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22 January 2002, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 22nd of January 2002. Those in attendance were:

Mr. Bob Chrumka	Chair	
Mr. Clint Henrickson	Vice-Chair	[9:15 AM]
Mr. Allan Nielsen	Director	
Mr. Don Plett	Director	
Mr. Neil Johnson	Director	
Mr. Tom Livingston	Director	
Mr. Pat Hemsing	Director	

Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy & Planning
Mr. James Knelsen	Manager of Administration
Mr. Jim Meador	Operations Manager

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

1.0 Adoption of Agenda

The following items were added to the agenda:

- 8.02 Snow Pack Update,
- 9.13 By-Law 832 (2002) Election of Directors,
- 9.14 Wolfer Water Pipeline Extension

001-01-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Nielsen. CARRIED

2.0 Approval of Minutes, 17 December 2001

The following corrections were noted in the minutes of the 17 December 2001 Directors Meeting:

- pg. 171 & Pg. 178, ... 31st day of December in the year in which the irrigation acres area added to the assessment roll., and
- pg. 177, Mr. Tateson expressed concern that he is being asked to assume higher costs that than other irrigators ...

002-01-2002 Moved by Mr. Hemsing that the district approve the minutes of the 17 December 2001 Directors Meeting as corrected. Seconded by Mr. PletCARRIED

3.0 Business from Minutes

The following matters were discussed:

- information regarding the costs and extend of the water supply lines in the Tilley area are to be presented at the next regular meeting,
- the Partners in Habitat Development program and the district's involvement in an expanded effort will be handled as part of the overall budget discussions for 2002, and

- the district chose to not submit a letter to the government regarding the increased assessment and coverage under the Worker's Compensation Board.

4.0 Financial Report

4.01 Investment Report

It was noted that the quarterly investment report had been circulated with the pre-meeting information package. The report is intended as an information item. There were no additional questions relating to the district's investments.

4.02 Draft 2002 Fiscal Budget

Mr. Wilson commenced a detailed overview of the proposed budget for fiscal 2002. The budget overview included a line-by-line review of 2001 budget allocations, projected actual costs for the end of fiscal 2001 and projections for funding allocations for fiscal 2002.

In discussion of these line items, the following comments and/or observations were made:

- a detailed format for accounting for the costs of dealing with Fording Coal should be developed,
- there should be a review of budget allocations for insurance given the general increase in insurance rates that are now beginning to take place,
- a review of the legal fees that might be expected regarding the Bassano Dam and/or issues related to the Siksika Nation claims should be evaluated,
- a more detailed cost breakdown of the district's pressure pipelines should be developed,
- additional information regarding fencing costs, miles of fencing completed, etc. should be prepared to provide a better evaluation of future budget requirements, and
- the long-term plan for capital improvements to watering facilities for the pastures still needs to be presented to the directors.

[10:40 AM, the meeting recessed.]

[10:50 AM, the meeting reconvened. Mr. Meador exited the meeting. Mr. Vossepoel joined the meeting.]

6.0 Presentation, Mr. Dick Vossepoel

Mr. Vossepoel was welcomed to the meeting and introduced to those in attendance. Mr. Vossepoel indicated that his purpose in attending the meeting was to discuss with the directors concerns that he has regarding the policies and practices relative to grazing use of the district's lands. Mr. Vossepoel provided the following observations:

- he indicated his comments were based on his more than 20 years of experience as a member of the Tilley Grazing Association, many of those years as the association president.
- he advised that his concerns are in the area of "fairness" and that it is common knowledge that many of those who are gaining access to the community pastures are doing so on the basis of "paper" applications,
- his opinion is that some lease patrons are using such methods in order to run more cattle in the lease than was intended by the policies of the district,
- it was noted that while many of these "abuses" are general knowledge by the members, there does not appear to be any desire to fix the problems, either by the associations, or

even by the district.

There was discussion of a number of options that might be put in place to improve compliance with the policies of the district. These options included changing the basic application criteria for entry of cattle onto the lease, such as a certain allocation of cattle per irrigation acre, with irrigators being able to provide their allocation to others, etc. There was discussion of how to make the lease operations more of a benefit to all irrigators, to reduce the perception or reality that the irrigators subsidize the costs of operation of the leases.

It was agreed that the district could undertake an additional review of the policies regarding lease operations. The most recent review, conducted early in 2001, had indicated that there was little desire from the lease patrons for changes in the policy. It was suggested that no change allows those using the lease to continue to make use of the "paper" rules to improve their access to the pastures. There was general consensus that the district consider the preparation of a number of options and a survey or questionnaire that could be circulated to all irrigators to determine what changes might best meet the long-term needs of the irrigators, the pastures and the district.

[11:25 AM, Mr. Vossepoel exited the meeting. Mr. Meador joined the meeting.]

4.02 Draft 2002 Fiscal Budget

Mr. Wilson continued the review of the proposed budget for fiscal 2002. There was general discussion regarding the irrigation rate, cost-of-living and merit allowances, the rate to be assessed for grazing on the community pastures, etc.

[12:00 Noon, the meeting recessed.]

[12:40 PM, the meeting reconvened.]

4.02 Draft 2002 Fiscal Budget

Discussion of the proposed budget for fiscal 2002 continued with the following assumptions being considered:

- the annual rate charged for irrigation acres in 2002 should remain at \$7.50 per acre,
- the district should continue the same approach to conveyance charges as practised in 2001,
- a general approval of items required as capital expenditures for 2002 was agreed to, with note that some items listed would be returned back to the directors for approval prior to purchase as follows:
 - 70,000 lb Hoe OK
 - D6M Dozer Further Approval Required
 - 8 Light Trucks OK
 - Gravel Truck Further Approval Required
 - Service Truck Further Approval Required
 - Plate Tamper OK
 - Miscellaneous Attachments Further Approval Required
 - Large Shop Tools Further Approval Required
 - Office Equipment, Furniture OK
 - PC Computers, Printers OK
 - Photo Copier Further Approval Required
 - Miscellaneous Further Approval Required
- additional planning should take place to determine the costs for the planting of trees and general improvement of the district's lands north of the district's offices,

- work should also be planned to remove trees and debris from areas outside of the right-of-way of the Marshall Drain,
- a review of the remuneration paid to directors of the district was also discussed, and
- additional discussion of the budget allowances for cost-of-living and merit increases that should be included in the budget for fiscal 2002.

003-01-2002 Moved by Mr. Nielsen that the district approve an increase in budget for salaries and wages at 2.5% as a base for cost-of-living increase and an additional 1% being allocated to address merit increases for a total increase of 3.5%. Seconded by Mr. Johnson. CARRIED

004-02-2002 Moved by Mr. Henrickson that the district set the AUM charge for use of district pasture lands for 2002 at \$16.00 per AUM. Seconded by Mr. Livingston. CARRIED

005-02-2002 Moved by Mr. Hemsing that the district instruct that a by-law be prepared setting the rate for remuneration and expenses paid to directors at \$180 per day for attendance at meetings and \$0.40 per kilometre for mileage. Seconded by Mr. Johnson. CARRIED

[1:25 PM, Mr. Romao joined the meeting.]

5.0 Engineering Report

5.01 Project Status Update

Mr. Romao provided the following overview of ongoing projects:

EID Capital Construction:

01-1265	14 H West Bantry <ul style="list-style-type: none"> • 2 km lined canal • earthwork & structures complete • clean-up remains 	EID Crews
01-1264	10 H West Bantry <ul style="list-style-type: none"> • 3.5 km. Lined canal and 0.8 km pipeline • earthwork complete • pipeline & pipeline turnout installed • structures installation underway 	EID Crews
01-1251	11 B Springhill <ul style="list-style-type: none"> • 2.5 km lined canal • earthwork complete • structures remain 	EID Crews
01-1231	G11 and G14 North Bantry <ul style="list-style-type: none"> • 5 km pipeline • construction to commence in January 2002 	JKR Excavating
01-1247	18 Bow Slope	BYZ Construction

- 5.6 km pipeline
 - construction to commence in late January 2002
- 01-1252 N and OA Tilley EID Crews
- 1.6 km and 0.8 km pipelines
 - complete except for clean-up and fencing
- 01-1275 John Ware Spillway, Phase 2 EID Crews
- 0.8 km bank rebuilding and grade control
 - 80% complete
 - structures remain
- 01-1245 Rolling Hills Canal, Phase 2 Richardson Bros. (Olds) Ltd.
- 7.5 km lined canal
 - approximately 5 km of liner installed
 - 50% of gravel armour has been placed
 - requires final grading
- 4 check structures and 1 spillway structure Charmar Enterprises
 - concrete work complete, except for walkways
 - backfilling 25% complete

There was also discussion of how to best resolve outstanding issues with Phase 1 of the Rolling Hills Canal Rehabilitation completed last year. Mr. Wilson noted that there are some issues that are still being investigated and that a report of the matter will be included in the February meeting.

- 01-1249 24 Rolling Hills F. Miller Excavating
- 2.5 km pipeline
 - pipe on site
 - construction to commence in January 21st

IRP Projects:

- 02-1245 C North Branch EID Crews
- 28 km pipeline and associated laterals
 - 17 km of pipe installed
 - some delays due to problems with gaskets for 36" PVC pipe, increased costs being covered by IPEX

5.02 01-1250, B North Bantry Rehabilitation

Mr. Romao provided an overview of the proposed rehabilitation of the B North Bantry project. The proposed rehabilitation will replace the existing earth canal with a pipeline from a new point of delivery along the North Bantry Canal.

- 006-01-2002 Moved by Mr. Johnson that the district approve the rehabilitation of the B North Bantry Rehabilitation at an estimated cost of \$215,000. Seconded by Mr. Plett. CARRIED**

5.03 01-1273, 03 East Branch Rehabilitation [Discussion of Irrigation Issues, E ½ 28-18-16 W4M]

There was discussion of how best to deal with the irrigation in the E ½ 28-18-16 W4M. It was noted that the lands are presently irrigated under Terminable Water Agreement, but could be converted to irrigation acres. There are cost implications to the proposed 03 East Branch Rehabilitation in serving the lands. The estimated increased cost to the project is \$21,000.

**007-01-2002 Moved by Mr. Nielsen that the district include in 01-1273, 03 East Branch Rehabilitation, the increased cost of pipe to service irrigation in Ptn. E ½ 28-18-16 W4M, on condition that all terminable acres be converted to irrigation acres at \$100/acre, approval of additional irrigation acres to allow for coverage under existing pivot and registration of Irrigable Unit. Seconded by Mr. Plett.
CARRIED**

5.04 01-1248, 05 East Branch [Cassils] Rehabilitation

There was some discussion regarding how to address the irrigation of some lands served by 05 East Branch that are presently served under terminable water agreements. There was general approval of direction for future rehabilitation of 01-1263 05 East Branch, to encourage Del Giles to agree to move pivot in Ptn. E ½ 02-19-16 W4M to Ptn. W ½ 01-19-16 W4M, with conversion of acres from terminable acres to irrigation acres and include lands on proposed pipeline rehabilitation.

5.05 Rolling Hills Reservoir Land Acquisition

Mr. Wilson provided an update on recent discussions to acquire the lands necessary for the Rolling Hills Reservoir Expansion Project. There was consensus approval to complete land acquisition for Rolling Hills Reservoir, with land purchases at \$500/acre and agreement to allow up to 2 quarter sections of irrigation to Mr. Johnson, in the event that the district does obtain approval for an Irrigation Expansion Plan. The timing of the Expansion Plan is not yet determined.

5.06 County of Newell Study, Regional Potable Water Supply

Mr. Romao indicated that the County of Newell is working to complete a study on various methods to provide potable water to rural residents throughout the region. A number of alternatives have been discussed, with the preferred alternative being a pipeline system that would deliver a low volume of water to rural residences throughout the County. Mr. Romao noted that he expects the County of Newell to contact the district looking for the possibility of cost-shared funding regarding this project.

[2:10 PM, Mr. Matoba joined the meeting.]

8.0 Operations Report**8.02 Snow Pack Update**

Mr. Wilson provided the most recent information regarding snow pack in the southern tributaries of the Belly, St. Mary and Waterton Rivers, the Oldman River Basin and the Bow River Basin. It was noted that snow pack in the Bow River Basin is close or slightly above the long-term average and is at levels that were not met until late March in 2001. It was also noted that the southern tributaries are still below the long-term average.

7.0 Land Administration**7.01 Alternate Parcel Irrigation, Application**

Mr. Matoba provided information of an application for alternate parcel irrigation from 826267 Alberta Ltd., o/a Bar 4T Ranch [Mr. Firmin Declerq]. Mr. Declerq would like to irrigate lands in the S ½ of 15 & 16 -19-12 W4M instead of lands the NW ¼ 33-19-12 W4M and SE ¼ 5-20-12 W4M. There was some discussion as to the new point of delivery and the restrictions to alternate parcel agreement approvals. It was noted that alternate parcel agreements expire on the 31st of December in the year they are approved.

008-01-2002 Moved by Mr. Hemsing that the district approval the alternate parcel irrigation agreement [dependant upon suitable soils and the district approval of the pump site location] with 826167 Alberta Inc. [o/a Bar 4 T Ranch, Firmin Declerq], on an acre for acre basis, with transfer from pivot circles in NW ¼ 33-19-12 W4M and SE ¼ 05-20-12 W4M to Ptn. S ½ 15 & 16-19-12 W4M. Seconded by Mr. Plett. CARRIED

7.02 Terminable Water Agreement Cancellation, N ½ of the N ½ 13-19-16 W4M [Mr. Brian Murray]

Mr. Matoba provided some additional information regarding the cancellation of a terminable agreement in the amount of 160 acres in the N ½ of the N ½ of 13-19-16 W4M. The district had proposed cancellation of the agreement as the lands had not been developed for irrigation. Mr. Murray has requested the district reconsider the matter, with the possibility of relocating those acres to a parcel of land that may be easier to serve.

The lands proposed for irrigation would be in a portion of section 18-19-15 W4M. It was also agreed that a specified period of time be allowed for the development of those lands or the agreement would be cancelled. It was also agreed that the terminable agreement in the N ½ 13-19-16 W4M would be cancelled as previously indicated.

009-01-2002 Moved by Mr. Hemsing that the district approve the transfer of 130 acres of a terminable water agreement in the N ½ of the N ½ 13-19-16 W4M [the balance of the acres and the present terminable agreement are hereby cancelled] to a Ptn. 18-19-15 W5M, on the condition that the acres must be developed for irrigation by the end of the 2004 irrigation season or they will also be cancelled. Seconded by Mr. Johnson. CARRIED

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

8.0 Operations Report**8.01 Farm Improvement Projects**

Mr. Meador provided information on a number of projects proposed under the district's Farm Improvement Program. The following decisions were approved:

010-01-2002 Moved by Mr. Plett that the district approve the Farm Improvement Project for R & E Wiens, SW ¼ 11-21-16 W4M, side-roll wheel moves to pivot, \$1615 [74 acres pro-rated] plus \$400 [return to EID 4 irrigation acres at \$100/acre], EID contribution is \$2,015. Seconded by Mr. Johnson. CARRIED

- 011-01-2002 Moved by Mr. Livingston that the district approve the Farm Improvement Project for Clifford Walde, S ½ 13-22-17 W4M, side-roll wheel moves to pivot, \$2500 [amount allowed by policy] minus \$200 [approval of increase of 2 irrigation acres at \$100/acre], EID contribution is \$2,300. Seconded by Mr. Nielsen. **CARRIED**
- 012-01-2002 Moved by Mr. Johnson that the district approve the Farm Improvement Project for Rob Wallace, N ½ 15-23-16 W4M, surface irrigation and side-roll wheel moves to pivot, \$7,462 [\$2500 for NW ¼ 15, side-roll wheel to pivot, plus \$4,962 for NE ¼ 15, surface irrigation to pivot, pro-rated] minus \$1,200 [approval of increase of 12 irrigation acres at \$100/acre], EID contribution is \$6,262. Seconded by Mr. Livingston. **CARRIED**
- 013-01-2002 Moved by Mr. Henrickson that the district approve the Farm Improvement Project for Dirk Regehr, NW ¼ 06-22-16 W4M, surface irrigation to pivot, \$7,500 minus \$2,800 [14 acres kept outside of pivot circle at \$200/acre], EID contribution is \$4,700. Seconded by Mr. Plett. **CARRIED**

[2:45 PM, the meeting recessed.]

[2:55 PM, the meeting reconvened.]

9.0 General Manager's Report

9.02 Draft Water Diversion License

Mr. Wilson provided an overview of the draft water diversion license that the district has received from Alberta Environment. There was general discussion of the proposed terms and conditions of the license. It was also noted that while the draft does not contain all of the items the district has requested, it is a significant improvement to present-day limitations. Mr. Wilson noted that a meeting is being arranged for the district to discuss the draft with Alberta Environment.

9.01 Fording Coal Update

Mr. Wilson provided an overview of recent discussions and meetings with Fording Coal and with the Mr. Jim Prentice, the lawyer representing the interests of the Bow City land owners. The following items were discussed:

- Fording Coal would like to file their application with the Energy Utility Board and Alberta Environment during the third week of February.
- They will need a letter from the district that agrees to let them use Kitsim Reservoir as a cooling pond and indicates the district's willingness to enter into a conveyance agreement with them. [Both of these can be conditional, subject to us coming to agreement on the terms & conditions.]
- Fording Coal is in agreement with the district acting as project managers of the enlarging of the reservoir, the bypass canal & control structures.
- Fording Coal is in agreement with us charging them for the district's time involved in this work on the following basis:
 - The district will do a small amount of engineering with in-house staff but most of the work will be done through consultants.
 - Construction will be handled through unit price contracts where practical.
 - Fording Coal and the district may use their own equipment where practical and

- providing both parties agree.
- The district will invoice Fording Coal on a monthly bases to be paid within 30 days.
- The charge out rates for engineering services are:
- Earl Wilson \$75/hr
- George Romao \$60/hr
- Mark Porter [GIS & AutoCad] \$50/hr
- Design Technicians \$45/hr
- 2-man Survey Crew \$70/hr
- Mileage charge \$0.38/km
- Fording Coal would also like the district to be involved in their negotiations with the Department of Fisheries & Oceans and Alberta Environment.
- Fording Coal understands the district's desire to have the decision made on how they will deal with the irrigation land soon and appeared willing to work on this. [They definitely would like to purchase the land and reclaim as dryland pasture; but appear reluctant to commit to this because they may be criticized for not reclaiming as it was.]

014-01-2002 Moved by Mr. Hemsing that the district approve of the proposed rate schedule and associated work plan for the district's involvement with Fording Coal and its relationship to the district's irrigation facilities. Seconded by Mr. Henrickson. CARRIED

Mr. Wilson also noted that he plans to meet with Dennis Roth regarding some of the legal aspects of the district's relationship with Fording Coal. It has been suggested that the district file as an intervenor with the EUB when Fording does move ahead with their application.

Mr. Wilson also indicated that Fording Coal is anxious to proceed with aspects of the project that relate to obtaining a water conveyance agreement from the district. The following matters are considered to be the issues the district would address in approving any conveyance agreement:

- Fording Coal obtains an adequate license,
- the district and Fording Coal can agree on the monetary term of this agreement,
- that Fording Coal agree to construct a large enough storage facility or pay the District to enlarge one of their storage reservoirs,
- that the amendment to the district's water diversion license or new license that the district and Alberta Environment have been working on is finalized to the District's satisfaction,
- a mechanism for payment to the District or its farmers is in place for years when Fording Coal's license can not be obtained and the district temporarily assigns some of its license,
- that an agreement is reached between the district and Fording Coal on how the district's infrastructure, that is impacted by the mine, is replaced or adequate compensation paid to the District,
- that an agreement on the principles of how the district and the other landowners [Bow City land owners] will be negotiated with, and the principles of the land reclamation [for example, how and to what extent will it be reclaimed?] is reached,
- The district is further willing to let Fording Coal use Kitsim Reservoir as a cooling pond and supply reservoir providing:
 - that the reservoir be enlarged by at least 15,000 acre feet approximately 1.2 to 1.5 metres,
 - that the appropriate control structures and a bypass canal be constructed around Kitsim Reservoir,
 - that an operating plan for the reservoir be agreed upon,
 - that the water quality in the modified reservoir [enlarged but acting as cooling pond]

- be as good or better than it is today,
- that the aquatic vegetation in the modified reservoir be no more than today,
- that any conditions or remedial works required by Fisheries and Oceans Canada or Alberta Environment do not result in a negative impact on water quality or our ability to operate [access water in our storage reservoir], and
- that a 'use of works' agreement can be agreed upon

These matters will also be discussed in Mr. Wilson's meeting with Mr. Roth.

9.03 AIPA Directors Meeting, 08 January 2002 at Vauxhall

There was discussion of the major items discussed at the 08 January 2002 AIPA Meeting in Vauxhall. It was noted that there has been agreement to reduce the annual assessment to the districts and to look at ways of reducing costs. The special committee of Future Directions has provided a report and districts are being asked for their response and participation in that effort.

9.04 AIPA Ad Hoc By-Law Committee

In follow-up to the recommendations of the Future Directions Committee, it was noted that districts are being asked to send a participant to the effort to modify the association's by-laws. There was general agreement that Mr. Henrickson and/or Mr. Hill could assist in this regard.

9.05 Pheasants Forever

Mr. Chrumka has received a request from Pheasants Forever to have a representative of the district sit on their Advisory Board. This is, in part, related to the effort to extend the Partners in Habitat Development Program beyond the Eastern Irrigation District. Mr. Chrumka indicated that he is willing to fill this request.

9.06 Letter from the Honourable Pearl Calahasen RE: Siksika Alberta Protocol Agreement

Mr. Wilson reviewed the letter received by the district in response to its concerns with the Siksika Alberta Protocol Agreement. In addition to the letter, the district has received copies of legal actions and/or claims that have been commenced by the Siksika that may directly or indirectly impact the district or its operations. It was agreed that it may be in the district's best interest to determine if it might need legal assistance in its observer roll under the agreement. The firm of Tamera Services Ltd. of Edmonton [Mr. J Rick McDonald and Mr. Lorne J Ternes] will be contacted in this regard.

9.07 Upper Missouri River Water Association Membership

015-01-2002 Moved by Mr. Henrickson that the district approve the purchase of an individual membership to the Upper Missouri River Water Association at the price of \$45 [US Funds]. Seconded by Mr. Plett. CARRIED

9.08 Northwest Irrigation Operators Inc., Annual Conference, Boise, Idaho

016-01-2002 Moved by Mr. Henrickson that the district approve the out of country travel and expenses for 2 representatives from the district [1 board, 1 staff] to attend the Northwest Irrigation Operators Inc. Annual Conference in Boise, Idaho, 19 to 21 February 2002. Seconded by Mr. Johnson. CARRIED

9.09 Request, Proposed Waste Transfer Station at Rainier

Mr. Wilson provided an overview of a request from the Newell Regional Solid Waster Management Authority Ltd. to locate a waste transfer station on district land near Highway 36 and the Oasis near Rainier. It was noted that this is not a preferable location for the district. There was agreement that representatives of the district [Mr. Allen Nielsen, Mr. Jim Meador] meet with Mr. Juska of the Authority to determine if there are any suitable sites in the area that could make use of district owned lands.

9.10 Irrigation Rates Charged by Districts, 2001

Mr. Wilson provided information collected by the Irrigation Council on the rates, fees and charges assessed by irrigation districts in 2001.

9.11 Press Release, Alberta Environmental Advisory Committee

Mr. Wilson indicated that Mr. Tom Livingston has been appointed to a new environmental advisory committee established by the Minister of Environment, the Honourable Lorne Taylor. A copy of the news release and the tasks assigned to the committee were circulated for information.

9.12 Rural Water Use, Proposed Amendments to Irrigation Districts Act

Mr. Wilson noted a letter that he has forwarded to Mr. Len Ring, Manager of the Irrigation Secretariat, noting the district's approval to extend the proposed rural water use in an amended Irrigation Districts Act to 20 acre feet. This is in follow-up to the decision reached at the recent AIPA Directors meeting where a decision to limit the amount to 5 acre feet was approved.

9.13 By-Law 832 (2002) Election of Directors

Mr. Hill provided an overview of a by-law authorizing an election of directors in Division 01 [Mr. Don Plett] and Division 05 [Mr. Allen Nielsen].

Eastern Irrigation District

BY-LAW 832 (2002)

Fixing the Date and Times for the 2002 Election of Directors

[Irrigation Districts Act, Part 3, Elections and General Petitions, c. I-11.7, RSA]

[Local Authorities Elections Act, c. L-27.5, RSA]

WHEREAS, Section 53 of the Irrigation Districts Act [c. I-II.7, RSA] states,

- "53 (1) On a date prescribed by a by-law of the district, an election must be held in each district to elect the number of members to the board of the district as required by section 29.
- (2) A by-law of the district under subsection (1) must
- (a) set the date of the election to be held prior to June 1 of that year, and
- (b) be passed at least 3 months before the election.
- (3) The district may have a system of elections to elect

- (a) a full slate of directors every 3 years, or
- (b) a partial slate of directors annually.", and

WHEREAS, the Board has approved By-Law 786 (1994), wherein the District has been divided in electoral divisions, with each division having been given a number, and further that By-law 786 (1994) provides that the election of directors shall be by electoral division by vote of the irrigators who are qualified to vote in the respective electoral division, and

WHEREAS, an election may be necessary due to the expiration of the statutory terms of the directors in each of Division 01, and Division 05, each for a term of three years.

NOW THEREFORE BE IT ENACTED:

1. If an election is required, as a result of more than one properly executed nomination being received for each or either of Division No. 01, or Division No. 05, then such election shall be held on Wednesday, April 24th, 2002.
2. For the purposes of this election and the within by-law, those irrigators who are eligible to be nominated in the respective Divisions shall have the majority of their lands that are classified on the assessment roll as "irrigation acres" within one the following areas:

Division 01:

Includes all of the following land locations:

Township 20 Range 16 W4M	Sections 4,5, 6,7,8,9,16, 17, 18, 19, 20, 21, 28, 29, 30,31, 32 and 33
Township 20 Range 17 W4M	All Sections
Township 20 Range 18 W4M	All Sections
Township 21 Range 16 W4M	Sections 4, 5, 6, 7, 8, 9, W1/2 15, 16, 17, 18, 19, 20, 21, 22, W1/2 23, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35
Township 21 Range 17 W4M	All Sections
Township 21 Range 18 W4M	All Sections
Township 22 Range 16 W4M	All Sections
Township 22 Range 17 W4M	All Sections
Township 22 Range 18 W4M	All Sections
Township 23 Range 15 W4M	Sections 5, 6, 7,8, 17,18, 19,20, 29, 30, 31 and 32
Township 23 Range 16 W4M	All Sections
Township 23 Range 17 W4M	All Sections
Township 23 Range 18 W4M	All Sections
Township 24 Range 15 W4M	Sections 5, 6,7, 8, 17, 18, 19, 20, 29, 30, 31 and 32
Township 24 Range 16 W4M	All Sections
Township 24 Range 17 W4M	All Sections
Township 25 Range 15 W4M	Sections 5, 6, 7, 8 and 18 Lying to the South and West of the Red Deer River
Township 25 Range 16 W4M	All Sections Lying to the South and West of the Red Deer River
Township 25 Range 17 W4M	Sections 1, 2, 3, 4, 5, and 6
Township 26 Range 16 W4M	Sections 5, 6, 7 and 8 Lying to the South and West of the Red Deer River

Division 05:

Includes all of the following land locations:

Township 14 Range 14 W4M	Sections 29, 30, 31 and 32 Lying North of the Bow River
Township 14 Range 15 W4M	All Sections Lying North of the Bow River
Township 14 Range 16 W4M	All Sections Lying North and East of the Bow River
Township 15 Range 14 W4M	Sections 4, 5, 6, 7,8, 9, 16,17, 18,19, 20, 21, 28, 29, 30, 31, 32 and 33
Township 15 Range 15 W4M	All Sections
Township 15 Range 16 W4M	All Sections Lying East of the Bow River
Township 16 Range 15 W4M	All Sections

Township 16 Range 16 W4M	All Sections Lying East of the Bow River
Township 17 Range 15 W4M	All Sections
Township 17 Range 16 W4M	All Sections Lying East and North of the Bow River
Township 17 Range 17 W4M	All Sections Lying to the East of the Bow River

3. Nominations shall be received by the Returning Officer up to and including 4:00 p.m. in the afternoon of Wednesday, April 10th, 2002 and shall be in the prescribed form.
4. Candidates for the election must meet all of the qualifications and requirements contained in Sections 35 and 36 of the Irrigation Districts Act.
5. If an election is required, then the notice of polling and location of polling places shall be published in the in each of the two weeks preceding the day of the election in each of the Bassano Times, the Chronicle and in the Brooks Bulletin.

The within By-Law 832 (2002) is duly passed by the Board of Directors of the Eastern Irrigation District in accordance with Section 177 (5) of the Irrigation Districts Act as evidenced by the following readings of the said By-law:

This By-Law was read and approved the 1st time this 22nd day of January, 2001.
 This By-Law was read and approved the 2nd time this 22nd day of January, 2001.

017-01-2002 Moved by Mr. Henrickson that the district unanimously approve the 3rd reading of By-Law 832 (2002). Seconded by Mr. Hemsing. CARRIED UNANIMOUSLY

This By-Law was read and approved the 3rd time this 22nd day of January, 2001.

Mr. Hill noted the following dates that are specific to the election procedures:

- Date Set for Election of Directors Wednesday, 24th of April 2002
- Date for Election Notice Advertisements in Local Papers
 - Bassano Times, April 15th & 22nd, 2002
 - County Chronicle, April 15th & 22nd, 2002
 - Brooks Bulletin, April 17th & 24th, 2002
- Right to File Nominations Closing Date 4 PM, Wednesday, 10th of April, 2002
- Date For Nomination Day Notice Advertisements in Local Papers
 - Bassano Times, March 25th & April 1st
 - County Chronicle, March 25th & April 1st
 - Brooks Bulletin, March 27th & April 3rd

9.14 Extension of Water Supply Pipeline, Tilley Grazing [Wolfer, Tateson, Tide Lake Grazing]

It was noted that the district will be asking the individuals and/or organizations who paid to have the pipeline in the Tilley Grazing pastures extended to their lands to apply for licenses under Alberta Environment. This is primarily due to their applications for funding under the Alberta Farm Water Program and the fact that these lands fall outside the boundaries of the district. The district will provide information to these individuals in support of their applications and conveyance agreements limited to 6 acre feet.

10.0 Future Meeting Dates

The following meeting dates were confirmed:

- District Strategic Planning Retreat, Banff, Alberta 30 January to 01 February
- Proposed Regular Board Meetings 14 and 28 February
- Farm Meetings 05 and 06 March
- County of Newell Joint Meeting To be Determined
- Tour of Genesee Power Plant [Fording Coal] Try for 06 February

The meeting was adjourned on a motion by Mr. Hemsing at 4:15 PM.

Per: Chairman

Minutes Approved on 13 February 2002

Per: General Manager

Motion No. 019-02-2002

13 February 2002, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 13th of February 2002. Those in attendance were:

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

The meeting was called to order at 8:55 AM.

1.0 Adoption of Agenda

The following items were added to the agenda:

- 7.05 Reduction in Taxes on Pasture Lands [Due to Non-Use]
- 7.06 Drought Insurance
- 7.07 Irrigated Pasture [Info from Meeting of Duchess Grazing Association]
- 7.08 Kitsim/Lakeside Irrigated Pasture Operations 2002
- 7.09 Duchess Grazing Association Request
- 8.04 Environmental Advisory Committee [Tom Livingston, Member]

018-02-2002 Moved by Mr. Henrickson that the agenda be adopted as added to. Seconded by Mr. Hemsing. CARRIED

2.0 Approval of Minutes, 22 January 2002

The following corrections were noted in the minutes of the 22 January 2002 directors meeting:

- pg. 6, Item 5.05 2 - ¼ quarter sections
- pg. 6, Item 8.02 ~~It has been suggested that the districts in the St. Mary River Project may be issued with only a 6" allocation of water to begin the season.~~
- pg. 7, Item 7.02 009-01-2002 Moved by Mr. Hemsing that the district approve the transfer of 130 acres of a terminable water agreement in the N ½ of the N ½ 13-19-16 W4M [the balance of the acres and the present terminable agreement are hereby cancelled] to a Ptn. 18-19-15 W5M, on the condition that the acres must be developed for irrigation by the end of the 2004 irrigation season or they will also be cancelled. Seconded by Mr. Johnson. CARRIED
- pg. 11, Item 9.12 ... approval to ~~limit~~ extend the proposed ... and ... a decision to ~~restrict~~ limit the amount ...

019-02-2002 Moved by Mr. Hensing that the minutes of the 22 January 2002 Directors Meeting be adopted as corrected. Seconded by Mr. Henrickson. **CARRIED**

3.0 Business from Minutes

There was some brief discussion regarding the Siksika Alberta Protocol Agreement and issues related thereto.

[9:10 AM, Mr. Meador joined the meeting.]

4.0 Operations Report

4.01 Request, Hubert Rommens, Relocate Check Structure and Turnout

Mr. Meador noted that due to some additional information this item would be held for the next meeting of the directors on the 26th of February 2002.

4.02 Farm Improvement Projects

Mr. Meador presented information on the following Farm Improvement Projects:

020-02-2002 Moved by Mr. Henrickson that the district approve the Farm Improvement Project for M & N Williams, SW ¼ 26-20-14 W4M, surface irrigation to pivot, \$5,423 [94 acres pro-rated] minus \$1,300 [13 additional irrigation acres at \$100/acre], EID contribution is \$4,123. Seconded by Mr. Plett. **CARRIED**

021-02-2002 Moved by Mr. Nielsen that the district approve the Farm Improvement Project for Gerry Williams, NW ¼ 09-20-13 W4M, side-roll wheel moves to pivot, \$2,461 [128 acres pro-rated], EID contribution is \$2,461. Seconded by Mr. Henrickson. **CARRIED**

022-02-2002 Moved by Mr. Hensing that the district approve the Farm Improvement Project for C Ovinge, SW ¼ 31-15-15 W4M, surface irrigation to pivot, \$7,500 minus \$200 [2 additional irrigation acres at \$100/acre], EID contribution is \$7,300. Seconded by Mr. Johnson. **CARRIED**

023-02-2002 Moved by Mr. Livingston that the district approve the Farm Improvement Project for D & A Janzen, SW ¼ 33-21-16 W4M, surface irrigation to pivot, \$7,269 [126 acres pro-rated] minus \$100 [1 additional irrigation acres at \$100/acre], EID contribution is \$7,169. Seconded by Mr. Henrickson. **CARRIED**

5.0 Land Administration Report

5.02 Applications for Increases in Irrigation Acres [Previously Tabled]

Mr. Murray Giles

There was discussion of a previous application for an increase in irrigation acres by Mr. Giles. The lands proposed for irrigation are located in the Sw ¼ and Ptn. Of the NW ¼ 01-19-16 W4M. It was noted that the proposed rehabilitation of the 05 East Branch pipeline will increase by some \$16,000 to include the irrigation of this parcel. Mr. Giles has identified up to 60 acres of existing irrigation acres that could be moved to the new location and is looking for an additional 40 acres to allow for

the installation of a 100 acre pivot.

It was noted that the lands would be on the part of the irrigation network that relies solely on river diversions. It was also noted that the rehabilitation is planned for the fall of 2002, so some decision on the application should be made as soon as possible. It was generally agreed that Mr. Giles will need to find about 90 acres of existing irrigation that can be moved to the proposed location and that the district would then be able to consider granting an additional 10 irrigation acres. It was also noted that a road allowance may need to be closed to accommodate the development.

G.W. Murray Ranches Ltd.

It was noted that Murray Ranching had a number of applications for increases in irrigation tabled due to the pending rehabilitation of the H Cowoki Canal. The initial plans for the rehabilitation considered possible relocations that affected lands owned by Murray Ranches. Since the initial discussions the Murray's have proposed not proceeding with the relocation. In addition, they have requested the district consider their application for irrigation acres for an approximate 290 acre pivot in section 21-18-13 W4M.

Murray Ranches have also agreed to move a number of irrigation acres to the new location on a permanent basis to assist with the approval of the application. A total of some 231 irrigation acres have been identified that can be moved. The additional acres required will be 59 acres.

024-02-2002 Moved by Mr. Hemsing that the district approve an increase in irrigation acres to 290 acres in 21-18-13 W4M, on the condition that the following irrigation acres be permanently transferred [43 acre from SW ¼ 35-18-13 W4M, 39 acres from W ½ 26-18-13 W4M, 18 acres from NE ¼ 22-18-13 W4M & 131 acres from 36-17-13 W4M] and that the soils are proven to be irrigable. Seconded by Mr. Livingstone. CARRIED

5.03 Alternate Parcel Irrigation Agreement

Information regarding an alternate parcel agreement request was presented for consideration. It was noted that the application meets the district's criteria.

025-02-2002 Moved by Mr. Hemsing that the district approve an alternate parcel irrigation agreement for Bartman, moving 40 acres from SE ¼ 22-21-18 W4M to SW ¼ 23-21-18 W4M for 2002 irrigation period. Seconded by Mr. Henrickson CARRIED

5.04 Request, Proposed Land Trade [Mr. Roy Brewin]

Mr. Wilson provided some information regarding a land trade proposed by Mr. Roy Brewin. Mr. Brewin has about 3,200 acres of land in the vicinity of the Fording Coal Power Project that he would like to trade for district lands closer to his other holding in Taber, Alberta -- looking perhaps at lands in the Rolling Hills area. There was some discussion of the proposal. It was generally agreed that the district determine what interest Mr. Brewin may have relative to district lands in the south east corner of the district on an "unofficial/informal" basis.

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

[10:15 AM, the meeting reconvened. Mr. Redelback joined the meeting.]

6.0 Oil and Gas Report

6.01 Summary of 2001 Activity

Mr. Redelback provided the following summary of oil & gas related activities on the district's lands in 2001:

New well site takings	535
New twinned well site takings	92
Total for 2001	627

New pipelines [287 miles]	1724.636 acres
Seismic activity [804.97 miles]	23 permits

Mr. Redelback noted the district has approximately 5,565 active surface lease agreements at the present time. There was brief discussion of the number of well sites being successfully reclaimed versus new takings. It was noted the district is still seeing an increase in total surface leases each year.

There was also discussion of the success or problems associated with coordinating oil & gas operations with grazing operations. Mr. Redelback noted that the district's stricter guidelines in 2001 appeared to have been workable in the majority of cases. It was noted that the district plans to use the same format during 2002.

There was also discussion of the payouts made to those using the district's lands under lease or pasturing agreements. A payout in the amount of \$450 per surface lease location is paid. A payment of \$15 per acre is made for pipeline rights of way and seismic activities generate a payment of \$25 per mile to Community Grazing Associations and \$50 per mile to private leases. It was also noted that the payouts to the Community Grazing Associations may not exceed their lease billing from the district. The following chart of payouts was presented:

Year	# of Surface Agreements	# Twinned Wells	# of Acres of Pipeline	# of Miles of Seismic	Payout Amount
1990	110	0	359.25	N/A	\$34,521.15
1991	62	0	207.24	N/A	\$18,708.70
1992	72	0	178.36	N/A	\$21,989.55
1993	357	0	1,030.67	N/A	\$97,472.19
1994	366	0	981.91	940.13	\$108,270.58
1995	185	0	625.32	719.54	\$69,455.83
1996	274	0	946.76	773.64	\$82,411.11
1997	185	77	662.04	917.44	\$95,694.35
1998	132	71	436.01	332.70	\$57,584.00
1999	435	274	965.31	1,801.35	\$195,877.50
2000	296	296	1,024.83	1,716.76	\$163,799.90

Year	# of Surface Agreements	# Twinned Wells	# of Acres of Pipeline	# of Miles of Seismic	Payout Amount
2001	536	92	1,724.63	804.97	\$192,238.05
Totals	3,010	810	9,142.33	8,006.53	\$1,138,022.91

Mr. Redelback also presented a breakdown of the 2001 payouts for information as follows:

Association	Well Sites	Pipelines	Seismic	Total
Bantry	\$6,750.00	\$510.90	\$182.00	\$7,442.90
Bassano	\$0.00	\$804.45	\$0.00	\$804.45
Duchess	\$1,350.00	\$114.30	\$1,129.75	\$2,594.05
Eyremore	\$4,950.00	\$2,617.20	\$0.00	\$7,567.20
Gem	\$34,650.00	\$3,268.80	\$2,484.25	\$40,403.05
Newell	\$9,900.00	\$3,413.85	\$3,157.50	\$16,471.35
Patricia	\$14,400.00	\$2,614.95	\$2,574.50	\$19,589.45
Rolling Hills	\$34,650.00	\$1,949.85	\$0.00	\$36,599.85
Rosemary	\$4,050.00	\$389.25	\$1,349.75	\$5,789.00
Tilley	\$15,750.00	\$2,547.00	\$3,450.00	\$21,747.00
Private Leases	\$21,150.00	\$2,562.75	\$9,517.00	\$33,229.75
Totals	\$147,600.00	\$20,793.30	\$23,844.75	\$192,238.05

6.02 Land Spreading [Rate, Timing Restrictions 2002]

Mr. Redelback provided an overview of the compensation being paid for land spreading activities in the district as follows:

Shallow Gas Wells	\$300
Deep Gas Wells	\$600

There was also discussion of the district's policies regarding land spreading activities in 2001 noting:

- no land spreading in May or June,
- land spreading from July to October may only take place following grazing activities,
- land spreading activities are allowed in off-grazing season as coordinated with staff from Jan to April and in November and December, and
- the spread rate is 12 cubic metres per hectare.

It was noted that Alberta Public Lands has suspended all land spreading activities in response to the drought. It was also noted that the land spreading activities on Crown lands has been at a much higher rate [20 cubic metres per hectare] than on district lands.

There was discussion of the rates that should be assessed for land spreading activities and the period of time to limit those activities. It was noted that in many cases land spreading takes place on cultivated lands.

- 026-02-2002** Moved by Mr. Livingston that the district adopt new rates for land spreading activities, \$500 per shallow well, \$800 per deep well effective immediately.
Seconded by Mr. Johnson. **CARRIED**
- 027-02-2002** Moved by Mr. Livingston that the district instruct that no land spreading take place on district lands between the months of April and July in 2002.
Seconded by Mr. Henrickson. **DEFEATED**

It was noted that while no change in policy of managing land spreading activities was adopted, the consensus is to ensure that viable grass is not used for land spreading activities until after having been grazed.

[11:05 AM, Mr. Redelback exited the meeting. Mr. Wayne Lawson, Mr. Meador and Mr. Hildebrand joined the meeting.]

5.0 Land Administration Report

5.01 Mr. Wayne Lawson, Presentation

Mr. Lawson provided information regarding lands he had purchased from the district in the Hamlet of Rolling Hills for his new residence. It was noted during the preparation of the lands for the basement that numerous car bodies, wood and other debris was found in the area of the basement excavation. It appears from some investigation that parts of the sold lands may have been used as a septic field without authorization of the district. Mr. Lawson did contact the district and the site was inspected by Mr. Meador.

It was noted that Mr. Lawson had performed some investigations to determine what would have to be done to ensure that his treated wood basement and home building could proceed and that he had undertaken those activities. Mr. Lawson's concerns stem from the additional costs that he has incurred as a result of the discovery of debris, as well as the removal of the excavated material.

There was general discussion of the costs associated with the work and what could be done to remedy the situation. It was also noted that the district would like to complete the necessary work, but would also like some assurance that the work and potential future liability has been dealt with.

[11:30 AM, Mr. Lawson exited the meeting.]

In discussion of Mr. Lawson's concerns it was agreed that with an appropriate release document the district could proceed with payments to Mr. Lawson, removal and the disposal of excavated material.

- 028-02-2002** Moved by Mr. Nielsen that the district instruct its solicitor, Mr. Ken Lutes, to prepare a Release Agreement that authorizes payment to Mr. Lawson in the amount of \$4,562.02, plus EID removal of excavated material and debris.
Seconded by Mr. Plett. **CARRIED**

[11:40 AM, the meeting recessed. Mr. Meador and Mr. Hildebrand exited the meeting.]
[1:05 PM, the meeting reconvened.]

7.0 Grazing Report

7.01 Update, Water Lines Installed in 2001

Mr. Wilson provided information regarding the costs incurred for installation of the water distribution pipelines, troughs, etc. in the areas of the Tilley Grazing Association. It was also noted that these costs do not include the costs that were paid for by Mr. Wolfer, Mr. Tateson and the Tide Lake Grazing Association to extend the water lines to service their lands.

Mr. Wilson noted that of the approximate \$250,000 in costs, about \$170,000 would have been for installation [EID equipment & labour], \$64,000 would have been for the IPEX pipe and about \$10,000 for troughs.

7.09 Duchess Grazing Association Request

It was noted that a request has been received from the Duchess Grazing Association to reconsider the costs for new corrals that were built during 2001. It is the district's understanding that Duchess agreed to cover 2/3 of the costs of the new corrals, but the actual costs were higher than anticipated. Their request is for the district to reconsider their share of the costs or to provide them some additional time to pay those costs.

There was some discussion as to whether or not the lands that the corrals are located on are designated as swing fields and how that designation and/or management might be affected by the Lakeside Pivots on district lands.

[1:30 PM, Mr. Hale joined the meeting.]

7.01 Update, Water Lines Installed in 2001

Mr. Hale provided an overview of the work completed to install water lines into lease lands in 2001. In addition cost information for water lines previously discussed, information about other locations was also presented as follows:

- Tilley Grazing Association [14.5 miles of pipeline, 2 - 10 HP pumps, pump house, 1 mile of power line] \$238,765
- PCP Ranch & Eyremore lease [5 miles of poly pipe], Scandia Regrass [1.5 miles of poly pipe] \$14,041
- Labour Costs \$4,785
- **Total Costs** **\$257,591**

There was also discussion of the status of government grant programs that were developed to defray those costs.

7.02 Update, Lease Expense in 2001

Mr. Hale provided information on the breakdown of various lease operating expenses for 2001 including 41.5 miles of new fence construction, complete with labour, as well as new corrals, rock picking and some addition pipe purchases from IPEX for a cost of \$133,051.90.

Mr. Hale noted the district has about 3,500 miles of fence in the lease lands. The general condition of the fences can be considered good, while there is a need for ongoing maintenance. Fences in the

Tilley Swing Field, Finnegan Swing Field and Patricia and Gem Grazing Associations still needs some major attention.

Work completed in 2001 on dugouts cost \$21,500. This provided 2 new dugouts filled from the end of the pivots in the Kitsim Swing Field, 1 new dugout in the Eyremore lease [filled from the PCP poly water line], 1 new dugout in the Gem area [serves cattle and water for oil & gas], 1 dugout enlarged in the Tilley Swing Field and 2 dugouts cleaned in the Rosemary Grazing Association.

Mr. Hale also noted \$30,000 spent on 4 new Texas gates along with welding repairs and clean-outs of existing Texas gates.

7.09 Duchess Grazing Association Request

Mr. Hale also provided some additional information regarding the corrals built for the Duchess Grazing Association. He indicated that Mr. Dennis Endersby had agreed to the type of corrals installed and to a sharing of the costs for those corrals, with 2/3 to be paid by the Duchess Grazing Association.

There was additional discussion of the operation of the Lakeside/Rock Lake pivots as swing fields and the activities that might take place to improve operations in 2002 over those experienced in 2001.

029-02-2002 Moved by Mr. Nielsen that the district allow the Duchess Grazing Association to repay their 2/3 portion of the costs for the new corrals in 2 annual installments, no interest to be charged on the outstanding balance. Seconded by Mr. Johnson. CARRIED

7.03 Proposed Lease Expenses in 2002

Mr. Hale provided an overview of proposed lease expenses included in the preliminary budget for 2002 including:

- 50 miles of new fence
 - materials \$100,000
 - repairs \$2,000
 - EID labour \$14,500
 - other labour \$10,000
 - Total \$126,500
- dugout improvements
 - 3 new, 10 cleaned \$30,500
- cattle guard repairs \$12,000
- fertilizer expenses \$60,000

7.04 Priority List [Long-Term Plan] for Pasture Lands Capital Improvements

There was discussion of a long-term plan to complete water improvements throughout the EID's lease lands. The following projects were discussed:

- Duchess Grazing Association [6 miles],
- Duchess/Rock Lake [3 1/2 miles],
- Gem Grazing Association [20 miles],

- Rolling Hills Grazing Association/Tilley Swing Field [10 ½ miles],
- Eyremore Grazing Association [West Lease] [5 miles], and
- Bassano Grazing Association [4 miles].

It was noted that projects have been completed on average for \$16,000 per mile. There was discussion regarding the most suitable method to complete these projects and the time that should be taken to do so.

030-02-2002 Moved by Mr. Hensing that the district provide a general allocation of \$100,000 per year in its capital expenditure budget for lease improvements for a 5 year period, with individual projects to be designed and estimated prior to project approval. Seconded by Mr. Livingston. CARRIED

[3:00 PM, the meeting recessed.]

[3:10 PM, the meeting reconvened.]

7.05 Status, Municipal Taxes on Pasture Lands

There was some discussion of the taxes paid by the EID on its lands used for pasturing. It was noted that the costs of the taxes are not really an issue, even during a period of drought where use of the pastures may be reduced.

7.06 Drought Insurance

There was some discussion as to whether or not the district might qualify for the pasture drought insurance programs presently being offered by Alberta. It was agreed that Mr. Hale look into the matter and determine if the district qualifies. It was also agreed that should the district be considered ineligible then Mr. Hale would contact the Community Grazing Associations to recommend their members look into the programs for their own needs.

7.07 Irrigated Pasture [Info from Meeting of Duchess Grazing Association]

It was noted that there continues to be some interest in the development of additional irrigated pasture on district lands. It was also agreed that with the present cap on irrigation acres it is not possible to set aside water specifically for the development of irrigated pastures.

7.08 Kitsim/Lakeside Irrigated Pasture Operations 2002

It was agreed that some additional discussion should take place to determine the most appropriate use of the Kitsim and Lakeside pivots for potential 2002 pasture operations.

[3:25 PM, Mr. Hale exited the meeting.]

8.0 General Manager's Report

8.01 Rolling Hills Canal, Phase 01 [Canal Water Levels]

Mr. Wilson provided an update on the apparent problems with the Rolling Hills Canal rehabilitation. It was noted that the problems appear to be a combination of activities from the recent work plus the earlier rehabilitation. It was noted that the district could approach the engineer and contractor to perform work to rectify the problem, but that there may be a more suitable alternative.

It was agreed that Mr. Wilson would contact MPE Engineering and Top Notch to gain their financial participation in some maintenance-style work that would remedy the operational problems being experienced along that portion of the Rolling Hills Canal [raising the level of pumping ponds, etc.]

8.02 Rolling Hills Reservoir Expansion, Land Acquisition

Mr. Wilson provided an overview of discussions with C O Johnson and Sons regarding lands required for the enlargement of the Rolling Hills Reservoir. Mr. Wilson explained the details of a potential settlement that has been discussed with Mr. Johnson.

031-02-2002 Moved by Mr. Hemsing that the district authorize the purchase of lands required from CO Johnson & Sons at price of \$750 per acre, Mr. Johnson may apply for a single pivot circle should the EID gain approval for an Irrigation Expansion Plan authorizing increased irrigation [of at least 3,000 acres] below Lake Newell and/or Rolling Hills Reservoir. Seconded by Mr. Henrickson.

CARRIED

8.03 Setting of Date for Annual Meeting

It was agreed to set the date for the Annual General Meeting of the irrigators of the district for the 12th of April 2002 at 1:30 PM at the Heritage Inn, Brooks, Alberta.

8.04 Environmental Advisory Committee [Tom Livingston, Member]

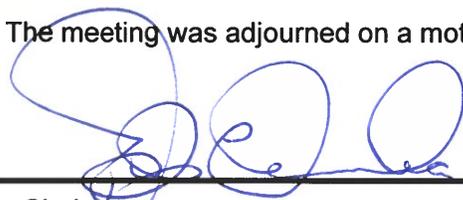
It was noted that Mr. Livingston has been appointed by the Honourable Lorne Taylor, Minister of Environment to the new Environmental Advisory Committee. One of the first tasks of the committee will be to assist in the preparation of materials for the upcoming Water Strategy announced by the Minister.

9.0 Future Meeting Dates

The following dates were agreed to:

- Regular Board Meeting, 26 February 2002
- Farm Meetings, 06 and 07 March, 2002
- County of Newell Joint Meeting, 04 March 2002
- AIPA MLA Reception, 10 April 2002

The meeting was adjourned on a motion by Mr. Hemsing at 4:25 PM.



Per: Chairman

Minutes Approved on 22 March 2002



Per: General Manager

Motion No. 051-03-2002

26 February 2002, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 26th of February 2002. Those in attendance were:

Mr. Bob Chrumka	Chair
Mr. Clint Henrickson	Vice-Chair
Mr. Allan Nielsen	Director
Mr. Don Plett	Director
Mr. Neil Johnson	Director
Mr. Tom Livingston	Director
Mr. Pat Hemsing	Director
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy & Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Adoption of Agenda

The following items were added to the agenda:

- 6.04 Power Rate Contracts [Epcor/Enmax]
- 6.05 Rainier Drain
- 13.06 Fording Coal Update
- 13.07 CWRA Alberta Conference, Medicine Hat, Alberta
- 13.08 Alberta Environment Advisory Committee

032-02-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Plett. CARRIED

2.0 Approval of Minutes, 13 February 2002**3.0 Business from Minutes**

It was noted that the minutes of the 13 February 2002 are not yet complete and will be available for approval at the next meeting of the directors.

4.0 Financial Report**4.01 Financial Statements [DRAFT], Period Ending 31 December 2001**

Mr. Knelsen provided an overview of the draft financial statements for the period ending the 31st of December 2001. He noted that the annual audit is progressing well and should be getting close to completion by the end of the month. He also advised that some of the items in these draft statements is now obsolete, as updates have been made as part of the audit process. These areas primarily involve amortization and deferred revenue.

033-02-2002 Moved by Mr. Hemsing that the district approve the draft Financial Statements for the period ending 31 December 2001 as presented. Seconded by Mr. Henrickson. CARRIED

There was also discussion of the wind-up of EID CARP and the funds that should be transferred to the Irrigation Works Reserve Fund.

034-02-2002 Moved by Mr. Hemsing that the district move all revenue/compensation in excess of expense at the end of fiscal 2001 to the Irrigation Works Reserve Fund. Seconded by Mr. Johnson. CARRIED

In discussion of the wind-up of EID CARP operations it was noted that a single page statement should be prepared for presentation at the Annual Meeting.

[10:00 AM, the meeting recessed.]

[10:10 AM, the meeting reconvened.]

4.02 Approval of Budget, Fiscal 2002

Mr. Wilson provided an overview of the finalized budget for fiscal 2002. He noted that with the exception of some items, the budget is substantially the same as reviewed by the directors in January. The areas of change were highlighted.

There was discussion of the costs and ongoing operations of the Springhill Pressure Pipeline system. It was agreed that a review of the costs should be undertaken to determine if the rates charged are covering the costs of operation, maintenance, etc. The energy fees are recovered from those connected to the pipeline.

There was also discussion of the archiving of the district's older records. It was noted that the district has not heard from the Glenbow Museum in this regard. It was agreed that the Glenbow Museum and the Provincial Archives of Alberta be contacted to determine their interest in the district's archival records collection.

035-02-2002 Moved by Mr. Hemsing that the directors adopt the budget for fiscal 2002 as presented. Seconded by Mr. Plett. CARRIED

4.03 By-Laws

Mr. Hill provided an overview of By-Law 833 (2002) as follows:

Eastern Irrigation District

BY-LAW 833 (2002)

A By-Law Setting Rates for Annual Agreements, Irrigation Rates, Terminable Water Agreement Rates, Minimum Payment in Lieu of Irrigation Charge, Surcharges, Discounts and Penalties on Unpaid Amounts

[Irrigation Districts Act, Sections 118, 121, 122, 131 and 132]

WHEREAS:

The Irrigation Districts Act [c. I-11, RSA 2000] establishes the method for districts to set rates and charges for annual agreements, irrigation rates, terminable water agreement rates, a minimum payment in lieu of irrigation charges, surcharges, discounts and penalties on unpaid rates, and

This by-law complies with the provisions as are set out in the Irrigation Districts Act,

NOW THEREFORE BE IT ENACTED:

1. The district has, under Motion 835-02-2002, approved an operating budget for fiscal 2002 as stipulated in section 117 of the Irrigation Districts Act.
2. The rate for all acres of land irrigated under an annual agreement in 2002, excepting those to which a minimum payment or surcharge applies, is established at \$7.50 per acre.
3. The rate for all acres of land assessed as irrigation acres in 2002, excepting those to which a minimum payment or surcharge applies, is established at \$7.50 per acre.
4. The rate for all acres of land irrigated under a terminable water agreement in 2002, excepting those to which a minimum payment or surcharge applies, is established at \$7.50 per acre.
5. The minimum payment in lieu of an irrigation charge for annual agreements, irrigation acres and terminable water agreements in 2002 is established at \$170.00.
6. A surcharge for all acres irrigated under a terminable water agreement, where the acres so assessed could be converted to irrigation acres, but have not been converted at the request of the agreement holder, is established at \$10.00 per acre, which amount is in addition to the rate or minimum payment established for acres irrigated under a terminable water agreement.
7. A surcharge equal to the amount of the actual annual energy costs for pumping of water by the district into pressurized water conveyance systems, is assessed on a volume basis, against all acres so irrigated, as stipulated in the agreements pertaining to those acres.
8. A discount in the amount of 5% is allowed against the payment of current annual agreement fees, current irrigation charges and current terminable water agreement charges and surcharges against those agreements, excepting any surcharges for the recovery of actual pumping costs, only when those payments are received or by the district or postmarked up to and including the close of business on the third Friday of November.
9. A penalty in the amount of 8% will be applied to all amounts shown of the collector's roll as not having been paid at the close of business of a calendar year on the next succeeding January 1 and every 6 months afterwards for so long as any part of the amount remains unpaid.

The within By-Law 833 (2002) is duly passed by the Board of Directors of the Eastern Irrigation District in accordance with section 177 (5) of the Irrigation Districts Act as evidenced by the following readings of the said By-Law:

This By-Law was read and approved the	1 st time this	26 th day of February, 2001.
This By-Law was read and approved the	2 nd time this	26 th day of February, 2001.

036-02-2002 Moved by Mr. Henrickson that the district unanimously approval the 3rd reading of By-Law 833 (2002). Seconded by Mr. Johnson.

CARRIED UNANIMOUSLY

This By-Law was read and approved the	3 rd time this	26 th day of February, 2001.
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Eastern Irrigation District
 BY-LAW 834 (2002)
 By-Law Establishing the Rate of Remuneration and Expenses for Directors

The Eastern Irrigation District [district] is incorporated under the Irrigation Districts Act [IDA] [c. I-11, RSA 2000]. Section 177 of the IDA specifies in part:

- 177 (1) A district must make by-laws
- (e) establishing the rate of remuneration and expenses to be paid to members of the board.

The rate of remuneration and expenses payable to members of the board under this by-law are as follows:

- | | | |
|----------|----|--|
| Per Diem | 1. | For attendance at meetings of the board or other meetings of the district for which attendance has been authorized an amount of One Hundred and Eighty (\$180.00) Dollars per day. |
| Mileage | 2. | For use of a personal vehicle to attend meetings of the board or other meetings of the district for which attendance has been authorized an amount of Forty (\$0.40) Cents per kilometre. |
| Expenses | 3. | Full reimbursement for meals, accommodation, travel or other expenses incurred when attending meetings of the board or of the district for which attendance has been authorized in the amount shown on submitted receipts. |

The within By-Law 834 (2002) is passed by the Board of Directors of the Eastern Irrigation District in accordance with the provisions of the Irrigation Districts Act as evidenced by the following readings of the By-law:

This By-Law was read and approved the	1 st time this	26th day of February, 2002.
This By-Law was read and approved the	2 nd time this	26th day of February, 2002.

037-02-2002 Moved by Mr. Livingston that the district unanimously approval the 3rd reading of By-Law 834 (2002). Seconded by Mr. Johnson. CARRIED UNANIMOUSLY

This By-Law was read and approved the	3 rd time this	26th day of February, 2002.
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[11:05 AM, Mr. Knelsen exited the meeting. Mr. Matoba joined the meeting.]

7.0 Land Administration Report

7.02 Mr. Lorne Bunney, Request to Reconsider Cancellation of Terminable Agreement Acres

Mr. Matoba provided an overview of the district's cancellation of terminable agreement acres [8 acres in the SW ¼ 32-19-13 W4M, 5 acres in the NW ¼ 32-19-13 W4M and 13 acres in the NE ¼ 32-19-13 W4M]. These acres were cancelled as they had not been developed. Other acres in these parcels that are covered by pivot irrigation were converted from terminable agreement acres to irrigation acres.

Mr. Matoba noted that Mr. Bunney wishes to keep the cancelled acres and develop them for drip irrigation and some certified organic production.

[11:20 AM, Mr. Bunney joined the meeting. 11:35 AM, Mr. Bill Alberts joined the meeting.]

Mr. Bunney provided an overview of his plans to develop drip irrigation on the lands that previously had been subject to a terminable water agreement. He indicated that it would be his preference to have these lands also converted to irrigation acres if possible.

There was discussion of Mr. Bunney's plans to develop the proposed drip irrigation and produce some certified organic crop production. Mr. Alberts provided an overview of his experience with drip irrigation and the success of the latest technology. There was additional detail provided on the costs that would have to be incurred by Mr. Bunney to develop these lands, install the pipelines to service them and to develop the drip irrigation. There was also discussion of the limits of available water supplies and concerns the district may have with converting the proposed acres to irrigation acres.

It was noted that the lands could perhaps remain as terminable agreement acres, but that some restriction should be put in place to ensure that the irrigation development only consider and authorize the proposed drip irrigation.

[11:45 AM, Mr. Bunney and Mr. Alberts exited the meeting.]

There was some discussion of the merits of allowing Mr. Bunney to proceed with this type of project. It was agreed that at present, should any irrigation be authorized on the proposed lands, that it should be restricted to drip irrigation and that the irrigation should remain under Terminable Water Agreement.

038-02-2002 Moved by Mr. Henrickson that the district approve the granting of a Terminable Water Agreement to Mr. Lorne Bunney, with 8 acres in the SW ¼ 32-19-13 W4M, 5 acres in the NW ¼ 32-19-13 W4M and 13 acres in the NE ¼ 32-19-13 W4M, with a restrictive clause that all irrigation under the terms of the agreement must be for drip irrigation only, with the agreement being reviewed in 2007. Seconded by Mr. Johnson. CARRIED

[12:00 Noon, the meeting recessed. Mr. Matoba exited the meeting.]

[1:15 PM, the meeting reconvened. Mr. Meador and Mr. Romao joined the meeting.]

5.0 Engineering Report

Mr. Romao provided a status update for ongoing rehabilitation projects as follows:

EID Capital Construction:

01-1265	14 H West Bantry	EID Crews
	<ul style="list-style-type: none"> • 2 km lined canal • earthwork & structures complete • clean-up remains 	
01-1264	10 H West Bantry	EID Crews
	<ul style="list-style-type: none"> • 3.5 km. Lined canal and 0.8 km pipeline • earthwork and structures complete 	

	<ul style="list-style-type: none"> • pipeline & pipeline turnout installed 	
01-1251	11 B Springhill <ul style="list-style-type: none"> • 2.5 km lined canal • earthwork complete • structures underway 	EID Crews
01-1231	G11 and G14 North Bantry <ul style="list-style-type: none"> • 5 km pipeline • 1.5 km of pipe installed 	JKR Excavating
01-1247	18 Bow Slope <ul style="list-style-type: none"> • 5.6 km pipeline • 2 km of pipe installed 	BYZ Construction
01-1252	N and OA Tilley <ul style="list-style-type: none"> • 1.6 km and 0.8 km pipelines • complete except for clean-up and fencing 	EID Crews
01-1250	B North Bantry <ul style="list-style-type: none"> • 1.5 km pipeline • construction to commence in early March 	EID Crews
01-1275	John Ware Spillway, Phase 2 <ul style="list-style-type: none"> • 0.8 km bank rebuilding and grade control • earthwork and armour complete • structures remain 	EID Crews
01-1245	Rolling Hills Canal, Phase 2 <ul style="list-style-type: none"> • 7.5 km lined canal • approximately 7 km of liner installed • 65% of gravel armour has been placed • requires final grading 	Richardson Bros. (Olds) Ltd.
	<ul style="list-style-type: none"> • 4 check structures and 1 spillway structure • concrete work complete • one structure remain for backfilling • gate installation remaining 	Charmar Enterprises
01-1249	24 Rolling Hills <ul style="list-style-type: none"> • 2.5 km pipeline • pipe installed except for road crossings • inlet structure installed • turnouts remaining 	F. Miller Excavating
IRP Projects:		
02-1245	C North Branch <ul style="list-style-type: none"> • 28 km pipeline and associated laterals • pipe installation should be complete by end of February • stilling pond, inlet structures and turnouts remain 	EID Crews

- 02-1253 06 & 07 East Branch
 • 3.5 km pipeline, 2 km pipeline, 500 m level bank canal EID Crews
 • construction scheduled to commence on March 04

Mr. Romao also provide an update on costs of construction versus budget.

6.0 Operations Report

6.01 Snow Pack Update

Mr. Wilson provided an overview of snow pack in the headwaters of the Bow River, Oldman River and southern tributaries. It was noted that in the Bow Basin all snow packs are greater than average. Recent flow forecasts indicate that the run-off may also be considered average.

6.02 Hubert Rommens, Relocate Check Structure and Turnout

There was discussion of the details of a proposed check structure and turnout relocation in conjunction with a Farm Improvement Project.

- 039-02-2002 Moved by Mr. Johnson that the district approve a Farm Improvement Project for Hubert Rommens, N ½ 23-20-14 W4M, side-roll wheel moves to pivot, \$1,923 [76 acres pro-rated], 14 acres required to cover pivot area to be moved from other pivot corners, Irrigable Unit designation, EID contribution is \$1,923, NO cost-sharing for relocation of check structure. Seconded by Mr. Henrickson. CARRIED**

6.03 Farm Improvement Projects

Mr. Meador presented details regarding the following Farm Improvement Projects:

- 040-02-2002 Moved by Mr. Plett that the district approve a Farm Improvement Project for Matthew Janzen, NW ¼ 28-21-16 W4M, surface irrigation to pivot, \$6,173 [107 acres pro-rated], plus \$1,000 [return to EID of 10 acres at \$100 per acre], minus \$2,600 [23 acres kept outside of pivot circle at \$200 per acre], EID contribution is \$2,573. Seconded by Mr. Hemsing. CARRIED**
- 041-02-2002 Moved by Mr. Nielsen that the district approve a Farm Improvement Project for Gary McLagan, N ½ 29-14-13 W4M, surface irrigation to pivot, 6,115 [106 acres pro-rated] minus \$1,400 [14 additional irrigation acres at \$100/acre], EID contribution is \$4,715. Seconded by Mr. Plett. CARRIED**

In follow-up to this approval it was noted that the district should determine if moving point-of-delivery to Sec A Rolling Hills would be of more advantage to the EID and to find out if irrigator will move to new location.

- 042-02-2002 Moved by Mr. Johnson that the district approve a Farm Improvement Project for Henry Dyck, relocation of drain, 50% of costs up to a maximum EID Contribution of \$7,500, irrigator pays \$800 for increased irrigation acres [8 acres at \$100 per acre]. Seconded by Mr. Plett. CARRIED**

043-02-2002 Moved by Mr. Nielsen that the district approve a Farm Improvement Project for Henry Van Hal, NW ¼ 25-15-16 W4M, surface irrigation to pivot, \$3,749.85 [65 acres pro-rated], Irrigable Unit designation required, EID contribution is \$2,573 [11 acres of existing assessment to be permanently transferred to NE ¼ 36-15-16 W4M for pivot corner arm. Seconded by Mr. Henrickson. CARRIED

044-02-2002 Moved by Mr. Plett that the district approve a Farm Improvement Project for John Butkiewicz, NE ¼ 15-16-13 W4M, supplementary payment to \$10,000 infrastructure cost savings already paid, surface irrigation to pivot irrigation, \$5,884 [102 acres pro-rated], move acres under pivot, payment reduced to \$5,000 as total payment may not exceed \$15,000, irrigator to pay for costs of drain relocation. Seconded by Mr. Johnson. CARRIED

6.04 Power Rate Contracts [Epcor/Enmax]

There was some discussion of the merits of the district evaluating entering into a longer term power price contract with either Epcor or Enmax. It was agreed that the district should look into the current status of such contracts and provide information at the next meeting of the directors.

6.05 Rainier Drain

There was discussion of the volume of return flow that might be in the Rainier Drain that could be used to improve pasture operations on district lands near the drain. It was noted that the annual return flow volume in 2001 was approximately 2,500 acre feet, but that it may be able to be used to improve cattle watering. It was agreed to review the options available.

7.0 Land Administration Report

7.01 Tender Results, Irrigated Lease

There was a review of the bids received for the tendering of Lease 8310. It was noted that while the annual fee is not payable in the first year of the agreement, the water rates and taxes are payable.

045-02-2002 Moved by Mr. Johnson that the district approval the award of Irrigated Farm Lease 8310 to Gord & Christine Cook at bid price of \$6,500 plus water plus taxes, with water and taxes being payable in year 01 of the contract. Seconded by Mr. Livingston. CARRIED

7.03 Newell Solid Waste Management Authority, Proposed Transfer Sites

Mr. Meador reported on site tours made by Mr. Nielsen and himself looking into various waste transfer sites that might be available on district owned lands. It was noted that the existing site may still be the best site for the proposed new transfer station. It was agreed to discuss this with the County of Newell at the upcoming joint meeting.

[2:30 PM, the meeting recessed. Mr. Meador and Mr. Romao exited the meeting.]

[2:40 PM, the meeting reconvened. Mr. Hale joined the meeting.]

8.0 Grazing Report**8.01 2002 Pasturing Scenarios**

Mr. Hale provided an overview of what might be expected for 2002 pasturing operations. He noted that without sufficient spring moisture and improvements to soil moisture generally, it may be prudent to not pasture any cattle on district lands in 2002.

It was also noted that if there does appear to be sufficient moisture and growth then reduced cattle numbers might be able to be accommodated. Mr. Hale provided the following information comparing listed cattle to those that might be pastured if suitable moisture is received.

Association/Pasture Area	Animals Listed	Animals Possible
Bantry	383	200
Bassano	571	300
Duchess	1,076	500
Eyremore & Antelope Creek Ranch	712	712
Newell	1,142	600
Gem	1,321	1,000
Patricia	1,320	700
Rolling Hills	921	0
Rosemary	1,059	1,059
Tilley	948	500
Tilley Swing Field	0	0
Finnegan Swing Field	0	200
Kitsim Swing Field	0	540
Rock Lake [Lakeside Pivots]	0	450
PCP Ranch	0	200
Totals	9,453	6,961

Mr. Hale noted that this is a reduction of some 27%, with the leases only being available for use from the 1st of June to the 31st of July. It was noted that it will be easier to determine whether or not pasture operations can take place close to the 1st of May 2002. The use of some lease areas will also depend on the water availability for the livestock.

There was also some discussion as to whether or not a decision made about the use of pastures by the Community Grazing Associations might have any impact on private grazing leases. It was noted that there has been some suggestion that perhaps fees to private grazing leases should be reduced if they are not pastured in 2002. It was also agreed that the bid process and agreements make the determination of stocking and good husbandry the responsibility of the lessee.

8.02 Rock Lake Pivot Operations, 2002

Mr. Hale noted that in addition to the costs discussed at the 13 February 2002 meeting, there may be an additional \$5,000 in costs related to cultivating, floating, rock picking, etc. There was discussion of the status of the lands under these pivots and when might be the most appropriate time to seed them to a permanent grazing cover.

046-02-2002 Moved by Mr. Livingston that the district approve the preparation and seeding under the Rock Lake [Lakeside] pivots with permanent grass crop in 2002 and that there be no grazing permitted during the 2002 period. Seconded by Mr. Hemsing. CARRIED

[3:00 PM, Mr. Cook joined the meeting.]

8.03 Grazing Eligibility Appeals

Mr. Hale provided information on two appeals regarding grazing lease eligibility. He noted that a further review of the application by one applicant indicated that he was eligible. This decision has been communicated.

Mr. Hale also noted that the application by Mr. Gordon Kay had been rejected as it was received after the deadline. Except for the date received, Mr. Kay does comply with the requirements to pasture cattle. There was some discussion of the process for advertising and submitting applications.

047-02-2002 Moved by Mr. Livingston that the district agree to allow Gordon Kay to be eligible to enter in lease, despite missed application date, with the letter of notice of decision to also indicate need to meet deadlines. Seconded by Mr. Henrickson. CARRIED

[3:10 PM, Mr. Hale exited the meeting.]

9.0 Equipment Pool Report

9.02 Sale of Low Bed and Jeep Trailer

Mr. Cook provided information regarding sale options for the 1995 Peerless Low Bed and Hop Up Jeep Trailer. The following quotes/bids have been received:

Organization	Description	Selling Price	Net Price
Canadian Public Auction	Guarantee Price, 85% EID, 15% CPA [paint @ \$4,000]	\$52,000	
Canadian Public Auction	Non-Guaranteed Price		\$41,760
Albert Snyders Holdings	Brooks		\$24,133
Big Rock Excavating	Calgary		\$50,100
Pederson Equipment	Calgary		\$46,000
Stuart MacPheat	Medicine Hat		\$46,000

048-02-2002 Moved by Mr. Hemsing that the district approval the sale of the Peerless Low Bed Trailer & Hop UP Jeep Trailer to Big Rock Excavating at quoted price of \$50,100. Seconded by Mr. Henrickson. **CARRIED**

9.01 Sale of Vehicles by Auction

Mr. Cook requested permission to dispose of seven vehicles by auction. It was noted that vehicles would be part of the upcoming Charlton's Auction. The vehicles to be sold include:

- Unit 72, 1991 GMC ½ ton extended cab,
- Unit 94, 1994 GMC ½ ton pick-up,
- Unit 102, 1994 Chevrolet ½ ton pickup,
- Unit 104, 1994 GMC ½ ton extended cab 4x4,
- Unit 111, 1995 Chevrolet ½ ton pickup,
- Unit 114, 1995 Chevrolet ½ ton pickup, and
- Unit 116, 1996 Ford ½ ton 4x4.

049-02-2002 Moved by Mr. Livingston that the district authorize sale of the noted vehicles for sale by auction [scheduled for Charlton's Auction, 05 April 2002]. Seconded by Mr. Plett. **CARRIED**

[3:20 PM, Mr. Cook exited the meeting.]

10.0 Northwest Irrigation Operators Inc. Conference

Mr. Hill provided a verbal report of the recent Northwest Irrigation Operators Inc. conference in Boise, Idaho. It was noted the conference was well attended, by US and Canadian delegates. Of note at the conference were presentations by the BRID's Richard Phillips regarding Fish Screening Devices and the BRID experience with fish rescues, the Klamath Irrigation problems in 2001 and the impacts that the Endangered Species Act continues to have on irrigation and other water management operations. It was noted that the presentation by the Bureau of Reclamation noted that fully 40% of their annual budget is now directly at Endangered Species Act implications.

11.0 Meeting with Mr. Lorne Ternes [Tamera Services]

Mr. Wilson and Mr. Chrumka reported on meetings held with Mr. Ternes in Edmonton. The meetings were held to determine the potential for Mr. Ternes to assist the district in its capacity as an observer under the Siksika Alberta Protocol Agreement. It was noted that the district may retain Mr. Ternes on an "as needed" basis.

12.0 Pheasants Forever

Mr. Chrumka provided an overview of agenda items for the upcoming meeting of Pheasants Forever regarding the extension of the Partners in Habitat Development project to other irrigation districts. It was agreed that the program should not be subject to unnecessary administrative requirements and that as such, there may not be a need for a proposed project committee that would also involve the Alberta Irrigation Projects Association.

13.0 General Manager's Report**13.02 Topics for Meeting with County of Newell**

It was agreed to include the discussion of waste transfer sites, landfill hours, Confined Feeding Operations [set backs, etc.] as well as any concerns regarding the Trans Canada Trail initiative.

13.01 Topics for Farm Meetings

It was agreed to cover the following topics at the upcoming meetings with irrigators:

- Water Presentation [Return Flow, Audits, On-Farm Efficiencies, Expansion Overview],
- Water Plans for 2002 [24" to 30" limit],
- Proposed Rehabilitation Projects,
- Fording Coal [be prepared to answer questions], and
- Grazing [be prepared to answer questions].

13.03 AIPA Future Directions Committee Report

The directors reviewed the substance of the AIPA Future Directions Committee. It was noted that this would be the major topic for discussion at the 12 March 2002 AIPA Directors Meeting.

13.04 Dates for Upcoming Directors Meetings

The following dates were agreed upon:

- 22 March 2002, Regular Directors Meeting
- 12 April 2002, Annual General Meeting
- 23 April 2002, Regular Directors Meeting
- 21 May 2002, Regular Directors Meeting
- 25 June 2002, Regular Directors Meeting

13.05 Alternative Energy in Agriculture Workshop

It was noted the proposed dates for this workshop conflict with other activities in the district and as such, no representation will be made.

13.06 Fording Coal Update

Mr. Wilson provided an overview of the most recent proposed terms for the consideration by Fording Coal for the district to enter in a conveyance agreement. There was general discussion on the progress of discussions with Fording Coal.

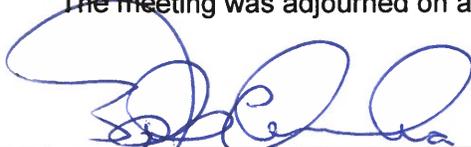
13.07 CWRA Alberta Conference, Medicine Hat

Mr. Wilson provided information on the upcoming CWRA Conference in Medicine Hat, April 07 to April 09, 2002. There was agreement to register 4 individual to attend the conference [2 directors, 2 staff].

13.08 Alberta Environment Advisory Committee

Mr. Livingston provided a brief update on the activities of the Advisory Committee. He noted that the Water Strategy project is soon to be launched and that he would appreciate comments and advice regarding issues that should be raised to make sure that irrigation gets proper consideration in the initiative.

The meeting was adjourned on a motion by Mr. Hemsing at 5:10 PM.



Per: Chairman

Minutes Approved on 22 March 2002



Per: General Manager

Motion No. 052-03-2002

22 March 2002, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 22nd of March 2002. Those in attendance were:

Mr. Bob Chrumka	Chair
Mr. Clint Henrickson	Vice-Chair
Mr. Allan Nielsen	Director
Mr. Don Plett	Director
Mr. Neil Johnson	Director
Mr. Tom Livingston	Director
Mr. Pat Hemsing	Director
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy & Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Adoption of Agenda

The following items were added to the agenda:

- Item 5.03, Proposed Tree Planting, EID Office Site

050-03-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Nielsen. CARRIED

2.0 Approval of Minutes**2.01 13 February 2002, Directors Meeting**

The following corrections were made to the minutes of the 13 February 2002 Directors Meeting:

- pg. 19, Item 6.02 It was noted hat Alberta Public Lands has suspended all land spreading activities in response to the drought ~~and to allow for an evaluation of the practice.~~

051-03-2002 Moved by Mr. Nielsen that the minutes of the 13 February 2002 Directors Meeting be approved as corrected. Seconded by Mr. Henrickson. CARRIED

2.02 26 February 2002, Directors Meeting

The following corrections were made to the minutes of the 13 February 2002 Directors Meeting:

- pg. 33, Item 8.01 Change heading in Table from AUMs to Animals

052-03-2002 Moved by Mr. Henrickson that the minutes of the 26 February 2002 Directors Meeting be approved as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business from Minutes

It was noted that questions regarding the status of investigation of water possibilities from the Rainier Drain could be handled under the Operations Report. It was also noted that a report will be presented regarding the potential power price contracts available from Enmax and/or Epcor.

4.0 Fee By-Law

It was noted that some of the calculations required for this by-law still need to be completed in order to ensure they are consistent with last year's approach and to include the new provisions for rural water use fees.

5.0 Financial Report

5.01 Financial Statements, Periods Ending 31 January & 28 February 2002

Mr. Knelsen provided an overview of the Financial Statements ending the 31st of January 2002 and the 28th of February 2002. There was some discussion of various cost items that are now being recorded in the financial statements in the period in which they become effective, instead of a lump sum amount [for example, the AIPA assessment is shown on the cost per month basis, instead of the total cost for 6 months shown in a single month].

053-03-2002 Moved by Mr. Hemsing that the Financial Statements for the periods ending 31 January and 28 February 2002 be accepted as presented. Seconded by Mr. Nielsen. CARRIED

5.02 Power Contract Rates

Mr. Knelsen provided an overview of information that has been received from Enmax and Epcor regarding power rate contracts. It was noted that some additional detail is required to determine which, if any, rate contract plan should be selected by the district. More information is expected in the next couple of weeks.

[10:15 AM, the meeting recessed.]

[10:20 AM, the meeting reconvened. Mrs. Buteau joined the meeting.]

5.03 Proposed Tree Planting, EID Office Site

Mrs. Hauser provided an overview of proposed tree and shrub planting for the lands immediately north of the district's main office complex. It was noted that the planting plan should improve the "look" of the area. There was discussion of the trees selected and the method to ensure their irrigation, etc. It was generally agreed that the plan be augmented by also planting some 200 to 300 evergreens.

There was consensus to continue with the planning for the project and to acquire the necessary trees. It was also noted that some final recommendations regarding irrigation methods also need to be made.

[10:35 AM, Mrs. Hauser exited the meeting.]

6.0 Engineering Report**6.01 Projects Update**

Mr. Wilson provided an update of the status of ongoing rehabilitation projects as follows:

EID Capital Construction:

01-1265	14 H West Bantry <ul style="list-style-type: none"> • 2 km lined canal • earthwork & structures complete • clean-up remains 	EID Crews
01-1264	10 H West Bantry <ul style="list-style-type: none"> • 3.5 km. Lined canal and 0.8 km pipeline • earthwork and structures complete • pipeline & pipeline turnout installed • clean up and re-establishment of head ditch remain 	EID Crews
01-1251	11 B Springhill <ul style="list-style-type: none"> • 2.5 km lined canal • earthwork and structures complete 	EID Crews
01-1231	G11 and G14 North Bantry <ul style="list-style-type: none"> • 5 km pipeline • 2.2 km of pipe installed 	JKR Excavating
01-1247	18 Bow Slope <ul style="list-style-type: none"> • 5.6 km pipeline • 4.3 km of pipe installed 	BYZ Construction
01-1252	N and OA Tilley <ul style="list-style-type: none"> • 1.6 km and 0.8 km pipelines • complete except for clean-up and fencing 	EID Crews
01-1250	B North Bantry <ul style="list-style-type: none"> • 1.5 km pipeline • pipeline and turnouts installed • clean up remains 	EID Crews
01-1275	John Ware Spillway, Phase 2 <ul style="list-style-type: none"> • 0.8 km bank rebuilding and grade control • earthwork and armour complete • structures installed 	EID Crews
01-1245	Rolling Hills Canal, Phase 2 <ul style="list-style-type: none"> • 7.5 km lined canal • liner installed • 90% of gravel armour has been placed • requires final grading • turnout installations underway 	Richardson Bros. (Olds) Ltd.

	<ul style="list-style-type: none"> • 4 check structures and 1 spillway structure • concrete work complete • one structure remain for backfilling • gate installation remaining 	Charmar Enterprises
01-1249	24 Rolling Hills <ul style="list-style-type: none"> • 2.5 km pipeline • pipe installed except for road crossings • inlet structure installed • turnouts remaining 	F. Miller Excavating
IRP Projects:		
02-1245	C North Branch <ul style="list-style-type: none"> • 28 km pipeline and associated laterals • pipe installation completed • turnouts complete except for baffle boxes [spring installation] • stilling pond remains 	EID Crews
02-1253	06 & 07 East Branch <ul style="list-style-type: none"> • 3.5 km pipeline, 2 km pipeline, 500 m level bank canal • 2.8 km of 07 East Branch installed 	EID Crews

Mr. Wilson also provided an update on costs of construction versus budget.

6.02 Infrastructure Cost-Share Approval, 01-1231 G11 G14 North Bantry

Mr. Wilson provided some information regarding a proposed infrastructure cost-sharing approval associated with the above noted project. The proposed cost-share involves the SW ¼ 09-20-13 W4M on a parcel owned by Mr. Van Steekelenburg. The parcel is presently irrigated by centre pivot. If the project were required to meet the existing point of delivery, the project cost would increase by an estimated \$25,000. Mr. Van Steekelenburg has agreed to a new point of delivery that will save this project cost, resulting in a proposed cost-share of \$12,500. It was noted that this type of approval generally should accompany the project approval.

054-03-2002 Moved by Mr. Hemsing that the district approve the Infrastructure Cost-Sharing in the SW ¼ 09-20-13 W4M for Mr. Van Steekelenburg at 50% of the cost savings being \$12,500. Seconded by Mr. Henrickson. CARRIED

[10:45 AM, Mr. Meador joined the meeting.]

7.0 Operations Report

Mr. Meador noted that the district is continuing to investigate the watering options that may be available from the Rainier Drain. He noted that some field surveys need to be completed to determine the best location for diversions and to determine which areas of the pasture lands might benefit from the proposed project.

7.01 Farm Improvement Projects

Mr. Meador provided information leading to the following Farm Improvement Project approvals:

055-03-2002 Moved by Mr. Plett that the district approve a Farm Improvement Project for Mr. Alvin Nickel, NW ¼ 24-21-16 W5M, surface irrigation to side-roll wheel moves, \$2,500 [point of delivery remains the same], EID contribution is \$2,500. Seconded by Mr. Livingston. **CARRIED**

056-03-2002 Moved by Mr. Livingston that the district approve a Farm Improvement Project for Mr. Henry Willms, NE ¼ 12-21-16 W4M, surface irrigation to side-roll wheel moves, \$1,115 [58 acres pro-rated], EID contribution is \$1,115. Seconded by Mr. Johnson. **CARRIED**

There was some discussion of the actual water savings that can be gained from the conversions of surface irrigation to side-roll wheel moves based on recent presentations at the irrigator meetings. It was agreed that the district may have to consider the method of surface irrigation that is being converted from and to reevaluate the payments being offered under the Farm Improvement Program.

7.02 LNID, BRID Newsletters

There was discussion of the newsletters that have been sent by the Lethbridge Northern Irrigation District [LNID] and the Bow River Irrigation District [BRID] to their irrigators. Both newsletters highlight issues relating to water management and water allocations for the 2002 irrigation period.

It was agreed that a newsletter or other such mailing was a good idea. It was also agreed that if the information could be prepared, it could be sent out with the district's Annual Report for 2001. There was some discussion of the information that should be included, with specific reference to the 24 acre inch limit discussed at the irrigator meetings and the method by which water deliveries will be calculated in 2002. There was agreement that some emphasis be put into ensuring that irrigators are providing proper and sufficient notice of water terminations and that water deliveries will be calculated up to the time that actual changes are made to terminate water deliveries to a parcel.

It was agreed that a draft be prepared for review by the directors at their upcoming meeting with Fording Coal on the 26th of March.

[11:20 AM, Mr. Matoba joined the meeting.]

8.0 Land Administration Report

8.01 Requests for Transfer Irrigation Acres

Mr. Matoba presented information regarding various requests for permanent transfers of irrigation acres. It was noted that the Irrigation Districts Act contains specific approval requirements for any acres that are to be transferred on a permanent basis, with particular attention being paid to the applicant obtaining consent from any mortgage holders listed on the title.

Mr. Ron Wiebe

Mr. Matoba provided an overview of the irrigation acres that Mr. Wiebe would like to transfer. There was discussion of the various aspects of the proposed transfer.

- 057-03-2002** Moved by Mr. Johnson that the district approve Mr. Wiebe's application for the transfer of 71 irrigation acres from NE ¼ 29-21-16 W4M and 24 irrigation acres from NE ¼ 20-21-16 W4M to the W ½ 05-21-16 W4M on the condition that all of the proper consents required under the IDA for releases from mortgage holders is obtained, the point of delivery is established at a location approved of by the district and soils are proven to be irrigable and approval to grant an increase of an additional 36 irrigation acres for a total assessment of 131 acres in the W ½ 05-21-16 W4M. Seconded by Mr. Hemsing. **CARRIED**

[12:00 Noon, the meeting recessed.]

[12:40 PM, the meeting reconvened.]

There was some additional discussion regarding the point of delivery that should be approved for the transfer of irrigation acres approved of for Mr. Wiebe.

- 058-03-2002** Moved by Hemsing that the district approve a remote delivery agreement to service the W ½ 05-21-16 W4M, with service to the parcel being from the east boundary of the NE ¼ 05-21-16 W4M, with Mr. Wiebe being required to obtain all of the necessary consents required. Seconded by Mr. Livingston. **CARRIED**

Mr. David Andrews

Mr. Matoba presented information regarding the proposed transfer of irrigation acres requested by Mr. Andrews. There was some discussion regarding the method of irrigation and whether or not applications for transfers might result in increased irrigation acres. There was also discussion of acre-for-acre transfers such as that proposed by Mr. Andrews and whether or not the district should consider allowing for any banking of acres that might be attributable to improvements in on-farm irrigation practices.

- 059-03-2002** Moved by Mr. Livingston that the district approve Mr. Andrews' application to transfer 40 irrigation acres from the NE ¼ 22-17-17 W4M to NW ¼ 26-17-17 W4M on the condition that all of the proper consents required under the IDA for releases from mortgage holders is obtained, the point if delivery is established at a location approved of by the district and soils are proven to be irrigable. Seconded by Mr. Hemsing. **CARRIED**

Mr. Jamie Buteau

Mr. Matoba presented information regarding a proposed transfer of irrigation acres requested by Mr. Jamie Buteau. There was some concern expressed regarding the transfer proposed by Mr. Buteau. It was generally agreed that the district may consider a transfer of all 136 irrigation acres in the NW ¼ 20-18-16 W4M to a single alternate location [for example, the SE ¼ 25-18-16 W4M], but not likely allow those acres to be split between two parcels unless such was completed under an Alternate Parcel Agreement [annual approval required]. Concern was also expressed that Mr. Buteau appears to be irrigating lands in excess of his assessment in section 27-18-16 W4M.

8.02 Conversion of Terminable Agreement Acres

Mr. Matoba presented information relating to a requested conversion of terminable agreement acres to irrigation acres in section 30-15-13 W4M. It was agreed that the point of delivery for these acres remains from a drain that, as yet, has not been determined to be sufficient to allow for the conversion of the acres. It was agreed to decline the request the for conversion.

8.03 General Irrigation Acre Assessment Review

Mr. Matoba provided an overview of examples of increases in irrigation acres that have been found under the current General Irrigation Acre Assessment review. It was noted that the aerial photos obtained in 2001 have been compared to the existing assessment. It has been noted that a number of instances have been determined where various levels of increases in irrigation acres may be required. The general classification of the types of increases that have been found include:

- 3 to 5 acres over the existing assessment [usually due to more precise measurement and/or improvements in on-farm irrigation practices and methods],
- 6 to 10 acres over the existing assessment [due to more precise measurement, improvements in on-farm irrigation practices and methods and/or as a result of canal rehabilitation that has made more lands accessible for irrigation] and
- more than a 10 acre increase over the existing assessment [from a combination of the above factors and increases in assessment that have been made without any approval by the district].

There was discussion of which increases in irrigation acres should be approved after evaluation by staff of the district, which should be returned to the board for review, approval or denial and which increases cannot be approved and current irrigation methods may have to be modified to comply with current irrigation assessments.

060-03-2002 Moved by Mr. Hensing that the district adopt the following approach in evaluating any approval of increases in irrigation acres under the current general irrigation acre assessment review be approved. Seconded by Mr. Johnson. CARRIED

Increases in irrigation acres will be evaluated based on the following table for conversions in on-farm practices that are shown to be more efficient [to require less water per irrigation acre at than the current method of irrigation]:

Conversion Factors, Converting from One Irrigation Method to a More Efficient Method

	Class B Surface Irrigation	Class A Surface Irrigation	Side-Roll Wheel Moves	High Pressure Pivot	Low Pressure Pivot
Undeveloped rough surface irrigation	1.20	1.35	1.35	1.40	1.50
Class B Surface Irrigation		1.20	1.20	1.30	1.40
Class A Surface Irrigation				1.05	1.15
Side-Roll Wheel Move				1.05	1.15

Example: An irrigation assessment of 93 acres of Class B Surface Irrigation could increase to 130 acres of irrigation acres under a low pressure pivot.

Definitions:

undeveloped surface irrigation	this is generally described as "wild flood", irrigation acres are not levelled, irrigation takes place primarily by contour ditch with minimal on-farm irrigation works,
Class B Surface Irrigation	this method of surface irrigation refers to lands that are not well levelled, have steep side or down field slopes and/or light soils,
Class A Surface Irrigation	this method of surface irrigation refers to lands that are well levelled, with good side and down field slopes and heavier soils.

An evaluation of all assessments for irrigation acres is being conducted based on aerial photography completed by the district in 2001, district staff have been authorized to add irrigation acres to the assessment roll based on the following criteria:

- (a) up to half [50%] of the acres permitted in the table in paragraph 3 to a maximum of 20 acres where a more efficient method of irrigation practice is taking place, or
- (b) up to 30 acres where the rehabilitation of the irrigation network has removed canals or drains from a parcel or resulted in the reclamation of lands that were previously not irrigable.

Under the general assessment review, irrigators/land owners will be assessed the following fees and charges:

- (a) \$100 per acre for all acres added to the assessment roll as irrigation acres, excepting for those acres that were previously occupied as an easement or right-of-way for canals or drains that have been removed, plus
- (b) a one-time payment of \$37.50 per acre [\$7.50 per acre annual rate fee for 5 years] as payment for prior irrigation of acres not included on the assessment roll, and

In instances where the irrigator/land owner is shown in the general assessment review to be irrigating more acres that can be accommodated under these guidelines, the irrigator is to be sent a letter of notice advising that an application is required and that field irrigation practices must be modified to comply with the existing assessment.

[2:50 PM, Mr. Matoba exited the meeting.]

9.0 Grazing Lease Meeting, Medicine Hat [Report]

Mr. Hemsing and Mr. Livingston reported on a meeting in Medicine Hat that dealt with climate change and drought, specifically as it affects pasture lands. It was noted that present recommendations indicate that for pastures that would be classified as being in the bottom half of production [the range is showing signs of stress, plant vigour and litter reserves are reduced and bare patches are visible] it is recommended that $\frac{1}{4}$ stocking rates be used. For those pastures that would be considered as "running on empty" it has been suggested that no grazing take place for up to 3 years. It was agreed that stocking rates on the EID pasture lands will need to be reviewed later in the spring.

There was discussion of the need for the district to consider ways to promote increased stewardship and/or incentives to good pasture management by community grazing associations. It was also noted that the district could consider some modifications to its pivot irrigation equipment and

sprinklers at Kitsim and the Lakeside Rock Lake pivots to make water applications more efficient and to be more in line with what the district expects from other irrigators.

[3:05 PM, the meeting recessed.]

[3:20 PM, the meeting reconvened.]

10.0 Patricia Landowners Association Meeting [Report]

Mr. Henrickson noted that land owners in the Patricia area [same general area as Division 03 of the County of Newell] have formed the Patricia Landowners Association. The purpose of the group is to increase communication and cooperation between landowners and oil and gas companies. There is also some work that will take place to ensure that surface lease compensation issues are addressed on a common basis and that applications for sour gas facilities can be made in conjunction with the needs and membership of the association. There appears to be strong involvement from the land owners in the Patricia area in support of the new association.

It was agreed that the district should stay in communication with the new association, but that there was no need for the district to seek membership.

Mr. Livingston also advised that the EID Landowners Association will be holding its Annual General Meeting at 7:30 PM, on the 11 of April 2002 in the Duchess Community Hall. He also noted that Mr. Stan Schumaker will be the Guest Speaker at the meeting.

11.0 Springhill Pressure Pipeline System

Mr. Wilson provided an overview of a letter received from the irrigators along the Springhill Pressure Pipeline system. He also provided information regarding a recent technical assessment of the pump station, and in particular, the condition and status of the present variable speed pump.

There was discussion of the costs of operation and maintenance of the pipeline system and whether or not the costs recovered from the users are sufficient to meet the long-term needs of the facility. It was noted that the irrigators pay 100% of the annual pumping costs, the water rate, a \$2 per acre maintenance fee and that they also paid \$70 per irrigation acre as an up-front capital cost.

It was noted that the recent technical review has suggested that the variable speed pump is in operable condition, but that it may only last for another 2 to 5 seasons of use. It was noted that the eventual change-out of the variable speed drive will result in an estimated cost of about \$20,000. It was agreed that the district monitor the costs for this pumping project as a separate line item under the overall pump station costs of the district.

[3:45 PM, Mr. Meador exited the meeting.]

12.0 Grass Carp, Sale Arrangements

Mr. Wilson provided an overview of proposed CARP Marketing Agreements for 2002. These agreements deal with the district's existing inventory of CARP. Two agreements have been proposed, one with Mr. Rick Benci, wherein he will sell fish from those he is storing and feeding with a payment to the EID of \$7 per fish sold; and one with Mr. Terry Schroeder, wherein he will sell fish from the district's facility and the Snake Lake facility with the district being paid \$8 per fish. These agreements will remain in effect until the end of 2002.

061-03-2002 Moved by Mr. Henrickson that the district approve entering into CARP Marketing Agreements with Mr. Benci and Mr. Schroeder with the EID receiving \$7 and \$8 per CARP sold respectively, with the agreements expiring as of the 31st of December 2002. Seconded by Mr. Plett. **CARRIED**

13.0 General Manager's Report

13.05 River Watch Sponsorship

It was noted that the district has been approached by the River Watch Science Program for additional fund raising and/or sponsorship assistance. Information regarding the plans for the program in 2002 were reviewed. It was agreed that the program does appear to be highly dependent upon the efforts of Mr. Cal Kullman and that some evaluation needs to take place to ensure that should the district choose to provide any sponsorship, that the funding would achieve its objectives.

There was discussion of what the district might be able to do to encourage sponsorship of the River Watch Science Program through its other contacts along the Bow River, the two upstream irrigation districts, City of Calgary, Trans Alta Utilities, etc. It was noted that Fording Coal and perhaps Pan Canadian could also be approached, as well as the Bow River Basin Council.

It was agreed to contact Mr. Kullman to determine how the district might be able to provide some assistance in this regard prior to making any funding commitment.

13.08 Rolling Hills Defibrillator Request

It was noted the district has received a request to assist with funding for a defibrillator required by the Rolling Hills Volunteer Fire Department. It was agreed to respectfully decline the request.

13.01 County of Newell Issues

Mr. Wilson noted that at the recent meeting with the County of Newell the district had been asked to provide some written response to the following issues:

- Developments at Lake Newell Reservoir [East Side], and
- CFO Setback Requirements

Mr. Wilson provided copies of draft responses in relation to both issues. It was also agreed that the district add the CFO setback requirements to the Bantry No. 1 and Bantry No. 2 reservoirs as well.

There was also discussion of the County's request to acquire additional land near its Highway Maintenance Shop on the Trans Canada highway. It was reported the district has had some conversation with the lessee [Mr. Bildersheim] and that he would be agreeable to removing some lands from the lease for that purpose. It was agreed that the County of Newell be asked to provide an offer for those lands.

There was a review of the proposed road widening that is to take place near the Silver Sage [south of the Town of Brooks]. An additional 34 feet of right-of-way is required along the south side of the current east-west road. It is proposed that the County will build the road and then turn it over to the Town of Brooks for maintenance and operation. It was agreed to determine what monies the County is offering for these rights-of-way and to see if the district can obtain its own payment rate of \$500 per acre.

13.02 License Update

Mr. Wilson reviewed the details of a recent meeting with Mr. Peter Watson of Alberta Environment. It was noted that Mr. Al McMillan will be retiring from the government as of the end of March 2002. Mr. Watson would like to proceed with the issuing of the district's license, but is concerned about a the perception of the license approval given the length of time the review process has taken.

It was noted that Mr. Watson would like the district to participate in a presentation to the Bow River Basin Council Advisory Committee. This presentation would provide some additional information about the license application, its merits, the review and evaluation process and would assist Environment in ensuring that it is not perceived as completing something outside of public view. The presentation has been scheduled for 03 April 2002.

It was also noted that Mr. Watson would like to deal with the district's application in advance of completing the application review for Fording Coal. He also indicated it would be his intention to issue the district its new license prior to the end of the April 2002.

13.03 Irrigation Districts Amendment Act, Update

It was reported that the Irrigation Districts Amendment Act 2002 has been approved by the Alberta Legislature and has been given Royal Assent. Of particular note is the inclusion of a new category of water use, rural water use, that allows the district to address non-irrigation and non-household water needs up to 20 acre feet in volume. Other changes provide some general wording improvements and allow for a limited waiver by the minister of the need for plebiscites for expansion of irrigation acres and transfers of a portion of a license.

13.04 Bow River Basin Council, Update

Mr. Hill provided an update of the activities of the Bow River Basin Council [BRBC] as follows:

Council Activities

- the BRBC is nearing the completion of its first full year of operation since transition from two previous organizations,
- membership on the BRBC now numbers greater than 110, with representation from all six membership categories; commercial & industrial, licensees, municipal, non-profit & academia, regulatory, administrative & first nations as well as private members,
- BRBC is Alberta Environment's primary contact for water policy issues in the Bow River Basin, it will continue its roll in providing the membership for the Bow River Basin Advisory Committee on the South Saskatchewan River Basin Plan,
- recent meeting with the Honourable Lorne Taylor confirms that the minister plans on making consistent use of the BRBC, particularly in short and long term policy initiatives [including the recently started Water Strategy],
- fund raising for long-term economic sustainability is progressing on schedule,
- longer-term financial commitment from Alberta Environment is being explored,
- members are generally very supportive of water management initiatives, and
- BRBC is a good forum to dispel "myths" about water management and water use [such as the recent presentation by Roger Drury, Richard Phillips and David Hill] [the presentation was well received and should help members better understand water needs within irrigation districts as well as for other uses].

Phase 2, South Saskatchewan River Basin Plan [Water Conservation Objectives]

- the BRBC provided the membership for the Bow River Basin Advisory Committee on the South Saskatchewan River Basin Plan in Phase 01 [determining the criteria and specifics that need or should be considered in evaluating an application to transfer a portion of a license],
- Phase 02 of the SSRB Plan is scheduled to commence as soon as a Terms of Reference is agreed upon,
- the primary focus of Phase 02 is to compare water availability with existing licenses and determine the criteria to be evaluated in setting water conservation objectives [in some cases previously referred to as instream objectives and/or water quality objectives],
- determining what water and what river reach, if any, has additional water supplies that could be licensed for use, and
- assisting Alberta Environment is developing a process for public consultation.

Mr. Hill noted that he remains a member of the Board of Directors of the BRBC as well as representing the district as its member on the Council.

13.06 Fording Coal, Update

Mr. Wilson provided a verbal update of the ongoing discussions and activities between the EID and Fording Coal. He noted that a draft letter outlining the district's requirements to consider a water conveyance agreement is being held until Alberta Environment has completed their review of the district's water license application. This is to allow that decision to be made prior to Environment finalizing its review of Fording Coal's application.

It was also noted that the district has commenced the contracting of services for design of improvements to Kitsim Reservoir, with all costs being paid for by Fording Coal.

13.07 Irrigation Council Nominations

It was noted that the district, in response to a request from the Minister of Agriculture, Food and Rural Development, has forwarded nominations for membership on the Irrigation Council for Svend Rasmussen and Bill Mortensen. Both individuals have agreed to serve on the Council should they be so appointed.

14.0 Upcoming Meeting Dates

The following meeting dates were confirmed:

- Fording Coal Preview, Brooks Open House, 26 March 2002
- AIPA MLA Reception, Edmonton, Alberta, 10 April 2002 [all directors excepting Mr. Plett confirmed attending, as well as Mr. Wilson],
- EID Annual General Meeting, 12 April 2002, and
- Regular Board Meeting, 23 April 2002.

The meeting was adjourned on a motion by Mr. Hemsing at 4:40 PM.



Per: Chairman

Minutes Approved on 23 April 2002



Per: General Manager

Motion No. 064-04-2002

12 April 2002, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 12th of April 2002. Those in attendance were:

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

The meeting was called to order at 11:00 AM.

1.0 Date for Water Deliveries

There was discussion of the proposed time for water deliveries for irrigation. There was discussion of the planned diversions from the Bassano Dam and reservoir filling activities. It was generally agreed that water deliveries for irrigation should not commence prior to the 8th of May 2002.

062-04-2002 Moved by Mr. Hemsing that the district set the 8th of May, 2002 as the earliest date that water will be available for delivery for irrigation purposes. Seconded by Mr. Livingston. CARRIED

2.0 Polling Locations, Election of Director, Division 01 and Division 05

It was agreed that the places for polling for the upcoming 24 April 2002 election of directors be set as follows:

- Division 01 Gem Community Hall, Gem, Alberta
- Division 05 EID Shop, Rainier, Alberta

3.0 Newell Marina Request

There was some discussion regarding a request to mark shallow areas in and around the Lake Newell Resort Marina. It was agreed that the district should not be involved in the marking of the low areas or in dredging of the marina – those activities should be conducted by the marina operators and/or tenants.

4.0 01-1305, Secondary E Canal Rehabilitation

It was noted that a letter has been received from Mr. Rudy Peltzer, David Peltzer and Mr. Verne Krause outlining some concerns with the proposed rehabilitation of Secondary E Canal. The concerns relate to lands that may be impacted through the proposed pipeline. It was noted that some alternatives will be investigated during the detailed design phase to see if the start of the pipeline can be moved to a downstream location.

5.0 Land Owner Concern, Mrs. Martha Andrews [Fording Coal Ltd.]

Mr. Wilson noted the district has received a copy of a letter from Mrs. Andrews outlining some concerns she has with how Fording Coal may conduct their land acquisition for the Brooks Power Project. The letter has been sent to Fording Coal, with copies to Alberta Environment and the district. The letter is provided as information only.

6.0 Update, EID Landowners Association Meeting

Mr. Livingston provided a verbal update of the EID Landowners Association Meeting held on the 11th of April in Duchess. He noted a good turnout for the meeting and spirited discussion of surface lease and Crown Lease issues.

7.0 Provincial Water Strategy, Follow-Up

It was agreed that the district should forward a letter to the Honourable Dr. Lorne Taylor, Minister of Environment offering a representative of the district as a member of the upcoming Minister's forum on the water strategy.

8.0 AIPA MLA Reception, 10 April 2002

There was some discussion of the recent MLA Reception hosted by the AIPA for government MLAs in Edmonton. It was noted that while the turnout in numbers of MLAs was less than the previous event, those in attendance appeared clearly interested in the issues being discussed by the AIPA.

The meeting was adjourned on a motion by Mr. Hemsing at 11:40 AM.

Per: Chairman

Per: General Manager

Minutes Approved on 21 May 2002

Motion No. 090-05-2002

23 April 2002, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 23rd of April 2002. Those in attendance were:

Mr. Bob Chrumka	Chair
Mr. Clint Henrickson	Vice-Chair
Mr. Allan Nielsen	Director
Mr. Don Plett	Director
Mr. Neil Johnson	Director
Mr. Tom Livingston	Director
Mr. Pat Hemsing	Director
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy & Planning
Mr. James Knelsen	Manager of Administration

The meeting was called to order at 9:10 AM.

1.0 Adoption of Agenda

The following items were added to the agenda:

- 5.07 Conversion of Terminable Agreements Acres to Irrigation Acres [Deschamps]
- 5.08 Discussion of Rural Water Use Agreements, Policy, Fees, etc.
- 10.06 Fording Coal Update
- 10.07 AIPA Rate Intervention
- 10.08 Report on Supper Meeting with Dr. Lorne Taylor, Minister of Environment
- 10.09 Discussion of Amendments to Irrigation Districts Act [Increase in Irrigation Acres without requirement of a plebiscite, for example, irrigation from drains, etc.]
- 10.10 Trade and Commerce Magazine

063-04-2002 Moved by Mr. Henrickson that the agenda be adopted as added to. Seconded by Mr. Hemsing. CARRIED

2.0 Approval of Minutes, 22 March 2002 Directors Meeting

The following corrections were noted in the minutes of the 22 March 2002 meeting:

- pg. 39, Mrs. Hauser Buteau joined the meeting.
- pg. 45, ... the range is showing sings signs of stress ...

064-04-2002 Moved by Mr. Henrickson that the minutes of the 22 March 2002 Directors Meeting be accepted as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business from Minutes

Mr. Hill provided an update on recent discussions with Mr. Cal Kullman of the River Watch Science Program. It was noted that the forecast funding deficit for 2002 has been reduced due to an increase in the per student fee. Mr. Hill noted that discussions are ongoing to assist River Watch in gaining charitable foundation status and in developing a fund-raising program that will allow them to

become more financially sustainable.

4.0 Financial Report

4.01 By-Law 835 [2002], Setting Fees for Household Purposes, Conveyance and Use of Works Agreements

Eastern Irrigation District

BY-LAW 835 (2002)

A By-Law Setting Fees for Household Purposes, Water Conveyance Agreements and Interest Penalties on Unpaid Amounts

[Irrigation Districts Act, Section 115]

WHEREAS:

The Irrigation Districts Act [c. I-11, RSA 2000] establishes the method for districts to set fees for household purposes, use of irrigation works agreements, water conveyance agreements and penalties on unpaid amounts, and

This by-law complies with the provisions as are set out in the Irrigation Districts Act,

NOW THEREFORE BE IT ENACTED:

1. The District has adopted a process to determine, on a fair and equitable basis, the fees to charge for the conveyance of water for household purposes, use of irrigation works agreements and water conveyance agreements [the details of which are appended to the by-law as Appendix A].
2. The fee for conveyance of water for household purposes for 2002:
 - (a) for parcels assessed with irrigation acres or subject to a terminable water agreement a fee of \$0.00 in addition to the rates and charges assessed those parcels is established, or
 - (b) for any single parcel of land or single-lot country residential subdivision that is subject to a household purposes agreement and receives water through a non-pressurized water conveyance system, is established at [\$170.00], or
 - (c) for any single parcel of land or single-lot country residential subdivision that is subject to a household purposes agreement and receives water through a pressurized water conveyance system, is established at \$300.00 [being \$170.00 plus an additional \$130.00 as a surcharge for pressure], or
 - (d) for a multiple-lot country residential subdivision containing 3 or more lots that are subject to household purposes agreements and receive water through a common storage reservoir, is established at \$100.00 per lot.
3. All fees charged for household purposes shall be paid in full by the 15th day of May, 2002 or prior to any water being conveyed to an individual holding a household purposes agreement if the agreement was entered into after the 15th day of May, 2002.
4. The fees for conveyance of water under water conveyance agreements, excepting those subject to an existing agreement, for 2002 are established at:

- (a) the fee assessed for water conveyed for industrial purposes is set at 95% of the cost per acre foot of water consumed [$\$22.00 \times 0.95 = \20.90], rounded to the nearest \$1.00 or \$21.00/acre foot., or
 - (b) the fee assessed for water conveyed for municipal purposes is set at 85% of the cost per acre foot of water consumed [$\$22.00 \times 0.85 = \18.70], being \$18.70 per acre foot, or
 - (c) the fee assessed for water conveyed for agricultural purposes is set at 75% of the cost per acre foot of water consumed [$\$22.00 \times 0.75 = \16.50], being \$16.50 per acre foot.
5. The fees for conveyance or supply of water under water conveyance agreements for licensees, permit or approval holders, whose primary water use is in support of, or connected with, oil and gas exploration activities, are set in mutually acceptable agreements or contracts with such parties and are based, only in part, on the costs of water conveyance.
 6. An penalty in the amount of 1.5% will be applied and compounded monthly [17.93% APR] on all amounts owing the District for all fees assessed under this By-Law that are in arrears for one month or longer, unless existing agreements contain specific penalty provisions to the contrary.
 7. All billing notices for fees charged under the by-law shall contain a statement of the agreement holder's right to appeal to the Council under Section 167(1)(e) of the Irrigation Districts Act.

Appendix A - Determination of Rates for Household Purposes Agreements, Use of Irrigation Works Agreements and Water Conveyance Agreements

1.0 Calculation of Cost of Administration, Operation, Maintenance and Rehabilitation [on a \$ per acre foot basis]:

Description:	2000	2001	Average
Volume of water diverted in 2001 [acre feet]	675,000	685,000	680,000
Water lost to evaporation, canal losses, [acre feet]	95,000	110,000	102,500
Water returned to rivers as return flow [acre feet]	116,619	97,000	106,810
Consumptive Use	463,381	478,000	470,691
Consumptive Use Factor	0.686	0.698	0.692
Description:	2000	2001	Average
Amortization/Required Replacement \$10m over 50 yr.	\$10,000,000	\$10,000,000	\$10,000,000
plus Budgeted Operating Costs [net of Land]	\$4,248,892	\$4,171,440	\$4,210,166
minus Funds Received under Alberta IREP	(\$3,741,895)	(\$4,120,416)	(\$3,931,156)
Net Annual Costs of Operations, etc.	\$10,506,997	\$10,051,024	\$10,279,011
Average Net Annual Costs of Operations			\$10,279,011
Divided by Average Consumptive Use			470,691
Average Cost per Acre Foot of Water Delivery [to nearest \$]			\$22

- 2.0 Calculation of Costs for Water Conveyance by Classification
- 2.1 Water Conveyed for Agricultural Purposes
The fee assessed for water conveyed for agricultural purposes is set at 75% of the cost per acre foot of water consumed [$\$22 \times 0.75 = \16.50], being \$16.50 per acre foot.
- 2.2 Water Conveyed for Municipal Purposes
The fee assessed for water conveyed for municipal purposes is set at 85% of the cost per acre foot of water consumed [$\$22 \times 0.85 = \18.70], being \$18.70 per acre foot.
- 2.3 Water Conveyed for Industrial Purposes
The fee assessed for water conveyed for industrial purposes is set at 95% of the cost per acre foot of water consumed [$\$22 \times 0.95 = \20.90], rounded to the nearest \$1.00 or \$21.00/acre foot.
- 3.0 Calculation of Costs for Water Conveyance for Household Purposes
- 3.1 The minimum fee for any agreement under household purposes has been determined to be \$150 plus the cost of water for 1 acre foot at 90% of the actual per acre foot cost [or \$20] for a total of \$170.

The within By-Law 835 (2002) is duly passed by the Board of Directors of the Eastern Irrigation District in accordance with Section 177 (5) of the Irrigation Districts Act as evidenced by the following readings of the said By-law:

This By-Law was read and approved the 1st time this 23rd day of April, 2001.
This By-Law was read and approved the 2nd time this 23rd day of April, 2001.

065-04-2002 Moved by Mr. Henrickson that the board unanimously agree to holding the 3rd reading of By-Law 835 [2002]. Seconded by Mr. Livingston. CARRIED

This By-Law was read and approved the 3rd time this 23rd day of April, 2001.

4.02 Financial Statements, Period Ending 31 March 2002

Mr. Knelsen presented an overview of the financial statements for the period ending the 31st of March 2002, with specific reference to the following matters during discussion:

- it was agreed that the accounting for the Partners in Habitat Development project should include separate breakdowns for each of the participating districts, the EID, BRID, WID, LNID and SMRID.

066-04-2002 Moved by Mr. Plett that the district approve the Financial Statements for the period ending 31 March 2002 as presented. Seconded by Mr. Livingston. CARRIED

Mr. Knelsen also provided an overview of accounts receivable for the period ending the 31st of March 2002 for information and discussion.

[10:00 AM, Mr. Hildebrand and Mr. Matoba joined the meeting.]

4.03 Quarterly Investment Report

Mr. Hildebrand provided an overview of the current investments of the district. It was noted the district is currently evaluating other long-term placements for funds that will not be needed to support current year's construction requirements.

5.0 Land Administration Report**5.01 Greenwald Inlet Mortgage**

Mr. Hildebrand provided some background information regarding proposals made by Westbridge Land Developments Inc. for a refinancing and payout of a portion of the mortgage held by the district. It was generally agreed that their current proposals are not acceptable, but that the district may consider an extension to their present mortgage or a revised payout schedule that includes a higher payment for lands removed earlier from the mortgaged properties. It was also agreed that the district investigate what lands it owns that it may wish to commit to the agreement for servicing recently approved between the Town of Brooks and the County of Newell.

5.02 Sound Vibrations Lease Renewal

Mr. Hildebrand noted that the current lease expires as of the 31st of May 2002. There was general discussion of the proposed renewal terms for the lease and changes in property taxes to be paid by the lessee.

**067-04-2002 Moved by Mr. Nielsen that the district agree to the renewal of the lease to Mr. Steve Norris for Sound Vibrations at the rate of \$875 per month plus taxes.
Seconded by Mr. Plett. CARRIED**

5.03 Brooks Motorcycle Club Lease Renewal

Mr. Hildebrand noted that the current lease expires as of the 30th of April 2002. The lease has traditionally been for a two-year period. The lease payment has been \$500 per year or 20% of the gate admission, whichever is greater. The club has completed some improvements to their lease with installation of sprinkler facilities to reduce dust associated with their events. It was also noted that to stay in line with other leases, the insurance carried by the club should be increased to \$2 million.

**068-04-2002 Moved by Mr. Nielsen that the district agree to the renewal of the lease to the Brooks Motorcycle Club at the rate of \$500 per year or 20% of the gate admission, whichever is greater, conditional upon the club's demonstrating that their liability insurance has been increased to \$2 million per occurrence.
Seconded by Mr. Livingston. CARRIED**

[10:35 AM, Mr. Hildebrand exited the meeting. The meeting recessed.]

[10:45 AM, the meeting reconvened.]

5.04 Alternate Parcel Irrigation Proposals

Mr. Matoba provided details on a number of proposed alternate parcel irrigation agreements, with decisions as follows:

- 069-04-2002** Moved by Mr. Hemsing that the district approve an alternate parcel irrigation agreement between Ken & Arland Sharpe and Mr. Jamie Buteau involving the temporary assignment of irrigation acres from NE ¼ 20-18-16 W4M to the SE ¼ 27-18-16 W4M, subject to soils irrigability being proven. Seconded by Mr. Johnson. **CARRIED**
- 070-04-2002** Moved by Mr. Henrickson that the district approve an alternate parcel irrigation agreement between Mr. John Miller and Mr. Brad Calvert involving the temporary assignment of irrigation acres from a portion of the S ½ 23-17-17 W4M to the SW ¼ 30-17-16 W4M. Seconded by Mr. Livingston. **CARRIED**
- 071-04-2002** Moved by Mr. Hemsing that the district approve an alternate parcel irrigation agreement between the Newell Hutterian Brethren and the Clearview Hutterian Brethren involving the temporary assignment of irrigation acres from a portion of section 15-21-18 W4M to sections 24, 25-23-18 W4M. Seconded by Mr. Livingston. **CARRIED**

There was also some discussion of an additional proposed alternate parcel irrigation agreement between Mar and Bar 4T Ranch Ltd. It was noted that more information would be required prior to proceeding with the latter agreement.

5.05 Irrigable Unit Authorizations

Mr. Matoba provided an overview of lands requiring the designation as Irrigable Units. It was noted that the consent of the land owners has been obtained in all cases.

- 072-04-2002** Moved by Mr. Johnson that the district agree to the registration of Irrigable Units under the Irrigation Districts Act on the following parcels of land: N1/2 27, W ½ & SE ¼ 26-15-15 W4M, Kanegawa Farms, SE ¼ 34 & S ½ 35-15-15 W4M, Kanegawa Farms, W ½ & SE 31, N ½ 30, SE ¼ 32, Ptn 29 all in 19-15 W4M, Bank of Nova Scotia Trust Company, NW ¼ 28 & SW ¼ 33-21-16 W4M, Matthew Janzen & Andrew & Donna Janzen, W ½ 18-16-12 W4M, Tateson Ranching Ltd., N ½ 18-16-12 W4M, M Lazy S Land Co. Ltd., 27 Parcels, Springview Hutterian Brethren, E ½ & SW ¼ 06, NW ¼ 09-22-17 W4M, Darwyne S. Wood, DRW Farms Ltd., NW ¼ 5, S ½ 08 & N ½ 08-22-17 W4M, Darwyne S. Wood, DRW Farms Ltd., SE ¼ 09 & SW ¼ 10-18-14 W4M, Jakob & Joanne Veenstra, Ptn. 05-21-18 W4M, Armstrong Ranches Ltd., NW ¼ 06 & Ptn SW ¼ 07-21-12 W4M, Alvin & Janette Owen, Neil Owen, NE ¼ 32, Ptn. NW 33-23-15 W4M, Robert & Shirley Milne, SE ¼ 26 & Ptn. N ½ 23-20-14 W4M, Tom & Joanne Grove, N ½ & Ptn. SW 29-21-15 W4M, Gary & Patricia Norton, Ptn NE ¼ 25 & Ptn. SE ¼ 36-20-18 W4M, M 7 L Farms Ltd., and 21-18-13 W4M, G.W. Murray Ranches Ltd. Seconded by Mr. Hemsing. **CARRIED**
- 073-04-2002** Moved by Mr. Hemsing that the district approve the removal of an Irrigable Unit designation from the following parcels of land: Ptn. W ½ 27-15-15 W4M, Kanegawa Farms and Ptn. E ½ 27-15-15 W4M, Kanegawa Farms. Seconded by Mr. Henrickson. **CARRIED**

5.06 Proposed Land Trade

Mr. Wilson provided some information regarding the 20 Year Irrigation lease between the district and Mr. Allan and Greg Patterson. There was discussion of a proposed land trade between the Pattersons and the district that would enable Pattersons to gain ownership of the lands currently leased from the district in trade for other lands owned by the Pattersons. There was general discussion of the merits of considering any such trade. There was also some discussion of the district's current policy of not allowing the current lessee to match the highest bid when a parcel of land has completed the 20 year irrigation lease process. It was agreed that the district review this policy prior to the completion of any of the 20 year irrigation leases.

5.07 Conversion of Terminable Agreements Acres to Irrigation Acres [Brent Deschamps]

Mr. Wilson provided some information regarding the potential conversion of terminable agreement acres to irrigation acres in the NW ¼ 19-20-12 W4M. It was noted that a new delivery via pipeline could be constructed that would eliminate the current delivery point from the drain to a new point of delivery from the canal. There was discussion of the costs for the pipeline, the gains in efficiency and the overall merits of the proposal. It was noted that half the costs of the pipeline installation would amount to approximately \$15,000 and the Capital Assets Charge would amount to \$10,300.

074-04-2002 Moved by Mr. Livingston that the district approve the conversion of the 103 terminable agreement acres to irrigation acres in the NW ¼ 19-20-12 W4M complete with cost-sharing on pipeline for new delivery location, conditional upon payment of 50% of the costs of the pipeline, plus the Capital Assets Charge. Seconded by Mr. Johnson. CARRIED

There was also discussion as to how this approach might assist the district in converting of areas presently receiving water under terminable water agreements.

5.08 Discussion of Rural Water Use Agreements, Policy, Fees, etc.

Mr. Wilson provided an overview of the recent changes in the Irrigation Districts Act that now allow the district to enter in Rural Water Use Agreements for annual volumes up to 20 acre feet per year. This will allow the district to address the traditional on-farm water use that was not covered by household purposes during the recent legislative review.

There was discussion of the approach the district might choose to take in addressing what could be considered "normal" water use on lands already assessed as having irrigation acres, as well as the use that might be considered to be in addition to that volume. There was also some discussion of the fee structure that might be created.

It was generally agreed that the district prepare a policy, fee structure and agreements for approval by the directors based on a the provision of a 5 acre foot agreement on parcels of land that require water in addition to the 1 acre foot for household purposes at no additional fee, with a standard minimum annual fee of \$170 for other rural water use agreements on the basis of \$150 per agreement plus \$20 per acre foot.

[12:05 PM, the meeting recessed.]

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

6.0 Operations Report**6.01 Farm Improvement Projects**

Mr. Meador provided information regarding a number of proposed Farm Improvement Project with decisions agreed upon as follows:

- 075-04-2002** Moved by Mr. Hemsing that the district approve a Farm Improvement Project for Louis Stenger, SW ¼ 25-19-14 W4M, surface irrigation to pivot irrigation, \$7,500 minus \$1,600 [8 irrigation acres kept at \$200/acre], EID Contribution is \$5,900. Seconded by Mr. Johnson. **CARRIED**
- 076-04-2002** Moved by Mr. Henrickson that the district approve a Farm Improvement Project for John Douglas, NW ¼ 17-24-15 W4M, surface irrigation to pivot irrigation, \$5,841 [95 acres pro-rate] minus \$1,700 [17 additional irrigation acres at \$100/acre], EID Contribution is \$3,871 [all existing acres must be moved under the pivot]. Seconded by Mr. Livingston. **CARRIED**
- 077-04-2002** Moved by Mr. Hemsing that the district approve a Farm Improvement Project for R. & C. Hirsch, NW ¼ 08-14-13 W4M, surface irrigation to pivot irrigation, \$7,500 minus \$4,000 [20 irrigation acres kept at \$200/acre], minus \$3,780 new installation required from pipeline, irrigator pays to EID \$280. Seconded by Mr. Henrickson. **CARRIED**
- 078-04-2002** Moved by Mr. Nielsen that the district approve a Farm Improvement Project for Peeters Van Tryp Farms, NW ¼ 15-20-14 W4M, side-roll wheel move irrigation to pivot irrigation, \$2,404 [140 acres pro-rated] minus \$200 [2 additional irrigation acres at \$100/acre], EID Contribution is \$2,004. Seconded by Mr. Livingston. **CARRIED**
- 079-04-2002** Moved by Mr. Henrickson that the district approve a Farm Improvement Project for Floyd George, SW ¼ 22-23-16 W4M, surface and side-roll wheel move irrigation to pivot irrigation, \$3,365 [36 acre surface pro-rated at \$2,077 and 67 acres wheels pro-rated at \$1,288] minus \$2,200 [22 additional irrigation acres at \$100/acre], EID Contribution is \$1,165. Seconded by Mr. Plett. **CARRIED**
- 080-04-2002** Moved by Mr. Johnson that the district approve a Farm Improvement Project for Randy Hitchcock, NW ¼ 12-21-14 W4M, side-roll Wheel move irrigation to pivot irrigation, \$1,557 minus \$1,000 [5 irrigation acres kept at \$200/acre], plus \$1,000 [10 acres returned to EID at \$100/acre], EID Contribution is \$1,557. Seconded by Mr. Plett. **CARRIED**
- 081-04-2002** Moved by Mr. Hemsing that the district approve a Farm Improvement Project for George Niznik, W ½ 36-18-16 W4M, surface irrigation to pivot irrigation, \$6,577 [114 acres pro-rated] minus \$2,400 [24 additional irrigation acres at \$100/acre], EID Contribution is \$4,177, also conditional upon completion of the land sale from Schmitke and registration of Irrigable Unit. Seconded by Mr. Henrickson. **CARRIED**

- 082-04-2002** Moved by Mr. Nielsen that the district approve a Farm Improvement Project for Holshire Dairy Farm, SE ¼ 14-15-14 W4M, side-roll wheel move irrigation to pivot irrigation, \$2,423 [126 acres pro-rated] minus \$1,000 [5 irrigation acres kept at \$200/acre], EID Contribution is \$1,423. Seconded by Mr. Livingston. **CARRIED**

6.02 Potential Water Project, Scandia Ranch/Newell Grazing

Mr. Meador provided an update on investigations completed to determine how and/or if water from the Scandia Drain could be used to improve pasturing of cattle in a portion of the Newell Grazing Association on lands known formerly as the Scandia Ranch. It was also noted that return flow in the drain is likely to continue decreasing with improvements made to the canals and improved on-farm irrigation practices. It was concluded that there appears little reason to pursue constructing works to divert some of this water into the lease area.

[1:35 PM, Mr. Romao joined the meeting.]

7.0 Engineering Report

7.01 East Branch Check Structure

Mr. Romao provided information regarding the installation of a new check structure in the East Branch Canal. He noted that the reach of the East Branch Canal downstream of the Kitsim Feeder Canal is unchecked for about 14 km. The minimum flow that is required to meet any irrigation deliveries in this section of canal is about 300 cfs. The district's 5 Year Plan includes provisions for the installation of a check structure to address these operational issues.

It was noted that some of those irrigating from this portion of the East Branch Canal do experience difficulty in being able to divert and/or pump during low flow and/or low demand periods. The installation of the new check structure [estimated at \$443,000] would remedy that situation. It has also been noted, however, that a pipeline extension 01-01 East Branch Canal [estimated at \$55,000] may deal with the immediate and long-term irrigation concerns.

- 083-04-2002** Moved by Mr. Livingston that the district approve a pipeline extension to 01-01 East Branch at estimated cost of \$55,000, as an alternative to installation of new East Branch Canal check structure. Seconded by Mr. Hemsing. **CARRIED**

6.0 Operations Report

6.01 Farm Improvement Projects

Mr. Meador provided some updated information regarding a proposed Farm Improvement Project with decisions reached as follows:

- 084-04-2002** Moved by Mr. Livingston that the district approve a Farm Improvement Project for Peeters Van Tryp Farms, SW ¼ 22-20-14 W4M, side-roll wheel move irrigation to pivot irrigation, \$2,231 [116 acres pro-rated] with no approval for any increase in irrigation acres, EID Contribution is \$2,231. Seconded by Mr. Hemsing. **CARRIED**

[1:50 PM, Mr. Meador and Mr. Romao exited the meeting. Mr. Hale joined the meeting.]

8.0 Grazing Report

There was discussion of a recent tour of the district’s grazing lands. It was noted that Mr. Silver Smoliak of Lethbridge had accompanied the district directors and staff on the tour and had prepared a written overview of his perception of the range conditions.

It was noted that the present conditions of the lease are not favourable and without significant spring moisture there may not be much opportunity for grazing. It was also agreed that even with adequate moisture it may be necessary to delay grazing past the current planned turnout date of 01 June. There was some discussion of various range management practices. It was also noted that providing some early notice that grazing may not take place could assist lease patrons in making some contingency plans.

085-04-2002 Moved by Mr. Livingston that the district arrange for an article/news release providing some notice of when decisions would be made about the grazing season for 2002, with suggestions that lease patrons consider some contingency planning in the event the proposed turnout date of 01 June cannot be met or in the event that grazing is suspended due to pasture conditions. Seconded by Mr. Johnson. CARRIED

There was also some discussion of potential range renovation projects, use of heavy harrows, etc.

086-04-2002 Moved by Mr. Nielsen that the district approve pilot projects to evaluate the success of various range renovation practices [such as heavy harrowing and/or cultivation] with fencing out of some areas to evaluate the success of the initiatives over time. Seconded by Mr. Henrickson. CARRIED

It was also agreed that Mr. Smoliak be invited to present some recommendations the district based on the tour that was conducted. It was also agreed that the district could cover any of Mr. Smoliak’s expenses in this regard.

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

9.0 Equipment Pool Report

9.01 Results of Vehicle Auction, Johnny Charlton

The following results from the recent auction of vehicles was presented for information:

•	Unit 94	1994 GMC	.....	\$4550
•	Unit 72	1991 GMC	.....	\$4450
•	Unit 102	1994 Chev	.....	\$3600
•	Unit 104	1994 Chev	.....	\$4400
•	Unit 111	1995 Chev	.....	\$4400
•	Unit 114	1995 Chev	.....	\$5400
•	Unit 116	1996 Ford	.....	\$5100
•	Total		.....	\$31900
•	Less 10% Commission		.....	- \$3190
•	Net Proceeds		.....	\$28710

9.02 Quotes, Proposed Sale of John Deere 892 Excavator

Mr. Cook presented the following quotes received for the purchase of the district’s John Deere 892 excavator:

- Brooks Asphalt & Aggregates Ltd. \$82000
- Canadian Public Auction [guarantee and open bid], net of painting \$56340
- Michener Alen Auctioneering Ltd., net of commission \$88000

087-04-2002 Moved by Mr. Henrickson that the district approve the sale of the John Deere 892 excavator to Michener Allen Auctioneering Ltd. at the net price of \$88,000. Seconded by Mr. Plett. CARRIED

[2:45 PM, Mr. Cook exited the meeting.]

10.0 General Manager’s Report

10.01 Rolling Hills Reservoir

Mr. Wilson provided an update on the pending tender for the expansion of the Rolling Hills Reservoir. It was noted the only outstanding matter of significance is the location of a granular source for the project. Mr. Wilson reported that he has not yet been able to negotiate the purchase of lands for that portion of Eyremore Gravel Pit where the district owns the granular material, but the surface lands are owned by the Bow City Hutterian Brethren. There was discussion of obtaining a surface lease, or returning to a discussion of the land trade.

088-04-2002 Moved by Mr. Livingston that the district authorize entering into a trade of lands with the Bow City Hutterian Brethren on an acre for acre basis to allow the district to gain unrestricted access to its granular material. Seconded by Mr. Hemsing. CARRIED

It was noted that this decisions is in the best financial interest of the district, but that steps should be taken to advise the irrigators in the Bow City area of the direction the district is pursuing in this regard.

10.02 Investigation Outcomes, Escape of Grass Carp

Mr. Wilson reported on discussions between Alberta Sustainable Development, Fish & Wildlife Division, Fisheries and Oceans Canada and the district in follow-up to the escape of grass carp from the district’s canal research project. It has been agreed that the district will net the fish that may have collected in pools of water in the canal and report its findings. In addition, Fish & Wildlife will accompany the district on its netting activities. It has also been agreed that the district will cover the costs of three days of electro-fishing in downstream locations of the Bow River. The estimated cost is \$1,300 per day and the activities will be conducted by a consultant.

10.03 Annual General Meeting, Follow-Up Requirements

There was some general discussion of issues raised at the Annual General Meeting, in particular the proposed questionnaire on grazing lease policies and associated eligibility rules as well as the need to prepare for a plebiscite on increasing the number of acres that the district can irrigate. It was generally agreed to look at the questionnaire later in the season and to begin the preparation of the

information requirements for the expansion of irrigation acres.

10.04 Election Procedures Update

Mr. Hill provided an overview of the election processes scheduled to take place on the 24th of April 2002. It was noted that polling stations for Division 01 will be in Gem and Bassano. The polling staff will stay in touch by phone throughout the day to ensure that there are no voting irregularities. The polling station for Division 05 will be in the district shop in Rainier. The polling stations will be open from 10 AM to 8 PM.

10.05 Bertha Farms, Request for Information

Mr. Wilson reported on a letter received from Bertha Farms regarding some information and/or correspondence the district is alleged to have regarding the sale of old CPR right-of-way from the County of Newell to Mr. Stewart Musgrove. It was noted that the district has reviewed its files and does not have the information referred to.

10.06 Fording Coal Update

Mr. Wilson noted that Fording Coal has asked the district to "slow-down" the engineering work it is completing for the changes to Kitsim Reservoir and associated works until some regulatory decisions have been concluded. It appears that there is some uncertainty over the process of determining transmission credits, etc. that may impact the final decision of Fording Coal to proceed. At present, it has been suggested the delay may last from mid-summer to early-fall of 2002.

10.07 AIPA Rate Intervention

Mr. Wilson provided some information recently received from the Alberta Irrigation Projects Association regarding natural gas rate interventions. This item was provided as information only.

10.08 Report on Supper Meeting with Dr. Lorne Taylor, Minister of Environment

It was noted that representatives of the district had attended a constituency supper meeting for Dr. Lorne Taylor, Minister of Environment. It was indicated the visit was positive and the district should be invited to participate in the upcoming Minister's Forum on the Water Strategy.

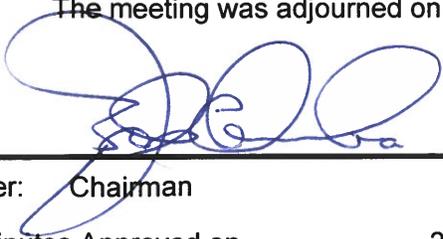
10.09 Discussion of Amendments to Irrigation Districts Act [Increase in Irrigation Acres without requirement of a plebiscite, for example, irrigation from drains, etc.]

It was noted that the change in the amended Irrigation Districts Act that will allow for ministerial approval to expand irrigation acres without a plebiscite may have limited application. There was discussion of the new irrigated area being added to the Lethbridge Northern Irrigation District as an example of where the Minister may approve an expansion without a plebiscite.

10.10 Trade & Commerce Magazine

Mr. Wilson noted that the district, through the Brooks and District Chamber of Commerce has received an invitation to provide information and paid advertising for a special supplement of the Trade & Commerce Magazine. Mr. Wilson noted he would follow-up on the matter to determine if it would be in the district's interest to participate.

The meeting was adjourned on a motion by Mr. Hemsing at 4:00 PM.



Per: Chairman

Minutes Approved on 21 May 2002



Per: General Manager

Motion No. 092-05-2002

21 May 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 21st day of May 2002. Those in attendance were:

Mr. Floyd George	Division 01
Mr. Tom Livingston	Division 02
Mr. Clint Henrickson	Division 03
Mr. Neil Johnson	Division 04
Mr. Allen Nielsen	Division 05
Mr. Bob Chrumka	Division 06
Mr. Pat Helsing	Division 07

Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Organizational Activities [By-Law 825 (2000)]

Mr. Wilson chaired the opening session of the meeting. Under the district's By-Law 825 (2000) the directors hold their organizational meeting at the first meeting of directors following an election.

1.01 Election of a Chair

Mr. Wilson invited nominations for the position of Chair of the Board of Directors of the Eastern Irrigation District.

Mr. Henrickson nominated Mr. Chrumka for the position of Chair. Seconded by Mr. Johnson.

Mr. Wilson called a 2nd and 3rd times for nominations for the position of Chair.

Mr. Chrumka was acclaimed as Chair of the Board of Directors and assumed the role for the balance of the meeting.

1.02 Election of a Vice-Chair

Mr. Chrumka invited nominations for the position of Vice-Chair of the Board of Directors of the Eastern Irrigation District.

Mr. Johnson nominated Mr. Henrickson for the position of Vice-Chair. Seconded by Mr. Livingston.

Mr. Chrumka called a 2nd and 3rd time for nominations for the position of Vice-Chair.

Mr. Henrickson was acclaimed as Vice-Chair of the Board of Directors.

1.03 Appointment of Directors to the Alberta Irrigation Projects Association

The following appointments to the position of Director to the Alberta Irrigation Projects Association were noted:

- Mr. Bob Chrumka
- Mr. Clint Henrickson [also serving on the Executive of the AIPA]
- Mr. Allen Nielsen
- Mr. Floyd George
- Mr. Neil Johnson

- Mr. Tom Livingston
- Mr. Earl Wilson
- with alternates, Mr. Pat Hemsing and Mr. David Hill.

It was noted that pending changes to the by-laws of the AIPA will reduce the number of directors required from each member Irrigation District. There was some discussion of the status of the AIPA Committee working on those by-laws.

1.04 Chamber of Commerce Representative

It was agreed that Mr. Henrickson continue to serve as the district's representative on the Brooks and District Chamber of Commerce.

2.0 Adoption of Agenda

It was noted that Mr. Plett has requested to purchase the fax machine provided to him for his use in his previous position of Director. The following direction was provided:

089-05-2002 Moved by Mr. Hemsing that the district donate the fax machine used by Mr. Plett in his position of Director to Mr. Plett for his personal ownership. Seconded by Mr. Johnson. CARRIED

The following matters were added to the agenda:

- Item 8.04, General Questions, Assessment Roll Changes, Fees, etc.

090-05-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

3.0 Approval of Minutes

3.01 12 April 2002 Directors Meeting

091-05-2002 Moved by Mr. Henrickson that the district approve the minutes of the 12 April 2002 Directors Meeting. Seconded by Mr. Hemsing. CARRIED

3.02 12 April 2002 Annual General Meeting

It was noted that the minutes of the 12 April 2002 Annual General Meeting will be approved by the irrigators at the AGM held in 2003. It was agreed to include individuals full names when referenced in the minutes. There were no other errors or omissions noted.

3.03 23 April 2002 Directors Meeting

The following corrections were noted:

- pg. 63, add specific parcel and/or land location references,
- pg. 67, Motion 082-04-2002, Moved by **Mr. Nielsen that the district approve a Farm Improvement Project ...**,
- Item 7.01, He noted that the reach of ~~the reach of~~ the East Branch Canal ...
- pg. 70, Item 10.04, ... to take place on the ~~13th~~ **24th** of April ...

092-05-2002 Moved by Mr. Henrickson that the district approve the minutes of the 23 April 2002 Directors Meeting as corrected. Seconded by Mr. Hemsing. CARRIED

4.0 Business from Minutes

It was noted that the district has not received any new or updated information regarding a proposed alternate parcel agreement between Mar and Bar 4T Ranch. There was also discussion of the approval to complete some range restoration pilot projects in the district. It was noted that the board should be advised of progress in this regard, along with details of the location and type of restoration attempted [for example, heavy harrows], as well as the development of some fenced out enclosures in various leases to compare grazed grasses to non-grazed grasses.

4.01 Conversion of Terminable Acres to Irrigation Acres [Motion 074-04-2002]

It was noted that Brent Deschamps has not accepted the district's offer for the conversion of terminable acres to irrigation acres with cost-sharing of the construction costs for the pipeline as approved in motion 074-04-2002. Mr. Deschamps indicated that at present the project is too costly and he is evaluating other options. There was general discussion of how the district might encourage and/or allow similar conversions, and the extent to which the district might be able to provide assistance.

5.0 Financial Report, Financial Statements, Period Ending 30 April 2002

Mr. Knelsen provided a review of the district's Financial Statements for the period ending 30 April 2002, along with the explanatory notes provided in the Board package. The following items were discussed in additional detail:

- complete a review of EIDNet revenue/expenses, expected financial performance, sustainability, etc. and provide the results of the review to Directors by fax,
- a new report of the total activities of the expanded Partners in Habitat Development Program will be included in the June Board Package,
- the charge-out rates for recovery of equipment costs from EID Capital construction and other internal charges for equipment will be reviewed [noting it may be necessary to reduce the rate charged to better represent the activities of the Equipment Pool].

Mr. Knelsen also agreed to provide Mr. Floyd George with a copy of the district's Accounts Payable/Cheque Register for information.

093-05-2002 Moved by Mr. Johnson that the district approve the Financial Statements for the period ending 30 April 2002. Seconded by Mr. Hemsing. CARRIED

[10 AM, the meeting recessed.]

[10:15 AM, the meeting reconvened.]

6.0 Engineering Report

6.01 Project Status

Mr. Romao provided an overview of the status of rehabilitation projects as follows:

EID Capital Construction:

01-1265	14 H West Bantry • 2 km lined canal • clean-up remains	EID Crews
01-1264	10 H West Bantry • 3.5 km. Lined canal and 0.8 km pipeline • clean up and re-establishment of head ditch remain	EID Crews
01-1251	11 B Springhill • 2.5 km lined canal • clean-up remains	EID Crews
01-1231	G11 and G14 North Bantry • 5 km pipeline • clean-up remains	JKR Excavating
01-1247	18 Bow Slope • 5.6 km pipeline • clean-up remains	BYZ Construction
01-1252	N and OA Tilley • 1.6 km and 0.8 km pipelines • clean-up remains	EID Crews
01-1250	B North Bantry • 1.5 km pipeline • clean-up remains	EID Crews
01-1275	John Ware Spillway, Phase 2 • 0.8 km bank rebuilding and grade control • clean-up remains	EID Crews
01-1245	Rolling Hills Canal, Phase 2 • 7.5 km lined canal • clean-up remains	Richardson Bros. (Olds) Ltd.
	• 4 check structures and 1 spillway structure complete	Charmar Enterprises
01-1249	24 Rolling Hills • 2.5 km pipeline • clean-up remains	F. Miller Excavating

IRP Projects:

02-1245	C North Branch • 28 km pipeline and associated laterals • clean-up remains • re-establish 4 km of drains remains	EID Crews
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02-1253	06 & 07 East Branch	EID Crews
	<ul style="list-style-type: none"> • 3.5 km pipeline, 2 km pipeline, 500 m level bank canal • clean-up remains 	

There was some discussion of clean-up of projects handled by contractors. It was noted that the district is pushing to have the clean-up completed as soon as possible. There was also discussion of the district's construction easements relative to the clean-up. In many instances, the construction easements provide access to the district for an extended period of time following completion of the initial construction. There are cases where land owners wish to make use of portions of those easements prior to the district's termination of the agreement.

6.02 01-1317, 02D Springhill Tailout

Mr. Romao provided the following information regarding the proposed rehabilitation of the 02D Springhill Tailout:

- tailout is required to handle upstream flows during times of shut-down, weather events and to handle on-farm return flow,
- the present location of the tailout is contributing to seepage concerns,
- a new tailout consisting of a short pipeline with inlet and outlet structures is proposed,
- the estimated cost of the project is \$92,240.

094-05-2002 Moved by Mr. Hemsing that the district approve the proposed rehabilitation of 01-1317, 02D Springhill Tailout at an estimated cost of \$92,240. Seconded by Mr. Johnson. CARRIED

6.03 01-1273, 03 East Branch [Preliminary]

Mr. Romao provided information relative to various rehabilitation alternatives being considered for the 03 East Branch project. The following information was presented:

- 03 East Branch receives water through a lift pump on the East Branch Canal,
- it presently serves 379 irrigation acres [127 ac. surface irrigation, 252 ac. sprinkler irrigation] and will have an additional 178 ac. of sprinkler irrigation added as per the decision in motion no. 007-01-2002,
- major problems with the canal include seepage, capacity restrictions, condition of structures and severance issues in 2 parcels of land,
- the proposed rehabilitation will be a closed PVC pipeline,
- there are 3 options to consider as follows:
 - Option A, low pressure pipeline using existing pumps, serving existing acres [557 ac.] at an estimated cost of \$350,000,
 - Option B, high pressure [45 psi] pipeline serving existing acres [557 ac.] at an estimated cost of \$432,000, and
 - Option C, high pressure pipeline [45 psi] adding irrigation acres from 02 East Branch for a total of 763 ac. at an estimated cost of \$490,000.

There was discussion of the amount of contribution irrigators should make towards any high pressure pipeline. Some concern has been expressed by some of the irrigators that they are not interested paying an up-front cost due to the nature of their existing systems, while others have indicated a high level of support for a high pressure system and willingness to provide an up-front

capital contribution.

It was generally agreed that the district favours Option C. Staff were instructed to meet with land owners and irrigators and determine if there is a fair and equitable manner to balance the overall construction cost with on-farm benefits and a generalized approach to determining what funds land owners may be required and/or willing to contribute.

It was noted that those served by such a pipeline would be required to pay the full energy costs for the pressure and pumping of the pipeline. In addition, the district presently assesses a \$2 per irrigation acre surcharge on similar systems as a contribution to ongoing maintenance of the pumps. It was noted that this surcharge may need to be reviewed to determine if it is sufficient.

6.04 01-1248, 05 East Branch [Preliminary]

Mr. Romao provided information relative to various rehabilitation alternatives being considered for the 05 East Branch project. The following information was presented:

- there are presently 624 irrigation acres served from 05 East Branch [230 ac. surface irrigation, 333 ac. sprinkler irrigation, 61 ac. irrigated under terminable agreement],
- at present 102 additional acres irrigated under terminable agreement are being converted to irrigation acres and there is the potential that an additional 100 acres of terminable agreement will be converted and added to the lands served by 05 East Branch, bringing the total area serviced to 826 acres,
- problems associated with the existing system include canals infested with willows and trees, associated difficulty in managing water, difficulty in providing adequate maintenance and access, seepage [some land owners are not concerned about the seepage as it keeps trees, shrubs and other vegetation growing without irrigation], poor control structures and insufficient bank width and height,
- the proposed rehabilitation considers installation of 2 PVC pipelines serving separate areas of the lands presently serviced as well as an additional 146 acres that can be added to the project from an adjacent system, with the details as follows:
 - westerly pipeline serving 711 acres, 2.7 km. in length plus lateral at an estimated cost of \$397,000 [without lateral price can be reduced by \$67,000], and an
 - easterly pipeline serving 261 acres plus a number of household users, 2.7 km. in length plus lateral at an estimated cost of \$266,000.

It was noted that the separate costs for the 2 systems are virtually the same as for a single system. In addition, with installation of the westerly pipeline it may be possible to delay the installation of the easterly pipeline indefinitely, as the existing open channel system may be sufficient for the reduced acreage.

[11 AM, Mr. Romao exited the meeting. Mr. Matoba joined the meeting.]

8.0 Land Administration Report

8.01 Applications for Increases in Irrigation Acres

There was discussion of the district's policy approved under motion no. 060-03-2002 [22 March 2002]. This policy provided direction to the district's staff regarding the amount of irrigation acres that may be added to a parcel where the increased acres have been discovered as part of the general assessment review. It was noted that in some cases, the policy limits the number of

irrigation acres that can be added as compared to those presently being irrigated. It is expected that as irrigators review the letters that have been sent to them, there may be instances where an exception to the policy may be warranted. There was some discussion of the information that is to be presented by Mr. Lyzenga in this regard.

[11:05 AM, Mr. Lambert Lyzenga joined the meeting.]

Lambert Lyzenga, NE ¼ 24-20-16 W4M [Travis Lyzenga]

Mr. Lyzenga provided an overview of the improvements made to irrigation in the above noted parcel since it was purchased by his son. He expressed concern with the limits established in the district's policy for allowing increases in irrigation acres under the general assessment. It was noted that while the criteria for such expansions would allow for an increase of 26 acres, the limit allowing staff to only increase to 50% of that amount [13 acres] for acres discovered under the general assessment review does not address the improvements that have been made.

There was general discussion of the need for the district to control the expansion of irrigation acres, due to the cap of irrigation development in the district and the need to promote increased on-farm water efficiencies. It was also noted that the Lyzenga's have identified 2 irrigation acres on another parcel that are not required, which could be transferred to this location. Mr. Lyzenga noted that he still needed an additional 5 acres to cover the lands presently being irrigated.

[11:20 AM, Mr. Lyzenga exited the meeting.]

095-05-2002 Moved by Mr. Johnson that the district approve an exception to present policy and authorize an increase in irrigation acres in the NE ¼ 24-20-16 W4M [Travis Lyzenga] from current assessment of 82 acres to total of 102 acres, with a requirement to move 2 irrigation acres from the SE ¼ 30-20-15 W4M. Seconded by Mr. George. CARRIED

Alvin & Jeanette Owen, Jeff Owen and Darrell Owen, SE ¼ 08-20-12 W4M

Mr. Matoba presented information on an increase in irrigation acres in the SE ¼ 08-20-12 W4M. The situation with increases in irrigation acres permitted under the policy do not allow for the additional irrigation acres to cover the lands presently being irrigated.

It was noted that under an application by the land owners, the district could add the acres needed to meet the current irrigation method. Due to the fact that the additional lands had been discovered by the district during the general assessment, the district is only able to increase by 50% of what the criteria would otherwise make possible. There was some discussion of the history of irrigation on the parcel of land, as well as the current method of irrigation.

096-05-2002 Moved by Mr. George that the district approve an exception to present policy and authorize an increase in irrigation acres in the SE ¼ 08-20-12 W4M [Alvin & Jeanette, Jeff and Darrell Owen] from current assessment of 89 acres to total of 103 acres, with all acres being located under the pivot circle. Seconded by Mr. Henrickson. CARRIED

8.02 Rural Water Use Policy

Mr. Wilson provided an overview of previous discussions of the new classification of water use

allowed under the amended Irrigation Districts Act. The district is presently considering the requirements of policy, by-laws and agreements to enable rural water use agreements. These agreements may authorize water use up to 20 acre feet per year.

There was general agreement to use rural water use agreements to augment household purposes on parcels containing irrigation acres up to 5 acre feet with no additional charge. Water use on parcels with irrigation acres in excess of 5 acre feet and parcels without irrigation acres, may be authorized by agreement on a case-by-case basis up to 20 acre feet per year. From a fee perspective, fees could be based on a minimum charge of \$150 plus \$20 per acre foot.

8.03 Rural Water Use Agreement [Chevron]

Mr. Wilson provided information regarding a proposed Rural Water Use Agreement to assist Chevron in the reclamation of a small parcel of land that the district may be able to acquire following the issuance of a reclamation certificate. There was discussion of the amount of water required and the proposed term of the agreement.

097-05-2002 Moved by Mr. Hemsing that the district approve a Rural Water Use Agreement for Chevron Canada Resource in LSD 12-12-20-12 W4M approved for 2002 with renewal required for 2003 with annual diversion limited to 10 acre feet per year, at price of \$250 per year [\$150 minimum plus \$10/acre foot for 10 acre feet].
Seconded by Mr. Henrickson. CARRIED

[11:35 AM, Mr. Matoba exited the meeting.]

9.0 Operations Report

9.01 Water Operations Report

Mr. Wilson provided an overview of water use in the district to date as well as the most recent information on the upstream snow pack and associated water supply forecast. The present conditions of storage and water use in district were highlighted. It was noted that 35,000 acre feet of the diversion to date [more than 60%] has been to refill district reservoirs. It was reported that water being provided to DU is also assisting with flushing of the canal system. The upstream snow pillow information indicates above average snow pack and the resulting water supply forecast indicates little likelihood of any water shortages in 2002.

[11:45 AM, Mr. Neil Johnson exited the meeting.]

9.02 Farm Improvement Project

Mr. Wilson presented information regarding a Farm Improvement Project with decision as follows:

098-05-2002 Moved by Mr. Hemsing that the district approve a Farm Improvement Project for Jay, Robert & Yvonne Olson, Ptn. 12-17-14 W4M, conversion of side-roll wheel move and small pivot to low pressure pivot, \$4,500 [pro-rated side-roll wheel moves to pivot for 234 acres], minus \$200/acre for irrigation acres left in pivot corners [if any] or plus \$100/acre for irrigation acres returned to district, square up balance of parcel irrigated by side-roll wheel moves. Seconded by Mr. Livingston. CARRIED

[11:55 AM, the meeting recessed.]

[12:50 PM, the meeting reconvened. Mr. Johnson and Mr. Cook joined the meeting.]

7.0 Equipment Pool Report, Fuel Tender

Mr. Cook provided information on the quotes/tenders received for the supply of fuel to the district. There was general discussion of the bids received and an adjustment to take into account the net cost of fuel from the district's current supplier [Vauxhall Co-op, Brooks Branch]. There was discussion of the past service and fuel problems from the predecessor of AgCom Petroleum Sales Ltd. Mr. Cook noted that he would contact them to determine the source of their fuel and to discuss the service requirements expected by the district.

[1:05 PM, Mr. Cook exited the meeting. Mr. Hale joined the meeting.]

10.0 Grazing Report

10.01 Lease Condition Report

Mr. Hale provided an overview of the stocking rates for the district's pasture lands as follows. It was noted that these stocking rates are based on a proposed 2 month grazing period.

- Bantry Grazing Association 0
- Bassano Grazing Association 350
- Duchess Grazing Association 670
- Eyremore Grazing Association [plus Antelope Creek Ranch] 509
- Newell Grazing Association [plus PCP Ranch] 1142
- Gem Grazing Association 1321
- Patricia Grazing Association 700
- Rolling Hills Grazing Association 0
- Rosemary Grazing Association 1059
- Tilley Grazing Association 0
- Tilley Swing Field 0
- Finnegan Swing Field 350
- Kitsim Pivots Swing Field 572
- Rock Lake Pivots Swing Field [being seeded to permanent cover in 2002] 0
- Total: 6673

There was general discussion of the conditions of tame pastures and the native ranges and the continued lack of growth in any new grass for the current season.

10.02 Report on Meeting of the Grazing Advisory Committee

Mr. Hale reported on the discussion and recommendations made at the recent meeting of the Grazing Advisory Committee. It was noted that in some instances the membership of an association were not in agreement with the direction taken by the representative sent by them to the meeting.

It was noted that there was general agreement that no cattle be entered onto the pastures prior to 01 June 2002 and that the limit to individuals pasturing cattle be set at 18 head. There was discussion of recommendations relative to associations and/or individuals choosing to not pasture any animals in 2002.

10.03 Decisions, 2002 Grazing Season

Based on the discussion of lease condition and recommendations of the Grazing Advisory Committee the following decisions were approved for the 2002 grazing period:

- 099-05-2002** Moved by Mr. Livingston that the district approve making a commitment to any Grazing Association that chooses to not pasture any cattle on EID pastures during 2002 that no cattle from other Grazing Associations would be pastured within their Association during the 2003 grazing period. Seconded by Mr. Hemsing. **CARRIED**
- 100-05-2002** Moved by Mr. Livingston that the district set the maximum number of cattle per lease patron on EID pastures in 2002 at 18 head for a maximum of 60 days. Seconded by Mr. Hemsing. **CARRIED**
- 101-05-2002** Moved by Mr. Livingston that the district advise all Grazing Associations that no cattle may be placed on EID pasture lands in 2002 prior to the 1st of June 2002. Seconded by Mr. Henrickson. **CARRIED**

There was some additional discussion on related issues, noting that the Kitsim Pivots Swing Field would likely, by necessity, be required to be a mixed breed field and that lease patrons whose cattle will be pastured within associations other than their own will need to comply with the breeding program of the association within which their cattle are being pastured. There was also consensus with the previous practice that any present lease patron choosing not to pasture any cattle in a Grazing Association in 2002 will be allowed to return in 2003 with no reduction in stocking rate from current status.

10.04 Letter, Irene Hansen

There was discussion of a letter received from Irene Hansen expressing concerns with the district's increased fees for private grazing leases. Mr. Hale reported on a phone call he had with Mrs. Hansen. It was agreed that a follow-up letter also be sent.

[2:05 PM, the meeting recessed.]

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

7.0 Equipment Pool Report, Fuel Tender

Mr. Cook provided an update on information relative to the quote provided to the district by AgCom Petroleum Sales Ltd. It was noted that based on the indicated suppliers, there should be no reason to not award the tender.

- 102-05-2002** Moved by Mr. Johnson that the district award the fuel tender to AgCom Petroleum Sales Ltd. at the quoted prices. Seconded by Mr. George. **CARRIED**

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

10.0 Grazing Report**10.05 Private Grazing Lease Concerns**

There was general discussion of the condition of district lands held under private grazing leases. Mr. Hale noted that there are more lands in poor condition than in fair or good condition. There was general agreement that the district should determine which private grazing lease operators should receive a letter reminding them of the lease husbandry requirements of their agreements and that not complying with those provisions may increase the risk of loss of the lease.

10.06 Report by Sylver Smoliak

There was some discussion of the report received by the district from Mr. Sylver Smoliak subsequent to his tour of the district's grazing lands. It was agreed that a copy of the report be forwarded to each Grazing Association.

[2:40 PM, Mr. Hale exited the meeting.]

11.0 General Manager's Report**11.01 Letter, Jim & Debra Ketchmark**

Mr. Wilson noted that a number of the land owners who are within the boundaries of the proposed coal mine and associated power project are copying the district with letters they are writing to Fording Coal. This letter is provided as information only.

11.02 Alberta Environment, Minister's Forum [Water Strategy] Update

Mr. Wilson provided an update on the Minister's Forum scheduled for June 06 and 07, 2002 in Red Deer, Alberta. It appears that the representation by irrigation districts may be close to 10% of the total attendees. Mr. Wilson noted that he has been selected representing the district and that Mr. Hill is also attending, through his membership on the Bow River Basin Council.

There was also discussion of the summary report prepared for Alberta Environment by Equus Consulting. It was noted that the tone of the report suggests that the public is still poorly informed about water management in the province.

11.03 Rolling Hills Reservoir Update

Mr. Wilson provided an update on the Rolling Hills Reservoir Expansion Project. He noted that final designs are complete and the project has been advertised for tender. The tender will close on the 19th of June 2002. There is a planned site tour to look at the specific requirements of the project.

11.04 Gravel Pit, Bow City Hutterian Brethren

Mr. Wilson reported on recent discussions with the Bow City Hutterian Brethren regarding access to gravel owned by the district under lands owned by the colony. It was noted that past discussions regarding potential land trades and/or sales have been replaced by a surface lease agreement. The surface lease agreement will allow the district to access granular materials based on a payment of \$1000 per year, plus \$0.20/m³ with a minimum annual payment of \$2000. The present agreement is good for 2 years. The district has also made application to County of Newell and Alberta

Environment for required regulatory approvals. It was reported that this gravel source will likely provide all or a majority of the materials needed for the pending construction of the Rolling Hills Reservoir Expansion.

11.05 Fording Coal, Update

Mr. Wilson reported that the detailed engineering for the Kitsim Reservoir cooling pond and associated works remains on-hold pending the outcome of transmission hearings. Some potential concerns have been expressed by Fording Coal over costs [\$2 million to date] and content of Environmental Impact Assessment [meeting the EID's condition that data related to endangered and/or threatened species located on district lands cannot be specifically identified by location]. The substance of the concerns is that the EIA report could be considered incomplete.

11.06 Irrigation Districts Act, Changes in Regulations

Mr. Wilson commented on a letter received recently from the Irrigation Council regarding a review of selected regulations under the Irrigation Districts Act. It was noted that the district would review the relevant regulations and provide any comments.

11.07 Letter, Don Snell

Mr. Wilson suggested that the proposals made by Mr. Snell might be better considered after a review by a couple members of the board. Mr. Wilson noted that with his residence being at Lake Newell, he would prefer to not be directly involved in any recommendations and/or decisions that district might reach regarding Mr. Snell's request. Mr. Chrumka and Mr. Johnson agreed to tour the site and view the area of the proposal and then report back to the directors at their next meeting.

11.08 Letter, Tilley Ball Park Association

Mr. Wilson noted that the district has received a request to assist the Tilley Ball Park Association with an upcoming project. It was noted that the district does have a cistern that might meet the needs of the group. It was agreed that the district place the cistern/water holding tank [previously purchased by EID CARP] for sale by tender with a closing date of 07 June 2002 and advise Tilley Ball Park Association so that they can submit a bid.

11.09 Alberta Siksika Protocol, Update

Mr. Wilson provided a verbal update of recent discussions and meetings of the Alberta, Federal and Siksika Negotiating Teams under the Alberta Siksika Protocol Agreement.

11.10 Changes to IRP Program

Mr. Wilson provided a brief overview of planned changes to the operation of the Irrigation Rehabilitation Program. It was noted that a meeting is scheduled to be held to discuss the impacts of the changes in Lethbridge on the 4th of June at 1:30 PM. The district will have representation at the meeting.

11.11 Letter, Monte Solberg

It was noted that a copy of a letter from Mr. Solberg, MP for the area, to the federal Minister of Agriculture regarding drought condition had been provided to the district as information.

11.12 Outstanding Young Farmer Award

Mr. Wilson also noted the district has been given the opportunity to nominate an individual for receipt of the Outstanding Young Farmer Award. No nominees were identified.

11.13 River Watch Science Program, Financial Sustainability

Mr. Hill reported on recent meetings and discussions with Mr. Cal Kullman and Mr. John Dupuis of River Watch regarding their need for more sustainable funding to support the River Watch Science Program. It was agreed that Mr. Hill provide some contacts and follow-up on potential funding sources, along with opportunities to obtain charitable status, etc. [and include letter to Dr. Lyle Oberg, Minister of Learning] with minimal direct involvement in actual fund raising.

11.14 Pheasants Forever, Partners in Habitat Development Tour

Mr. Chrumka noted that district has received an invitation to participate in a tour of Partners in Habitat Development Project sites on the 3rd of June 2002. There was no indication of any directors wishing to participate.

12.0 Upcoming Meeting Dates

12.01 Retirement, Mr. Jim Brown [01 June 2002]

Mr. Wilson reported on the upcoming Retirement Celebration for Mr. Jim Brown of the St. Mary River Irrigation District. It was noted that the district has purchased tickets for Clint Henrickson, Allen Nielsen, Pat Hemsing, Earl Wilson & spouses to attend. It was also agreed that an appropriate gift be obtained for presentation at retirement.

12.02 Other Meetings Schedule

The dates and times for the following meetings were noted:

- 04 June 2002, AIPA Directors Meeting, Strathmore, AB [10 AM]
- 04 June 2002, IRP Meeting, Lethbridge, AB [1:30 PM]
- 25 June 2002, Directors Meeting
- 23 July 2002, Directors Meeting

The meeting was adjourned on a motion by Mr. Hemsing at 3:30 PM.



Per: Chairman

Minutes Approved on 25 June 2002



Per: General Manager

Motion No. 104-06-2002

25 June 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 25th day of June 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]
Mr. Clint Henrickson	Vice-Chair [Division 03]
Mr. Allan Nielsen	Director [Division 05]
Mr. Floyd George	Director [Division 01]
Mr. Neil Johnson	Director [Division 04]
Mr. Pat Hemsing	Director [Division 07]
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

Excused:

Mr. Tom Livingston	Director [Division 02]
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The meeting was called to order at 9:10 AM.

1.0 Adoption of Agenda

The following items were added to the agenda:

- 9.03 Update, Water Tank Tender,
- 10.04 Pasture Remediation Project Update,
- 11.05 River Watch Science Program Update,
- 12.08 Alberta Recreation Corridors,
- 12.09 Australian MP Tour of EID, and
- 12.10 AIPA Manager's Committee Meeting.

103-06-2002 Moved by Mr. Nielsen that the agenda be adopted as added to. Seconded by Mr. Hemsing. CARRIED

2.0 Approval of Minutes, 21 May 2002

104-06-2002 Moved by Mr. Henrickson that the minutes of the 21 May 2002 Directors Meeting be adopted as circulated. Seconded by Mr. Hemsing. CARRIED

3.0 Business from Minutes

Mr. Johnson and Mr. Chrumka reported on the field tour they had completed to look at a proposal for a modified inlet into Lake Newell. The proposal was forwarded to the district by Mr. Don Snell. It was noted that the project does not appear to offer any improvements to the district's operation of the facility and could implicate the district's present DFO [Fisheries and Oceans Canada] license to operate the reservoir. There was some discussion of the benefits that were perceived by Mr. Snell as well as the costs to perform the work. It was agreed that a letter be forwarded to Mr. Snell advising that the district will not consider any changes to the present inlet to Lake Newell.

In a related matter, there was discussion of the road, canal crossing and fencing in the vicinity to the

inlet to Lake Newell. It was noted that some road grading, gravel and new fencing location would enhance the site for the district as well as other users.

105-06-2002 Moved by Mr. Hemsing that the district approve the grading and gravelling of the road and canal crossing and the relocation of fencing in the vicinity of the Lake Newell inlet. Seconded by Mr. Henrickson. CARRIED

4.0 Financial Report, Approval of Statements, 31 May 2002

Mr. Knelsen provided an overview of the district's Financial Statements for the period ending 31 May 2002. The following items were discussed during the review:

- discussion of costs/effectiveness of CARP use in Bow Slope Canal,
- discussion of pipeline maintenance costs,
- request to split out rental of equipment costs under maintenance to show internal & external rental costs,
- monitor EIDNet performance [month-to-month] regarding revised budget based on active accounts, etc., and
- discussion of consolidated financial statements [company wide].

106-06-2002 Moved by Mr. Hemsing that the district approve the Financial Statements for the period ending 31 May 2002. Seconded by Mr. Henrickson. CARRIED

[10:20 AM, the meeting recessed.]

[10:30 AM, the meeting reconvened. Mr. Meador joined the meeting.]

5.0 Operations Report

5.01 Water Supply/Delivery Update

Mr. Wilson provided an overview of diversions from the Bow River, status of upstream water supply forecasts and deliveries made year-to-date. It was noted that no shortages in forecast river volumes are anticipated and based on current activities and precipitation, there should be no irrigation shortages. It was also agreed that the district could consider raising the 24 acre inches per irrigation acre at some point in July [likely to be considered during the July Directors Meeting].

There was also some discussion of problems associated with aquatic vegetation growth and algae in the canal systems. It was noted that the district may use all of its Magnacide H [acrolien] supply during the year. The district expects to begin the "dragging" of canals in the near future. Much of the recent vegetation growth has been associated with warming temperatures, clear water and reduced flow due to lack of irrigation demand.

5.02 Farm Improvement Projects

Mr. Meador presented information regarding the following Farm Improvement Projects:

107-06-2002 Moved by Mr. Johnson that the district approve a Farm Improvement Project for Mr. Don Plett, NE ¼ 32-22-17-W4M [27 ac.] , NW ¼ 33-22-17-W4M [8 ac.], conversion of surface irrigation to laser levelled surface irrigation, contribution by EID is \$875 [\$25 per acre for 35 ac.]. Seconded by Mr. Hemsing. CARRIED

There was discussion regarding an increase in irrigation acres in the W ½ 18-17-13-W4M, R & K Christensen and E & E Christensen. It was noted that there has been a conversion from surface irrigation to side-roll wheel moves. It was also noted that the irrigators have been irrigating acres in excess of the present assessment. There was some discussion as to whether or not the conversion should be considered as a Farm Improvement Project, or simply an increase in irrigation acres under the district's approved procedures.

108-06-2002 Moved by Mr. Nielsen that decisions regarding a Farm Improvement Project and/or an increase in irrigation acres in the W ½ 18-17-13-W4M [R & K Christensen and E & E Christensen] be tabled until additional information has been received. Seconded by Mr. George. **CARRIED**

109-06-2002 Moved by Mr. Nielsen that the district approve a Farm Improvement Project for Mr. Ty Charlton, E ½ of NW ¼ 19-20-13-W4M, conversion of surface irrigation to side-roll wheel moves, contribution by EID is \$1,288 [pro-rated based on 67 acres]. Seconded by Mr. Hemsing. **CARRIED**

[11:15 AM, Mr. Meador exited the meeting. Mr. Romao joined the meeting.]

6.0 Engineering Report

6.01 Irrigation Rehabilitation Program [IRP], Revised Administrative Procedures

Mr. Romao provided an overview of the proposed revised administrative procedures being proposed for cost-share funded projects under the IRP. It was noted that the changes recognize the reduced technical/engineering staff available to the Irrigation Council to assist in the review of project designs and also recognizes that more emphasis on planning will provide for a high level of accountability in decision-making.

The following information was presented and discussed:

IRP Administrative Review addresses 5 Key Areas:

- Irrigation District accountability for maintenance of projects rehabilitated under the program,
 - present Irrigation Works Maintenance Policy [March 1998] will continue with little change,
 - fewer number of random inspections,
 - increased monitoring of adherence to approved Action Plans,
- eligibility of projects to be rehabilitated under the program,
 - present policies remain substantially unchanged,
 - eligible projects include, first time rehabilitation, planning studies, recurrent [second time] rehabilitation subject to the April 2001 Minister's approved reimbursement policy,
 - eligible costs within a project will be better defined,
- the approval and monitoring process of projects to be rehabilitated under the program to ensure accountability for public investment,
 - to ensure accountability for the public investment, including accountability to the public, the department [AFRD], the Minister and other MLA's and the Auditor General,
 - more emphasis on long-term planning,
 - less review of the design of individual projects,
 - Irrigation Districts will submit an Annual Rolling three Year Rehabilitation Plan for the

- Irrigation Council's approval,
- the plan will be submitted in January along with the application for IRP funding,
- the Irrigation District may be invited to present its plan to the Irrigation Council in February or March,
- the plan will include:
 - a list of projects completed in the previous year,
 - a list of projects to be constructed in the upcoming 3 years including projects continuing in year 1 from the previous year, new projects starting in year 1 and projects proposed to start in year 2 and year 3
 - project name, number and location,
 - cost incurred to date, work to be done in year 1 and estimated cost of year 1 work,
 - any changes to the previous plan for this project should be addressed including irrigation acres served [present and potential], expected date of completion, estimated total cost or estimated costs per year, proposed rehabilitation method [pipeline, lined canal, etc.], seepage control measures [if any], the number of acres affected and whether the project is included in the district's Seepage Control Plan,
- for new projects starting in year 1 the plan will include:
 - project name and location,
 - need for the project, present condition,
 - acres served [present and potential],
 - proposed rehabilitation method,
 - general preliminary plan of the project area,
 - other users expected to benefit from the project,
 - expected date of completion,
 - estimated project costs, including estimated costs per year for multi-year projects,
 - work to be done in year 1,
 - seepage control measures [if any] the number of acres affected and whether the project is included in the district's Seepage Control Plan, and
 - list of previous cost-shared work done in the area of the project,
- for year 2 and year 3 projects the plan will include:
 - project name and location,
 - need for the project,
 - preliminary estimated cost,
 - expected date of completion,
 - proposed rehabilitation method or alternatives,
 - an indication if the project is included in the district's Seepage Control Plan,
- performance measures to judge the effectiveness of the program,
 - Council has adopted the following new set of performance measures:
 - annual IRP Status Report,
 - overall condition of the infrastructure,
 - functional adequacy of the infrastructure,
 - districts are encouraged to continue to keep other base data including irrigated crops, types of irrigation systems, other beneficiaries of the irrigation infrastructure [towns, industries, recreation, habitat, etc.]
- the inter-district allocation formula,
 - approved by the Minister [February 2002] to be effective next year,
 - 50% of the funds allocated on the basis of the number of irrigation acres in each district, and

- 50% of the funds allocated on the basis of the infrastructure replacement cost of the specified infrastructure in each district.

There was some discussion of the proposed changes. It was agreed that some work on projects will need to be completed earlier than present requirements. It was also noted that the district should encourage the Irrigation Council to ensure there is enough flexibility in the administration of the IRP to allow for required changes up to construction without an undue administrative burden. There was also discussion of the inter-district allocation formula and it was agreed that Council should be asked to report on the status of major works and drains in the overall formula. Mr. Wilson reported that the Irrigation Council will be holding their tour of the district on the 30th of July 2002.

6.02 01-1265, 14H West Bantry Rehabilitation

Mr. Romao provided an overview of the proposed rehabilitation of the 14H West Bantry Canal. It was noted that the canal system requires structure replacements, seepage control measures and turnout replacements. Mr. Romao also noted that the seepage problems appear to be increasing or have to potential to impact an increasing amount of land.

Two methods of canal lining were investigated, one being gravel armour directly on a polyethylene lining and the second being an earth covered polyethylene liner. The recommended rehabilitation considers the gravel armour directly on the polyethylene liner at an estimated cost of \$451,850.

110-06-2002 Moved by Mr. Hemsing that the district approve the rehabilitation of 01-1265 West Bantry Rehabilitation, gravel armour on polyethylene liner, estimated project cost of \$451,850. Seconded by Mr. Johnson. CARRIED

6.03 01-1273, 03 East Branch Rehabilitation

Mr. Romao provided an update to last month’s discussion of the alternatives being considered for this project. It was noted that discussions have been held with the irrigators effected by the project to determine their level of interest in the various options as follows:

Option	Description	Total Cost	Net Cost
A	2 low-pressure pipelines using the existing pump sites	\$494,000	\$435,000
B	high-pressure pipeline at a new pump site location	\$534,000	\$436,000
C	low-pressure pipeline at a new pump site location	\$504,000	\$454,000

There was some discussion of the level of financial commitment that might be required from various land-owners/irrigators to allow the district to install the high-pressure system. It was generally agreed that the fee be calculated at \$100 per irrigation acre for those making use of the high-pressure at the time of construction and a higher fee of \$150 per irrigation acre for those who choose to make use of the high-pressure at a later date.

111-06-2002 Moved by Mr. George that the district approve the rehabilitation of 01-1273, 03 East Branch Rehabilitation, Option B, high pressure pipeline, new location, landowner/irrigator contributions at time of construction set at \$100 per acre, land owner contributions following project completion set at \$150 per acre, estimated project cost of \$534,000 with net cost after landowner contributions estimated at \$436,000. Seconded by Mr. Johnson. CARRIED

[12:05 PM, the meeting recessed.]
 [1:00 PM, the meeting reconvened.]

6.06 Rolling Hills Reservoir Enlargement, Tender Opening Results

Mr. Wilson provided an update on the following bids received for the Rolling Hills Reservoir Enlargement Project. He indicated that UMA Engineering is evaluating the following tenders received for the enlargement of the Rolling Hills Reservoir [engineer's estimate, \$5.9 million]:

- Chief Construction Co. Ltd. \$5 698 330
- Top Notch Construction \$5 768 200
- Richardson Bros. [Olds] Ltd. \$5 860 850
- de Graaf Excavating Ltd. \$6 006 330
- Caliber Systems Inc. \$6 113 330

There was discussion of the qualifications of Chief Construction Co. Ltd. It was noted that UMA has met with the contractor to review all of the relevant information and the district is expecting to receive a recommendation to award to lowest bidder, Chief Construction Co. Ltd.

6.04 01-1248, 05 East Branch [Cassils] Rehabilitation

Mr. Romao provided an update to last month's discussion of the various rehabilitation alternatives that are available under this project. It was noted that some discussions have been held with land owners and irrigators. The primary problems with the canal include infestation of willows and trees within the canal, reducing operation and maintenance capability and limiting access, excessive seepage, deteriorated structures, bank width and bank height. It has also been noted that while the seepage is pronounced, much of it is seen as "beneficial" by the acreage owners in the area.

These discussions have resulted in the identification of three alternatives as follows:

Option	Description	Net Cost
1	serves the existing acres, replacing the open channel system with a buried PVC pipeline	\$517,000
2	makes use of 2 pipelines, the easterly portion serving most of the previously served area and a westerly pipeline which serves the bulk of the irrigation acres and adds additional irrigation acres to the project	\$700,000
3	considers the design of 2 pipelines as noted in option 2, but only provides the installation of the westerly pipeline, with the bulk of the existing system being subject to remedial maintenance only [the costs of the maintenance are not included in the estimated project costs]	\$490,000

It was noted that option 3 meets the needs for improvement water management for the irrigation acres and reduces the total volume of flow in the existing canal system. It was noted that the

reduced volumes would likely reduce the total amount of seepage from the canal, but would still allow for some seepage to support habitat, pastures and trees along the canal. It was further reported that some land owners may prefer this option.

112-06-2002 Moved by Mr. Nielsen that the district approve the rehabilitation of 01-1248, 05 East Branch Rehabilitation [Cassils], with a single west pipeline, leave existing canal in place [no rehab] to serve a reduced area, estimated project cost of \$490,000. Seconded by Mr. Hemsing. Defeated

In discussion it was noted that option 2 does not address the district's emphasis on improving water management efficiencies and could be seen as promoting poor water handling practices by users and by the district.

113-06-2002 Moved by Mr. Johnson that the district approve the rehabilitation of 01-1248, 05 East Branch Rehabilitation [Cassils], with 2 separate pipelines, west pipeline of 2.2 km serving 796 acres, east pipeline following current canal location serving 179 acres, estimated project cost of \$700,000. Seconded by Mr. George. CARRIED

6.05 01-1305, Secondary E Springhill Rehabilitation

Mr. Romao provided an update on the determination of alternatives for the 01-1305 Secondary E Springhill Rehabilitation. It was noted that in keeping with past practices, the design of the project does include costs to continue to serve a number of acres that are presently assessed with terminable agreement acres. It was noted that the design only includes costs to convey water for these acres, but does not include the installation of new systems to provide water directly to these parcels. For example, water would be conveyed in the proposed pipeline, but would then be diverted into the existing drain to continue to serve the acres under terminable agreements.

There was discussion of how the district might develop a policy for land owner/irrigator cost-sharing that would allow for terminable agreement acres to be converted to irrigation acres with a corresponding contribution from the land owners/irrigators for the additional project costs. It was noted that the additional costs to allow for conversion of the terminable agreement acres to irrigation acres is estimated at \$225,000. The directors discussed the merits of promoting such conversions and completing an overall project to a state of completeness.

It was agreed that the district investigate policy options to include current terminable agreement acres in project design based on conversion to irrigation acres with agreement holder contribution of Capital Assets Charge [\$100 per acre, payable over 10 years] plus 25% agreement holder/75% EID contribution towards increased costs of project to serve and convert terminable agreement acres and develop draft future policy guidelines regarding maximum district contribution [for example, added costs to directly serve terminable agreement acres on this project are estimated at \$500 per acre, split \$125 agreement holder, \$375 EID – how expensive can the extension be before it become unfeasible?]. It was also agreed that the district would test this approach with the individuals who have terminable agreements along this project.

[1:50 PM, Mr. Matoba joined the meeting.]

7.0 Irrigation Works, Maintenance Condition Evaluation

Mr. Wilson reported on a recent document received by the district from the Irrigation Council and

Alberta Agriculture, Food and Rural Development [AFRD]. It was noted that one of the activities conducted by AFRD for the Irrigation Council is the random review of projects previously completed under the IRP program. These random inspections are intended to ensure the effectiveness of the funding program and a district's maintenance program. Mr. Wilson noted that a district is required to respond in writing with plans for any inspection where the present condition of a project is noted as being "poor".

Mr. Wilson noted that 2 projects in the EID have been determined to be in poor condition. Both of these projects are from work completed in 1976 and 1983, so-called "bank rebuilding projects". Mr. Wilson reported that IRP # 795 [1976] Lateral 15G & IRP # 1145 [1983] Lateral 03-02D have problems that are not critical to ongoing operations. He noted that he would respond to the Irrigation Council that no additional remediation is planned, maintenance will be conducted as required, and that these projects may be involved in future system-wide rehabilitation.

[2:05 PM, Mr. Romao exited the meeting.]

8.0 Land Administration Report

8.01 Transfer of Irrigation Acres [SW ¼ 16 & NW ¼ 16-17-16-W4M]

Mr. Matoba presented information regarding a transfer of irrigation acres from one parcel to another, both parcels being owned by the same irrigator. It was noted that this transfer came to light as a result of the recently completed irrigation assessment review.

114-06-2002 Moved by Mr. Hemsing that the district approve the transfer of irrigation acres from SW ¼ 16 [18 acre reduction, 151 acres to 133 acres] to the NW ¼ 16-17-16 W4M [18 acre increase, 106 acres to 124 acres] to match current irrigation practices, both parcels owned by John Brummelhuis. Seconded by Mr. Henrickson. CARRIED

8.02 Application for Increase in Irrigation Acres [SW ¼ 30-24-15-W4M]

Mr. Matoba provided information regarding a request for an increase in irrigation acres in the SW ¼ 30-24-15-W4M for Margaret Douglass. It was noted in discussion that this parcel has recently been subject to an approval for a Farm Improvement Project. It was reported that the present irrigation method includes more acres than are assessed. At the time of the approval of the Farm Improvement Project no end-gun was anticipated. In addition, there was no approval to allow for continued irrigation in the areas of the corners in the south east and south west corners of the parcel. At present a request has been received to allow for an increase in irrigation acres [an addition 10 acres] or alternatively an approval to transfer irrigation acres from another parcel.

There was discussion of the proposal and it was noted that the irrigation acres required for the lands covered by the end-gun would likely have been approved at the time of the Farm Improvement Project approval, but that the application did not include those acres -- they were added following the approval. It was also noted that the underlying principle of the Farm Improvement Project was increased water management efficiencies, and irrigating pivot corners by surface irrigation is not consistent with that objective.

- 115-06-2002** Moved by Mr. Hemsing that the district approve the transfer of irrigation acres from SE ¼ 30-24-15 W4M to fill out irrigated area under pivot and end-gun in SW ¼ 30-24-15 W4M, but that there is no approval for any irrigation acres in the pivot corners. Seconded by Mr. Johnson. **CARRIED**

8.03 Irrigable Unit Discharges and Registrations

- 116-06-2002** Moved by Mr. Johnson that the district approval the discharge of an Irrigable Unit for Norman Wester, Ptn. SW ¼ 36 & Ptn. NW ¼ 25-16-13 W4M. Seconded by Mr. Henrickson. **CARRIED**
- 117-06-2002** Moved by Mr. Johnson that the district approve the registration of Irrigable Units for Norman Wester, Ptn. SW ¼ 36, Ptn. NW ¼ 25 & NE ¼ 25-16-13-W4M, Joe Albers, SE ¼ 16 & NE ¼ 16-14-13-W4M, Helmut Wiebe, Ptn. NW ¼ 08 & Ptn. NE ¼ 08-21-16-W4M, T & Y Doerksen and J Doerksen, NE ¼ 04 & SE ¼ 04-23-16-W4M, Rob Wallace, NW ¼ 15 & NE ¼ 15-23-16-W4M, P & M Hemsing, Ptn. NW ¼ 15 & NE ¼ 15-15-14-W4M, and Gladys Schmitke, NW ¼ & SW ¼ 36-18-16-W4M. Seconded by Mr. Henrickson. **CARRIED**

[Note: Mr. Hemsing withdrew from any discussion and or voting on Motion 117-06-2002 as it includes lands owned by him.]

8.04 Update, Irrigation Acres and Parcels Under Review

Mr. Matoba provided an overview of the status of irrigation acre assessment review on those parcels of land where it has been noted that present irrigation methods substantially exceed the existing assessment. It was noted that all of the owners of these parcels have received letters requesting them to undertake discussions with the district. A total of 48 letters were sent, with the district having had a response from 34 individuals to date.

The follow-up to date on the individuals that have been contacted include the following actions:

- 13 irrigators have had the issues resolved by confirming water efficiency improvement that have been completed, allowing for the increases required in irrigation acres,
- 7 irrigators have resulted in no change in assessment, most of these were acres irrigated under "wild flood" and no increases in irrigation acres have been approved, the irrigators understanding they must not irrigate lands that are not duly assessed,
- 2 irrigators transferred unused irrigation acres from other parcels in order to make irrigation acres and irrigation practices match,
- 4 irrigators have completed applications for increases in irrigation acres to be reviewed later in 2002,
- 7 irrigators remain in a process of review, and
- 1 irrigator is awaiting a decision about an increase in irrigation acres related to an upcoming rehabilitation project.

It was noted that the district continues to attempt to contact those irrigators who have not yet responded to the district's correspondence.

8.05 Rural Water Use Policy Directions

Mr. Wilson provided an additional update on the process to define and set in policy, by-laws, etc. the new rural water use provisions in the amended Irrigation Districts Act. It was generally agreed that the district prepare policy guidelines, forms of agreement, by-law and draft newsletter for Rural Water Use Agreements based on the following criteria and approach:

- 5 ac ft at no charge to an irrigator on a parcel with irrigation acres [may be in addition to household purposes],
- fee schedule based on actual cost of water delivery plus 20% [for example, 2001 cost is \$25 per ac ft, base rural water use charge would be \$30 per ac ft] including fee classifications as follows:
 - Livestock Watering, 50% of Fee [\$15/acft], minimum charge of \$150,
 - Agri-Business, 80% of Fee [\$25/acft], minimum charge of \$150,
 - Country Residential, 80% of Fee [\$25/acft], minimum charge of \$200,
 - Industrial, 100\$ of Fee [\$30/acft], minimum charge of \$250
 - Oil & Gas, Infrastructure, etc. with fees individually negotiated

8.06 Irrigation District Rates

Mr. Wilson noted that the district has recently received a schedule showing all of the approved rates and fees being assessed by Irrigation Districts in 2002. This material is provided as information only.

8.07 Update, Land Sales

It was noted that the district has completed land sales in the Rolling Hills area, where a parcel of land was sold for the district's approved asking price, and for the lands identified for sale to LaFarge Canada Inc. This material is provided as information only.

8.08 Update, Alternate Parcel Agreement [Declerq]

Mr. Wilson provided a verbal update on the status of an approved Alternate Parcel Agreement with Firmin Declerq [NW ¼ 33-19-12-W4M & NE ¼ 05-20-12-W4M to S ½ 15 & 16-19-12 W4M] noting the agreement is no longer valid for 2002 as soils irrigability reports have not been received and lands in NW ¼ 33 and NE ¼ 05 have now been irrigated. Mr. Declerq has been advised that he may re-apply for 2003.

[3 PM, Mr. Matoba exited the meeting. Mr. Cook and Mr. Hale joined the meeting.]

9.0 Equipment Pool Report

9.01 Service Truck Options

Mr. Cook noted that the district's current budget approved the purchase of a new service truck to replace the existing unit at an estimated approved cost of \$85,000. The district has recently completed receiving a number of quotes for the replacement, all of which are in excess of the

approved budget figures as follows:

Company	Model	Front	Rear	Wheel Base	Brakes	Features	Price
Kenworth	T300	12000 lb	23000 lb		Air	Air Ride	\$83,700
Peterbuilt	330	8000 lb	18000 lb	150"	Air	Air Ride	\$76,000
Freightliner	60	8000 lb	15000 lb	150"	Air	Air Ride	\$75,000
Mack	MV 22	8495 lb	17500 lb	132"	Air	Air Ride	\$63,729
International	4300	8000 lb	17500 lb	152"	Air	Steel springs with air bag	\$70,459
Chev	5500	6000 lb	15500 lb		Hydraulic	Steel springs	\$57,000
Hino	FB 1817	5950 lb	12100 lb	152"	Hydraulic	Steel springs	\$47,000
Ford	550	6000 lb	15000 lb	141"	Hydraulic	Steel springs	\$42,000

In addition to the cost for a vehicle, the service truck also requires specialized equipment to manage fluids, both for service and for recovery from equipment, with quotes as follows:

Company	Features	Cost
E Bush Sales	all oil tanks, oil pump, hoses and reels included	\$59,482
NOR MAR	all oil tanks, oil pump, hoses and reels included	\$89,385
Thermo King	all oil tanks, oil pump, hoses and reels included	\$57,575

There was discussion of the options that might be open to the district to reduce the overall cost of the replacement service truck. It was agreed that the district investigate other options, for example, 2nd hand truck, etc.] and submit additional information and options for consideration at the July Directors Meeting.

9.02 Results of Auction [John Deer 892 Excavator]

Mr. Cook noted that the district has received its guaranteed price for the John Deere 892 Excavator from Michener Allen. The excavator sold less than the guarantee price by Michener Allen, so the district received the guaranteed price.

[3:15 PM, Mr. Cook exited the meeting.]

10.0 Grazing Report

10.01 Update on Private Lease Inspections

Mr. Hale provided an update on the condition of private grazing leases noting that the leases have

been inspected. Many [most] are in poor condition. Letters have been sent to lessees reminding them of "good husbandry requirements" and that further action may be taken if conditions do not improve.

10.02 Community Lease Condition Report

It was noted that recent rainfall has made substantial improvement in pasture conditions, from both a water supply [dugouts] and grass growth perspective, with less rainfall in the north and west of the district and more to the south and east. There was discussion of whether or not a new round-up date could be determined or whether or not the district should continue to plan for the removal of cattle following the presently approved 60 day grazing period.

118-06-2002 Moved by Mr. George that the district approve the suspension of the 60 day time limit for removal of all cattle from the lease and evaluate round-up dates based on grass condition in the leases, future precipitation, etc. Seconded by Mr. Nielsen. CARRIED

10.03 Hines Swing Field/Regrass Options

There was discussion of the condition of some of the district's regrass fields, even in light of the recently received rainfall. It was noted that some of these pastures are now more than 25 years old and could benefit from rehabilitation. There was discussion of the options in this regard.

119-06-2002 Moved by Mr. Nielsen that the district approve the breaking, working-down and re-seeding of the 2,500 acre Hines swing field pasture. Seconded by Mr. Johnson. CARRIED

10.04 Range Restoration Projects, Update

Mr. Hale provided information on the success of range restoration projects, heavy harrowing, etc. It was noted the district should also plan for fencing out portions of areas as means of monitoring long-term success.

[3:45 PM, Mr. Hale exited the meeting.]

11.0 Miscellaneous Items Reports

11.01 Visions for Rural Alberta

Mr. Hemsing reported on a meeting he attended sponsored by AFRD. Alberta Agriculture is conducting a number of workshops to set out goals and objectives to assist in improving conditions in rural Alberta. It was noted that there is concern about reduced elected MLA representation in the rural areas, as well as issues about commerce, education, health and wellness and depopulation. There was some discussion about how to achieve the objectives and whether or not there is long-term government commitment to reversing present trends. Additional meetings and initiatives are expected.

11.02 Bassano Dam Tours

Mr. Hill reported on the completion of the tours of the Bassano Dam for 2002. It was noted that the tours primarily included Grade 05 students, teachers and other adult supervisors. Tours were

conducted by David Hill and Rick Martin, assisted by the district's staff at the Bassano Dam [Devon Schellenberg, Darla Wiebe and Chris Cochran]. It was also noted that James Knelsen attended the tour with the Newell Christian School and Darlene Fisher attended the tour with Griffin Park School.

It was noted that the response from students and teachers remains very positive. The flows in the Bow River during the tours [ranging from 8,000 cfs to 20,000 cfs] provided returning teachers and the students with a good view of the strategic location of the Bassano Dam. The tours focussed on the history of the facility, a tour above and below the dam, discussion of water quality and the need to coordinate operations with upstream and downstream users -- as well as the vital significance of water in our community and region. In addition to the tour, participants were given some printed material about the district. The following schools and attendance numbers were provided:

•	04-Jun-2002	Holy Family Academy	45
•	07-Jun-2002	Herald School [Medicine Hat]	85
•	12-Jun-2002	Newell Christian School	25
•	13-Jun-2002 [AM]	Duchess School	35
•	13-Jun-2002 [PM]	Griffin Park School	50
•	14-Jun-2002 [AM]	Eastbrook Elementary School	60
•	14-Jun-2002 [PM]	Central Elementary School	30
•	17-Jun-2002	Rosemary School	30
•	18-Jun-2002	Bassano School	30
•	19-Jun-2002	Tilley School	20
•	Total Attending		455

11.03 Bow River Basin Council, Activities Update

Mr. Hill provided a report of the ongoing activities of the Bow River Basin Council. It was noted that the affairs of the BRBC are proceeding well, in the final year of a 3-year agreement with Alberta Environment on funding and with an expanded membership. The Annual General Meeting of the BRBC was held on the 19th of June in Calgary. The directors elected for the next year are as follows:

- Commercial Water Users Category Bill Berzins, Jay White*
 - Government, Regulatory Agencies, First Nations Norm Carlson, Robert Crowchief
 - Licensee Water Users Category David Hill, Jim Webber*
 - Municipal Water Users Category Barry Erskine, Bob Haney
 - Not-for-Profit, Academia Category Dr. Lis Dixon, Gary Kindrat*
 - Public Members Category Steve Meadows, Judy Stewart
- [* indicates a newly elected board member]

Mr. Hill also reported that the BRBC appears to have the support not only of Alberta Environment in the Southern Region, but also the support and attention of the Minister of Environment. The BRBC is acting as the Bow River Basin Advisory Committee under the South Saskatchewan River Basin Plan, Phase I and Phase 2. Mr. Hill noted that he also serves as the Chair of the Project Teams Committee of the BRBC. This committee is active in a number of ongoing projects as follows:

- State of the Basin Report [scheduled for completion in 2003, the Year of Fresh Water],
- Okotoks "For Future's Sake" Water Conservation Initiative,
- Bow Waters Canoe Club, Calgary Weir Re-Engineering [this group, along with the BRBC has raised some \$115,000 to date for the preliminary engineering of a replacement structure for the present WID weir], and
- Catalogue of Water Quality and Water Quantity Monitoring [a project to identify the

organizations and criteria and/or elements of water quality and/or quantity that are being monitored by individuals and agencies in the basin], in conjunction with graduate studies at the University of Calgary.

It was also noted that there are no membership fees related to the BRBC, but that members are responsible for their own costs to attend. In addition, the BRBC is working to increase its overall funding capacity through direct charitable fund raising. It is the goal of the BRBC to be self-sustaining within the next 3 years. It is also expected that an additional 3 year funding agreement with Alberta Environment will be in place prior to the next fiscal year.

11.04 Bow River Basin Advisory Committee, South Saskatchewan River Basin Plan, Phase II

Mr. Hill noted that the final Terms of Reference for the Phase II portion of the South Saskatchewan River Basin Plan are close to completion. A joint meeting of the Advisory Committees for each of the Red Deer, Bow River, Oldman River and South Saskatchewan River Basin was held in Calgary on the 20th of June. Concern was expressed that the focus of the work has changed from an integrated one of water quality and water quantity to a more focussed water quantity initiative. It was noted that some aspects of water quality will be evaluated in terms of habitat, riparian vegetation, etc., but that models for some water quality parameters are not available in the present time frame for completion of the project. Alberta Environment made the commitment to see how water quality issues might be included in the analysis.

The other significant activity completed at the recent meeting was the selection of the scenarios that will be tested via modelling activities. These scenarios were "voted" upon by those attending the meeting and were selected from a broad range of options. The highest priority scenarios are as follows:

- Base Case [Scenario A1] includes current licenses and commitments, existing instream objectives, requires calibration/review of irrigation demand for the WID, BRID and LNID, verification of model assumptions, license updates and model enhancements.
- Consumptive Use [Scenario CU1] includes all items in A1, with a reduction in overall water use consumption ranging from 10% to 20%, using the Technical Instream Needs Group [TING] criteria for water quality and fish habitat instream objectives, involves the preparation of new data sets and technology
- Expansion [Scenario E2] includes the total expansion under the existing SSRB regulations with a 10% increase in irrigation acres in the Oldman River Basin and up to a 20% increase in irrigation acres in the Bow River Basin [all such increases within existing licenses, due to improved efficiencies] along with projected 50 year non-irrigation expansion requirements
- Instream Needs [Scenario IF4] includes the conditions in scenario A1 except that the TING criteria are used for all IO's on new licenses and existing licenses with IO conditions and also includes TING criteria for riparian vegetation and channel maintenance
- Inter-Basin Apportionment [Scenario AP1] includes all of the conditions in scenario A1 with the requirement for each of the Red Deer, Bow River and Oldman River Basins to each contribute 50% of their respective natural flows to apportionment.

It was noted that there is substantial debate about various aspects of scenarios, including issues relating to "stored water", inter-basin apportionment, etc. Alberta Environment were clear in their presentations that existing licenses will be respected. It was also noted that the modelling work will likely take until the early fall to complete. Mr. Hill also noted that he will be participating on Alberta

Environment's Technical Review group relative to the model work.

In addition to the above scenarios, a number of others will also be reviewed as a means of testing other performance measures and for sensitivity analysis. There were also questions regarding the potential impacts of climate change. Alberta Environment does not appear to be very well prepared to deal with this issue, while Alberta Agriculture has identified an approach that could be used to forecast crop water use under various climate change scenarios.

11.05 River Watch Science Program

Mr. Hill provided a brief verbal report on River Watch's funding concerns. Assistance has been identified to help River Watch gain Charitable Funding status. In addition, some work is now underway to identify potential long-term funding partners and to provide some introductions to elected officials. A meeting with Dr. Lyle Oberg, Minister of Learning has been requested.

12.0 General Manager's Report

12.01 Rogers Sugar Ltd.

Mr. Wilson noted the district has received a letter from Rogers Sugar requesting that they be considered in any large irrigation expansion project related to the Rolling Hills Reservoir Enlargement. It was noted that a reply will be sent indicating that the district may or may not develop a large block of land following the reservoir expansion project, but that the lands developed will likely be made available for sale or lease to present irrigators in the district and not to a single corporate entity.

12.02 Eastern Irrigation District, Water License Update

Mr. Wilson noted that the district has been issued an additional water diversion license. As such, the temporary authority issued earlier this year has been cancelled. Mr. Wilson provided an overview of the terms, conditions and flexibility associated with the new license. It was noted that the district's initial license and associated priorities remain in place. The granting of this license is seen as positive and the completion of a critical step in identifying how irrigation expansion may take place in the district.

12.03 Fording Coal, Update

Mr. Wilson noted that with the successful conclusion of the district's license he has forwarded to Alberta Environment a letter of intent indicating the general conditions that the district would need to have included in a Water Conveyance Agreement with Fording Coal. It is expected that this step will allow Alberta Environment to finalize their response to Fording's application for a water diversion license in support of their project.

12.04 Alberta Siksika Protocol

Mr. Wilson provided a verbal update of the activities of the Alberta Team to the Alberta Siksika Protocol. It was noted that some progress does appear to be made.

12.05 Alberta Census of Agriculture, Data Dissemination

Mr. Wilson provided copies of recent correspondence regarding the most recent Alberta Census of

Agriculture. This material was provided as information only.

12.06 2002 Premier's Dinner

The date and location of the upcoming Premier's Dinner were noted. Decisions on the number attending will be made at a later date.

12.07 Upcoming Meetings Schedule

The following meetings were noted:

- Irrigation Council Tour Tuesday, 30 July 2002
- July Directors Meeting 23 July 2002
- August Directors Meeting 20 August 2002

12.08 Alberta Recreation Corridors

Mr. Wilson reported on information forwarded to the district by the County of Newell. The information relates to an Alberta review of legislation effecting recreation corridors [trails, etc.]. Copies of the workbook and background information have been circulated.

It was agreed that the district review the information on the legislative review. Directors were also encourage to review and submit comments to the office. The district will prepare a response and may attend the public meeting set for 10 July 2002 in Lethbridge, Alberta.

12.09 Australian MP Tour of EID

Mr. Wilson noted that the 16th of July 2002, has been selected for the district to host, tour and provide discussions of the irrigation infrastructure, on-farm and legislative background of Irrigation District operations in Alberta. The Australian MP will also be touring the high-tech aspects of canal automation in the St. Mary River Irrigation District. It was noted that Mr. Hill and Mr. Meador will attend on behalf of the district and may be assisted in the on-farm aspects by Clint Henrickson &/or Floyd George.

12.10 AIPA Manager's Committee Meeting

Mr. Wilson reported on the recent meeting of the AIPA's new Manager's Committee. He noted the meeting was productive. The AIPA will be looking to district managers sponsoring policy/issue discussions at directors meetings. It was also noted that plans are underway for 2003 AIPA Conference scheduled for Calgary, Alberta with the theme, "Water Isn't Free!".

The meeting was adjourned on a motion by Mr. Hemsing at 4:45 PM.

Per: Chairman

Minutes Approved on 29 July 2002

Per: General Manager

Motion No. 121-07-2002

29 July 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 29th day of July 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]
Mr. Clint Henrickson	Vice-Chair [Division 03]
Mr. Floyd George	Director [Division 01]
Mr. Tom Livingston	Director [Division 02]
Mr. Neil Johnson	Director [Division 04]
Mr. Allan Nielsen	Director [Division 05]
Mr. Pat Hemsing	Director [Division 07]
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Approval of Agenda

The following items were added to the agenda:

- 4.03 Banking Services
- 5.10 Rob Wallace RE: Request for Additional Irrigation Acres
- 6.09 Rolling Hills Reservoir, Update on Construction

120-07-2002 Moved by Mr. Nielsen that the agenda be approved as added to. Seconded by Mr. Henrickson. CARRIED

There was also brief discussion of the status of assistance to the River Watch Science Program regarding improved financial sustainability. Mr. Hill noted that some work is taking place regarding obtaining Charitable Society status, but no meetings have yet been set through the constituency office of Dr. Lyle Oberg, Minister of Learning.

2.0 Approval of Minutes, 25 June 2002

The following correction was noted in the minutes of the 25 June 2002 meeting:

- pg. 96, item 8.02 ... in the SW ¼ 30-24-15-W4M ~~got~~ for Margaret Douglass.

121-07-2002 Moved by Mr. Hemsing that the minutes of the 25 June 2002 Directors Meeting be adopted as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business from Minutes**3.01 By-Law 836 (2002), A By-Law Setting Fees for Rural Water Use Purposes**

There was discussion of the by-law proposed to set the rates for various categories for Rural Water Use Purposes. It was noted that the by-law has been prepared in accordance with the discussions of the May and June Directors Meetings.

Eastern Irrigation District
BY-LAW 836 (2002)
 A By-Law Setting Fees for Rural Water Use Purposes
 [Irrigation Districts Act, Section 115]

WHEREAS:

The Irrigation Districts Act [c. I-11, RSA 2000] establishes the method for districts to set fees for rural water use agreements.

NOW THEREFORE BE IT ENACTED:

1. The District has adopted a process to determine the fees to charge for the conveyance of water for rural water use purposes based on the following categories and description of use:

<u>Category</u>	<u>Description</u>
Farm Yard Water Use	refers to rural water use by an irrigator on a parcel of land with irrigation acres, where the annual water requirement, in addition to water supplied for household purposes, is limited to and does not exceed 5 acre feet
Livestock Watering Use	refers to rural water use on a parcel of land for the purpose of watering livestock, where the annual volume of water required does not exceed 20 acre feet
Agri-Business Use	refers to rural water use on a parcel of land for any agriculturally related and/or connected commercial activity, where the annual volume of water required does not exceed 20 acre feet
Country Residential Use	refers to rural water use on any parcel of land that is not classified by the district as having irrigation acres and that is generally determined to be a country residential property, where the annual volume of water required does not exceed 20 acre feet
Industrial Use	refers to rural water use for any non-agricultural commercial or industrial purposes not directly or indirectly related to the oil and gas industry or the maintenance and/or rehabilitation of infrastructure [such as highways], where the annual volume of water required does not exceed 20 acre feet
Oil & Gas, Infrastructure Use, etc.	refers to rural water use for any commercial or industrial purpose either directly or indirectly related to the oil and gas industry or the maintenance and/or rehabilitation of infrastructure [such as highways], where the annual volume of water required does not exceed 20 acre feet

2. The fee for the conveyance of water for rural water use purposes for 2002 is referenced to a base per acre foot conveyance charge of \$30 per acre foot and takes into consideration the relationship with the categories of rural water use referenced in paragraph 1 as follows:

<u>Category</u>	<u>Fee Per Acre Foot</u>	<u>Minimum Charge per Agreement</u>
Farm Yard Water Use	\$0	\$0
Livestock Watering	\$15	\$150
Agri-Business	\$25	\$150

<u>Category</u>	<u>Fee Per Acre Foot</u>	<u>Minimum Charge per Agreement</u>
Country Residential	\$25	\$200
Industrial	\$30	\$250
Oil & Gas, Infrastructure, etc.	Negotiated on an Agreement by Agreement Basis	

3. All fees charged for rural water use purposes shall be paid in full by the 15th day of May, 2002 or prior to any water being conveyed to an individual holding a rural water use purposes agreement if the agreement was entered into after the 15th day of May, 2002, unless the written agreement specifies otherwise.
4. A penalty in the amount of 1.5% will be applied and compounded monthly [17.93% APR] on all amounts owing the District for all fees assessed under this By-Law that are in arrears for one month or longer, unless existing agreements contain specific penalty provisions to the contrary.

By-Law 836 (2002) was read and passed the 1st time this 29th day of July 2002.

By-Law 836 (2002) was read and passed the 2nd time this 29th day of July 2002.

**122-07-2002 Moved by Mr. Hemsing that By-Law 836 (2002), a By-Law Setting Fees for Rural Water Use Purposes, be granted unanimous approval for the 3rd reading.
Seconded by Mr. Livingston. UNANIMOUS APPROVAL NOT GIVEN**

It was agreed that the By-Law be returned for 3rd reading at the next meeting of the Directors. There was some discussion of various scenarios where the by-law, fees and agreements will be applied.

4.0 Financial Report

4.01 Financial Statements, Period Ending 30 June 2002

Mr. Knelsen provided an overview of the Financial Statements for the period ending the 30th of June 2002, with additional discussion and explanation of the following matters:

- discussion of ongoing availability of Magnacide H [acrolin] for the treatment of aquatic vegetation, noting that the chemical is presently being reviewed by federal agencies and that it is an important component of the district's water operations,
- review of new consolidated financial statement for the district, agreement that the schedule is useful, but that the departmental reporting is more relevant for decision-making and evaluating performance,
- discussion of the impacts of removing collections for household purposes, rural water use purposes and other agreements from the schedule of accounts that are subject to annual Rate Enforcement Proceedings, agreement to advise the Irrigation Council of the impacts,
- discussion of various Accounts Receivable, with specific discussion to outstanding disputed amounts with Mr. Ron Sereda and Mr. Rob Urban, agreement to escalate collection activities for outstanding account for Alberts Farms, and
- discussion of "environmental" contribution related to unauthorized dumping of material into a dry dugout.

123-07-2002 Moved by Mr. Livingston that the district approve leaving amounts owing by Mr. Ron Sereda and Mr. Rob Urban on the accounts receivable ledger, but cease to add monthly interest charges to the amounts owing. Seconded by Mr. Nielsen. CARRIED

124-07-2002 Moved by Mr. Johnson that the Financial Statements for the period ending 30 June 2002 be adopted. Seconded by Mr. Hemsing. CARRIED

4.03 Banking Services

It was noted that the district should review and evaluate the range of banking and other financial services and fees that may be available to it in conducting its financial operations. It was agreed that this review is additional to the present practices of determining appropriate investment vehicles for district funds.

4.02 Investment Report

There was general discussion of the quarterly investment report.

[10:25 AM, the meeting recessed.]

[10:30 AM, the meeting reconvened. Mr. Meador joined the meeting.]

5.0 Operations Report

5.01 Water Use Report

5.02 Reservoir Status

Mr. Wilson provided an overview of water use and reservoir status in the district. The information included a breakdown of diversions into the district [341,000 acre feet being 1.2 acre feet per acre] and then into the various regions within the district. It was also noted that reservoirs are at about 93% of capacity.

Mr. Wilson noted that the district's water use is behind that of 2001, although the position of the district's reservoirs is in an almost identical position to that of last year at this point in time. It was also noted that the river forecasts, while dropping, are for much improved conditions over those of 2001. There was also discussion of the potential volume of water requirements for the balance of the 2002 season, noting that the demand pattern is similar in nature to that of 2000. No shortages in supply are anticipated.

There was also some discussion of the planned reservoir draw-down for the Rolling Hills Reservoir Enlargement project. It was noted that the draw-down, to the outlet sill level is not planned to take place prior to the mid or end of August. It is also anticipated that the Rolling Hills Reservoir will recover to its present operating level by the beginning of May 2003 and should be filled to the new full supply level by June 2003.

5.03 Maximum Amount of Water Use per Irrigation Acre

There was discussion of the level of water use to date in the district. It was noted that the district's policies regarding water use indicate the district may approve an increase in the maximum amount of water available for each irrigation acre from the standard 24 inches to 30 inches. Based on the forecast water use and availability, Mr. Wilson noted that an increase appears to be able to be

supported.

125-07-2002 Moved by Mr. George that the district approve an increase in the maximum amount that may be delivered to irrigation acres from 24 inches to 30 inches per irrigation acre for the balance of the 2002 diversion period. Seconded by Mr. Henrickson. **CARRIED**

It was also noted that the district will allow the additional deliveries without any need for a broad-based announcement of the increase.

5.04 Overview of Operation & Maintenance

Mr. Meador provided a verbal overview of the ongoing activities in the district under operations and maintenance, highlighting the following:

- the pipeline construction in the Duchess lease area is nearing completion, a diesel pump is currently being used, but will be replaced with electric pumps when they become available,
- 2 hoes are currently involved in clipping weeds in drains and 1 hoe is involved in drain cleaning,
- graders are working to complete fire guards and patrol canal banks,
- other equipment is involved in clean up and bank levelling,
- mowers are working to control vegetation along canal banks,
- treatment of aquatic weeds and vegetation is ongoing, with Magnacide H [acrolien] as well as dragging of canals,
- it was noted that some discolouring of hay was noted where some acrolien treated water was applied by surface irrigation, but that the crop had returned to proper colour [this is a first case notice],
- some canals are running full, particularly in the Patricia and Millicent areas,
- no irrigators have had to wait longer than 48 hours to have their water requirements met,
- things are generally progressing well throughout the district, and
- there is a continued high level of cooperation between staff and irrigators.

5.05 Flood Claims

Mr. Meador provided a first notice of various potential flood claims, including the following:

- Mr. Tony Wenneckers, NE ¼ 22-14-13 W4M
 - involves about 5 acres of pink beans,
 - a drain pipe was taken out during construction and not replaced prior to the event,
 - flooding was related to rain run-off that was not able to get away from the parcel,
 - the district's adjustor has been on site, and
- Mr. Joe Simo, NW ¼ 01-17-13 W4M
 - involved some flooding of hay,
 - the drain backed up into the field, the number of acres affected is not completely determined,
 - the hay has not yet been cut,
 - the district's adjustor has not been on site, and
- Mr. Verner Skanderup, NW ¼ 18-16-13 W4M
 - flooding of baled hay,
 - due to an additional pump being turned on at 11 Pm on a Friday evening [there was some discussion of the manual vs. automatic operation of the pumps],

- the gate to the field was set and the increased volume flooded about 150 - 1300 lb bales,
- bales were moved to higher ground,
- district's adjustor has not yet been on site.

It was noted that additional information will be provided when available. The adjustor will assist in determining the level of the district's liability and/or negligence.

5.06 Inter-Lake Community Letter/Response

Mr. Wilson provided an overview of concerns expressed by individuals who withdraw water from Inter-Lake. It was noted there are some terminable acres served from the lake as well as water use for household and rural water use purposes, some of which is undertaken without any agreements. Concern has been expressed regarding the low level of the lake.

Mr. Wilson noted that there is less water from upstream irrigation practices entering the small drain that feeds Inter-Lake. During 2001 the district did not augment any of the drain flows. Given the present water supply, the district is supplementing the drain flow at present. It was also noted that the district has recently clipped the drain to improve the flow of water. There was general agreement that the drain flow can be augmented when there is an availability of water and also that individuals withdrawing water should be doing so under valid agreements with the district. A reply to this effect has been sent to Mr. Harold Heinrichs and he has been asked to circulate the letter to the other living around Inter-Lake.

5.07 Mara Nesbitt's Letter for Dr. Oberg's Office/Response

There was some discussion of a letter received from Mrs. Mara Nesbitt of Dr. Lyle Oberg's constituency office. The letter concerns a number of issues brought forward by Mr. John Pokorney. It was noted that a reply should be sent briefly outlining the steps the district has taken in addressing Mr. Pokorney's concerns and that there is little else the district can do.

5.08 Farm Improvement Projects

Mr. Meador presented information regarding the following Farm Improvement Project:

126-07-2002 Moved by Mr. Henrickson that the district approve a Farm Improvement Project for Mr. Trevor Sandau, NW ¼ 19-15-15 W4M, conversion of surface irrigation to laser levelled surface irrigation, \$125 [5 acres at \$25 per irrigation acre], EID contribution being \$125. Seconded by Mr. Hemsing. CARRIED

5.10 Mr. Rob Wallace RE: Request for Additional Irrigation Acres

Mr. Meador provided an overview of the Farm Improvement Project approved earlier for Mr. Rob Wallace in the N ½ 15-23-16 W4M. It was noted that the initial approval required Mr. Wallace to move all existing acres under the wetted area of the perimeter of the pivot and then also provided increased irrigation acres. Mr. Wallace is requesting additional irrigation acres to irrigate lands outside of the pivot area in the NE ¼ 15-23-16 W4M. It was agreed that the district could not consider this request in light of the earlier approval of the Farm Improvement Project [012-01-2002].

5.09 Infrastructure Savings Project, Mr. Christiansen [Motion 108-06-2002]

Mr. Wilson provided background information regarding a proposed Infrastructure Savings Cost-Sharing project involving the following parcels of land:

- SE ¼ 18-17-13 W4M, Erland & Esther Christianson 146 ac.
- SW ¼ 18-17-13 W4M, Erland & Esther Christianson 18 ac.
- SW ¼ 18-17-13 W4M, Richard & Katherine Christianson 117 ac.
- S ½ of the NE ¼ 18-17-13 W4M, Richard & Katherine Christianson 74 ac.
- Ptn. NW 18-17-13 W4M, Richard & Katherine Christianson 43 ac.

Mr. Wilson advised that these parcels are an irrigable unit, albeit with 2 existing points of delivery. Changes in irrigation method have taken place improving water use efficiencies. It was noted in recent discussions, that there is an opportunity for the district to abandon a ½ mile of 07H canal that serves portion of the S ½ 18-17-13 W4M in favour of all water for the parcel coming from the 04H canal. The portion of 07H that can be abandoned would require future rehabilitation, likely as an earth canal with a membrane liner, but likely without any gravel armour. There was discussion of agreeing to an Infrastructure Cost-Savings project at the present time as a means to ensure the abandonment of a portion of the 07H canal.

127-07-2002 Moved by Mr. Nielsen that the district approve an Infrastructure Cost-Savings Project, allowing for the sharing of cost-savings from the abandonment of a portion of the 07H canal in the W ½ 17-17-13 W4M based on sharing 50% of the costs of rehabilitation of the canal as an earth canal with membrane lining, up to the maximum of \$15,000, with the point of delivery being established for the SE ¼ 18, SW ¼ 18, S ½ of the NE ¼ 18 and Ptn. of the NW ¼ 18 from 04H canal, with the Irrigable Units Resolution being updated to represent these changes. Seconded by Mr. Livingston. CARRIED

[11:35 AM, Mr. Romao joined the meeting.]

6.0 Engineering Report

6.01 01-1304, C Springhill Rehabilitation

Mr. Romao provided an overview of the options that have been considered for the 01-1304, C Springhill Canal Rehabilitation. The reach of canal being considered in the project provides water for 2,639 irrigation acres, predominantly irrigated by sprinkler systems. The major problems with the canal include seepage, capacity and poor canal banks and structures. The recommended method of irrigation is a lined canal. Mr. Romao also provided an overview of 3 relocations that will reduce farm severance.

128-07-2002 Moved by Mr. Hemsing that the district approve the rehabilitation of 01-1304 C Springhill Canal, including the 3 recommended relocations, as a lined canal at as estimated cost of \$2,270,000. Seconded by Mr. Johnson. CARRIED

6.02 01-1319, 17 G Springhill Rehabilitation

Mr. Romao highlighted the details associated with the proposed rehabilitation being planned for the 01-1319 17G Springhill Canal Rehabilitation. The 4 kilometre portion of the canal planned for rehabilitation serves 724 acres. The primary problems with the canal include severance, poor

structures, seepage, capacity and the need to replace existing turnouts. It was noted that the slope of the land allows for rehabilitation to be completed with installation of a closed gravity pipeline.

129-07-2002 Moved by Mr. Livingston that the district approve the rehabilitation of the 01-1319 17G Springhill Canal through installation of a closed gravity pipeline at an estimated cost of \$697,300. Seconded by Mr. Hemsing. CARRIED

6.03 01-1318, 20 & 21 Bow Slope Rehabilitation

Mr. Romao provided the details of the proposed rehabilitation of the 01-1318, 20 & 21 Bow Slope Canal Rehabilitation. The systems proposed for rehabilitation presently service 2,136 acres [451 acres under surface irrigation, 1,685 acres of sprinkler irrigation]. The major problems identified with the present system include seepage, lack of proper banks, inadequate capacity and deteriorated structures. The proposed rehabilitation has been determined to be a PVC pipeline.

130-07-2002 Moved by Mr. Nielsen that the district approve the rehabilitation of the 01-1318, 20 & 21 Bow Slope Canals through installation of a PVC pipeline at an estimated cost of \$1,635,000. Seconded by Mr. Henrickson. CARRIED

6.04 01-1305, Secondary E Springhill Rehabilitation

Mr. Romao provided an overview of various alternatives that are being evaluated to complete the rehabilitation of the 01-1305, Secondary E Springhill Canal. It was noted that 4 alternatives have been investigated. The various alternatives take into account the unique issues that have been identified in discussion with land owners and irrigators along the proposed project route. It was also noted that the project takes into account the conversion of some lands presently assessed with terminable acres to irrigation acres. The various alternatives include:

- Alternative 1A, minor canal rehabilitation [existing location & pipelines] \$4,500,000
- Alternative 1B, full canal rehabilitation [existing location & pipelines] \$7,200,000
- Alternative 2, 2 new pipelines \$7,080,000
- Alternative 3, combines Sec E & Sec F [pipelines & canal lining] \$7,500,000

It was noted that Alternative 3 provides some savings in pipeline costs and addresses problems identified with portions of Secondary F Springhill Canal that is slated for future rehabilitation. It was also noted that this latter alternative provides a cheaper cost to add and convert lands presently receiving water under terminable agreements.

There was discussion of how the various alternatives address the concerns expressed by some land owners. It was also noted that some land owners may wish to have portions of the existing canal system left for habitat. There was general agreement to prepare the final report and recommendations based on Alternative 3.

[12:10 PM, the meeting recessed.]
 [12:55 PM, the meeting reconvened.]

6.05 01-1272, 10 B Springhill Rehabilitation

Mr. Wilson provided an overview of the rehabilitation proposed for 2 sections of the 01-1272, 10B Springhill Canal. It was noted that there appears to be an opportunity to combine the rehabilitation of the southern portion of the project, initially scheduled for 2002, with the northern portion of the

project, presently scheduled for 2004. It was also noted that moving the entire project to 2003 would allow for the design and rehabilitation of the entire project and would fit better into the resources available for construction. There was agreement to move the 01-1272, 10 B Springhill Canal rehabilitation into the 2003 construction period.

6.06 East Branch, John Ware Spillway, Rolling Hills Reservoir Automation

Mr. Wilson noted that the present year's rehabilitation budget had included \$150,000 for canal automation and an additional \$150,000 for remote monitoring. He advised that in reviewing the needs for improved water management it would be preferable to combine these budgets and address three projects as follows:

- refurbishing/replacement/upgrades to East Branch Canal Automation,
- automation of the John Ware Spillway, and
- automation of the outlet structure at the Rolling Hills Canal.

There was discussion of the state of technology available for automation today, compared with the methods used along the East Branch Canal in the past 10 years. It was noted that the proposed project includes more robust sensors and improved computer controls and communication. There was also discussion of the balance between staff on-site control and computer controls.

131-07-2002 Moved by Mr. Hemsing that the district approve the refurbishing and replacement of automation along the East Branch Canal and the installation of required automation for the John Ware Spillway and outlet structure for the Rolling Hills Reservoir at the estimated cost of \$300,000. Seconded by Mr. Livingston. CARRIED

6.07 Proposed Adjustment to 5 Year Plan

Mr. Romao provided an overview of the budgets included in the present 5 Year Plan adopted by the district. He noted that with the rescheduling of the 10B Springhill project and the addition of a portion of Secondary F Springhill, there are some opportunities to adjust the budgets relative to the new rehabilitation plans. The following chart was discussed:

Year	Original 5 Year Plan Budget			Revised 5 Year Plan Budget		
	Budget	Pipe	Canal	Budget	Pipe	Canal
2002/03	\$15.0 million	44.0 km.	16.0 km.	\$15.5 million	53.5 km.	13.0 km.
2003/04	\$14.7 million	31.0 km.	25.5 km.	\$16.7 million	40.0 km.	25.5 km.
2004/05	\$15.4 million	21.0 km.	38.0 km.	\$14.6 million	21.0 km.	35.0 km..
2005/06	\$16.3 million	29.0 km.	43.5 km.	\$15.1 million	29.0 km.	39.5 km.
Totals	\$61.4 million	125.0 km.	123.0 km.	\$61.9 million	143.5 km.	113.0 km.

It was agreed to proceed with completion of the 5 Year Plan based on the revised budget and rehabilitation projections.

6.08 Contribution Towards Special Infrastructure Policy [Conversion, Terminable Acres to Irrigation Acres]

Mr. Wilson provided an update to a discussion that took place during the June Directors Meeting. The purpose of this information is to develop a method to evaluate the merits of additional infrastructure costs when individuals are converting from terminable acres to irrigation acres. It was noted that the district is continuing to determine where terminable acres can be converted to irrigation acres. Earlier discussion has indicated that some contribution, in addition to the contribution towards the capital assets of the district, should be made where infrastructure costs have to be increased in order to meet the requirements of irrigation acres.

The following process was proposed as a policy for the district in evaluating such conversions from terminable acres to irrigation acres:

- each proposed conversion from terminable acres to irrigation acres will require board approval,
- cost-estimates prepared for additional infrastructure costs will be prepared based on a cost-sharing formula of 75% district and 25% landowner [in addition to contribution towards the capital assets of the district],
- the district may choose to amend the cost-sharing formula where the conversion and resulting change in infrastructure is of substantial benefit to the district,
- where the additional infrastructure costs are deemed to be excessive or too expensive, the district reserves the right to reject the conversions, and
- where the infrastructure benefits more than one parcel/terminable agreement holder the additional infrastructure costs may be shared equally between those converting on the 75/25 basis with the participating agreement holders.

It was noted that the final design and recommendations of the 01-1305, Secondary E Springhill Canal Rehabilitation will provide an initial testing ground for this policy.

132-07-2002 Moved by Mr. Hensing that the district adopt the policy of allowing for a cost-sharing of additional infrastructure costs when terminable agreement acres are converted to irrigation acres on the basis of a 75% district and 25% agreement holder contribution, plus the payment by the agreement holder of the capital assets charge, and the approval of the district on a project-by-project basis, with the district reserving the right to amend the cost-sharing formula or to deny cost-sharing as determined by the district. Seconded by Mr. Nielsen. CARRIED

6.09 Rolling Hills Reservoir Enlargement Project, Update

Mr. Wilson noted that the contractor is on-site and some work has commenced. He noted that the August Directors Meeting may provide a good opportunity for a site visit to view the progress of the construction. It was noted that there may be a need for improved construction signs for those using the road on the east side of the reservoir.

[1:25 PM, Mr. Romao exited the meeting.]

7.0 Land Administration Report**7.01 County of Newell, Land Purchase Request**

Mr. Wilson provided information regarding a request from the County of Newell to purchase some lands from the district to expand their maintenance facility north of the Trans Canada Highway. There was discussion of the price offered by the County of Newell for the lands.

133-07-2002 Moved by Mr. George that the district agree to the sale of the lands at the price of \$500 per acre, with the costs of transfer borne by the purchaser. Seconded by Mr. Hemsing. DEFEATED

134-07-2002 Moved by Mr. Hemsing that the district agree to the sale of the lands at the price of \$750 per acre, with the costs of transfer borne by the purchaser. Seconded by Mr. Henrickson. CARRIED

[1:30 PM, Mr. Hildebrand joined the meeting.]

7.02 Patricia Landfill, Update

Mr. Hildebrand provided a brief update on progress made by the Newell Regional Waste Management Authority regarding a waste transfer site in the Patricia area. It was noted the district had earlier agreed, with the consent of the present lessee, Mr. Dan Bouzegan, to allow the sale of lands for this purpose. It was also noted that there had been a petition circulated with the County of Newell objecting to the proposed location.

Mr. Hildebrand noted that the lessee remains favourable to the removal of lands from his present lease to allow the waste transfer site to be built and the Newell Regional Waste Management Authority is also wishing to proceed. It was noted that any future objections by land owners would be handled under the permitting and development process for the site.

7.03 Westbridge Mortgage Renewal

Mr. Hildebrand provided an update on recent discussions with Westbridge Land Developments Inc. in regard to the status of mortgages held by the district. It was noted that Westbridge has asked for a 2 year extension of the present mortgages.

135-07-2002 Moved by Mr. Hemsing that the district approve entering into agreements to extend the mortgages with Westbridge Land Developments Inc. for a 2 year period ending the 31st of August 2004 at an annual interest rate of 7%. Seconded by Mr. Livingston. CARRIED

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

7.04 Alberta Recreation Corridors Legislation Review

Mr. Hill provided a brief overview of the district's response to the workbook and ongoing initiative to establish new legislation promoting the development of recreation corridors. It was noted the district's response is in-line with that of the County of Newell and other municipalities. The general tone of the response is that new legislation is not required and if implemented, could lead to adverse impacts on land owners and municipalities.

[1:50 PM, Mr. Redelback joined the meeting.]

8.0 Oil & Gas Activities Report

Mr. Redelback provided an update of oil & gas activities that are ongoing or planned on district lands as follows [for period of 01 Jan 2002 to present]:

- new well site takings 82
- new twinned well site takings 22
- 60% of new well site takings have not been drilled or completed, most activity was completed prior to 01 June 2002
- new pipelines [approximately 110 miles] 650.03 acres
- seismic activity [8 permits, \$352,795] 299.18 miles
- proposed activity by Encana 82-112 well sites
- proposed activity by CNRL 75 well sites

Mr. Livingston also reported on a workshop he attended on the 25th of June where the current process for well site reclamation was discussed. It was noted that the oil & gas industry would like some changes to the process, in an effort to obtain reclamation certificates earlier, or to reduce the time they continue to provide compensation for their surface leases. Mr. Livingston reported that a number of suggestions were made that the government and industry are now considering.

[2:10 PM, Mr. Redelback exited the meeting, Mr. Hale joined the meeting.]

9.0 Grazing Report

Mr. Hale reported on the following activities:

- progress of the Duchess water line in the Sand Hill Field
 - awaiting electric pumps, using diesel pump on a temporary basis
 - putting rock around the water troughs,
 - spreading straw and crimping pipeline,
 - project near complete, estimated cost of \$87,000
- Re-seeding Projects
 - Hines Swing Field, seeding completed on 2,300 acres
 - Rock Lake Pivots, excellent catch of grass, crop should yield 3.5 tonnes of dry matter, silage operations will likely commence in mid-August
- Range Restoration Projects [Harrowing]
 - 4 test sites, total of some 80 acres completed by 10 June 2002
 - good germination has been noticed in these areas [NW ¼ 21, SE ¼ 19, NW ¼ 18 & NW ¼ 17 all in 16-11 W4M
- Grass Condition
 - south of Trans Canada Highway, good growth of pasture grasses
 - north of Trans Canada Highway, less rainfall, some new growth
- Turnout/Round-up Dates
 - Newell GA, expected round-up date of 15 October 2002
 - Eyremore GA, expected round-up date of 15 October 2002
 - Patricia GA, expected round-up date of 01 October 2002
 - Duchess GA, 50% cattle turned out 01 August 2002, expected round-up date of 01 October 2002
 - Rosemary GA, expected round-up date of 01 October 2002

- Bassano GA, 50% cattle turned out 01 August 2002, expected round-up date of 01 October 2002
- Finnegan Swing Field, expected round-up of 100 cows took place on 01 July 2002, with the balance to come out on 01 October 2002
- Tilley Regrass, expected round-up date of 18 September to 01 October 2002
- Rolling Hills Cattle [Kitsim Swing Field], expected round-up date of 01 to 15 September 2002
- Alberta Agriculture FIAP 2002 Program
 - forms will be sent to all individuals who participated in 2001,
 - applications are only required from individuals who did not participate/apply/qualify in 2001

In addition to these items there was discussion of potential evaluation problems with the grass insurance program that is being conducted in the area. Discussion included the lack of weather stations in critical locations, lack of ground-truthing for those areas subject to infra-red evaluation, etc. There was general agreement that a letter be written outlining these concerns and suggesting that tours and/or field inspections take place so that the outcomes are fair.

136-07-2002 Moved by Mr. George that the district write a letter encouraging the operators of the grass/pasture insurance programs to undertake field inspections and/or tours to ensure that assessments of damages are fairly developed, taking into account the lack of enough weather stations to represent regional differences in precipitation and to ensure that infra-red assessments are fair and represent range condition and not just vegetation growth [such as weeds]. Seconded by Mr. Henrickson. CARRIED

10.0 Miscellaneous Items Report

10.02 Extension to Duchess Grazing Lease Water Line [Mr. Ed Mattheis]

It was noted that Mr. Ed Mattheis has requested the district consider extensions to water lines providing water for livestock in areas of the Duchess Lease into his lands. It was noted the district has completed projects of this nature in the past, where the applicant has paid all of the costs of the extension, entered into the necessary agreements, etc.

137-07-2002 Moved by Livingston that the district approve the extension of water lines in the Duchess Lease areas to lands owned and operated by Mr. Mattheis on condition that he pay 100% of the costs of materials and installation and enter into the necessary agreements, including a provision that water will not be delivered through the water lines when there are no cattle in the Duchess Lease area. Seconded by Mr. Johnson. CARRIED

[3:05 PM, Mr Hale exited the meeting.]

5.0 Operations Report

5.03 Maximum Amount of Water Use per Irrigation Acre

Mr. Wilson noted that even with the increase in water available for irrigation acres, an increase from 24' to 30', there will be areas where the district will terminate deliveries to certain parcels. As an example, lands irrigated by Mr. Gordon Kay and Mr. Bob McKnight were highlighted. It was noted

that in some instances the district may need to consider cancelling certain terminable agreements unless agreement holders improve their irrigation practices and restrict their irrigation to the lands included on the assessment roll.

10.0 Miscellaneous Items Report

10.01 Request from Communities in Bloom

Mr. Wilson noted that a request has been received from the Committee for Communities in Bloom to determine if the district would be willing to participate in developing some interpretive signage, highlighting the history and significance of irrigation development and water management to the Brooks region. It has been suggested this "historical" perspective will assist the community in future competitions and the proposed location of Evergreen Park is a fitting site for such an installation.

It was also noted that the Town of Brooks is willing for the signage [similar to that at the Brooks Aqueduct and/or Kinbrook Marsh] to be located in Evergreen Park. The directors agreed to participate in the initiative. It was also noted the district may be asked to complete similar projects in other communities in the district.

10.03 Grass Carp, Update

Mr. Wilson reported that a major portion of the district's remaining inventory of triploid grass carp [white amur] have died. These are the small carp that were over-wintered at the facility of Mr. Rick Benci. Some investigation has taken place to determine the cause. Similar incidents have been noted by the Lethbridge Community College with similar sized carp. It was noted there may be a need to consider a future write-off of inventory value if the loss is determined to be of significant financial value.

10.04 Letter from Alberta Agriculture, Food & Rural Development RE: Weather Station

There was some discussion regarding the district's future participation in establishing a number of weather stations in the region. It was agreed that a more comprehensive network of stations could provide much improved information to Alberta Agriculture, Alberta Environment, producers and insurance program operators during future dry/drought periods. There was also discussion of the evolution of infra-red and other technologies. It was agreed that Alberta Agriculture be invited to the district to discuss the options that might be able to be considered.

10.05 Proposal to Produce Irrigation Promotion Advertisements, Alberta Fishing Show [Reservoir Production]

Mr. Wilson provided an overview of a promotional request for the district to participate in a number of TV programs that are intended to showcase the value of irrigation reservoirs and facilities to Alberta fisheries. There was discussion of the scope of the proposed program and whether or not the AIPA may also have an interest in participating.

It was agreed that the proponents be contacted to determine the merits of a scaled-down proposal [for example, a \$10,000 participation versus the suggested \$30,000 level of participation]. There was also discussion of the benefits that may or may not be realized by participating in a venture of this type.

10.06 Irrigation Council Tour & Meeting, 30 July 2002

Mr. Wilson reminded the directors of the Irrigation Council Tour and Meeting scheduled to begin at 9:30 AM on the 30th of July 2002 from the district's office.

10.07 Irrigation Demo Field Day, Lethbridge, AB [31 July 2002]

Mr. Wilson also provided information regarding the 31 July 2002, 2nd Annual Field Day and Tour of the Canada-Alberta Crop Development Initiative [CACDI] in Lethbridge. It was noted that the trade show will run from 10 AM to 2:30 PM, the Farm Tours at 10 AM, 11 AM and 2 PM and a luncheon of beef-on-the-bun will be served.

10.08 August Board Meeting, 20 August 2002

It was noted that the next regular Directors Meeting is scheduled for 9 AM on the 20th of August 2002.

10.09 Bow River Basin Council, Invitation to Tour Canmore Water Facilities, 13 September 2002

Mr. Hill noted that the Bow River Basin Council, in conjunction with the Town of Canmore, is extending an invitation to all member agencies to participate in the 13 September 2002 tour of Canmore's water treatment and water management facilities. Interest in attending was expressed by Mr. Livingston and Mr. Nielsen, in addition to Mr. Hill who will be attending.

10.10 Harvest Gala, 18 October 2002

138-07-2002 Moved by Mr. Hemsing that the district purchase tickets for 2 tables for the Harvest Gala scheduled for the 18th of October 2002 in Calgary, AB. Seconded by Mr. Henrickson. CARRIED

In discussion it was suggested that one table be used by directors and their spouses and that the other table be used by staff and spouses selected by Mr. Wilson.

10.11 Tour of Australian Member of Parliament

Mr. Wilson reported on the 6 hour visit to the district by a member of the Australian Parliament. The tour was part of the MP's personal holiday. He appeared very appreciative of what he had seen and remarked that irrigation in southern Alberta is much advanced to what he has seen in the United States as well as in Australia.

The meeting was adjourned on a motion by Mr. Hemsing at 3:45 PM.

Per: Chairman

Minutes Approved on 20 August 2002

Per: General Manager

Motion No. 140-08-2002

20 August 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 20th day of August 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]	
Mr. Clint Henrickson	Vice-Chair [Division 03]	
Mr. Floyd George	Director [Division 01]	
Mr. Tom Livingston	Director [Division 02]	
Mr. Neil Johnson	Director [Division 04]	9:15 AM
Mr. Allan Nielsen	Director [Division 05]	
Mr. Pat Hemsing	Director [Division 07]	

Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Approval of Agenda

The following items were added to the agenda:

- 5.03 Tailout Flows, Lundquist/McNally,
- 5.04 WDS, Requirement to Live in Service Area,
- 6.03 01-1273, 03 East Branch Rehabilitation [Update],
- 7.05 Oil & Gas, Surface Lease Compensation Discussion,
- 8.02 D6 Dozer, Quote/Purchase
- 9.06 Discussion of Housing Policy/Practices
- 9.07 Staffing Issues
- 9.08 AIPA Annual Conference, 22 to 24 January 2003 at Radisson Hotel, Calgary, AB
- 9.09 EPCOR, AIPA Rate and Service Offer
- 9.10 Irrigation Expansion Plan

139-08-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes, 29 July 2002

The following corrections in the minutes of the 29 July 2002 Directors Meeting were noted:

- pg. 108, Motion 123-07-2002, ... approve leaving amounts owing by ... , and
- pg. 117, Motion 136-07-2002, ...that the district **write a letter** encouraging the operators ...

140-08-2002 Moved by Mr. Hemsing that the district approve the minutes of the 29 July 2002 Directors Meeting as corrected. Seconded by Mr. Henrickson. CARRIED

3.0 Business from Minutes

In discussion of items dealt with at the 29 July 2002 Directors Meeting, the following information was reviewed:

- the district’s insurers are preparing to issue a settlement and pay a claim related to the flooding of alfalfa hay on lands of Mr. Verner Skanderup [NW ¼ 22-14-13 W4M]. The amount of the settlement has not yet been determined,
- there has been no response from Mr. Ed Mattheis regarding proposed extensions to the waterlines in the area of the Duchess Grazing Association [the district has made Mr. Mattheis aware of the requirements for the project],
- the district will be meeting with officials from Alberta Agriculture, Food and Rural Development regarding weather stations, and
- the district still needs to forward a letter regarding the context of dealings with Mr. Pokorney and the concerns he has raised with the MLA Strathmore-Brooks, Dr. Lyle Oberg.

3.01 3rd Reading, By-Law 832 (2002)

The limitations to the use of water under rural water use purposes was reviewed. It was noted that these agreements cannot be used to provide more water for irrigation of irrigation acres. It was also noted that the agreements will not need to be renewed on an annual basis, but may be cancelled either by the district or the agreement holder.

Eastern Irrigation District
BY-LAW 836 (2002)
 A By-Law Setting Fees for Rural Water Use Purposes
[Irrigation Districts Act, Section 115]

WHEREAS:

The Irrigation Districts Act [c. I-11, RSA 2000] establishes the method for districts to set fees for rural water use agreements.

NOW THEREFORE BE IT ENACTED:

1. The District has adopted a process to determine the fees to charge for the conveyance of water for rural water use purposes based on the following categories and description of use:

<u>Category</u>	<u>Description</u>
Farm Yard Water Use	refers to rural water use by an irrigator on a parcel of land with irrigation acres, where the annual water requirement, in addition to water supplied for household purposes, is limited to and does not exceed 5 acre feet
Livestock Watering Use	refers to rural water use on a parcel of land for the purpose of watering livestock, where the annual volume of water required does not exceed 20 acre feet
Agri-Business Use	refers to rural water use on a parcel of land for any agriculturally related and/or connected commercial activity, where the annual volume of water required does not exceed 20 acre feet
Country Residential Use	refers to rural water use on any parcel of land that is not classified by the district as having irrigation acres and that is generally determined to be a country residential property, where the annual volume of water required does not exceed 20 acre feet

<u>Category</u>	<u>Description</u>
Industrial Use	refers to rural water use for any non-agricultural commercial or industrial purposes not directly or indirectly related to the oil and gas industry or the maintenance and/or rehabilitation of infrastructure [such as highways], where the annual volume of water required does not exceed 20 acre feet
Oil & Gas, Infrastructure Use, etc.	refers to rural water use for any commercial or industrial purpose either directly or indirectly related to the oil and gas industry or the maintenance and/or rehabilitation of infrastructure [such as highways], where the annual volume of water required does not exceed 20 acre feet

2. The fee for the conveyance of water for rural water use purposes for 2002 is referenced to a base per acre foot conveyance charge of \$30 per acre foot and takes into consideration the relationship with the categories of rural water use referenced in paragraph 1 as follows:

<u>Category</u>	<u>Fee Per Acre Foot</u>	<u>Minimum Charge per Agreement</u>
Farm Yard Water Use	\$0	\$0
Livestock Watering	\$15	\$150
Agri-Business	\$25	\$150
Country Residential	\$25	\$200
Industrial	\$30	\$250
Oil & Gas, Infrastructure, etc.	Negotiated on an Agreement by Agreement Basis	

3. All fees charged for rural water use purposes shall be paid in full by the 15th day of May, 2002 or prior to any water being conveyed to an individual holding a rural water use purposes agreement if the agreement was entered into after the 15th day of May, 2002, unless the written agreement specifies otherwise.
4. A penalty in the amount of 1.5% will be applied and compounded monthly [17.93% APR] on all amounts owing the District for all fees assessed under this By-Law that are in arrears for one month or longer, unless existing agreements contain specific penalty provisions to the contrary.

By-Law 836 (2002) was read and passed the 3rd time this 20th day of August 2002.

4.0 Financial Report, Approval of Financial Statements, Period Ending 31 July 2002

Mr. Knelsen provided an overview of the Financial Statements for the period ending 31 July 2002 with specific additional discussion of the following items:

- the budget for purchase of chemical [Magnacide H] will be exceeded in 2002, more material has been ordered to deal with aquatic weeds and vegetation, some chemical will likely remain in inventory past the close of the fiscal year, and
- discussion of seeding at Rock Lake Pivots, completed under contract by Lakeside Fertilizer.

141-08-2002 Moved by Mr. Livingston that the district approve the Financial Statements for the period ending 31 July 2002. Seconded by Mr. Henrickson. CARRIED

[9:50 AM, the meeting recessed.]

[10:00 AM, the meeting reconvened.]

5.0 Operations Report

5.01 Water Operations Status

Mr. Wilson provided an overview of water operations in the district to date with info as follows:

- diverted to date, approximately 408,000 acre feet,
- 1.45 acre feet per irrigation acres,
- currently diverting only 565 cfs into the district,
- flow passing Bassano Dam is presently at 1980 cfs,
- all internal storage at 95% of capacity,
- some water deliveries are not as efficient as possible due to the low volumes of water being required,
- planning is underway to keep Lake Newell about 0.5 feet higher than normal winter operating levels due to construction draw-down planned for Rolling Hills Reservoir Enlargement.

5.02 Water Shut-Off Date

There was discussion of an appropriate target date to suspend diversions for irrigation. It was noted that the district could set a date and then adjust it should conditions warrant. It was noted that alfalfa seed producers have generally completed an irrigation already this year, and the planned shut-off date may not adversely impact their operations. The recommended date for the shut-down is the 11th of October 2002.

142-08-2002 Moved by Mr. Henrickson that the district set the date to suspend deliveries of water for irrigation as of the 11th day of October 2002. Seconded by Mr. Livingston. CARRIED

It was noted that the district will provide the required notice of its planned suspension of deliveries and de-watering of canals to Alberta Sustainable Development and the federal Department of Fisheries and Oceans as required in the district's operating licenses.

5.03 Tailout Flows, Lundquist/McNally [EID Lease 7067]

There was discussion of recent problems related with tailout flows in sections 16 and 21-15-13 W4M. The issues surround the potential flooding of lands owned by Mr. Lundquist from tailout and irrigation return flows through a EID lease to McNally. There was discussion of changes made to the delivery and drain systems to ensure that excess flows of water at the downstream end of the canal are routed through the lease. It appears that an incident took place where the return flow through the lease did end up in a channel that could contribute to flooding of the Lundquist property,

It was noted that the problems can likely be prevented in the future and that Mr. Meador will be visiting the site to assist in determining the most appropriate course of action to further reduce the potential for any flooding.

5.04 WDS, Requirement to Live in Service Area

Mr. Wilson discussed the district's current practice/policy of requiring Water District Supervisors to live within 12 miles of the boundaries of their service area. It was noted that there are some instances where staff of the district would prefer to live in their own homes, rather than in available district housing.

It was noted that an inquiry has been made for one of the district's staff, who is presently living in district housing, to move to their own home in Bassano. This request, if granted, would place the staff member beyond the presently established distance limits. It was noted, however, that the conveyance system in the area has now been rehabilitated to where the majority of the irrigation deliveries are made through pipelines.

Mr. Wilson requested the directors to review the merits of allowing an exception, perhaps even on a pilot-project basis, to the distance requirements. It was agreed that irrigators be informally canvassed to determine whether or not they felt a decision of this nature would impact their level of service. It was also noted that there would be merit in reviewing the number of residences still retained by the district.

[10:25 AM, Mr. Romao joined the meeting.]

6.0 Engineering Report

6.01 01-1305, Secondary E Springhill & 01-1331 Secondary F Springhill Rehabilitation

Mr. Romao presented the details of the proposed rehabilitation of the 01-1305 Secondary E Springhill Canal system. The following information was reviewed:

- the system serves 4,884 irrigation acres [1,474 that are irrigated by surface irrigation],
- total length of the system, including sub-laterals is 28 kilometres,
- present capacity is 80 cfs at the upstream end,
- problems with the system include; poor access for operation and maintenance, problems with beaver dams on an annual basis, the severance of numerous parcels of land, canal capacity and increasing acres subject to canal seepage,
- recommended rehabilitation includes replacement of the present system with 2 independent closed PVC gravity pipelines, with a total length of 29 kilometres, with the northerly pipeline commencing at a new location from 01-1331 Secondary F Springhill, which will be rehabilitated under the district's Capital Construction Program,
- rehabilitation also includes provisions, based on cost-sharing, to convert terminable agreement acres to irrigation acres, and
- the estimated cost of the project is \$6,582,000.

143-08-2002 Moved by Mr. Hemsing that the district approve the rehabilitation of 01-1305 Secondary E Springhill Canal through the installation of 2 gravity PVC pipelines at an estimated cost of \$6,582,000, funding being from the cost-shared IRP. Seconded by Mr. Henrickson. CARRIED

Mr. Romao also provided details of a proposed Infrastructure Cost-Savings proposal for lands owned by Pheasant Valley Farms Ltd. In the SW ¼ 23-21-15 W4M and the N ½ 23-21-15 W4M. It was noted that at present, only the SW ¼ 23 has irrigation acres, irrigation in the N ½ 23 is accomplished under terminable water agreements, that will be converted to irrigation acres following

completion of the canal rehabilitation.

Mr. Romao noted that Pheasant Valley Farms Ltd. is willing to consolidate the points of delivery to all three parcels to a single location in the middle of section 23-21-15 W4M. This will allow a reduction in size to the pipeline heading west and north, resulting in an estimated cost savings of \$45,000.

There was some discussion of the application of the district's cost-sharing policy relating to reduced rehabilitation costs. The policy provides for a cost sharing of 50% of the savings to a maximum of \$15,000. The policy applies to parcels with irrigation acres. In this instance, it was agreed that the terminable agreement acres can only be converted to irrigation acres following completion of the rehabilitation and cannot be considered in the cost-sharing.

144-08-2002 Moved by Mr. Livingston that the district approve the cost-sharing of rehabilitation cost savings in the 01-1305, Secondary E Springhill Rehabilitation, sharing the \$45,000 cost savings based on the abandonment and relocation of the point of delivery to the SW ¼ 23-21-15 W4M on a 50% basis to the maximum of \$15,000. Seconded by Mr. Hemsing. CARRIED

6.02 Irrigation Rehabilitation Program [IRP], Eligible Costs

Mr. Wilson provided an overview of correspondence received from the Irrigation Council regarding eligible project costs that can be covered under the IRP. It was noted that this information was discussed in brief during the recent tour of the district and meeting with the Irrigation Council. It was further noted that the proposed schedule of eligible and ineligible costs under the IRP will not pose any real problems for the district. It was mentioned that infrastructure-costs savings, such as that approved for Pheasant Valley Farms Ltd. are not eligible costs for recovery from IRP, and that costs of that nature will be funded under the district's Capital Construction budget.

6.03 01-1273, 03 East Branch Rehabilitation [Update]

Mr. Wilson provided an update on discussions with land owners and irrigators regarding the district's approved rehabilitation for 01-1273m 03 East Branch. It was noted that the project provides water via high-pressure pipeline to all of the irrigation acres. It has been determined that Mr. Cliff Sewall will not be converting from his present surface irrigation methods. Mr. Wilson noted that this will require the district to cover some of the operational/pumping costs for the pressurized line that cannot be recovered from Mr. Sewall. It was confirmed that water deliveries to Mr. Sewall will be pressure reduced to meet his current irrigation methods. It was also noted that future changes will require an increased capital contribution when these irrigation acres are added to the pressure pipeline. There was agreement that water deliveries to the surface irrigation acres should be monitored to ensure that allocations are not exceeded.

[10:50 AM, Mr. Romao exited the meeting. Mr. Hildebrand and Mr. Matoba joined the meeting.]

7.0 Land Administration Report

7.01 One Tree Reservoir/Creek Right-of-Way

It was reported that there has been some discussion of the permitted and/or preferred uses of the district's right-of-way downstream of the outlet of the One Tree Creek Reservoir. It was noted that the district's practice relating to use of such canal and/or drain right-of-way is that the lands can be

grazed by the adjacent land owner at no annual fee.

It was noted that some interest has been expressed by land owners in the vicinity of the One Tree Reservoir, to lease the right-of-way for grazing purposes. Interest has also been expressed in designating the area in question as lands managed under the Partners in Habitat Development Program.

It was agreed that the district's present practice of allowing adjacent land owners to graze the right-of-way is the preferred approach to managing the lands in question. It was also agreed that the adjacent land owners be informed that any grazing that is undertaken should also take into account habitat needs and resources in the area, for example, care needs to be taken to prevent over-grazing of the right-of-way.

7.02 Star Tech Lease Renewal

Mr. Hildebrand provided the details of a lease renewal request from Star Tech [at the former Modern Auto facility]. Mr. Hildebrand noted the current lease is due to expire on the 31st of October 2002. The lease rate is \$1,600 per month, plus 50% of the taxes and utilities. The lease space is 5,788 ft².

Mr. Hildebrand noted that the lessee has asked for a 5 year term for the renewal period. There was also discussion of the district's lease of the other portion of the building to Peggy Trahan o/a Body & Soul Fitness. It was noted that the lease of that portion of the building will expire as of the 31st of December 2006. There was discussion of the merits of limiting the renewal period for Star Tech to allow for both leases to expire on a common date, providing opportunity to review the use of the property at that time.

145-08-2002 Moved by Mr. Henrickson that the district approve the renewal of the lease to Star Tech Automotive Ltd. at the current lease rates for a period expiring the 31st day of December 2006. Seconded by Mr. Nielsen. CARRIED

[11:05 AM, Mr. Hildebrand exited the meeting.]

7.03 Brooks Fish & Game Association, Rifle Range Lease Renewal

Mr. Matoba provided an overview of the current lease of lands to the Brooks Fish & Game Association for their rifle range. There was some discussion of improvements being made at the site to comply with new regulations. It was noted that the lessee is proceeding with the required improvements at the site. The lease fee at present is set at \$100 per year, plus the lessee's maintenance of comprehensive general liability insurance.

146-08-2002 Moved by Mr. Nielsen that the district approve the renewal of the lease to the Brooks Fish & Game Association for a two-year period at the present rate structure. Seconded by Mr. Johnson. CARRIED

7.04 Inland Concrete Lease Renewal

Mr. Matoba provided an overview of the district's lease of lands in portions of sections 15 & 22-17-17 W4M to Inland Concrete Ltd. It was noted that an agreement between the district and Inland [previously Revy] has been in effect for some 20 years. The site has been inspected and the operators of the facility have indicated they feel there is sufficient aggregate remaining to consider a 5 year lease renewal. It was noted that Inland has suggested a royalty rate for extracted material

from the site at \$1 per tonne for the 5 year period expiring the 31st of July 2007.

- 147-08-2002** Moved by Mr. Henrickson that the district approve the renewal of the lease/royalty agreement with Inland Concrete Limited [Inland Heidelberg Cement Group] for a 5 year term expiring on the 31st day of July 2007, with the royalty rate for the first 2 years of the agreement being set at \$1.00 per tonne, with the rate being reviewed at that time for the balance of the agreement term. Seconded by Mr. Johnson. **CARRIED**

[11:10 AM, Mr. Matoba exited the meeting.]

7.05 Oil & Gas, Surface Lease Compensation Discussion

Mr. Livingston provided information regarding recent surface lease compensation discussions relative to activities on his own lands as well as recent decisions by the Land Compensation Board in the EID region. In particular, there was discussion of the approved widths of easements for access roads, pipeline rights-of-way etc. It was noted that an appropriate width could be more advantageous to the district compared with monitoring off right-of-way damages. It was agreed that the district review its present guidelines to determine if they are suitable.

8.0 Equipment Pool Report

8.01 Lease/Purchase Options for Excavators

Mr. Wilson provided information regarding lease/purchase options for a new 55,000 and a new 70,000 Class Excavator. The district's fleet of equipment was highlighted. It was noted that the district has a practice of leasing new excavators at the end of a fiscal year, and then purchasing them in the next fiscal year. Mr. Wilson reviewed the substance of the quotes received by the district.

There was discussion of the best method to compare the quotes from Brandt Tractor Ltd. and Finning Ltd. There was discussion of the sale price expected from sale of the John Deere excavators as compared to the guaranteed buy-pack price offered by Finning Ltd. It was also noted that the district likes to keep its excavators about 6 months longer than the period offered by Finning Ltd. On balance, it appears that the quote from Brandt Tractor Ltd. best meets the district's present excavator needs.

- 148-08-2002** Moved by Mr. Hemsing that the district approve the lease from Brandt Tractor Ltd., 1 JD 230C LC excavator at \$8,500 per month and 1 JD 330C LC excavator at \$12,000 per month, both with quoted warranties, with option the purchase the excavators in January 2003 at prices of \$244,650 [JD 230C LC] and \$296,975 [JD 330C LC] with 100% of the lease payments being applied to the sale price. Seconded by Mr. Livingston. **CARRIED**

8.02 Purchase of Dozer

Mr. Wilson provided an overview of requirements and quotes received for a D6M LGP Dozer. It was noted that the quote from Finning Ltd. Will allow the district to continue to make use of wide-track equipment already purchased, while still providing the best purchase and resale value.

- 149-08-2002** Moved by Mr. Hemsing that the district approve the purchase of a D6M LGP Dozer from Finning Ltd. at the quoted price of \$292,748. Seconded by Mr. Johnson. **CARRIED**

Mr. Wilson also reported that the district has not completed its investigation of options for the replacement of the district's service truck as discussed at the 25 June 2002 Directors Meeting.

9.0 Miscellaneous Items Reports

9.01 Funding Request, Rosemary Fire Department

Mr. Wilson noted that the district has received a request from the Village of Rosemary to assist in the capital costs for the purchase of a new fire truck and upgrades to the fire hall. It was agreed that the district respectfully decline making any cash contribution, but that the district would not object to mill rate changes that could require higher tax billings from the County of Newell, No. 4.

9.02 Funding Request, Brooks Public Library

A request has been received from the Brooks Public Library under their "Adopt a Magazine" program. It was agreed that the district decline making a contribution, but also inform the library that it has no objection to a portion of its annual Carl Anderson Memorial Grant from being applied to magazine requirements at the library.

9.03 Premier's Dinner, 26 September 2002 [Thursday], Lethbridge Lodge Hotel

There was discussion of the options for the district to have representatives attend the upcoming Premier's Dinner in Lethbridge, AB on the 26th day of September 2002. It was agreed the district obtain 2 to 4 tickets for the event, and that the district also determine other locations in the province where similar events are being held.

- 150-08-2002** Moved by Mr. Hemsing that the district authorize the purchase of 2 to 4 tickets for attendance at the Premier's Dinner scheduled for the 26th of September 2002 in Lethbridge, AB. Seconded by Mr. Henrickson. **CARRIED**

9.04 Request to Discharge into One Tree Creek via Brooks Sewage Treatment [EnCana]

Mr. Wilson provided information regarding a proposed water conservation initiative being proposed by EnCana. The initiative is referred to as the EnCana Bantry Bio-Desulfurization Plant. Mr. Wilson noted that the project is intended to remove the need for the flaring of any sour gas at the Bantry facility, by using a new Shell/Pacques licensed technology. The process does create a small water based waste stream.

Mr. Wilson noted that with the support of land owners in the area, Alberta Environment and the Town of Brooks, it is proposed to deliver the water waste stream to the Town of Brooks waste treatment system, for later release into the return flow network of the EID as per Alberta Environment's regulated discharge criteria. Mr. Wilson noted that EnCana is seeking the district's consent to a 1 year pilot project to test the effectiveness of the technology.

- 151-08-2002** Moved by Mr. Hemsing that the district indicate their consent to a 1 year pilot project study for the Bantry Bio-Desulfurization Plant, with the waste water stream from the Shell/Pacques technology being treated by the Town of Brooks through their sewage treatment facility, so long as all required monitoring takes place and the district is held harmless from any liability in accepting the modified effluent from the Town of Brooks into its return flow system. Seconded by Mr. Henrickson. **CARRIED**

[11:55 AM, the meeting recessed.]

[12:25 PM, the meeting reconvened.]

9.05 River Watch Science Program, Meeting with Dr. Lyle Oberg, Minister of Learning

There was discussion of a recent meeting hosted by the district between the district, Dr. Lyle Oberg, Minister of Learning [MLA Strathmore-Brooks] and Mr. Cal Kullman and Mr. John Dupuis of River Watch. The purpose of the meeting was to determine what activities, if any, could be coordinated through Alberta Learning and River Watch that would improve the curriculum connections between River Watch's Science Program and that of Alberta Learning and to explore ways to assist River Watch in becoming more financially sustainable.

It was noted the meeting was very positive. Dr. Oberg indicated he would have officials of his department work with River Watch on the curriculum connections and that he would also lend his personal support to corporate fund-raising efforts. It was also reported that the district is assisting River Watch in applying for charitable status, which should also work to assist their fund raising activities.

The meeting with Dr. Oberg also provided an opportunity to discuss concerns and/or perceptions of the current forage insurance programs available in Alberta. There was discussion of the limitations to making use of satellite and/or infrared imagery and the lack of weather stations to represent real climate differences. There was also discussion of how any new programs of insurance might begin to impact the district's policy on the use of its lands for grazing purposes.

9.06 Discussion of Housing Policy/Practices

Mr. Wilson noted that it may be appropriate for the directors to undertake an overall review of the residences it continues to own. It was agreed the district needs to find the most appropriate balance between housing it can provide to meet service requirements in a specific area versus its overall inventory of homes and their respective maintenance costs.

It was agreed that the district prepare an outline of its housing resources, an evaluation of the properties that need to be maintained for present and future staff, the general condition of properties and other info to assist in determining which facilities may be surplus to the district's long-term needs.

9.07 Staffing Issues

Mr. Wilson discussed some of the difficulties that have been experienced in acquiring staff for certain activities. In particular, it was noted that competition for positions such as heavy equipment operators can make it difficult to hire and keep some staff. Mr. Wilson noted that the district's wage and compensation rates do appear to be competitive, but that some private sector organizations are offering benefits [perks] that fall outside of the district's normal practices, for example, use of a

company vehicle to travel to areas outside of the district's boundaries, such as Vauxhall.

It was generally agreed that the district maintain its policies regarding use of company vehicles, etc. and evaluate other methods &/or incentives to assist in hiring and keeping skilled staff.

9.08 AIPA Annual Conference, 22 to 24 January 2003 at Radisson Hotel, Calgary, AB

Mr. Nielsen noted that the preliminary planning for the 2003 Annual Conference of the Alberta Irrigation Projects Association has been set for the Radisson Hotel in Calgary, AB for 22 to 24 January 2003. The theme has been set as, "Water is Not Free". Speakers and presenters are currently being invited. The costs for the conference are increased over the 2001 conference due to the Calgary location. It was agreed that efforts should be undertaken to attract as much of the Calgary based media as possible to the event.

9.09 EPCOR, AIPA Rate and Service Offer

There was brief discussion of an information package that has recently been circulated to irrigators in all Irrigation Districts through EPCOR. The information package relates to options to contract electricity for farm yards and irrigation pumping. A public information meeting is planned for the Heritage Inn, Brooks, AB at 3:00 PM on the 20th of August. It was noted that Mr. Knelsen and perhaps Mr. Wilson would be attending a portion of that meeting.

9.10 Irrigation Expansion Plan

There was general agreement that the district begin preparation of the supporting documentation and recommendations for an Irrigation Expansion Plan. It was agreed that information for review, amendment and/or approval by the directors be prepared for the October Directors Meeting. Following the director's approval, documentation required by the Irrigation District Act will be prepared. It was agreed that a decision should be sought prior to the commencement of the next fiscal year.

10.0 Future Meeting Dates

The following future meeting dates were noted:

- EID Golf Tournament, 05 September 2002 [Thursday],
- AIPA Directors Meeting, 10 September 2002 [Tuesday], Taber, Alberta,
- Bow River Basin Council, Members Meeting, Tour of Water Management Facilities at Canmore, Alberta, 13 September 2002,
- September Directors Meeting, 24 September 2002,
- Harvest Gala, 18 October 2002, and
- October Directors Meeting, 29 October 2002.

The meeting was adjourned on a motion by Mr. Henrickson at 1:30 PM.

Per: Chairman

Per: General Manager

Minutes Approved on 01 October 2002

Motion No. 153-10-2002

01 October 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 1st day of October 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]
Mr. Clint Henrickson	Vice-Chair [Division 03]
Mr. Floyd George	Director [Division 01]
Mr. Tom Livingston	Director [Division 02]
Mr. Neil Johnson	Director [Division 04]
Mr. Allan Nielsen	Director [Division 05]
Mr. Pat Hemsing	Director [Division 07]
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

The meeting was called to order at 9:10 AM.

1.0 Approval of Agenda

The following items were added to the agenda:

- 4.03 EPCOR, Billing Practices/Problems [Pat Hemsing],
- 6.06 05 East Branch Rehabilitation, Concerns Expressed [Bob Chrumka],
- 8.04 EID Owned Residences Disposition, Update [Bob Chrumka],
- 11.05 Request from Duchess Grazing Association, Mr. Danny Plumer [Tom Livingston],
- 12.07 Medicine Hat College, Fundraising Request [New Residences], and
- 12.08 Waterline Extension, Duchess Grazing Association & Mr. Ed Matthies.

152-10-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes, 20 August 2002

There was some discussion as to the format of recording discussions at the meetings of the directors. The discussion referred to actions agreed to and/or directions taken, without the need for a formal resolution of the board. There was consensus that the minutes continue to reflect the range of debate and information that supports decisions and directions taken.

153-10-2002 Moved by Mr. Hemsing that the minutes be approved as circulated. Seconded by Mr. Henrickson. CARRIED

3.0 Business from Minutes**3.01 Update on Oil & Gas Agreements RE: Width of Easements, etc.**

Mr. Wilson provided an overview of the agreement negotiated with Pan Canadian Petroleum Ltd. and other oil companies that specifies the minimum criteria for easements for access roads, pipelines and other activities completed on the district's lands related to oil and gas exploration and production. It was noted that the widths and specifications for these activities are intended to create

sufficient room for activities to take place without having "off right-of-way" damages.

4.0 Financial Report

4.01 Financial Statements, Period Ending 31 August 2002

Mr. Knelsen provided an overview of the district's financial statements for the period ending 31 August 2002.

154-10-2002 Moved by Mr. Hemsing that the Financial Statements for the period ending 31 August 2002 be accepted as presented. Seconded by Mr. Nielsen. CARRIED

5.0 Delegation RE: Secondary E Springhill Canal Rehabilitation

Mr. Wilson provided an overview of the discussions that have taken place between the district and various irrigators and land owners whose properties are included in the above noted project. In particular, he provided an overview of concerns that have been expressed by Mr. Rudy Peltzer, with specific regard to Mr. Peltzer's opinion that the main stem of the canal does not need to be lined and does not need to be replaced with a pipeline.

[10:05 AM, Mr. Rudy Peltzer, Mr. David Peltzer and Mr. Vincent Krause joined the meeting. Mr. Ivan Friesen also joined the meeting.]

Following introductions, the delegation was provided an opportunity to present their concerns with the project to the directors. The following matters were discussed:

- the concerns with the proposed rehabilitation relate to the main stem of the Secondary E Springhill Canal and include:
 - reduced return flow from canal and farms operations resulting in reduced stocking rates in downstream community pastures,
 - reductions in wildlife habitat, trees, etc.,
 - turnouts to allow for irrigating of trees, maintenance of habitat, etc. is not as preferable as having "flowing water", cattails have reduced aesthetic value,
 - seepage damage is insignificant,
 - maintenance of the canal is preferable to rehabilitation and installation of pipeline and/or canal lining,
- the need for the district to consider the rehabilitation of the entire system,
- overall water savings and conservation related to pipeline operations and specifically to security of water supplies,
- ability of the district to control water that may be needed in the community pastures, and
- provisions to allow land owners/irrigators to maintain abandoned portions of the present system for habitat and/or wildlife purposes on their lands.

It was noted that the choice preferred by Mr. Rudy and Mr. David Peltzer was no rehabilitation of the main stem of Secondary E Springhill canal. They suggested that the choice is really between the no rehabilitation/maintenance option and that of the proposed pipeline installation. Mr. Krause noted that the EID's projects in recent years have allowed for some habitat and trees to be maintained through the installation of small turnouts to serve canals that have been abandoned. It was also noted that the project has included turnouts that can continue to provide water into the district's community pastures, to take advantage of shut-offs due to rainfall or to provide water supplies in years where there are no anticipated water shortages.

[11:00 AM, Mr. Rudy Peltzer, Mr. David Peltzer, Mr. Vincent Krause and Mr. Friesen exited the meeting. The meeting recessed.]
[11:05 AM, the meeting reconvened.]

4.0 Financial Report

4.02 Review of Banking Options

Mr. Knelsen provided an overview of the range of banking services and investment options that are available to the district. He noted that local financial institutions had been contacted to provide information and/or proposals on the complete range of the district's banking needs. Mr. Knelsen noted that based on the information collected and circulated to the directors, there appears to be no compelling reason to alter the district's current banking arrangements.

There was discussion of the fees associated with account operation and the practices of the district regarding the management of its investment portfolio. It was confirmed that the district is always "shopping" its investments and moves them to the areas of highest return as required.

4.03 EPCOR, Billing Practices/Problems

Mr. Hemsing provided some information regarding billing practices and problems he has noted on his farm account. He noted that EPCOR has combined estimated consumption with metre readings on billings, amounting to a "double billing". He advised that he had to remain on the phone for an extended period of time to talk to customer service representatives to deal with the issue and he has been informed that corrections to the billing may not be processed for an extended period of time.

Mr. Hemsing suggested that the district needs to pay close attention to the billings it receives in order to prevent billing problems or to get existing problems rectified. It was also noted that the volume of complaints being received regarding EPCOR's billing and customer service and response is being noted by the government.

Mr. Wilson also noted that he has recently been contacted by other marketers/retailers of power. There is the potential to look at a pilot project through the Alberta Power Pool that might better reflect irrigation power demands and perhaps a further reduced rate for irrigation power consumption.

[11:20 AM, Mr. Romao joined the meeting.]

6.0 Engineering Report

6.01 Rolling Hills Canal Rehabilitation, Phase 1, Update on Construction Settlement

Mr. Wilson advised that a settlement has been reached between the district and MPE and Top Notch regarding construction errors in the Phase I, Rolling Hills Canal rehabilitation. He noted that the settlement includes payments to district of \$7,500 by MPE and \$5,000 by Top Notch. These payments were agreed to in lieu of attempting to remove excess material from the bed of the completed rehabilitation.

6.02 C Springhill Canal Rehabilitation, Notice of Tender Prices

Mr. Romao provided the following information regarding recent tenders for the C Springhill Rehabilitation Project:

• Engineer's Estimate	\$1,200,000
• Richardson Bros. (Olds) Ltd.	\$954,125
• Calibre Systems	\$1,173,620
• Top Notch Construction Ltd.	\$1,193,175
• BYZ Construction	\$1,375,875

Mr. Romao advised that the project has been awarded to Richardson Bros.

6.03 10 Rolling Hills Canal Rehabilitation

Mr. Romao provided an overview of the proposed rehabilitation project and the various alternatives that are available as follows:

- the major problems with the existing system include the need for structure and turnout replacements, seepage control and increased capacity,
- the canal conveys water for 1,538 irrigation acres, supplements water for an additional 185 irrigation acres and 660 acres under terminable agreements [via the North Rolling Hills drain],
- installation of an insitu canal liner as a rehabilitation method was investigated and discounted due to the costs being similar to the installation of a PVC pipeline,
- the various cost estimates for alternatives related to the number of terminable agreement acres that could be supplemented with water supplies as follows:
 - Alternative 01, existing irrigation acres with no provision to supplement water supplies for terminable agreement acres or the 195 irrigation acres served from the drains \$947,300,
 - Alternative 02, existing irrigation acres, plus 185 irrigation acres served from the drain and approximately 50% of the flow supplement required for terminable acres from the drain \$1,163,600,
 - Alternative 03, all existing irrigation acres plus 100% flow supplement for terminable agreement acres served from the drain \$1,300,000

It was noted that continued rehabilitation in the Rolling Hills area will continue to reduce the return flow expected from on-farm irrigation practices. As such, it is worthwhile considering some supplemental flow for the terminable agreement acres presently served from the North Rolling Hills drain. There was also some discussion of the merits of installing additional control structures in the drains to allow the conversion of the terminable agreement acres to irrigation acres. There was consensus that Alternative 02 would provide for sufficient water to consider converting terminable agreement acres to irrigation acres as long as structures could be located strategically.

- 155-10-2002** Moved by Mr. Johnson that the district approve the 10 Rolling Hills Canal Rehabilitation based on Alternative 02, installation of a PVC pipeline serving the existing irrigation acres, plus 185 irrigation acres served from the drain and approximately 50% of the flow supplement required for terminable acres from the drain at an estimated cost of \$1,163,600, with the district also investigating the merits and costs of installing additional control structures in the North Rolling Hill drain to allow the terminable agreement acres to be converted to irrigation acres. Seconded by Mr. Henrickson. **CARRIED**

6.04 Secondary F Springhill Rehabilitation

Mr. Romao provided information regarding the costs for the rehabilitation of the proposed Secondary F Springhill Canal Rehabilitation. It was noted that this project allows for a portion of the lands previously served by Secondary E Springhill Canal to be relocated to service from Secondary F Springhill Canal.

It was noted that the proposed rehabilitation considers a minor relocation and the installation of a polyethylene liner with earth and gravel armour protection. The length of the proposed rehabilitation is about 3.4 kilometres at an estimated cost of \$875,000.

There was also discussion of the presentation made earlier by Mr. Rudy and David Peltzer and Mr. Vincent Krause. Following consideration of their concerns and a review of the combined proposed Secondary E and Secondary F Rehabilitation, it was decided it would be best for the entire project that the district continue to proceed on the Secondary E Springhill project as previously approved.

- 156-10-2002** Moved by Mr. Livingston that the district approve the Secondary F Springhill Canal Rehabilitation based on installation of a polyethylene liner with earth and gravel armour cover, with proposed relocations, at an estimated cost of \$875,000. Seconded by Mr. Johnson. **CARRIED**

6.05 03 East Branch Canal Rehabilitation, Update

Mr. Romao noted that land owners/irrigators continue to change their preference regarding the district's approved project. It was noted that district has approved installation of a high pressure pipeline system at an estimated cost of \$534,000, with certain contributions by land owners/irrigators that reduce the net price to \$436,000.

At present a number of the project participants have changed their mind regarding the project. One of the alternatives the district could consider is a change in the approved method of rehabilitation, selecting the alternative where a low pressure pipeline could be installed at an estimated cost of \$377,000 with a net cost, following land owner/irrigator contributions of \$336,000.

- 157-10-2002** Moved by Mr. Hemsing that the district agree to change its approved method of rehabilitation for the 03 East Branch Rehabilitation Project to installation of a low pressure pipeline at an estimated cost of \$377,000 and accompanying land owner/irrigator contributions reducing the net cost to \$336,000. Seconded by Mr. Livingston.

In discussion of the resolution it was noted that the change in the project removes the ability to deal with all of the lands included in the present approval.

157-10-2002 Resolution DEFEATED.

There was discussion of the potential to delay the approved project to allow the project participants to reconsider the merits of the approved project.

158-10-2002 Moved by Mr. Hemsing that the district agree to delay the approved rehabilitation of the 03 East Branch Canal for 1 year, with potential to address the project in the 2003 construction period. Seconded by Mr. Livingston. CARRIED

[12:05 AM, the meeting recessed.]

[1:30 PM, the meeting reconvened. Mr. Meador joined the meeting.]

6.06 05 East Branch Canal Rehabilitation, Concerns Expressed

There was brief discussion of concerns expressed by some acreage owners along the proposed rehabilitation of the 05 East Branch Canal. It was noted the concerns appear to relate to the installation of a pipeline and the impacts that might have on existing trees, habitat and the appearance of the acreages. There was consensus that the approved method of rehabilitation provides the best long-term control of water and best addresses the operational concerns associated with the project.

7.0 Tour of Rolling Hills Reservoir Expansion Project

The tour of the Rolling Hills Reservoir construction was postponed due to the wet conditions. It was agreed the tour be rescheduled for a later date.

8.0 Operations Report**8.01 Water Use Summary, Reservoir Storage Update**

Mr. Wilson noted that diversions from the Bow River to date approximate 442,000 acre feet with 10 days of planned diversions to go. Diversions are scheduled to be suspended as of 11 October 2002. He advised that all reservoirs are at or are approaching desired winter operating levels. Rolling Hills reservoir is being drawn down for construction requirements. Lake Newell will be operated at about 6" above normal winter operating levels to allow for early refilling of the Rolling Hills Reservoir in the spring of 2003.

8.02 Farm Improvement Project

159-10-2002 Moved by Mr. Johnson that the district approve a Farm Improvement Project [increase in water use efficiency] for Mr. Lammert Lyzenga, NE ¼ 29-20-15 W4M, surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$6,346 [pro-rated for 110 acres under new pivot], minus \$1,000 [5 irrigation acres kept in SW corner of parcel], EID contribution is \$5,346. Seconded by Mr. Henrickson. CARRIED

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

8.03 Request to Consider Exception of Policy, E2 WDS to Move to Bassano

Mr. Wilson renewed discussion of the merits and/or concerns that might be associated with allowing a Water District Supervisor to live further from the service area than the 12 miles approved of in the district's policy. There was some discussion of comments received by the directors relative to such an action.

The tone of concerns expressed about any pending move from the E2 residence to Bassano relates to a desire to maintain a population in the Gem community. There was discussion as to the level of involvement the directors should take in a matter that is primarily a "staffing" issue. Mr. Wilson advised that he would take the comments under advisement and then with Mr. Meador they would reach a decision regarding the request. If an exception to the policy is authorized, Mr. Wilson indicated he would advise the directors accordingly.

8.04 EID Owned Residences Disposition, Update

Mr. Wilson provided an update on the inventory of district-owned residences. The directors requested the district prepare an overall plan relative to its housing for review. The review should assist the district in determining the number and location of existing residences that may not be required for present and/or future operations staff.

[2:00 PM, Mr. Meador exited the meeting. Ms. Tanis MacLean and Mr. Rick Martin joined the meeting.]

9.0 Partners in Habitat Development, Presentation

Ms. MacLean provided an overview of a presentation that has been developed to introduce Irrigation District Boards and other interested organizations [including potential funding partners] to the scope and benefits of the Partners in Habitat Development Program and an overview of 2002 accomplishments under the PHD in the EID, WID, BRID and SMRID.

There was also some discussion as to the success of fund raising activities being completed by the Calgary Chapter of Pheasants Forever. Mr. Knelsen noted that the district's role as coordinator is being properly compensated for and that the net cost to the district in 2002 is less than in previous years.

[2:25 PM, Ms. MacLean and Mr. Martin exited the meeting.]

10.0 Equipment Pool Report

10.02 Service Truck Options, Update

Mr. Wilson provided an overview of the options that are available to the district to replace and upgrade its service truck as follows:

- Option 01, New Mack truck [\$68,000], with new service body [\$55,000], minus sale of current EID truck [\$23,000] net cost \$100,000
- Option 02, Purchase used 1997 FL-80 [\$50,000], with new service body [\$55,000], minus sale of current EID truck [\$23,000] net cost \$82,000
- Option 03, Rebuilt existing EID truck [\$22,000] with new service body [\$55,000] for a net cost of \$77,000

In discussion of these options Mr. Wilson noted that the district has inspected the 1997 FL-80, with 20,000 kilometres. The used truck appears to meet the district's needs due to its condition. The truck is slightly larger than required, but that will help, rather than hinder.

160-10-2002 Moved by Mr. Henrickson that the district approve the purchase of the used 1997 FL-80 Freightliner for \$50,000 plus purchase service body for \$55,000 and to dispose of present service truck [note estimated sale price of \$23,000].
Seconded by Mr. Livingston. CARRIED

10.01 Review of Bids, Gravel Truck

Mr. Wilson provided an overview of bids received by the district as replacement to an EID gravel truck planned for disposal as follows:

- Great West Kenworth [meets specification] \$149,750
- Western Star Trucks [meets specification] \$141,200
- Calgary Mack Trucks [close to specification] \$148,366
- Summit Motors [close to specification] \$139,100

Mr. Wilson also noted the district had received bid prices on other truck specifications volunteered by various supplies, but that they were for trucks whose frames were too light. There was some discussion of the value of the existing EID truck [estimated sale price of \$30,000] and the potential future resale value of the new vehicle.

161-10-2002 Moved by Mr. Nielsen that the district purchase the Kenworth gravel truck from Great West Kenworth at bid price of \$149,750 and to dispose of the existing EID 1994 Mack R Series [estimated sale price of \$30,000]. Seconded by Mr. Hemsing. **CARRIED**

[2:30 PM, the meeting recessed.]
 [2:40 PM, the meeting reconvened. Mr. Hale joined the meeting.]

11.0 Grazing Report

11.01 Lakeside [Rock Lake] Pivot Silage Results

Mr. Hale reported on the sale of silage from the Lakeside [Rock Lake] pivots as follows:

Field	Crop	Weight Wet	Weight Dry	Avg Dry Matter	Acres	Yield
EID 01	Wheat	1433.521	494.209	34.48%	136.0	3.634
EID 02	Wheat	1090.892	473.679	43.42%	136.0	3.483
EID 03	Wheat	1045.387	526.851	50.40%	136.0	3.874
Total/Avg.		3569.800	1494.739	41.87%	408.0	3.664

Mr. Hale noted the price per Dry Matter Ton was \$77.50, for a total sale of \$115,842.27.

11.02 Weed Control, Kitsim Irrigated Pastures

Mr. Hale provided an update on the spraying of chemical for control of thistles and dandelions at cost of \$36 per acre [Dynagra] on approximately 280 acres of irrigated pasture [about 80% of the total of the irrigated pastures at Kitsim]. There was also some additional discussion of the merits of attempting a chemical control for foxtail barley on a pilot project basis.

162-10-2002 Moved by Mr. Mr. Nielsen that the district approve conducting a chemical control pilot project on foxtail barley at cost of \$25 per acre on approximately 25 to 30 acres. Seconded by Mr. Johnson. CARRIED

11.03 Update, Forage Insurance Issues, Letter from the Honourable Shirley McClellan

Mr. Hale discussed the response from Minister of Agriculture, Food and Rural Development regarding problems with satellite detection of forage growth from weed growth. There was also discussion of meeting attended by Tom Livingston and Bob Hale in Medicine Hat. It was noted by Mr. Livingston that there may be an informal commitment to have this issue reviewed by MLA committee.

11.04 District Participation in Establishing Weather Stations, Update

Mr. Hale noted that he had completed a tour with Joe Mickelson of AAFRD, of potential weather site locations that could be selected for installation of detailed, real-time weather stations in Rolling Hills and Bassano areas. These sites are estimated to cost up to \$30,000 per site to install and additionally have an annual maintenance fee attached to them. There was also discussion of other weather station options that may be less cost prohibitive and still meet needs of agencies such as Alberta Hail and Crop. Mr. Wilson advised that the district would to continue to investigate various options.

There was also some discussion of the status of payments to EID lease patrons under Alberta's FIAP initiative. It was noted the district would determine the current status of those payments.

11.05 Request from Duchess Grazing Association, Mr. Daniel Plumer

Mr. Livingston initiated a discussion of a request from Mr. Plumer to allow continued grazing in part of Duchess Grazing Association for up to 2 weeks past the current 15 October 2002 date set for removal of cattle from community pastures. This request is based on a late turnout of cattle that has resulted in only about 75 days of pasturing.

Concerns about implications of allowing the extension were expressed. There was a review of the earlier commitment to Grazing Associations to "get through the season" and then see what might be done to enhance grazing association autonomy related to range management issues for the following year. There was no change made in the current dates for removal of cattle from community pasture.

[3:20 PM, Mr. Hale exited the meeting.]

12.0 Miscellaneous Items Report**12.01 10 September 2002 AIPA Directors Meeting, Report**

Mr. Henrickson provided a review of highlights/issues discussed at 10 September 2002 AIPA Directors Meeting. Issues included the Alberta Water Strategy and the status of "Stored Water" [water stored in facilities owned and operated by the province]. It was also noted that Mr. Keith Francis will step down as Chair at AGM. The AIPA will also need to select directors for the Partners for the Saskatchewan River Basin and SAFPIC. There was also a report on CWRA Conference, participation with Fishing Alberta and review of proposed amended by-laws for the AIPA.

There was also a review of a presentation made by Earl Wilson to the AIPA directors, regarding potential outcomes from the Alberta Water Strategy. The presentation covered issues that districts may have to be prepared to address and show leadership in addressing.

12.02 DRAFT By-Law, Alberta Irrigation Project Association

There was a brief overview of the draft amended by-laws of the AIPA. EID Directors were encourage to review and provide comments about the by-laws to Mr. Wilson as soon as possible. These by-laws will be discussed at the upcoming Annual General Meeting of the AIPA scheduled for 25 November 200 in Lethbridge, Alberta.

12.03 County of Newell, Sewage Lagoon for Lake Newell Resort

Mr. Wilson noted that the County of Newell, No. 4 will undertake a study to investigate the merits, costs, etc. for establishing sewage treatment lagoon for Lake Newell Resort. This direction appears to come about as a result of the potential service connection through the Town of Brooks does not seem to be economically viable.

12.04 Harvest Gala [18 October 2002]

It was noted that district has 2 tables of 10 for the event. There was confirmation that all directors and spouses [with exception of Mr. Hemsing] will attend. There remains places for 4 staff, plus spouses, etc. Staff members will be determined by Mr. Wilson. Overnight accommodations will be booked.

12.05 Conoco Canada Resources Ltd. [Early Payment of Lease Fees]

There was note taken of a letter from Conoco with early payment of surface lease fees [action taken to assist ranchers, farmers in Alberta, western Saskatchewan and north east British Columbia]. The letter was provided as information only.

12.06 Letter from Bow City Landowners Association

Directors noted disappointment with tone of letter regarding EID's participation with the Bow City Landowner's Association relative to proposed Brooks Power Plant by Fording Coal. Mr. Wilson indicated he would attempt to determine the background to letter through personal contact and provide a written response.

12.07 Medicine Hat College, Fundraising Request [New Residences]

Mr. Wilson provided the directors with an Information package that was delivered to the district earlier in the day. He noted that the district could determine how or if would like to participate in the initiative at a future meeting.

12.08 Waterline Extension, Duchess Grazing Association & Mr. Ed Matthies

There was some concern expressed that the district ensure proper operation of waterlines in Duchess Grazing Association and the extensions of those waterlines and water supply to Mr. Matthies. Previous approvals were based on Mr. Matthies operations not interfering with water operations of grazing association.

13.0 Future Meeting Dates

The following meeting dates were confirmed:

- 18 October 2002, Harvest Gala, Calgary, AB
- 29 October 2002, Directors Meeting, Brooks, AB
- 25 November 2002, AIPA AGM, Lethbridge, AB

The meeting was adjourned on a motion by Mr. Henrickson at 4:15 PM.

Per: Chairman

Per: General Manager

Minutes Approved on 29 October 2002

Motion No. 164-10-2002

29 October 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 29th day of October 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]	
Mr. Clint Henrickson	Vice-Chair [Division 03]	
Mr. Floyd George	Director [Division 01]	9:10 AM
Mr. Tom Livingston	Director [Division 02]	
Mr. Neil Johnson	Director [Division 04]	
Mr. Allan Nielsen	Director [Division 05]	

Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Approval of Agenda

The following items were added to the agenda:

- 4.04 Equipment Scale, Proposed Purchase,
- 7.06 Transfer of Irrigation Acres, Giles,
- 7.07 Grazing Lease Transfer, Tessman to Murray,
- 7.08 Update, Weather Stations

163-10-2002 Moved by Mr. Nielsen that the agenda be adopted as added to. Seconded by Mr. Johnson. CARRIED

2.0 Approval of Minutes, 01 October 2002

The following corrections were made to the minutes of the 01 October 2002 Directors Meeting:

- pg. 133 ... are intended to created sufficient ...,
- pg. 135 ... an overview of the range of **banking** services ..., and
- pg. 137 Following a consideration of their concerns and a review of the combined proposed Secondary E and Secondary F Rehabilitation, **it was decided it would be best for the entire project** that the district continue to proceed on the Secondary E Springhill project as previously approved.

164-10-2002 Moved by Mr. Henrickson that the minutes of the 01 October 2002 Directors Meeting be adopted as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business from Minutes

There was some brief discussion of the response to the letter received from the Bow City Landowners Association. Mr. Wilson noted that he had sent a letter of response after talking to Mr. David Andrews.

4.0 Financial Report**4.01 Financial Statements, Period Ending 30 September 2002**

Mr. Knelsen provided a review of the district's financial statements for the most recent period. There was general discussion regarding specific line items in the report. It was noted that the district has not yet secured the services of an auditor for the current fiscal year. Mr. Wilson noted the district would contact Mr. Mark Ens to determine his availability. If Mr. Ens is not available, Mr. Wilson noted the district would begin the process to select an auditor.

4.02 3rd Quarter Receivables Report

Mr. Knelsen also provided an overview of the accounts receivable as of the end of the 3rd quarter of fiscal 2002. There was some discussion of specific items. Mr. Knelsen noted that there continues to be some concern regarding the collection of household purposes fees as they are no longer subject to Rate Enforcement Proceedings.

165-10-2002 Moved by Mr. Henrickson that the district approve the Financial Statements for the period ending 30 September 2002 as presented. Seconded by Mr. Johnson. CARRIED

4.03 3rd Quarter Investment Report

The 3rd Quarter Investment Report was included as information in the Director's Pre-Board Meeting package. It was noted that there is a maturity in one of the investments in early December 2002. Mr. Wilson noted the district is looking at some longer-term investments should the rates be acceptable.

4.04 Equipment Scale, Proposed Purchase

Mr. Wilson provided information about a proposed purchase of an electronic scale for the Eyremore Gravel Pit. He noted that in the past the district has required that contractors place a scale at the pit during a project. The district has manned these sites in the past. Mr. Wilson noted it now appears there is enough activity to warrant the district purchasing and installing its own automated electronic scale at the site. This would assist the district in tracking gravel for its own purposes, material removed by contractors and also make it more possible to consider providing gravel to the County of Newell, No. 4.

166-10-2002 Moved by Mr. Livingston that the district purchase and install automated electronic scale [100' long] for use at Eyremore Pit, at the estimated cost of \$44,000 [not previously included in Capital Expenditures Budget]. Seconded by Mr. Nielsen. CARRIED

[10:00 AM, the meeting recessed.]

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

5.0 Engineering Report**5.01 Project Update**

Mr. Romao reviewed the project cost summaries and forecasts for the present period. He also provided an overview of present status of rehabilitation projects as follows:

EID Capital Projects

05 East Branch Rehabilitation [01-1248] EID

- 2 - 3 kilometre pipelines
- scheduled to start on 04 November

C Springhill Rehabilitation [01-1304] Richardson Bros. (Olds) Ltd.

- 6 kilometre lined canal
- scheduled to start on 01 November

02 D Springhill Rehabilitation [01-1317] EID

- 0.4 kilometre pipeline
- completed in August

Rolling Hills Reservoir Enlargement Project [01-1200] Chief Construction

- North Dam
- earthworks are about 75% complete to original design
- outlet structure is underway
- South Dam
- earthworks are about 40% complete
- outlet structure is about 95% complete for concrete

20 & 21 Bow Slope Rehabilitation [01-1318] EID

- 12 kilometre pipeline
- scheduled to start the end of November

F Springhill Rehabilitation [01-1331] To Be Tendered

- 3.5 kilometre lined canal
- tender to close on 15 November

17 G Springhill Rehabilitation [01-1319] EID

- 4 kilometre pipeline
- scheduled to start on 04 November

10 Rolling Hills Rehabilitation [01-1316] To Be Tendered

- 4.5 kilometre pipeline
- tender to close on 22 November

14 H West Bantry Rehabilitation EID

- 1.5 kilometre lined canal
- earthwork complete
- liner and armour remaining

IRP Projects

Secondary E Springhill Rehabilitation [02-1305, IRP 1945] EID

- 30 kilometre pipeline
- scheduled to start in mid-November

5.02 Infrastructure Cost-Savings Grant Applications

Mr. Romao provided background information relative to 4 infrastructure cost-savings grant applications, with decisions as follow:

- 167-10-2002** Moved by Mr. Johnson that the district approve the infrastructure cost-savings grant application by Endersby Ranching Ltd. in the NW ¼ 32-20-14 W4M, cost savings due to elimination of one delivery and relocation of approved point of delivery, total estimated cost savings of \$13,530, payment by EID of \$6,750 [50% of savings]. Seconded by Mr. Henrickson. **CARRIED**
- 168-10-2002** Moved by Mr. Henrickson that the district approve the infrastructure cost-saving grant application by Greg Tamura in the NW ¼ 01 and SE ¼ 11-21-15 W4M, cost savings due to permanent transfer of 30 irrigation acres in the SE ¼ 11 to NW ¼ 01-21-15 W4M and elimination of delivery and assessment in the SE ¼ 11, total estimated costs savings of \$34,500, payment by EID of \$15,000 [50% of savings to a maximum of \$15,000]. Seconded by Mr. Livingston. **CARRIED**
- 169-10-2002** Moved by Mr. Henrickson that the district approve the infrastructure cost-savings grant application by Janet Cormack in the SE ¼ 14-21-15 W4M, cost savings due to relocation of point of delivery, total estimated costs savings of \$9,750, payment by EID of \$4,875 [50% of savings]. Seconded by Mr. Livingston. **CARRIED**
- 170-10-2002** Moved by Mr. Livingston that the district approve the infrastructure cost-savings grant application by Tsuyoshi Hironaka in the SW ¼ 14-21-15 W4M, cost savings due to relocation of point of delivery, estimated cost savings of \$26,000, payment by EID of \$13,000 [50% of savings]. Seconded by Mr. Johnson. **CARRIED**

5.04 Rolling Hills Reservoir Expansion, Update

Mr. Wilson provided an overview of recent geotechnical investigations that have been completed. These investigations were undertaken as a result of better than expected material being present under the main north dam of the Rolling Hills Reservoir. Based on the investigations, it is possible for the district to further increase the FSL elevation for the Rolling Hills Reservoir by an additional 1.7 metres, with a corresponding increase in storage to 34,000. The reservoir will be raised a total of 4.7 metres from the original design FSL.

It was noted that the additional estimated cost would be in the range of \$2.85 to \$3 million at the same unit prices as exist in Chief Construction's current project. Much of the additional cost relates to additional rip rap and armour protection. There was also discussion of the operation of the Rolling Hills Reservoir at or near the FSL of Lake Newell.

- 171-10-2002** Moved by Mr. Livingston that the district approve proceeding with an increase of an additional 1.7 metres in the FSL and associated dam height, earth works, armour, etc. to increase the proposed storage for the Rolling Hills Reservoir Expansion to 34,000 acre feet, with the estimated additional cost to be funded from EID Capital Reserve of \$3 million, complete any additional required approvals. Seconded by Mr. Johnson. **CARRIED**

In a related matter, there was discussion of the potential need to slope some of the lands around the reservoir to allow for better access to water for cattle. It was noted that the increased elevation in the FSL may take care of those situations.

Mr. Wilson also provided some updated information regarding the proposed designated day-use, boat launch and camping area to the west of the Rolling Hills Reservoir. The conceptual layout for the project was briefly discussed. It was also noted that there is no planned public access or designated sites along the east shore of the Rolling Hills Reservoir.

5.05 IMS Update

Mr. Wilson provided an update on the Infrastructure Management System put in place by the Alberta Government. The intent of the system is to determine the replacement cost for infrastructure that is either owned or supported by the government.

It was noted that the districts have worked together to develop a replacement cost process so that each district can determine the overall replacement cost for their systems on a standard basis. There has also been a contract to have Mr. Joe Prozniak complete an analysis of the replacement costs for all major works within the irrigation districts.

Irrigation Council has also adopted a new format for the sharing of IRP funding between the districts, with 50% of the funding being based on "irrigation acres" and the other 50% being based on the replacement cost in the IMS for "specified" infrastructure. It was noted the district was previously concerned about the impacts there may be for not including drains and major structures into the overall replacement cost for districts. Based on Mr. Prozniak's project, the following project costs have been determined:

Description	Embankment Cost	Structure Cost	Replacement Cost	Replacement \$ in IRP Formula
Canals [1,933 kilometres]			\$327,742,500	\$327,742,500
Drains [1,895 kilometres]			\$79,610,000	\$0
Major Structures:				
Bassano Dam	\$29,676,000	\$72,773,000	\$102,449,000	\$0
Structures:				
Little Dam	\$4,216,000	\$2,276,000	\$6,492,000	\$6,492,000
Springhill Turnout	\$0	\$892,000	\$892,000	\$892,000
1064 Drop Structure	\$0	\$927,000	\$927,000	\$927,000
Brooks Aqueduct	\$18,985,000	\$2,208,000	\$21,193,000	\$21,193,000
John Ware Structures	\$0	\$1,267,000	\$1,267,000	\$1,267,000
Pump Stations:				
Springhill Pressure Pump Station		\$513,000	\$513,000	\$513,000
Long Pump		\$384,000	\$384,000	\$384,000

Description	Embankment Cost	Structure Cost	Replacement Cost	Replacement \$ in IRP Formula
Sutherland Pump		\$260,000	\$260,000	\$260,000
South Bantry Pump No. 1		\$288,000	\$288,000	\$288,000
South Bantry Pump No. 2		\$357,000	\$357,000	\$357,000
Tailout Systems:				
Bow Slope Tailout		\$1,396,000	\$1,396,000	\$1,396,000
Rolling Hills Tailout No. 1		\$972,000	\$972,000	\$972,000
Rolling Hills Tailout No. 2		\$972,000	\$972,000	\$972,000
Sauki Spillway		\$948,000	\$948,000	\$948,000
Reservoirs:				
Lake Newell	\$12,780,000	\$3,896,000	\$16,676,000	\$0
Crawling Valley	\$15,655,000	\$2,574,000	\$18,229,000	\$0
Rolling Hills	\$8,400,000	\$1,600,000	\$10,000,000	\$0
Snake Lake	\$7,828,000	\$1,957,000	\$9,785,000	\$0
Kitsim	\$12,460,000	\$260,000	\$12,720,000	\$0
Rock Lake	\$2,243,000	\$511,000	\$2,754,000	\$0
One Tree	\$2,649,000	\$432,000	\$3,081,000	\$0
Cowoki	\$9,060,000	\$566,000	\$9,626,000	\$0
Tilley B	\$17,408,000	\$876,000	\$18,284,000	\$0
Bantry No. 1	\$187,500	\$62,500	\$250,000	\$0
Bantry No. 2	\$187,500	\$62,500	\$250,000	\$0
J Dam	\$1,233,000	\$467,000	\$1,700,000	\$0
Sub-total of Major Structures:			\$242,665,000	
Total Replacement \$:			\$650,017,500	\$364,603,500
Difference between Included/Excluded:			\$285,414,000	

Mr. Wilson noted that in some respects the irrigation districts with large drainage networks and internal storage reservoirs appear to be at a disadvantage in that a high proportion of the overall infrastructure replacement cost is excluded from the formula that is used to determine annual IRP funding.

It was noted that there is little argument about the merits on including the costs for the replacement of the Bassano Dam within the IRP formula for "specified" infrastructure. There was discussion noting that a significant part of the district's internal reservoir storage network could properly be included, even if the useful life of those facilities was lengthened.

There was general discussion that this matter should be reviewed with the Irrigation Council as opportunities permit. Efforts should be made to include the replacement costs for drains and there should be some additional effort at determining how best to include reservoirs. There was consensus that this information should be provided to the MLA for Strathmore-Brooks, the Honourable Dr. Lyle Oberg.

5.03 03 East Branch Canal Rehabilitation [11:05 AM, Land Owners Presentation]

The following individuals were welcomed to the meeting:

- Mr. Allen Jones,
- Mr. Bruce McKellar,
- Mr. George Niznik,
- Mr. Bruce Reimer,
- Mr. Lloyd Rommens,
- Mr. Wendell Rommens, and
- Mr. Cliff Sewall.

It was noted that this meeting was in response to the district's decision to place rehabilitation of this project on "hold" for a year, due to lack of agreement between the land owners associated with the project.

There was discussion from those attending about the steps that have taken place since the 01 October 2002 decision. It was noted that everyone has looked at the costs and benefits again and there is a general move to proceed with the project as originally approved by the district. It was noted that the land owners would like to see the project move ahead during this construction period so as to not lose another year before improvements could be made.

There was also discussion of the concerns expressed by Mr. Sewall, that he is not in a position to make the investments required to take advantage of the project. He expressed his view that the current system is satisfactory for his needs. He also indicated that he objected to the cost penalty that appears to be assessed should he wish to take advantage of the project at a future date. There was some discussion of the merits of the penalty, a contribution of \$150 per acre versus a contribution of \$100 per acre for those connecting to the high pressure line at the time of construction.

There was also some discussion as to the future availability for increases in irrigation acres. It was noted that the system has been designed to include all of the acres that can be served from the system, but that there is no guarantee that acres may be available in the future. There was discussion of the present irrigation limit and the district's plans to seek an increase in that limit.

[11:50 AM, the delegation exited the meeting.]

There was discussion of the information presented by the land owners along the proposed 03 East Branch Rehabilitation project. It was noted that the district is incurring additional costs to operate portions of the project at reduced pressure and that the existing system may continue to provide water to Mr. Sewall for an extended period of time.

- 172-10-2002** Moved by Mr. Livingston that the district re-instate the rehabilitation of 03 East Branch Canal into the current construction period, rehabilitation as per Motion No. 111-06-2002, with the assessment of the \$150 per acre land owner contribution for lands added to the project following rehabilitation being waived for a 5 year period. Seconded by Mr. Henrickson. **CARRIED**

[12:00 Noon, the meeting recessed.]

[12:45 PM, the meeting reconvened. Mr. Meador and Mr. Matoba joined the meeting.]

9.0 Miscellaneous Items Report

9.05 River Watch Science Program, Update

Mr. Hill provided a status report on the activities that are being undertaken by River Watch and the district to assist in improving their long-term financial sustainability as follows:

- a brief conversation has taken place between an ADM at Alberta Learning and Mr. Cal Kullman,
- Alberta Learning suggested that River Watch apply for some small grants through the department to assist them in dealing with new curriculum issues [Mr. Kullman indicated that the grants may be too small to take the time applying for],
- River Watch has completed a number of grant applications to assist them in including new curriculum items in their program and to extend the program to a larger group of participants, with requirements for additional equipment and a return to full-time staffing [if grants are approved],
 - The National Science and Engineering Research Council Science Promotions Grant is for \$30,000 each of three years to double the capacity of River Watch in Calgary and Edmonton,
 - The Alberta Ecotrust Foundation Grant is for \$20,000 to add 1000 students to the Calgary program,
 - The Canada Climate Change Action Fund Grant is for \$25,000 to add water conservation messages and home devices to the RiverWatch program,
 - The Friends of the Environment Foundation Grant is for \$66,000 to double the raft equipment in Calgary and Edmonton [Grant Application being Developed], and
 - a proposal to Fisheries and Oceans and TransAlta is for \$100,000 in each of three years to operate River Watch at a doubled capacity [Applications/Presentations to be made following the outcomes of other grant applications],
- River Watch has requested the EID and Dr. Oberg to author a general letter of support for its activities that can be used in promotional material and grant applications. A DRAFT letter of support by the district has been prepared. Dr. Oberg has issued a similar letter of support.
- The district has completed an initial review of the articles of incorporation for the Beyond Books Institute of Alberta to determine how the application for charitable status can be completed. Some legal assistance is likely required to ensure compliance under the Income Tax Act. This is an area that River Watch is looking for some assistance.
- River Watch has also requested the district assist it in determining whether or not their current "WAIVER" is sufficient. Their current waiver form was developed based on a template from the Calgary Board of Education. River Watch would like the district to obtain a legal opinion of the effectiveness of the waiver.

173-10-2002 Moved by Mr. Nielsen that the district approve providing a letter of support for the activities of the River Watch Science Program and to incur legal costs up to \$1,000 to complete the application for Charitable Status and to review legal waiver form for River Watch participants. Seconded by Mr. Johnson. **CARRIED**

5.0 Engineering Report

5.06 IRP Update

Mr. Romao provided a brief update on the new requirements for funding under the IRP program administered by the Irrigation Council. He noted that each district must now submit annually a rolling three-year plan, rather than individual reports for each project. It was also noted by Mr. Wilson that the plan needs to be delivered to the Irrigation Council prior to 01 January of each year. There was also some discussion of the other requirements to be included in the report.

6.0 Operations Report

6.01 2002 Water Use, Preliminary Results

Mr. Wilson provided an overview of water use in the district during the 2002 diversion period. The following information was included:

- Average Use 2002 0.92 ac ft/ac
- Lowest Use 2002 [Rolling Hills] 0.57 ac ft/ac
- Highest Use 2002 [Patricia] 1.44 ac ft/ac
- Total Forage Acreage 2002 180,379 ac [64%]

Mr. Wilson noted that the full annual water audit will be prepared for review at the November meeting.

6.02 Farm Improvement Projects

Mr. Meador provided information regarding applications for Farm Improvement Project grants, with decisions as follows:

174-10-2002 Moved by Mr. Nielsen that the district approve the Farm Improvement Project [increase in water use efficiency] for Mr. John Penner, Jr. in the SE ¼ 05-23-16 W4M, surface and side-roll wheel move to low pressure pivot [drop tubes, no cold weather shut-offs], \$5,422 [pro-rated 70 acres surface at \$4,038 and 72 acres side-roll wheel move at \$1,384], minus \$1,800 [9 irrigation acres outside of pivot circle], EID contribution is \$3,622. Seconded by Mr. George. **CARRIED**

175-10-2002 Moved by Mr. George that the district approve the Farm Improvement Project [increase in water use efficiency] for Mr. Rob Wallace in the NE ¼ and Ptn. SE ¼ 22-23-16 W4M, surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$7,500, minus \$5,800 [29 irrigation acres kept outside of pivot circle], Irrigable Unit Designation, landowner also responsible for costs of crossings and maintenance of crossings in the SE ¼ 22-23-16 W4M, EID contribution is \$1,700. Seconded by Mr. Henrickson. **CARRIED**

[1:10 PM, Mr. Romao exited the meeting.]

7.0 Land Administration Report**7.01 Request to Transfer Irrigation Acres [Hargrave]**

Mr. Matoba provided an overview of a request from Bearspaw Management [Douglas Hargrave] to permanently transfer irrigation acres from one parcel to another parcel owned by him. It was noted that Mr. Hargrave may need to transfer additional irrigation acres to the NW ¼ 22-21-14 W4M.

176-10-2002 Moved by Mr. Livingston that the district approve the transfer of 14 irrigation acres from the SE ¼ 21-21-14 W4M to the NW ¼ 22-21-14 W4M. Seconded by Mr. Henrickson. CARRIED

7.02 Irrigable Unit Registration

Mr. Matoba provided information regarding the registration of Irrigable Unit Designations on various parcels of land. It was noted that the land owners consent has been obtained in each case.

177-10-2002 Moved by Mr. Johnson that the district register Irrigable Unit designations against Ptn. SW ¼ 18-21-15 W4M, SE ¼ 18-21-15 W4M [Bonnie Spragg], NW ¼ 16-17-16 W4M, Block A, Plan 8210606 [JH & CH Brummelhuis], and NW ¼, NE ¼ & SW ¼ 23-19-14 W4M [North Creek Ranches Ltd.]. Seconded by Mr. Henrickson. CARRIED

7.03 Cancellation of Terminable Agreements in Favour of Rural Water Use Agreements, Report

Mr. Matoba highlighted a report detailing how and which Terminable Water Agreements presently issued for country residences that are to be cancelled in favour of Rural Water Use Agreements [total acres to be cancelled is 334 acres].

7.04 Lease Inquiry, Land for Air Strip

Mr. Matoba highlight a request from Mr. John Kuhn to locate an air strip on lands owned by the district and part of the lands used by the Rosemary Grazing Association. It was noted that there are a number of potential adverse impacts from chemical spills, etc. at an unregulated land strip and that there are airports [for example, Bassano] where spray plane operations can be conducted. It was noted that the district would decline providing any lands for the requested use.

There was also some discussion of the present agreement with Quickway Aviation near Tilley. It was noted the agreement has been in effect on 5 year renewals for an extended period of time.

7.06 Transfer of Irrigation Acres, Giles

Mr. Wilson provided an update and review of acres that may be available for transfer by Mr. Murray Giles regarding new lands to be serviced under a pivot on the 05 East Branch Canal [following rehabilitation]. Mr. Giles has been asked by the district [13 Feb 2002 Directors Meeting] to find 90 acres to transfer. Current proposals for transfer are less than that. There was discussion of the various alternatives that might be open to Mr. Giles to meet the district's expectations. It was noted that Mr. Giles is to be informed that the 90 acres will be required.

7.07 Grazing Lease Transfer, Tessman to Murray [GL No. 7109]

Mr. Matoba indicated the district has received an application to transfer a private grazing lease from

Mr. Tessman to Mr. Stephen Murray. The transfer is related to a pending sale. Mr. Matoba noted that upon completion of the sale all of the conditions for a transfer will have been met.

178-10-2002 Moved by Mr. Henrickson that the district approve the transfer of the Private Grazing Lease of Alfred Tessman to Stephen Murray upon completion of necessary transfers, documentation and all criteria being met. Seconded by Mr. George. CARRIED

7.08 Update, Weather Stations

Mr. Wilson provided an update on options to participate in the setting up of weather stations and the collection of data that might be useful to the district and to Alberta Agriculture, Food and Rural Development, Alberta Hail & Crop Corporation and others. Based on the range of costs and the perceived problems with some of the programs the additional weather data is intended to assist, there was general agreement that Mr. Wilson, on behalf of the district, decline present participation with Alberta Agriculture's WeatherNet or Alberta Hail & Crop Precipitation Monitoring.

7.09 On-Farm Water Storage Project

Mr. Livingston advised that Mr. Bob McKnight is constructing a large on-farm storage pond near the One Tree Creek in section 33-20-13 W4M. He indicated that the district may expect that an application to divert and store water for irrigation use could be forthcoming.

7.05 Draft Irrigation Expansion Plan

Mr. Wilson provided an overview of information that could form the basis of approaching the irrigators in the district with approval for granting an increase in the district's irrigation limit. The following information was reviewed:

The Irrigation District's Act requires the district to:

- Send out an information package to all irrigators and to hold an information meeting,
- Hold a plebiscite vote to change the district expansion limit,
- The district's present expansion limit is 286,000 acres and our current assessment is 282,500 acres.

License Update:

- The district has two 1963 licenses with a 1903 priority,
- One that lets us divert 1,000 cfs in low flow season [usually May 1 to May 24 and August 1 to October 1] and 3,000 in high flow, up to a total of 562,000 acre feet,
- The district can divert up to 825 cfs for a total of 200,000 acre feet between October 1 and May 1. [To divert 200,000 acre feet at 825 cfs takes 122 days. We have never taken more than 110,000 acre feet under this license],
- In May of 2002 the district was issued a new license that allows diversion of up to 3400 cfs at any time as long as the district passes 400 cfs at all times during the year. The district's total diversion between April 1 and October 31 can be 680,000 acre feet,
- The district still has its original licenses and can fall back to them if required, however, the new license allows us to serve the area on the river [Bassano, Countess, Rosemary, Duchess, Bow City, Antelope Creek, Cassils, Brooks, Rainier and Scandia] with little storage much better under low flow conditions,
- The district has operated under these conditions using temporary authorities for many years,
- The new license matches the way the district has operated for years.

The District's Current Assessment is:

Undeveloped flood irrigation	18,500 acres
Levelled [steep slopes, short sets, light soils]	26,500 acres
Levelled [well levelled, heavy soils]	40,000 acres
Levelled with gated pipe	14,000 acres
Total Flood Irrigation	99,000 acres
Wheel move	53,000 acres
Linear systems	2,000 acres
Pivot, high pressure	44,000 acres
Pivot, low or medium pressure	84,500 acres
Total Sprinkler Irrigation	183,500 acres
Total Assessment	282,500 acres

On-Farm Efficiencies:

Method	Range of On-Farm Efficiency	Efficiency the District Has Chosen
Undeveloped	25% to 50%	40%
Levelled [steep slopes, short sets, light soils]	40% to 60%	53%
Levelled [well levelled, heavy soils]	55% to 75%	68%
Wheel move	60% to 72%	68%
Pivot, high pressure	70% to 78%	74%
Pivot, low or medium pressure	75% to 90%	83%

Increasing On-Farm Efficiencies:

If irrigators were to change from a less efficient system to a more efficient system, more acres can be served with the same water. Using the efficiencies from the On-Farm Efficiencies chart, the following conversion table was developed:

From/To	Poorly Levelled Flood	Well Levelled Flood	Wheel Move	Pivot, High Pressure	Pivot, Low Pressure
Undeveloped flood	1.33	1.7	1.7	1.85	2.08
Poorly levelled flood		1.28	1.28	1.4	1.57
Well levelled flood			1.0	1.09	1.22
Wheel move				1.09	1.22
Pivot, high pressure					1.12

Increasing On-Farm Efficiencies:

The district has chosen to be a little more conservative in our planning than the studies have shown and have developed the following conversion table for expansion planning:

From/To	Poorly Levelled Flood	Well Levelled Flood	Wheel Move	Pivot, High Pressure	Pivot, Low Pressure
Undeveloped flood	1.2	1.35	1.35	1.4	1.5
Poorly levelled flood		1.2	1.2	1.3	1.4
Well levelled flood				1.05	1.15
Wheel move				1.05	1.15
Pivot, high pressure					

Possible Intensification:

Current Method	Existing Assessment	Probable Conversion to Low Pressure Pivot	Change in Assessment	Change in Water Use
Undeveloped flood	18,500	1,500	2,250	0
Class B flood	26,500	13,000	5,200	0
Class A flood	54,000	15,000	2,250	0
Wheel move	53,000	20,000	3,000 -2,000	0
High pressure pivot	44,000	22,000	0	-4,400
Low pressure pivot	86,500	0	0	0
Totals		71500	11700	-4400

Expansion Plan:

Description	Acres	Change in Water Use [acre feet]
intensification on existing irrigation parcels using a more efficient irrigation method	12,000	0
development from return flow channels that do not need to be supplemented	3,000	0
new parcels or intensification of existing parcels where the conversion to a more efficient method does not provide enough acres		
below Crawling Valley Reservoir	5,000	7,500
below Lake Newell Reservoir	5,000	7,500
Totals	25,000	15,000

Increased Storage Capacity:

The district has raised Rolling Hills Reservoir by 15 feet. An additional 27,000 acre feet of storage. This is equivalent to almost 2' on Lake Newell.

Results of Expansion by 25,000 Acres:

- If the district has 3 years identical to 2001 in a row, with the expansion in place, the total extra water use would be 45,000 acre feet ... 22,500 out of Crawling Valley and 22,500 out of Newell/Rolling Hills Reservoir.
- The result would be that there would be 5,500 more acre feet in Newell/Rolling Hills Reservoir than in 2001 because of the increased size of Rolling Hills Reservoir.
- The district would have 1.25 acre feet/acre below Newell.
- There would be 22,500 acre feet less in Crawling Valley, and there would still be 44,000 acre feet or 1.3 acre feet/acre left.

Possible Acre Conversion:

	Possible Conversion	Acres	Total
Undeveloped flood			
90 parcels 60 to 100 acres	45	40	1,800
20 parcels > 110 acres	10	20	200
Developed flood			
380 parcels > 100 acres	100	10	1,000
34 parcels 101 to 110 acres	10	25	250
46 parcels 91 to 100 acres	23	35	800
33 parcels 81 to 90 acres	20	45	900
130 parcels 61 to 80 acres	60	60	3,600
Sub-total:			8,550
Wheel move			
45 parcels 110 to 120 acres	30	15	450
85 parcels 81 to 100 acres	40	40	1,600
Sub-total			10,600

In discussion of this information it was noted that the district needs to make a "compelling" and "easy-to-understand" case for the expansion. One of the additional suggestions, to that included in the presentation, would make the comparisons of "before" and "after" expansion based on the district's license, taking into account the improved on-farm efficiencies as follows:

[*figure may change]	Present [286,000]	Future [310,000]
License Amount	680,000	680,000
Evaporation	80,000	80,000
Canal Losses	<u>20,000</u>	<u>20,000</u>
Net Available	580,000	580,000
Return Flow	100,000	*75,000
Change in Storage	<u>0</u>	<u>*15,000</u>
Net for Irrigation	480,000	490,000
Ac Ft/Ac	1.68	1.58
Acre Inches	20.16	18.96

It was agreed to continue to prepare information and a "draft" information package that meets the requirements of the Irrigation Districts Act for the November meeting.

[2:55 PM, the meeting recessed. Mr. Matoba and Mr. Meador exited the meeting.]

[3:05 PM, the meeting reconvened.]

8.0 Electricity Retailing/Contract Options

Mr. Wilson reported on a meeting that he and Mr. Knelsen had with representatives of Valeo Power Corporation in Calgary. The purpose of the meeting was to explore various options the district might have to save on power costs and to determine the merits and/or drawbacks of acting as a retailer for its own irrigators. There was discussion of the range of options and Mr. Wilson advised that he would continue to collect more detailed information.

9.0 Miscellaneous Items Report

9.01 Brooks Campus, Medicine Hat College RE Donation Request

The district reviewed the recent request to participate in providing a donation and/or funding for the recently completed student residences at the Brooks Campus of the Medicine Hat College. It was agreed the district decline the invitation to participate.

9.02 Correspondence, Mrs. Jane Liesch

Mr. Wilson provided a brief overview of a letter of notice of potential legal action from Mrs. Jane Liesch. The details of the correspondence were briefly discussed. It was noted that the district has forwarded a copy of the letter to its insurers as notice.

9.03 County of Newell, No. 4, 50th Anniversary Celebrations

There was brief discussion of an invitation to participate in a Trade Show and Displays that will be held to celebrate the 50th anniversary of the County of Newell. Mr. Wilson indicated he would respond to the County in the affirmative and attempt to obtain more details. The event is scheduled for the 22nd of August 2003.

9.04 Irrigation Council Reception, Mr. Chris Vermeeren [13 November 2002]

Mr. Wilson asked for volunteers from the directors to attend the retirement reception for Mr. Chris Vermeeren. The event is to be held on the 13th of November in Lethbridge. Mr. Mr. Nielsen, Mr. Johnson and Mr. George expressed an interest. Mr. Wilson suggested any others wishing to attend advise him so that transportation can be arranged.

9.06 Bow River Basin Council, Update

9.07 Palliser Economic Partnership, Update

Mr. Hill noted that a written update on the activities of each organization had been provided as part of the Pre-Board Meeting package. It was noted that the BRBC does appear to be held in high regard by the Minister of Environment and the senior staff. It was also noted that the BRBC Directors are meeting in late November with staff of Alberta Environment to determine how basin stakeholder groups will fit into the development and delivery of the Alberta Water Strategy.

There was brief mention of the activities of the Palliser Economic Partnership. It appears there are some members of the group who wish to move ahead more aggressively with the marketing aspects of the initiative and that there may be a regional economic development authority established in that regard.

10.0 Upcoming Meetings & Events

The following meetings and events were noted:

- Irrigation Council Reception, Mr. Chris Vermeeren 13 November 2002, 7:00 PM
- November Directors Meeting 26 November 2002
- December Directors Meeting 17 December 2002
- EID Annual Christmas Staff Party 13 December 2002

The meeting was adjourned on a motion by Mr. Henrickson at 3:55 PM.

Per: Chairman

Minutes Approved on 26 November 2002

Per: General Manager

Motion No. 180-11-2002

26 November 2002, Directors Meeting

The directors of the Eastern Irrigation District held a meeting on the 26th day of November 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]
Mr. Clint Henrickson	Vice-Chair [Division 03]
Mr. Floyd George	Director [Division 01]
Mr. Tom Livingston	Director [Division 02]
Mr. Neil Johnson	Director [Division 04]
Mr. Allan Nielsen	Director [Division 05]
Mr. Pat Hemsing	Director [Division 07]
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

The meeting was called to order at 9:45 AM.

1.0 Approval of Agenda

The following items were added to the agenda:

- 7.10 Water Supply Agreements [Oil & Gas] [Floyd George],
- 8.05 Water Supply Lines in Pastures [Mr. Livingston],
- 11.08 Bassano Hydro Options [Clint Henrickson], and
- 11.09 Update on Power Contracts [Bob Chrumka]

179-11-2002 Moved by Mr. Hemsing that the agenda be adopted as added to. Seconded by Mr. Henrickson. CARRIED

It was also in discussing agenda items that the district should forward a letter to the County of Newell No. 4 and/or Alberta Transportation encouraging them to install the bridge railings at the Rolling Hills Canal crossing on Highway 530 [between NW ¼ 10 & SW ¼ 15-15-14 W4M].

2.0 Approval of Minutes, 29 October 2002

The following corrections were made to the minutes of the 29 October 2002 Directors Meeting:

- pg. 154 7.07 Grazing Lease Transfer, Tessman to Murray [GL No. 7109].

180-11-2002 Moved by Mr. Henrickson that the minutes of the 29 October 2002 Directors Meeting be adopted as corrected. Seconded by Mr. Hemsing. CARRIED

3.0 Business from Minutes

There was no business identified arising from the minutes of the 29 October 2002 Directors Meeting.

4.0 Financial Report, Financial Statements, Period Ending 31 October 2002

Mr. Knelsen provided a detailed overview of the district's financial statements for the period ending the 31st of October 2002, with specific discussion of the following matters:

- while total revenue to date is less than 2001 it is still ahead of budget for 2002,
- discussion of pending increase in WCB rates to employers, EID rate is increasing, but less than the industry average, past-employee claims have now been subjected to a 3 year period,
- the district is in compliance on the changes in the Occupational Health and Safety Act and regulations,
- discussion of the elements that make up the reduced expenses in the Community Leases for 2002 [reduced expenses for fencing, taxes, texas gates, and water pumping], and
- notice that the payment for district time on the Kitsim Reservoir design for Fording Coal needs to be corrected to reflect the proper code and recovery of the costs incurred by the district.

181-11-2002 Moved by Mr. Hemsing that the district accept the Financial Statements for the period ending 31 October 2002. Seconded by Mr. Henrickson. CARRIED

[10:20 AM, the meeting recessed.]

[10:30 AM, the meeting reconvened. Mr. Romao and Mr. Meador joined the meeting.]

5.0 Engineering Report

5.01 Project Update

Mr. Romao reviewed the project cost summaries and forecasts for the present period. He also provided an overview of present status of rehabilitation projects as follows:

EID Capital Projects

- 05 East Branch Rehabilitation [01-1248] EID
 - 2 - 3 kilometre pipelines
 - west pipeline, pipeline installed, turnouts and structures remain
 - east pipeline, scheduled for March 2003
- C Springhill Rehabilitation [01-1304] Richardson Bros. (Olds) Ltd.
 - 6 kilometre lined canal
 - 0.5 kilometre of liner installed
- 02 D Springhill Rehabilitation [01-1317] EID
 - 0.4 kilometre pipeline
 - completed in August
- Rolling Hills Reservoir Enlargement Project [01-1200] Chief Construction
 - North Dam
 - earthworks are about 85% complete, rip rap placement remains
 - outlet structure, conduit concrete 20% complete
 - Dykes
 - earthworks completion scheduled mid December
 - South Dam

- earthworks are about 90% complete
 - outlet structure is about 95% complete for concrete
- 20 & 21 Bow Slope Rehabilitation [01-1318] EID
- 12 kilometre pipeline
 - scheduled to start in December
- F Springhill Rehabilitation [01-1331] Richardson Bros. (Olds) Ltd.
[pending bonding & insurance]
- 3.5 kilometre lined canal
 - scheduled to start in early 2003
- 17 G Springhill Rehabilitation [01-1319] EID
- 4 kilometre pipeline
 - 2 kilometres of pipe installed
- 10 Rolling Hills Rehabilitation [01-1316] Brooks Asphalt
[pending bonding & insurance]
- 4.5 kilometre pipeline
 - tender to closed on 22 November
- 14 H West Bantry Rehabilitation EID
- 1.5 kilometre lined canal
 - earthwork. liner and armour complete
 - structures remain

IRP Projects

- Secondary E Springhill Rehabilitation [02-1305, IRP 1945] EID
- 30 kilometre pipeline
 - stringing pipe underway
 - installation to commence on 25 November 2002

5.02 AH North Bantry Structure Replacement

Mr. Romao provided an overview of the proposed rehabilitation for and replacement of the AH North Bantry Structure. It was noted that the plans call for replacement of the existing structure with a concrete, cast-in-place structure with an automated Langeman Gate at an estimated cost of \$174,000.

182-11-2002 Moved by Mr. Nielsen that the district approve the rehabilitation of AH North Bantry Structure with installation of a concrete cast-in-place structure and automated Langeman Gate. Seconded by Mr. Helsing. CARRIED

It was noted that the district had included the replacement of this structure within another tender. The following bids have been received:

Engineer's Estimate	\$174,000
Robin Hansen	\$203,010
CharMar	\$203,500
MJB Enterprises	\$328,392

It was noted that the project will, pending receipt of bonding and insurance certificates, be awarded

to Robin Hansen.

5.03 Tender Results, Update

Mr. Romao provided details on the following tenders that have been received and awarded as follows:

Secondary F Springhill Rehabilitation [01-1331]	
Engineer's Estimate	\$623,685.00
BYZ Construction Inc.	\$659,868.00
Calibre Systems	\$868,396.00
F Miller Excavating	\$805,035.00
Mesken Contracting Ltd.	\$834,081.43
Richardson Bros. (Olds) Ltd.	\$545,105.00
Top Notch Construction	\$612,095.00

The project has been awarded to Richardson Bros. (Olds) Ltd. pending receipt of bonding and insurance certificates.

10 Rolling Hills Rehabilitation [01-1316]	
Engineer's Estimate	\$249,700.00
Brooks Asphalt	\$199,160.00
BYZ Construction	\$304,552.00
F Miller Excavating	Rejected
Skocdopole	\$293,417.10

The project has been awarded to Brooks Asphalt pending receipt of bonding and insurance certificates.

5.04 IRP Formula/IMS Update

Mr. Wilson provided an update on the discussions of the Irrigation Council regarding the Infrastructure Management System [IMS] and the defined costs of replacement and their impact on the allocation of funds under the Irrigation Rehabilitation Program [IRP]. While official notice in writing from the Irrigation Council has not yet been received, it appears that all infrastructure rated in the IMS will be included as specified infrastructure, unless an individual structure exceeds a replacement cost of \$5,000,000. Mr. Wilson noted that this should increase the value of the district's infrastructure that would be counted within the IRP funding.

6.0 Operations Report

6.01 Farm Improvement Projects

Mr. Meador provided information regarding a number of applications for approval of Farm Improvement Projects, with decisions as follows:

183-11-2002 Moved by Mr. Livingston that the district approve the Farm Improvement Project [increase in water use efficiency] for Mr. Art Eckert in the NW ¼ 15-21-14 W4M, surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$6,865 [pro-rated 119 acres surface irrigation], minus \$1,300 [13 additional irrigation acres required @ \$100/acre capital assets charge], minus \$2,597.15 [materials for new installation], EID contribution is \$2,967.85. Seconded by Mr. Johnson. **CARRIED**

184-11-2002 Moved by Mr. Henrickson that the district approve the Farm Improvement Project [increase in water use efficiency] for James & Jean Culligan in the SW ¼ 32-21-14 W4M, surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$4,326.75 [pro-rated 75 acres surface irrigation], minus \$500 [5 additional irrigation acres required @ \$100/acre capital assets charge], minus \$1,600 [8 irrigation acres kept outside of pivot circle at \$200/acre], EID contribution is \$2,226.75 and approve the Farm Improvement Project, a drain relocation, cost-shared 50/50 between the district and land owner, estimated to cost \$5,000, with land owner to pay the sum of \$2,500. Seconded by Mr. Johnson. **CARRIED**

[10:50 AM, Mr. Nielsen exited the meeting, as the matter being discussed relates to an application made by him.]

185-11-2002 Moved by Mr. Henrickson that the district Approve the Farm Improvement Project [increase in water use efficiency] for Allen & Donna Nielsen, in the S ½ 36-16-16 W4M, surface and side-roll wheel irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$2,519 [pro-rated 47 acres side-roll to pivot for \$904 and 28 acres surface to pivot for \$1,615], minus \$500 [5 additional irrigation acres required @ \$100/acre capital assets charge], EID contribution is \$2,019. Seconded by Mr. Hemsing. **CARRIED**

[10:55 AM, Mr. Nielsen joined the meeting.]

- 6.02 2002 Return Flow**
- 6.03 2002 Water Audit**

Mr. Wilson provided an overview of water use in the district during the 2002 diversion period. In addition he presented information regarding measured and estimated return flow as well as an overall accounting for water use as follows:

Description/Year	2002	2001
Water Diverted at Bassano Dam	450,000	690,000
Minus		
+ / (-) Change in storage	10,000	5,000
Delivered to other licensees	(9,000)	(10,000)
Seepage/conveyance losses	(18,000)	(20,000)
Reservoir evaporation	(50,000)	(90,000)

Description/Year	2002	2001
Water for household/rural water use purposes	(4,000)	(5,000)
Delivered to DU from water supply system	(35,000)	(5,000)
Sub-total:	344,000	565,000
Minus		
Delivered to irrigators	(261,000)	(510,000)
Sub-total [Operational Spill]:	83,000	55,000
Return Flow Analysis		
Operational Spill	83,000	55,000
Minus		
Delivered to DU from return flow channels	(10,000)	(10,000)
Evaporation from DU projects	(3,000)	(5,000)
Sub-total [Net Operational Spill]:	70,000	40,000
Measured Return Flow	98,000	97,000
Minus		
Net Operational Spill	(70,000)	(40,000)
Return Flow from Irrigator Operations	28,000	57,000
% Return Flow from Irrigator Operations	10.73%	11.18%

[11:05 AM, Mr. Romao exited the meeting. Mr. Matoba joined the meeting.]

7.0 Land Administration Report

7.01 Irrigation Unit Discharges/Designations

Mr. Matoba provided information regarding Irrigable Unit Designations that can be discharged, as well as new Irrigable Unit Designations, complete with the required consents, that need to be registered as follows:

186-11-2002 Moved by Mr. Hemsing that the district agree to following discharges and subsequent registrations of irrigable units; [1] Discharge, NW ¼, NE ¼ 15-23-16 W4M, R&W Wallace and Register, NW ¼, NE ¼, 15, R&W Wallace & SE ¼, NE ¼ 22-23-16 W4M,, Rob Wallace; [2] Discharge, SE ¼ 18-17-13 W4M & Plan 8222FH, E&E Christiansen, S ½ of NE ¼ 18-17-13 W4M, R&K Christiansen and Register, SE ¼ 18-17-13 W4M & Plan 8222FH, E&E Christiansen, S ½ of NE ¼, S ½ NW ¼, SW ¼ 18-17-13 W4M, R&K Christiansen and [3] Discharge, Ptn. NW ¼ 01, Ptn. NE ¼ 01, SW ¼ 01, SE ¼ 01, Ptn. NW ¼ 06, SW ¼ 06-19-15 W4M, Murray Giles and Register, Ptn. NW ¼ 01, Ptn. NE ¼ 01, SW ¼ 01, SE ¼ 01, Ptn. NW ¼ 06, SW ¼ 06-19-15 W4M, Murray Giles, Ptn. NE ¼ 02, SE ¼ 02-19-16 W4M, Jason Giles. Seconded by Mr. Henrickson. CARRIED

7.03 Municipal Water Conveyance Agreements**7.04 Fairville and Newell Hutterian Brethren Water Conveyance Agreements**

It was noted that a number of municipal water conveyance agreements will expire at or near the end of 2002, including: the County of Newell, No. 4 [for the Hamlets of Patricia, Rainier, Rolling Hills and Scandia], Town of Bassano, Town of Brooks, Village of Duchess, Village of Rosemary and Village of Tilley, as well as for the Fairville and Newell Hutterian Brethren.

It was noted that the existing agreements reference a fixed rate for the specified term of the agreement. The rate that has been in place is \$0.06/1,000 gallons [\$16.32/acre foot]. It was noted that under the Irrigation Districts Act the rates assessed for conveyance are now subject to appeal. As such, the district has established a practice of determining the rate for conveyance charges based on a justifiable formula. This approach has been defined in the district's fee by-law that past two years. In preparing for the renewal of these agreements, it was suggested that the fees section of the agreements be adapted to refer to the by-law and its annual fee determination.

There was discussion of the merits of keeping the fees assessed for municipal use at their current levels. It was noted that the present rate in the by-law for municipal conveyance is \$18.70, which is about 15% higher than the fee included in the previous agreements.

187-11-2002 Moved by Mr. Hemsing that the district approve the change in structure of municipal water conveyance agreements, with the fees for municipal water conveyance being related to annually approved by-law based on costs for conveyance, instead of the setting of a fixed fee for a specific term of agreement. Seconded by Mr. Henrickson. CARRIED

There was additional discussion regarding the fee that should be charged to municipalities for their water use. It was suggested that the current fee is sufficient and that it does generate positive publicity due to its low structure. The merits of setting the fee at a certain amount versus adjusting the discount based on the by-law was debated.

188-11-2002 Moved by Mr. George that the district set the rate for water conveyance for municipalities at \$0.06/1,000 gallons. Seconded by Mr. Johnson. DEFEATED

It was noted that the district could wait to establish the discount that might apply to municipal conveyance agreements until the rate and fee by-laws are established for 2003. There was discussion of the merits of providing some early indication of the direction the district might take in regards to these fees.

189-11-2002 Moved by Mr. Nielsen that the district set the discount rate for water conveyance agreements for municipalities at 75% of the costs established in the district's by-law. Seconded by Mr. Hemsing. CARRIED

It was agreed that the district should ensure that municipalities understand the structure for determining the fees for conveyance and that they further understand the level of discount that is being provided to them.

It was also agreed that the water conveyance agreements for the Fairville and Newell Hutterian Brethren are more closely associated with municipal use, rather than agricultural use or industrial use.

7.05 Count of Newell, No. 4 -- Gravel Pit Use Agreement for Crawling Valley

Mr. Matoba advised that the present aggregate processing and removal agreement with the County of Newell, No. 4 for use of the district's Crawling Valley Pit [Ptn. NE ¼ 09 & Ptn. NW ¼ 10-24-17 W4M] is set to expire as of the 31st of December 2002. The district has the responsibility for the stripping, removing and stockpiling of the topsoil and overburden, as well as reclamation. It was noted that those costs and liabilities have been increasing, and as such, an increase in the royalty rate from \$1.50 per cubic metre to \$1.75 per cubic metre is proposed.

190-11-2002 Moved by Mr. Nielsen that the district set the rate for aggregate processed and/or removed from the district's Crawling Valley Gravel Pit [Ptn. NE ¼ 09 & Ptn. NW ¼ 10-24-17 W4M] by the County of Newell at \$1.75.cubic metre for a two year agreement term. Seconded by Mr. Johnson. CARRIED

7.06 Patricia Cemetery [Ptn. 02-20-13 W4M]

Mr. Wilson provided information regarding a recent request to make use of or continue the use of a cemetery that is located on lands owned by the district and under a private grazing lease. There was some discussion of the documentation that should be able to be found regarding the site. There was general agreement that the district advise the Division 03 Ag Society &/or other parties that the district is willing to provide lands for the continued/renewed use of the cemetery on condition that the land be subdivided and sold with all necessary documentation.

[11:45 AM, Mr. Redelback joined the meeting.]

7.07 Offer to Purchase, Lands Adjacent to Princess Plant

Mr. Redelback provided an overview of a proposal by Trans Canada Pipelines Ltd. to purchase lands owned by the district in the immediate vicinity of the Princess Compressor Station in Ptn. NE ¼ 12 and Ptn. E ½ 13-20-12 W4M. It was noted that the offered price is \$700 per acre.

In addition it was noted that these lands do generate annual surface lease payments and are also used as part of the lands grazed under agreement by the Patricia Grazing Association. It was noted that the sale of the lands could potentially impact access from both a grazing and cattle access to water perspective.

In addition, Trans Canada has also requested the district consider the sale of lands to allow them to "square-up" lands used previously for a airstrip at the offered price of \$700 per acre. It was noted the offer to purchase may have been made due to the high costs that would be incurred to reclaim the site from its earlier airstrip use.

It was agreed that the district advise Trans Canada Pipelines Ltd. that it is declining both of the offers to purchase and that the district will entertain entering into a lease agreement with them for the airstrip area. Under the terms of any such lease, the district would maintain the right for cattle to graze the area.

7.08 Offer to Pay One-Time Payment Versus Annual Lease

Mr. Redelback noted that Trans Canada Pipelines Ltd. has also suggested a change in their current method of payment to the district for areas occupied for transmission pipelines. It was noted that the

district has an agreement with Trans Canada that specifies an annual rental for the pipeline rights-of-way and Trans Canada has proposed converting these lands [approximately 1,240 acres] to a single one-time payment calculated at \$700 per acre.

It was agreed that the district should also decline this offer. The annual payment provisions in the existing agreement are more beneficial to the district than the offered one-time payment.

7.09 Appraisal of Land Values for Use in Lease Rental Calculation

Mr. Redelback provided an overview of the process to review the rental fee that is to be paid by Trans Canada Pipelines Ltd. for the lands occupied for pipeline transmission. It was noted that the process for determining the rate is also set out in the agreement.

The district's current rate that is applied to the agreement formula is \$300 per acre. A recent appraisal of bare-land values has been obtained as specified in the agreement. The weighted appraisal suggests that the bare-land value has increased to \$353 per acre. It was agreed that the district commence its negotiations at \$400 per acre, but not settle any less than the appraised value.

[12:05 PM, the meeting recessed.]

[1:25 PM, the meeting reconvened.]

7.10 Water Supply Agreements [Oil & Gas]

Mr. George noted that the district's practice regarding the fees paid for conveyance of water for oil and gas exploration are \$1,200 per well site drilled within its jurisdiction boundaries. He further noted that the district requires the payment of this fee for all wells drilled in the region, whether they are on district-owned land or private lands. He further suggested, that while the majority of water that might be used for this purpose has been conveyed by the district, there are certainly some instances where the water might well be from a private license or from run-off not associated with the irrigation infrastructure.

Mr. George suggested that the district consider a change in its practices to allow land owners to collect the \$1,200 fee for well sites drilled on private lands in the district, regardless of the source of supply. He also suggested that these payments be limited to 10 well sites per land owner per year.

There was discussion regarding the merits and/or problems that might be associated with such a change in practice. It was also noted that the district's charging of the fee for access to water by oil and gas exploration companies does not prevent any land owner from securing an access payment to water that is obtained by crossing a land owner's land holdings.

191-11-2002 Moved by Mr. George that the district adopt a practice to authorize the payment of \$1,200 per well drilled on private lands within the district's jurisdictional boundaries to any effected land owner [without payment to the EID], regardless of the source of water supply, to an annual maximum per land owner of 10 wells. Seconded by Mr. Johnson.

There was lengthy discussion regarding the fairness of such an approach. It was noted that all irrigators presently benefit from the payments on an equal basis, through a lower annual irrigation rate. Concern was expressed regarding the overall implications of making any such change in practice. The motion was TABLED on a motion by Mr. Nielsen for additional discussion at the

December Directors Meeting.

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

7.02 Applications for Increases in Irrigation Acres

Mr. Matoba provided an overview of the applications for increases in irrigation acres that have been received and evaluated against the district's present policies. Based on the criteria and information presented the following decisions were made:

- 192-11-2002** Moved by Mr. George that the district approve an increase in irrigation acres for Mr. Ronald Wiebe in the SE $\frac{1}{4}$ 29-21-16 W4M from 89 acres to 133 acres, with 14 acres based on water use efficiency improvements [side-roll wheel move to low pressure pivot] and conditional upon the transfer of 10 irrigation acres [5 acres from NW $\frac{1}{4}$ 31-21-16 W4M, Helmut Wiebe Farms Ltd. and 5 acres from Ptn. N $\frac{1}{2}$ 08-21-16 W4M, Helmut Wiebe] and 5 acres under a Terminable Water Agreement [due to pending drain rehabilitation, acres to be transferred following construction]. Seconded by Mr. Henrickson. **CARRIED**
- 193-11-2002** Moved by Mr. Johnson that the district approve increase in irrigation acres for Mr. Jamie Buteau in 27-18-16 W4M from 434 acres to 489 acres [previous surface irrigation to low pressure pivot] , conditional upon the transfer of 7 irrigation acres from NW $\frac{1}{4}$ 20-18-16 W4M. Seconded by Mr. Hemsing. **CARRIED**
- 194-11-2002** Moved by Mr. Livingston that the district approve increase in irrigation acres for Mr. Wade Tobler in the SW $\frac{1}{4}$ 21-20-12 W4M from 75 acres to 120 acres, with 22 acres based on water use efficiency improvements [uncontrolled surface irrigation to laser levelled surface irrigation]. Seconded by Mr. Henrickson. **CARRIED**
- 195-11-2002** Moved by Mr. George that the district approve increase in irrigation acres for Mr. Keith Henrickson in the NW $\frac{1}{4}$ 14-20-13 W4M from 74 acres to 100 acres, with 17 acres based on water use efficiency improvements [uncontrolled surface irrigation to laser levelled surface irrigation]. Seconded by Mr. Nielsen. **CARRIED**
- 196-11-2002** Moved by Mr. Hemsing that the district approve the increase in irrigation acres for the Speargrass Cattle Co. [Mr. Murray Jorgensen] in the NW $\frac{1}{4}$ 07-21-16 W4M from 31 acres to 72 acres, with 12 acres based on water use efficiency improvements [side-roll wheel moves to low pressure pivot] conditional on the transfer of 7 acres from the NE $\frac{1}{4}$ 07-21-16 W4M and in the NW $\frac{1}{4}$ 12-21-17 W4M from 35 terminable acres to 77 irrigation acres, with 5 acres based on water use efficiency improvements, on the condition that the 29 acres in the NW $\frac{1}{4}$ 11-21-17 be transferred. Seconded by Mr. George. **CARRIED**
- 197-11-2002** Moved by Mr. Livingston that the district approve the granting of a terminable water agreement for Mr. Rodney Davidson in the NE $\frac{1}{4}$ 35-16-16 W4M for 18 acres for a 5 year term expiring following the 2007 irrigation period. Seconded by Mr. Henrickson. **CARRIED**

- 198-11-2002 Moved by Mr. Nielsen that the district approve the increase in irrigation acres for Mr. Brian de Jong in the SE ¼ 06-20-14 W4M from 132 acres to 146 acres. Seconded by Mr. George. CARRIED

- 199-11-2002 Moved by Mr. Helsing that the district approve the increase in irrigation acres for Mr. Jake Harder in the S ½ of 13-15-16 W4M from 111 acres to 130 acres. Seconded by Mr. Livingston. CARRIED

- 200-11-2002 Moved by Mr. George that the district approve the increase in irrigation acres for Mr. David Peltzer in the NE ¼ 10-21-15 W4M from 60 acres to 110 acres, [increase of 53 acres], with 14 acres based on water use efficiency improvements [surface and side-roll wheel moves to low pressure pivot] conditional upon the transfer of 6 acres from SE ¼ 15-21-15 W4M. Seconded by Mr. Livingston. CARRIED

There was also some review and discussion of the other applications that had been received and reviewed by the district. It was agreed that the following applications for increases in irrigation acres be refused pending the approval and adoption of a new irrigation expansion limit:

- Mr. Rob Wallace, NW ¼ 15-23-16 W4M 25 acres
- P & I Hansen, NE ¼ 25-17-14 W4M 30 acres
- Beasley Ranching, SW ¼ 03-20-13 W4M 23 acres
- Mr. Clint Henrickson, N ½ 15-20-13 W4M 15 acres
- Clearview Hutterian Brethren, sec 24 & 25-23-18 W4M 135 acres
- Margaret Douglass, SE ¼ 19-24-15 W4M 10 acres
- Harvey Seely, NW ¼ 16-20-13 W4M 40 acres
- Janet Henry, SE ¼ 10-20-13 W4M 10 acres
- Leo Wiebe, SE ¼ 27-21-16 W4M 25 acres
- Todd Beblow, NW ¼ 26-17-14 W4M 30 acres
- Beasley Ranching, NW ¼ 01, SW ¼ 12-20-13 W4M 40 acres
- B & D Beasley, SE ¼ 28-19-13 W4M 25 acres
- Mr. Tom Parker, NW ¼ 17-21-15 W4M 10 acres
- Mr. Vern Parker, NW ¼ 17-21-16 W4M 10 acres
- Mr. Jamie Buteau, NW ¼ 20-18-16 W4M 100 acres
- Breezewood Ranch, S ½ -2-20-16, N ½ 35-19-16 W4M 133 acres
- D & L Hale and Brad Hale, Sec 20-22-17 W4M 500 acres
- Mr. Cal Cameron, Ne ¼ 14-18-14 W4M 127 acres
- L & L Oilfield Consulting, Sec 30-21-16 W4M 250 acres
- Mr. John Lawson, SE ¼ 13-21-13 W4M, NW ¼ 07-21-12 W4M 40 acres
- North Creek Ranches, Sec 26-19-14 W4M 260 acres
- Mr. Edward Sage, W ½ 03, Sec 04-25-16 W4M 820 acres

It was also noted that all of the refused applicants be advised by letter of the refusal and that the letter include a statement indicating a right of appeal of the decision to the Irrigation Council.

There was also discussion of a late application received from Mr. Brad Calvert. This is the same application that has been received and refused in the past. There was some discussion of what would have to take place to allow for an increase in irrigation acres in areas where there is no reservoir support and improvements in efficiency have already taken place. It was agreed that the district should research changes and/or water use efficiency improvements made by Mr. Brad

Calvert and/or acres that have been reduced from the unsupported areas downstream of Kitsim Reservoir for future discussions to determine what acres, if any, might be approved for increase.

[2:15 PM, Mr. Matoba and Mr. Meador exited the meeting. Mr. Hale joined the meeting.]

8.0 Grazing Report

8.01 Estimated Stocking Rate for 2003

Mr. Hale noted that based on grass and water supply conditions the presently estimated stocking rate for community pasture operations in 2003 is 30 head per member [57,215 AUMs]. It was noted that this could still change depending on the weather that takes place prior to cattle being permitted to enter the pastures in 2003.

8.02 Report on Meeting with Grazing Advisory Committee

Mr. Hale provided an overview of the items discussed at the recent meeting of the Grazing Advisory Committee. He noted that the meeting did not raise any particularly new or reportable information. There was some discussion of the district's decision in each of the past two grazing periods to allow members who chose to not pasture cattle in the lease due to drought to return at their previous listing status. Some concern was expressed that some of these individuals may no longer have any cattle. It was noted that if the district returns to more normal grazing operations in 2003 this situation will rectify itself without the need for any intervention.

There was also some discussion of what steps the district should take to respond to the motion approved at the 2002 Annual General Meeting of the district. It was agreed that the district should prepare a letter and information package to all irrigators in follow-up to motion made at 2002 Annual General Meeting:

Moved by Mr. Dick Vossepoel that the district undertaken to circulate a questionnaire regarding the district's grazing lease policies and eligibility requirements to all irrigators in the district. Seconded by Mr. Edwin Bronsch.

CARRIED

201-11-2002 Moved by Mr. Livingston that the district prepare a letter to all irrigators in the district providing an introduction to the issue, a copy of the present policy and a return date for comments. Seconded by Mr. Henrickson.

CARRIED

It was noted that the information package will be circulated to directors prior to mailing.

8.03 Maximum Listing for 2003 Grazing Privileges Applications

Mr. Hale noted that the representatives of the Community Grazing Associations requested allowing their members to list up to 40 cow-calf pairs for the 2003 grazing period. Mr. Hale noted that they had been informed of the district's present estimated stocking rate of 30 head per member. The representatives of the Community Grazing Associations indicated their agreement to advise their members of the estimate of the district, while at the same time allowing for the listing of 40 head.

8.04 Range Seminar

There was some discussion of the upcoming Western Range Science Seminar scheduled for January 19 to 21, 2003 in Medicine Hat. It was noted that the district has often sponsored members

of the Community Grazing Associations attending these seminars. There was a suggestion that for this event the Community Grazing Associations send their lease rider and a member of their association to the event.

202-11-2002 Moved by Mr. Nielsen that the district provide the sponsorship for up to 20 individuals to attend the January 2003 Western Range Science Seminar in Medicine Hat, Alberta on the basis that the lease rider and a representative of each grazing association be invited to attend, as well as for Mr. Hale and any directors of the district who wish to attend. Seconded by Mr. George. CARRIED

8.05 Water Supply Lines in Pastures

There was brief discussion of the schedule for future improvements in water supply throughout the district's pasture lands. It was noted that the district has targeted \$100,000 per year to address these issues. The pastures in need of water supply pipelines, in order of importance are, Gem, Eyremore and then the Rock Lake fields. It was also noted that some projects may exceed the \$100,000 per year allocation in order to create a complete unit.

9.0 Equipment Pool Report, Results of Tenders

Mr. Wilson provided an overview of the bids that have been received for the supply of vehicles as follows:

Company Name		½ ton, 4x4, 8' box	¾ ton, 4x2, 8' box	¾ ton, 4x4, 8' box, extended cab
Chinook Chrysler*	Taber	\$25,550	\$25,731	\$31,261
College Ford Lincoln	Lethbridge	\$26,869	\$24,907	\$30,727
Community GMC	Brooks	\$25,905	\$25,556	\$33,050
Davis Pontiac Buick	Lethbridge	N/A	N/A	N/A
Harwood Ford Mercury	Brooks	\$27,069	\$24,320	\$30,227
Marlborough Ford	Calgary	N/A	N/A	N/A
Martin Chrysler	Brooks	N/A	N/A	\$31,886
Mountview Dodge Chrysler	Lethbridge	\$24,733	\$26,420	\$32,558
Murray Chev Olds ¹	Medicine Hat	\$24,505	\$24,156	N/a
New Park City Toyota	Medicine Hat	\$30,558	N/A	N/A
Rodeo Ford	Medicine Hat	\$26,378	\$23,976	\$29,927
Shaw GMC Pontiac Buick ¹	Calgary	\$24,455	\$23,822	\$30,558
Sorensen Pontiac Buick ¹	Medicine Hat	\$24,349	\$24,472	\$30,453
Taber Ford	Taber	\$27,681	\$26,005	\$34,625

* Additional discount of \$150 per vehicle if total of 4 to 7 units purchased.

1 The district has experienced too many brake and front end problems with GMC vehicles since the 2002 models. There has been little support from GM to remedy the problem and no changes in the 2003 models. As such, the district is RECOMMENDING AGAINST the purchase on any GMC vehicles in 2003.

203-11-2002 Moved by Mr. Nielsen that the district reject the low bids from GMC products due to poor past performance and authorize the purchase of 5 - ½ ton 4x4 vehicles from Mountview Dodge Chrysler at \$24,733 each, 3 - ¾ ton 4x2 vehicles from Rodeo Ford at \$23, 976 each and 1 - ¾ 4x4 extended cab from Rodeo Ford at \$29,927. Seconded by Mr. Hemsing. CARRIED

It was agreed the district should send a letter to the companies whose bids were rejected indicating that they were rejected on the basis of poor performance and increased operating and maintenance costs.

10.0 Irrigation Expansion Plan, Draft 02

Mr. Wilson provided an overview of updated information that could form the basis of approaching the irrigators in the district with approval for granting an increase in the district’s irrigation limit. Mr. Wilson noted that most of the presentation is the same as presently in October, with the exception of a comparison of water use, with and without expansion as follows:

Water Usage Comparison, Now and Following Expansion Guidelines:

	Typical Dry Year		2001	
	Existing Limit	311,000 ac.	Existing Limit	311,000 ac.
Diversion	645,000	660,000	690,000	690,000
Evaporation	80,000	80,000	90,000	90,000
Seepage & conveyance losses	20,000	20,000	20,000	20,000
Delivered to other licensees	10,000	10,000	10,000	10,000
Household and rural water use purposes	5,000	5,000	5,000	5,000
Delivered to Ducks Unlimited from supply	30,000	30,000	5,000	5,000
Delivered to irrigators	450,000	465,000	515,000	530,000
Operational spill	50,000	50,000	45,000	45,000
Change in reservoir storage	0	0	0	(15,000)
Delivered to DU from return flow channels	12,000	15,000	15,000	10,000
Return flow from irrigators and rainfall	80,000	60,000	67,000	47,000
Net Return Flow	118,000	95,000	97,000	82,000
Delivered to irrigators	450,000	465,000	515,000	530,000
Return flow from irrigators and rainfall	80,000	60,000	67,000	47,000
Net water available for irrigation	370,000	405,000	448,000	483,000

	Typical Dry Year		2001	
	Existing Limit	311,000 ac.	Existing Limit	311,000 ac.
Net water available for irrigation [acft/ac]	1.29	1.30	1.57	1.55
Net water available for irrigation [ac in]	15.5	15.6	18.8	18.6

There was discussion of the overall fairness of the allocation of water under license to support existing acres and to allow for expansion that is based, in part, on improved water use efficiencies on parcels that have some present assessment, and then additional irrigation acres to fill out parcels and/or add new parcels.

There was agreement that the district continue to prepare the proposed information package for irrigators that fulfills regulatory requirements, with a planned mail out for late January 2003, presentation at farm meetings in February 2003 and the plebiscite in March 2003.

11.0 Miscellaneous Items Report

11.01 Request for Donation, Farm Women's Conference

There was consensus to decline any donation to the Farm Women's Conference.

11.02 Archive Donation, Provincial Archives of Alberta

This matter was left for discussion at the December Directors Meeting.

11.03 Office Hours for Christmas Season

Mr. Wilson advised that he would like to adopt a similar office hours schedule for the 2002 Christmas period as was used in 2001 being, the office would be closed Christmas Day, Boxing Day and the three days between those dates and New Year's Day. Staff will be expected to take vacation days for the three days between Christmas and New Years.

11.04 Report on PHD Board Meeting

Mr. Chrumka provided an update on the recent PHD Advisory Meeting. It was noted that the fund-raising has not reached its initial target, but that \$1.5 to \$2 million will be raised in support of the program. It was noted that the meeting had a positive outcome and that the EID is now at the end of its initial 5 year commitment to the initiative. A renewal and future commitments will need to be discussed for the next and following budget years.

11.05 McKnight Reservoir

Mr. Wilson provided an overview of the work that is being undertaken by Mr. McKnight north of the One Tree Creek. Mr. Wilson noted his concerns with location of the new pond [located on EID right-of-way] and the lack of apparent stability/safety of reservoir being constructed by Mr. McKnight. Mr. Wilson indicated he planned to arrange a site visit to express district's concerns.

11.06 EUB Discussions

There was a review of a presentation made by Mr. Wilson regarding conflicts between the activities

of the district in operating, maintaining and rehabilitating its irrigation infrastructure and the activities of oil and gas pipeline operators. There was discussion of the district's position under the Irrigation Districts Act [c. I-11, RSA 2000] and the Right-to-Use provisions, along with the crossing agreements that have been signed by oil and gas pipeline operators. It was noted that current EUB regulations may be in conflict with the district's legislation. Mr. Wilson noted he planned to follow-up these discussions with the EUB to see if a change can be made that reduced the potential for adverse impacts on the district.

11.07 AIPA Directors

The following appointment of AIPA Directors was confirmed:

- Bob Chrumka, Neil Johnson, Allen Nielsen, Earl Wilson, and
- Alternates, Clint Henrickson, Floyd George, Tom Livingston, Pat Helsing, David Hill

It was agreed to advise the AIPA of the appointments.

11.08 Bassano Hydro Options, Legislature Green Power Initiative, Ag Forum Report

Mr. Henrickson provided a brief overview of the subject matter of the recent Ag Forum Meeting he attended on behalf of the AIPA. He also indicated that the Alberta Legislature has made some commitment to consume green power for their building and grounds and that might provide an opportunity to reconsider whether or not the proposed Bassano Dam Hydro Project might fit into those plans.

11.09 Update on Power Contract, etc.

It was agreed to delay any discussion of this matter to the December Directors Meeting.

11.10 Sponsorship for AIPA Conference

Mr. Nielsen noted that there remains an opportunity for the district to sponsor a portion of the upcoming Alberta Irrigation Projects Association Conference. A number of options were discussed.

204-11-2002 Moved by Mr. Livingston that the district agree to the sponsorship of an appropriate activity [for example, a portion of a coffee break, etc.] for the AIPA Conference to be held in Calgary, AB in January 2003. Seconded by Mr. Johnson. CARRIED

The meeting was adjourned on a motion by Mr. Henrickson at 4:45 PM.

Per: Chairman

Minutes Approved on 17 December 2002

Per: General Manager

Motion No. 206-12-2002

17 December 2002

The directors of the Eastern Irrigation District held a meeting on the 17th day of December 2002. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]
Mr. Clint Henrickson	Vice-Chair [Division 03]
Mr. Floyd George	Director [Division 01]
Mr. Tom Livingston	Director [Division 02]
Mr. Neil Johnson	Director [Division 04]
Mr. Allan Nielsen	Director [Division 05]
Mr. Pat Helsing	Director [Division 07]
Mr. Earl Wilson	General Manager
Mr. David Hill	Resource Policy and Planning
Mr. James Knelsen	Manager of Administration

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

1.0 Approval of Agenda

205-12-2002 Moved by Mr. Henrickson that the agenda be adopted as presented. Seconded by Mr. Livingston. CARRIED

2.0 Approval of Minutes, 26 November 2002

The following corrections were made to the minutes:

- pg. 168, Item 7.06 ... the district advise the ~~Patricia Ag Service Board~~ **Division 03 Ag Society** and/or other parties ...,
- pg. 170, Item 7.02 add the details of the conversions from one irrigation method to a more efficient method in approvals indicated by motions 192-11-2002 through 200-11-2002 inclusive, and
- pg. 176, Item 11.10 204-11-2002 Moved by Mr. Livingston that the district agree to the sponsorship of an appropriate activity [for example, a **portion of a coffee break**, etc.] for the AIPA Conference to be held in Calgary, AB in January 2003. Seconded by Mr. Johnson. **CARRIED**

206-12-2002 Moved by Mr. Helsing that the minutes of the 26 November 2002 Directors Meeting be adopted as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business from Minutes

Mr. Wilson provided an overview of the district's present by-law outlining the conduct and voting at meetings of the directors. There was some specific reference to the recording of votes and some discussion as to the other "rules" for conducting meetings which the district could choose to adopt.

207-12-2002 Moved by Mr. George that the district return to the discussion of the following motion, tabled at the 26 November 2002 meeting, as follows: "191-11-2002, Moved by Mr. George that the district adopt a practice to authorize the payment of \$1,200 per well drilled on private lands within the district's jurisdictional boundaries to any effected land owner [without payment to the EID], regardless of the source of water supply, to an annual maximum per land owner of 10 wells. Seconded by Mr. Johnson." As there was no seconder to return motion 191-11-2002 for discussion, the motion was DEFEATED.

208-12-2002 Moved by Mr. Johnson that the district take monies received from oil and gas companies for exploration and/or recovery activities on privately-owned lands in the district and apply them directly to a reduction of the annual rate. Seconded by Mr. George.

There was discussion of the merits and/or difficulties that might be associated with designating any specific source of income or compensation to a specific purpose. It was noted in discussion that much of the concern about finding new ways to add economic benefits to irrigators in the district is tied, in some respect, to the impacts of various government programs aimed at drought mitigation. Some of these programs have the effect of providing inequitable benefits to irrigators in the district.

There was also discussion of the earlier visit between the district and the Minister of Agriculture, Food and Rural Development, the Honourable Shirley McLellan, regarding the government's provision of funding for the enlargement of the Rolling Hills Reservoir. Mrs. McLellan's comments about the district's "low rate" and the level of monies in the district's "Capital Reserves" mean the district does not need the money were also considered as providing unfair treatment to the district's irrigators.

There was a review of the method the district presently uses to determine the annual rate, as well as the level of discounts that might be provided for "early payment" of those rates. There was discussion of attempting to develop a more creative approach to these discounts, in a manner that preserves the rate, but also provides for reduced annual costs to the irrigators. It was agreed that some work on these matters be included in the upcoming preliminary budget discussions.

A vote on motion 208-12-2002 was held.

DEFEATED

4.0 Financial Report

4.01 Financial Statements, Period Ending 30 November 2002

Mr. Knelsen provided an overview of the district's Financial Statements for the period ending 30 November 2002, with specific discussion as follows:

- it was noted that the costs for "freight" included under Miscellaneous Expenses for Operations should be moved to Materials and Supplies as they are a direct cost to obtaining those supplies,
- there was discussion of the costs paid and received for the Eyremore Grazing Associations use of the Antelope Creek Ranch, and
- a request to review to total costs of operation for the irrigated pasture swing fields [Kitsim and Lakeside/Rock Lake pivots].

209-12-2002 Moved by Mr. Hemsing that the district approve the Financial Statements for the period ending 30 November 2002 as presented. Seconded by Mr. Livingston. **CARRIED**

4.02 Appointment of Auditor

210-12-2002 Moved by Mr. Henrickson that the district appoint Mr. Mark Ens, operating under the auspices of Bevan, Halbert, Ginet and Gerrard, as the district's auditor for the fiscal period ending 31 December 2002. Seconded by Mr. Hemsing. **CARRIED**

There was some discussion as to the overall costs and effort that might be required in completing the audit. It was generally understood that with recent events such as Enron and WorldCom, the audit community is operating to higher levels of scrutiny.

[10:20 AM, the meeting recessed.]

[10:30 AM, the meeting reconvened. Mr. Meador and Mr. Matoba joined the meeting.]

4.03 Mr. John Douglass RE: NW 17-24-15 W4M, Household Purposes Billing

There was discussion of a letter received by the district from Mr. Douglass. The substance of the letter relates to a billing for water for household purposes in 2001 where that water was not available. In discussion it was noted by Mr. Meador that the district has confirmed that while the Household Purposes Agreement was signed effective for 2001, the facilities to provide the water delivery were not installed.

211-12-2002 Moved by Mr. Nielsen that the district approve the removing of the billing and any related interest penalties for the 2001 Household Purposes from Mr. Douglass account. Seconded by Mr. Johnson. **CARRIED**

5.0 Land Administration Report

5.01 Irrigable Unit Designations

Mr. Matoba provided information regarding the designation of Irrigable Units and a conversion of terminable agreement acres to irrigation acres, with decisions as follows:

212-12-2002 Moved by Mr. Mr. Johnson that the following lands be designated by the district as irrigable units: Jim and Jean Culligan [SW ¼ 32, SE ¼ 32-21-14 W4M] and Allen and Donna Nielsen [SW ¼ 36, SE ¼ 36-16-16 W4M]. Seconded by Mr. Hemsing. **CARRIED**

213-12-2002 Moved by Mr. Livingston that the district approve the conversion of 33 terminable acres to irrigation acres in the NE ¼ 18-20-12 W4M [Mr. Alf Tobler], with payment of Capital Assets Charge. Seconded by Mr. Johnson. **CARRIED**

214-12-2002 Moved by Mr. Livingston that the following lands be designated by the district as an irrigable unit: Mr. Alf Tobler [Ptn. NE ¼ 18-20-12 W4M, SE ¼ 19-20-12 W4M]. Seconded by Mr. Henrickson. **CARRIED**

5.02 Irrigated Farm Lease [5 Year Rate Review]

Mr. Matoba noted that a number of the district's 20 year irrigated leases are coming to the end of their terms, or are entering the last 5 year period of the agreements. He noted that the lease held by Henrickson Farming is entering the last 5 year period of the lease and is now subject to a review of the rate for the last period.

There was some discussion of the rates that have been set in recent renewals, ranging from \$30 per acre to \$35 per acre, depending on the location of the lease, access to water, etc. There was also discussion of the merits of developing a formula that could be applied to determining the rental value for these lease renewals. It was noted that the lands in question require water to be pumped twice, first from the irrigation network to on-farm storage and then from storage onto the crop lands. There was also some comparison to irrigated lease lands that receive their water from 12 Mile Coulee.

**215-12-2002 Moved by Mr. Livingston that the district approve a lease renewal rate at \$25 per acre, plus water, plus taxes for the final 5 year period of the lease term.
Seconded by Mr. Johnson. CARRIED**

There was additional discussion of how to deal with these leases as they approach the end of their term. It was noted the district had, in February 2001, approved a practice of allowing the existing lessee to renew for an additional 5 year period following the 20 year period of the lease with the payment of an amount equivalent to the last year's rent as a renewal fee. It was noted that where a lessee did not wish to pursue this renewal, the parcel would be put up for lease by public tender. There was some discussion regarding revisiting this direction in advance of leases coming to termination.

It was also noted that it would be helpful for the district to provide a wider range of information [for example, aerial photos, background info, crops, other leased/rented land info, soils, tax assessments, etc.] to assist in discussions of rate reviews for irrigated leases.

5.03 Increase in Irrigation Acres Review, SW ¼ 30-17-16 W4M, Mr. Brad Calvert

Mr. Matoba provided an overview of applications for increases in irrigation acres by Mr. Calvert. It was noted that Mr. Calvert has made improvements to the method of irrigation on all of his owned and rented lands, but that the district has not been able to provide any means of crediting these past improvements to an increase in the SW ¼ 30-17-16 W4M.

It was noted that the lands in question remain in that area of the district where there is no upstream reservoir support. Even with the change in the district's license, the district has not yet been able to establish that there is sufficient water for the granting of new acres on this portion of the system. There was also some discussion of the merits of adding the necessary acres under a terminable water agreement. It was suggested that adopting that course of action would be inconsistent with the district's requirement that Mr. Murray Giles find the acres to transfer to a parcel where there is also no upstream reservoir support.

**216-12-2002 Moved by Mr. Nielsen that the district approve the granting of a terminable agreement for an additional 80 acres for Mr. Calvert in the SW ¼ 30-17-16 W4M.
Seconded by Mr. George. DEFEATED**

It was noted that the district needs to determine the process, criteria, etc. that might be used to

address increases in irrigation acres on non-reservoir supported areas in conjunction with initiative to increase the district's expansion limit. It was also suggested that the only means to deal with Mr. Calvert's request may be for him to purchase and transfer irrigation acres from other parcels of land.

[11:20 AM, Mr. Matoba exited the meeting.]

6.0 Operations Report

6.01 Farm Improvement Projects

Mr. Meador provided a review a number of farm improvement projects with decisions as follows:

217-12-2002 Moved by Mr. Livingston that the district approve the Farm Improvement Project [increase in water use efficiency] for Blue Rock Ranching Ltd. [Allen Pickett] in the NE ¼ 36-22-17 W4M, side-roll wheel move to low pressure pivot [drop tubes, no cold weather shut-offs], \$2,049 [pro-rated 122 acres side-roll wheel move], transfer of 9 irrigation acres to SE ¼ 01-23-17 W4M, minus \$1,600 [8 irrigation acres kept outside of pivot area at \$200/acre], minus costs for pivot crossings, minus costs for increased rise size [10" to 12"], minus costs for new household supply, with land owner to pay the difference. Seconded by Mr. Johnson. **CARRIED**

218-12-2002 Moved by Henrickson that the district approve the Farm Improvement Project [increase in water use efficiency] for Laurus and Pieterne de Jager in the SE ¼ 24-14-14 W4M, surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$7,442 [pro-rated 129 acres surface irrigation], minus \$2,100 [21 additional irrigation acres at \$100/acre], minus \$1,400 [change of flood well to riser], with the EID contribution is \$3,942. Seconded by Mr. George. **CARRIED**

219-12-2002 Moved by Mr. Livingston that the district approve the Farm Improvement Project [increase in water use efficiency] for Alfred and Nancy Klassen in the S ½ 36-22-17 W4M, surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs], \$8,596 [pro-rated 136 acres surface irrigation in SW ¼ at \$7,500 plus 19 acres surface irrigation in the SE ¼ at \$1,096], plus \$1,200 [return of 12 irrigation acres to the district at \$100/acre], minus \$1,400 [change of flood well to riser], minus costs for drain crossings or swale construction. Seconded by Mr. Henrickson. **CARRIED**

The directors discussed the dollar value [\$100/acre] for the return of irrigation acres to the district, as well as the penalty assessed [\$200/acre] for irrigation acres kept outside of pivot circles under approved Farm Improvement Projects. There was discussion as to the merits of the district acquiring irrigation acres from parcels where the land owner may wish to return them to the district, but not connected to a Farm Improvement Project.

220-12-2002 Moved by Mr. Johnson that the district approve a policy that authorizes the payment by the district of \$300 per irrigation acre for all irrigation acres returned to the district by irrigators [returns do not have to be related to Farm Improvement Projects]. Seconded by Mr. George.

In discussion of this motion it was noted that some thought needs to be given between the district acquiring these acres, or the district encouraging the trade of acres between individuals, where the

district must still provide its consent to any transfer.

221-12-2002 Moved by Mr. Hemsing that the district table an decision on motion 220-12-2002 pending further discussion at the January 2003 Directors Meeting. Seconded by Mr. Nielsen. CARRIED

4.01 Financial Statements, Period Ending 30 November 2002

Mr. Knelsen advised that the fees paid to the Antelope Creek Ranch for the pasturing of cattle, inclusive of rider fees, and other charges in 2002 was \$28.95 per month per cow/calf pair and \$38.00 per month per bull. These costs are subsequently billed to and paid for by the Eyremore Grazing Association.

6.02 Housing Review

Mr. Wilson provided an overview of the houses owned by the district, with a breakdown of which houses are not required, may be optional, or need to be maintained for long-term staffing needs as follows:

	<u>Location</u>	<u>Tenant</u>	<u>Must Keep</u>	<u>Optional</u>	<u>Not Required</u>
	Antelope Creek	McLean, Roger		✓	
	Brooks	Hayes, Randy	✓	not subdivided	
S01	Brooks	Syret, Don	✓	not subdivided	
S02	Kitsim	Maude, Jeff	✓		
S03	Rainier	Non-Staff	✓		
S04	Scandia	Jackson, Dennis	✓		
S05	Lake Newell	Harink, John		✓	
S06	Tilley	Canning, Troy	✓		
S07	Tilley	Neufeld, Garnet	✓		
S08	Rolling Hills	Non-Staff			✓
S09	Rolling Hills	Non-Staff	✓	not subdivided	
	Rolling Hills	Non-Staff			✓
D01	Duchess	Leland, Gord	✓	not subdivided	
D03	Duchess	Senneker, Dirk		✓	
D04	One Tree	Nichols, Stuart	✓		
D05	Patricia	Non-Staff	✓		
E01	Bassano	Non-Staff	✓		
E02	Gem/Piteau	Wirachowsky, Stacie	✓		
E03	Gem	Boettcher, Pete	✓		

	<u>Location</u>	<u>Tenant</u>	<u>Must Keep</u>	<u>Optional</u>	<u>Not Required</u>
E04	Rosemary	Getz, Chuck		✓	

Mr. Wilson noted that the district’s approach to disposing of housing properties has been to have an appraisal completed that requires the approval of the directors. For housing properties that are surplus to the district’s needs, the board can approve a price following review of the appraisal and then arrange for the properties to be sold.

Where a property is noted as being optional, the district would first determine if the employee or occupant was agreeable to relocating, or would otherwise be interested in purchasing the property. If that is the case, then the district would arrange for an appraisal that would also be reviewed by the directors and an approved price set.

There was also discussion of the merits and/or difficulties that might be encountered in attempting to offer some properties for sale by public tender.

222-12-2002 Moved by Mr. Hemsing approval obtaining appraisals for review by the directors for the 2 homes in Rolling Hills which have been determined to be surplus to the district’s needs, for sale of those homes and to determine if the district’s employee or tenant in houses designated as "optional" [Antelope Creek, Lake Newell, Duchess and Rosemary] are interested in relocating/moving or purchasing the home and only if so, arrange for those appraisals for review by the directors. Seconded by Mr. Nielsen. CARRIED

[11:50 AM, the meeting recessed.]

During the meeting recess period, directors and staff toured the ongoing enlargement of the Rolling Hills Reservoir, noted as Item 7.03.

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

7.0 Engineering Report

7.01 Project Update

Mr. Romao provided the following update for projects currently under rehabilitation:

EID Capital Projects

05 East Branch Rehabilitation [01-1248] EID

- 2 - 3 kilometre pipelines
- west pipeline, pipeline installed, turnouts and structures remain
- east pipeline, scheduled for March 2003

C Springhill Rehabilitation [01-1304] Richardson Bros. (Olds) Ltd.

- 6 kilometre lined canal, 1 kilometre pipeline
- 3.5 kilometre of liner installed
- pipeline installed, turnouts remain

- Rolling Hills Reservoir Enlargement Project [01-1200] Chief Construction
 - North Dam
 - earthworks complete, rip rap placement remains
 - outlet structure, conduit concrete 35% complete
 - Dykes
 - earthworks completion scheduled mid December
 - South Dam
 - earthworks are complete
 - outlet structure is about 95% complete for concrete

- 20 & 21 Bow Slope Rehabilitation [01-1318] EID
 - 12 kilometre pipeline
 - project commenced as of 12 December

- F Springhill Rehabilitation [01-1331] Richardson Bros. (Olds) Ltd.
 - 3.5 kilometre lined canal
 - scheduled to start in early 2003
- 17 G Springhill Rehabilitation [01-1319] EID
 - 4 kilometre pipeline
 - pipeline and turnouts installed

- 10 Rolling Hills Rehabilitation [01-1316] Brooks Asphalt
 - 4.5 kilometre pipeline
 - project commenced as of 12 December

- 14 H West Bantry Rehabilitation EID
 - 1.5 kilometre lined canal
 - earthwork. liner and armour complete
 - structures remain

IRP Projects

- Secondary E Springhill Rehabilitation [02-1305, IRP 1945] EID
 - 30 kilometre pipeline
 - 4 kilometres of pipe installed

7.02 IRP 3 Year Plan, Approval

Mr. Romao provided an overview of the proposed 3 Year IRP Plan that has been completed under the new funding requirements of the Alberta Government. It was noted that plan includes details for projects to be completed in Year 01 and an overview of projects proposed for Year 02 and Year 03. It was also noted that this report only deals with projects that will be subject to the cost-shared funding under the IRP.

223-12-2002 Moved by Mr. Johnson that the district approve the IRP 3 Year Rolling Plan as presented and submit the plan to the Irrigation Council for approval. Seconded by Mr. Henrickson. CARRIED

7.03 Rolling Hills Reservoir, Tour

This tour was conducted during the noon recess of the meeting.

[1:55 PM, Mr. Romao exited the meeting. Mr. Hale joined the meeting.]

8.0 Grazing Report

8.01 Applications, Community Pasture Privileges

Mr. Hale reported on the listing received from the Community Grazing Associations. He noted these were based on a maximum of 30 head per lease patron as follows:

- Bantry 440
- Bassano 649
- Duchess 1,326
- Eyremore 923
- Gem 1,692
- Newell 1,401
- Patricia 1,629
- Rolling Hills 1,045
- Rosemary 1,260
- Tilley 1,135
- Total 11,500

Mr. Hale also noted a decrease in total lease patrons from 436 in 2002 to a proposed 427 in 2003. He also noted that the actual stocking rate for 2003 will be evaluated closer to the spring. It was agreed that moisture is needed in many of the pastures,

8.02 Draft Information Package RE: Annual Meeting 2002

There was some discussion of the contents of a proposed mailing to allow irrigators to express their views on the district's policies governing the operation of the community pastures. It was agreed to send a letter that highlights some point form elements of the policy, but also contains the full policy. It is intended this document will be mailed prior to the end of the year, with responses to be returned to the district by the end of January 2003.

224-12-2002 Moved by Mr. Livingston that the district approve the circulation of a cover letter and accompanying copy of the district's policy regarding the operation of the community pastures and allow irrigators to provide their views to the district in writing no later than the 31st of January 2003. Seconded by Mr. Henrickson. CARRIED

8.03 Priority Plan for Lease Improvements

It was noted that as part of the upcoming budget review, the district should prepare a priority plan, complete with estimated costs, for continued water line and pasture improvements.

[2:15 PM, Mr. Hale exited the meeting.]

9.0 Partners in Habitat Development Report

Mr. Wilson provided an overview of the status report on the Partners in Habitat Development Project carried out in the district as well as in other Irrigation Districts. There was some discussion of the success of the program and the positive feedback and publicity associated with these habitat developments. There was also discussion of the district's future direction and/or involvement in the

project as it is now coming to the end of its present 5 year commitment.

There was some discussion of the volume of work proposed for 2003 in the district as compared to that planned in other irrigation districts [the SMRID, BRID and WID]. There was also some review of the district's funding commitment and the increased funding being provided to the program from other agencies and organizations.

225-12-2002 Moved by Mr. Livingston that the district approval an increase in district funding commitment to PHD from \$25,000 to \$50,000 for a 3 year period, including 2003, 2004 and 2005 with an annual review of the funding allocation. Seconded by Mr. George. CARRIED

It was also noted that the district strongly suggest that Pheasants Forever and the Partners in Habitat Development Project arrange for a display at the upcoming conference of the Alberta Irrigation Projects Association in Calgary, AB. This should provide a good venue for increased information, as well as some fund raising opportunities for Pheasants Forever.

[2:30 PM, the meeting recessed.]
 [2:35 PM, the meeting reconvened.]

10.0 Equipment Pool Report
10.01 Purchase of ½ Ton, ¾ Ton Trucks

Mr. Wilson noted that the district should follow up its "fax" vote on a changed approval for the purchase of trucks that was previously granted in motion no. 203-11-2002. The change was required due to an error made by Mountview Dodge/Chrysler of Lethbridge, AB. Mr. Wilson also noted that he had changed one of the proposed ½ ton vehicles to a ¾ ton vehicle.

226-12-2002 Moved by Mr. Henrickson that the district approve the purchase of 4 - ½ ton 4x4 vehicles from Chinook Chrysler at \$25,400 each [includes \$150 extra discount], 4 - ¾ ton 4x2 vehicles from Rodeo Ford at \$23,976 each and 1 - ¾ ton 4x4 extended cab from Rodeo Ford at \$29,927 [replaces motion 203-11-2002]. Seconded by Mr. Hemsing. CARRIED

10.02 Purchase of Portable Scale

Mr. Wilson noted that the district has reviewed the costs for a proposed scale to be installed at the Eyremore gravel pit as approved in motion no. 166-10-2002. He noted that approved price did not take into account other work that would be required. In addition, he noted that the district has investigated the costs associated with a portable scale for the site. It was suggested that while the scale may not be moved often, its portable nature does provide some benefits and perhaps increased resale value.

Mr. Wilson presented the following information regarding quotes that have been received:

Company	Features	Scale \$	Foundation \$	Other \$	Total \$
Pacific Industrial Scale Co. Ltd.	Uses Loadcells FOB Brooks	\$50,252	\$8,000 to \$10,000	\$3,500	\$61 to \$63,000
MASS LOAD Technologies	Uses Loadcells FOB Brooks	\$52,000	\$8,000 to \$10,000	\$3,500	\$63 to \$65,000

Company	Features	Scale \$	Foundation \$	Other \$	Total \$
Standard Scale Services Ltd.	Uses Loadcells Delivery & Set-Up Costs Extra	\$54,665	\$8,000 to \$10,000	\$3,500	\$65 to \$67,000

227-12-2002 Moved by Mr. George that the district approve the purchase and installation of a portable scale from Pacific Industrial Scale Co. Ltd. at \$50,252 plus foundation and other costs for total estimated cost of \$61,000 to \$63,000 [replaces motion 166-10-2002]. Seconded by Mr. Johnson. CARRIED

10.03 Harwood Ford RE: Award of Vehicle Tender

There was discussion of a letter received from Harwood Ford complaining about the district's tender award for vehicles where the local supplier was only slightly higher than a supplier from outside of the area. While the district did acknowledge that local suppliers should be able to provide increased service and cost-savings, that has not been shown to the case. The consensus of the meeting was that the letter required no response.

11.0 Miscellaneous Items Report

11.01 AIPA Direction

11.02 AIPA Budget

11.03 AIPA Awards

Mr. Wilson provided an overview of issues relative to the Alberta Irrigation Projects Association. It was noted that the recently elected Executive of the AIPA will be meeting on 06 January to prepare for the meeting in Vauxhall scheduled for the 14th. The Executive is also working to make a presentation about the future direction of the AIPA. It was agreed that a major focus of the association's initiative be in the areas of public relations, public information and education.

There was also discussion of the proposed changes to the budget and awards. Mr. Wilson reported that the AIPA is likely planning on holding a retirement social for Mr. Klassen separate from the activities of the upcoming Conference.

11.04 Draft, Information Package to Approve an Increase in the Irrigation Expansion Limit

Mr. Wilson noted that a "draft" copy of an information package to irrigators and the public had been circulated to the directors as part of the pre-meeting information package. It was agreed to replace and/or improve a couple of the pictures in the document and to remove one of the tables. There was discussion of the best way to present information to the irrigators.

It was agreed that the district complete the preparation of the information package with suggested changes in format/content and prepare for mailing in early January 2003 with information meetings to be scheduled in the following communities: Bassano, Duchess, Gem, Patricia, Rainier, Rolling Hills, Rosemary and Tilley [schedule meetings for 1st and 2nd week of February 2003].

There was also discussion of the need for the district to address which and how many of the district's lands might be included in the proposed new expansion below reservoirs. In addition, it was agreed the district should seek suggestions from the irrigators as to whether or not the lands that might be made available for irrigation development by the district be leased or sold.

11.05 Donation of EID Archives to Alberta Provincial Archive

Mr. Hill provided an update on discussions between the district and the Provincial Archives of Alberta regarding the potential donation of the district's historical collection. A site visit from staff of the Provincial Archives identified a number of issues as follows:

- there may be long-term value to the district reviewing whether or not it wishes to donate the collection, versus maintaining it and providing access to it at the district's present location,
- the collection could also be given to an alternate institution in southern Alberta, for example, the University of Lethbridge, or
- the collection could be granted to the Provincial Archives, who have indicated their willingness to accept the collection.

The only costs identified by the Provincial Archives to accept the donation would be for the district to cover the transportation costs. It has been noted that the collection may not be generally available for a period of time while the collection is re-catalogued to make it consistent with the other collections maintained by the Provincial Archives. They have indicated the cataloguing process could be speeded-up if the district were to provide some designated funding to hire summer students to assist in the process. An estimated cost of \$12,000 would provide the funds for 2 summer students for 4 months each.

There was discussion of what might be required to maintain the collection and provide access to it if the district wished to keep it on site. It was agreed that the district prepare information that might assist in determining the range of costs, activities, process, etc. that would need to be implemented for the district to maintain the archives at its office location. It was also noted that the district consider the implications of making the collection available to the public and for research.

11.06 Draft Policy Manual

Mr. Wilson noted that the "draft" policy manual has been circulated as a starting point for regular review of the district's policies. It was noted that some additional work is required to identify and include all of the present policies.

There was agreement that the directors review the draft policy manual and determine or recommend a priority for staff and director review. It was noted that a few policies could be reviewed on a monthly basis, but that the district should address those that have the most importance first.

11.07 Preliminary Budget Discussion

Mr. Wilson initiated a general discussion of information intended to assist in the development of a Preliminary Operating Budget for the 2003 fiscal period. It was generally agreed that the district follow same general format as in previous years, consider new elements related to increased discounts, increased capital construction, review of options for merit, bonus, cost-of-living, etc.

12.0 Upcoming Meetings Schedule

The following meetings were noted:

- AIPA Meeting, 14 January 2003, Vauxhall, Alberta
- AIPA Conference, 22 to 24 January 2003, Calgary, Alberta
- January Directors Meeting, 30 January 2003
- Farm Meetings Schedule

[4:25 PM, Mr. Hill and Mr. Knelsen exited the meeting.]

- 228-12-2002** Moved by Mr. Henrickson that the directors move to an in camera session.
 Seconded by Mr. Johnson. **CARRIED**
- 229-12-2002** Moved by Mr. Nielsen that the directors close the in camera session.
 Seconded by Mr. Henrickson. **CARRIED**
- 230-12-2002** Moved by Mr. Livingston that the directors ratify the contract with the
 Manager, Mr. Earl Wilson, P. Eng., for the 2003 fiscal period. Seconded by Mr.
 Hemsing. **CARRIED**

The meeting was adjourned on a motion by Mr. Henrickson at 5:45 PM.



Per: Chairman

Minutes Approved on 30 January 2003



Per: General Manager

Motion No. 003-01-2003

