 14
- Control Structures 0 to 15
- Bank Width & Height 0 to 14

- Access 0 to 6
- Erosion 0 to 6
- Resulting Damage if Left 0 to 10
- Potential Reclamation of Affected Lands 0 to 5
- Size of Lateral 0 to 10

The criteria relating to farm severance was discussed to determine whether or not it should have a higher rating range, particularly in light of the fact that most of the major canals in the district have now be subject to rehabilitation. It was concluded that the ratings between the various evaluation criteria remain suitable for the initial preparation of the next 5 Year Plan.

193-12-2000 Moved by Mr. Nielsen that the district adopt the criteria for evaluation of rehabilitation projects for the next 5 Year Rehabilitation Plan as presented. Seconded by Mr. Johnson. CARRIED

[11:45 AM, Mr. Johnson exited the meeting.]

The board also discussed the merits of including drain rehabilitation within the upcoming 5 Year Plan. It was agreed that the district should prepare an overall priority rating for drains so that they can also be evaluated as part of the 5 Year plan.

[11:50 am, Mr. Schoorlemmer exited the meeting.]

6.0 Lease Transfer, Lease 7028, Frank Braun to Ray Braun

194-12-2000 Moved by Mr. Chrumka that the district approve the transfer of Lease 7028 from Mr. Frank Braun to Mr. Ray Braun. Seconded by Mr. Plett. CARRIED

[11:55 AM, the meeting recessed.]

[1:30 PM, the meeting reconvened. Mr. Hale joined the meeting.]

7.0 Grazing Report

7.07 Western Canadian Range Conference [Red Deer, Alberta]

Those directors who had attended the recent Western Canadian Range Conference reported that the event may not have been as specific to the district's land and range management operations as in previous years. It was noted, though, that the discussion between representatives of the district and those representing various Community Grazing Associations on district lands was positive.

It was noted that there is some interest within the district grazing lands for weighing in and weighing out of cattle, particularly for those operators who have moved their calving forward to January. It was generally agreed members of the Community Grazing Associations that the heavier calves are consuming more grass and perhaps there should be a premium paid for the larger calves.

7.01 Proposed 2001 Grazing Operations

Mr. Hale presented information regarding proposed cattle grazing operations for 2001. He also reported on recent meetings with members of the district's Grazing Advisory Committee. The

following issues were presented and discussed:

Cattle Listed for 2001 for Entry on EID Pastures	15013
Recommended Stocking Rate for 2001 [assumes good moisture conditions] ..	13627 for 4 months
Cattle Listed Above Recommended Stocking Rate	1386
Total Recommended AUMs for 2001 [13627 x 4 months]	54508 AUMs
No. of Months of Recommended Stocking for all Listed Cattle	3.6 months
Recommended Cattle Turnout Date	NO Earlier than 01 June 2001

The directors discussed the various options that are available to them for the 2001 grazing period. It was noted that the recommendations for stocking are based on the assumption that the district range lands do receive good moisture prior to the 2001 grazing period. The consensus of the directors that a potential 4 month grazing period was more preferable to a shorter season with more cattle. It was also noted that there was general agreement within the Grazing Advisory Committee that turnout be held off to 01 June 2001, but that Grazing Associations were hoping to go out with a full allotment of 40 head per member.

195-12-2000 Moved by Mr. Henrickson that the district set the maximum allotment for cattle for the 2001 grazing period at 36 head per member [24 for 2nd year and 12 for 1st year members], with no turnout of cattle prior to 01 June 2001 for a presently estimated 4 month grazing season. Seconded by Mr. Livingston. CARRIED

The directors also discussed the potential of grazing lands under the three new pivots installed in 2000 on the Lakeside Effluent Irrigation Project. There was discussion of the need to obtain a "disclaimer" from those operators who may choose to pasture their cattle on these lands. The disclaimer is intended to protect the district from any losses or actions that might arise out of cattle using the lands irrigated with effluent.

There was discussion of the relative costs of seeding these lands for pasturing versus farming and harvesting silage for an additional year as initially planned. It was generally agreed there may be an increased need for pasture lands that could be addressed by these new facilities.

196-12-2000 Moved by Mr. Livingston that the district plant spring and fall triticale on the Lakeside Effluent project lands to allow for grazing during the 2001 grazing period and that those pasturing cattle on those lands sign the appropriate disclaimer. Seconded by Mr. Henrickson. CARRIED

There was additional discussion regarding plans to set stocking rates by pasture to ensure the best possible use of range lands during 2001. It was noted that the preliminary range management plan should be ready in January 2001.

There was also discussion of some changes to the current annual agreements between the district and the grazing associations. It was agreed, that if possible, references to a number of acres of land could be replaced by figures noting the stocking rate and capacity.

7.02 Request to Authorize Members to Drop Out for One Year

Given the reduced stocking rates approved for 2001, the directors confirmed by consensus that it

would allow Grazing Association Members to not enter cattle onto the EID lease lands in 2001 and would allow them to return the following year at the approved full allotment level.

197-12-2000 Moved by Mr. Chrumka that the district authorize current lease members and their respective grazing association to not place cattle on the EID's lease lands during 2001 and return to grazing in 2002 without any loss or change in current approved cattle allotment. Seconded by Mr. Johnson. CARRIED

7.03 Letter, Bassano Grazing Association

It was noted that the concerns of the Bassano Grazing Association regarding the volume of oil & gas and seismic exploration activities has been discussed between Mr. Hale and Mr. Tracy Hall.

7.04 Letter, Hays Stock Grazing Association

The district reviewed a request from Hays Stock Grazing Association to grant them access to the recently completed water pipeline serving lands used by the Rolling Hills Grazing Association. It was agreed that the district is, as of yet, unsure as to whether or not there is any excess capacity available in the pipeline that could be used to support other areas. As such, the consensus of the directors was to decline the request of the Hays Stock Grazing Association.

7.05 Letters, Newell & Tilley Grazing Associations, Mr. Wm. Mortensen

Mr. Hale noted that he has received a number of requests and/or comments regarding the district offering any compensation to lease patrons in the Patricia Grazing Association for cattle loss due to the emphysema. The district's past decision was reviewed and considered in light of the requests and comments. It was agreed that the district indicate that while it does provide compensation in the amount of \$500 per animal for deaths from vehicle collisions or other for other losses from unusual accidents or vandalism there would be no compensation would be forthcoming from the recent requests.

7.06 Grazing Lease Policy Review [Format/What is on the Table]

Mr. Wilson noted that the directors have expressed some interest in a review of its Grazing Lease Policy. There was discussion as to the scope of any policy review as well as the best means to ensure a wide range of input into the review.

It was agreed that a copy of the policy, along with a letter outlining the pending review would be circulated to all current lease patrons, asking for their comments and/or recommendations regarding policy issues. The board agreed that it would review all of the comments prior to moving ahead with any meetings with the Community Grazing Associations to review the policy.

7.08 Damages Related to Seismic Activities on Private Grazing Leases

There was some discussion regarding the level of compensation the district provides to lessees of private grazing leases from seismic operations. It was agreed that the current practice of providing \$50 per mile is fair in light of the \$2.00 per acre charge associated with this class of leases.

[3:00 PM, Mr. Martin joined the meeting.]

8.0 Land Access Policy Report [2000 Experience]

Mr. Martin provided an overview, statistics and experience with the district's land access guidelines and policies during 2000. He noted that with the exception of some early problems with campers in non-designated areas, most problems had been overcome during the year with success.

It was noted that cooperation was generally obtained from visitors to EID lands once they were given an opportunity to become familiar with the district's access policies. It was also noted that the work completed on behalf of the district by the County of Newell Enforcement Officer as well as Alberta Environment Conservation Officers had been a significant assist during the past year. It was agreed the district would seek the same level of participation from the County of Newell and Conservation Officers in 2001.

Mr. Martin also provided an overview of the success of the designated route systems. The district did receive some funding from Buck for Wildlife for signage to assist with the program. It was noted that the majority of visitors using the designated routes were very cooperative. In particular, the hunting community that visits the EID region appear to be particularly supportive of the district's efforts.

Mr. Martin also noted that there has been interest expressed in designating routes with appropriate signage for the Coxon fields as an additional area for 2001. He also noted that the district could likely continue to count on some external support for signage from other organizations.

198-12-2000 Moved by Mr. Livingston that the directors authorize the establishment of designated routes with accompanying signage for the Coxon Field beginning in 2001. Seconded by Mr. Henrickson. CARRIED

Mr. Martin noted that he would coordinate the planning of the new designated routes with Mr. Hale to ensure compatibility with grazing operations.

9.0 Pheasant Habitat Development [PHD] Report

Mr. Martin provided an update on the activities in the Pheasant Habitat Development Project. He noted that the district has now worked with more than 100 land owners/irrigators in the planting and maintenance of trees to augment pheasant habitat. He additionally provided an overview of the external funding that is being received on an annual basis. There was also discussion of the EID's contributions toward the project.

199-12-2000 Moved by Mr. Johnson that the district approve the allocation of \$25,000 for fiscal 2001 to the continuation of the Pheasant Habitat Development Program along with approximately \$10,000 of in-kind support provided to the program by Mr. Martin. Seconded by Mr. Plett. CARRIED

[3:20 PM, Mr. Hale and Mr. Martin exited the meeting. Mr. Schroeder joined the meeting.]

10.0 Grass Carp Update

Mr. Schroeder provided a report to the board on the current status of operations for the district's Grass Carp project. Covered during the report was a recent financial summary, sales summary for

2000, existing fish inventories, the summer 2000 grass carp canal experiment and proposed fish production additions to the EID from the LCC for 2001. There was also some discussion regarding the direction the district should pursue in its planning of 2001 operations.

Mr. Wilson noted that there are a couple of meetings scheduled with the Lethbridge Community College on the form of agreement between the district and LCC. He further indicated there may be a need for some directors to attend meetings in this regard.

[4:00 PM, Mr. Schroeder exited the meeting.]

11.0 Bassano Dam Hydro Update

Mr. Wilson provided an overview of engineering and economic feasibility activities that are currently being addressed in support of the potential hydro installation at Bassano Dam. There was general discussion of various configurations for penstock, inlet, outlet, etc. that may avoid problems with fish exclusion devices, etc. Mr. Wilson noted that additional cost and return information should be ready for discussion near the end of January.

12.0 Northwest Irrigation Operators Inc., Tour Info

Mr. Wilson provided additional information regarding the planned 2001 tour by the Northwest Irrigation Operators, Inc. He noted that the tour agenda does not appear to include too many items of benefit to the district.

200-12-2000 Moved by Mr. Livingston that the district register Mr. Henrickson, Mr. Johnson, Mr. Nielsen, Mr. Hemsing and Mr. Schoorlemmer to attend the tour. Seconded by Mr. Henrickson. CARRIED

It was noted that a number of the members of the board would wish their wives to attend with them and that the costs for the spouses attending, traveling, etc. Would be covered by the individual members of the board.

13.0 Letter, Canadian Bankers Association

Mr. Wilson reviewed a letter recently received by the district from the Canadian Bankers Association. It was noted that lending institutions are concerned about the new potential to transfer and/or sell irrigated acres. They have requested that the district notify them in advance of any such transactions.

It was noted that while there is no requirement in the Irrigation Districts Act to provide such a notice, providing the notice would not be an undue burden to the district or to the individual who is proposing such a sale or transfer. Mr. Wilson also noted that he expect the Canadian Bankers Association to request an amendment to the Irrigation Districts Act requiring the notice as the means of lending institutions protecting their collateral.

14.0 Budget Discussion [Preliminary]

No discussion was held on this matter as part of the Regular Meeting of the Directors.

15.0 Greenhouse Gas Emissions

Mr. Wilson provide some printed material regarding Greenhouse Gas Emissions recently published by Alberta Agriculture, Food and Rural Development.

16.0 Suggested Meeting Dates

The following schedule of meetings was agreed upon:

- EID CARP Committee Meeting 10 January 2001, 1 PM, Brooks
- EID/LCC CARP Committee Meeting 12 January 2001, 9 AM, LCC @ Lethbridge
- Preliminary Budget Meeting 18 January 2001, 9 AM, Brooks
- Regular Board Meeting 30 January 2001, 9 AM, Brooks
- Special Board Meeting [Grazing Policy Review] 13 February 2001, 1 PM, Brooks
- Regular Board Meeting 27 February 2001, 9 AM, Brooks
- Regular Board Meeting 27 March 2001, 9 AM, Brooks
- Annual Meeting 04 April 2001, 1:30 PM, Brooks
- Regular Board Meeting 24 April 2001, 9 AM, Brooks

The meeting was adjourned on a motion by Mr. Henrickson at 4:45 PM.



Per: Chairman



Per: General Manager