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30 January 2003, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 30th of January 2003. 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. Allen Nielsen | Director [Division 05] |
| Mr. Pat Hemsing | Director [Division 07] |
|
 | |
| Mr. Earl Wilson | General Manager |
| Mr. David Hill | Resource Policy and Planning |

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

1.0 Approval of Agenda

The following items were added to the agenda:

- 3.0 Business from Minutes, Tabled Motion 220-12-2002,
- 10.04 Oil & Gas, Drilling & Exploration Concerns,
- 10.05 Use of Right-of-Entry Payments by Community Grazing Associations,
- 10.06 Loan, Rosemary Grazing Association [New Modular Home],
- 11.11 Tandem/Service Truck, Approval for Dispersal,
- 11.12 Energy Costs/EID Self Retail Power,
- 11.13 Meeting with Lorne Taylor, Minister of Environment,
- 11.14 AIPA Retirement Social for Stan Klassen

001-01-2003 Moved by Mr. Henrickson that the agenda be adopted as added to. Seconded by Mr. Hemsing. CARRIED

2.0 Approval of Minutes, 17 December 2002

The following corrections were made to the minutes of the 17 December 2002 Directors Meeting:

- pg. 178 As there was no seconded to return motion 191-11-2002 for discussion, the motion was DEFEATED.
- pg. 189 The following information was added to the minutes in regards to an "in camera" session held at the conclusion of the meeting.

[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.

There was general discussion of the appropriate rules of order for in camera meetings as well as a discussion of what information may be available to directors under the Irrigation Districts Act and the Freedom of Information and Protection of Privacy Act regarding specifics of employee information, pay scales, etc. It was generally agreed that ranges of salary by position and designation could be provided, but that some more specific information may not be available.

002-01-2003 Moved by Mr. Livingston that the district review legislation and/or regulations governing the conduct of meetings of the district and the information relative to the district's operations [for example, employee pay scales and/or other employee information] that may be made available to directors. Seconded by Mr. Henrickson. CARRIED

003-01-2003 Moved by Mr. Henrickson that the minutes of the 17 December 2002 Directors Meeting be approved as corrected. Seconded by Mr. Hemsing. CARRIED

3.0 Business from Minutes

There was discussion of the following motion, tabled for further discussion to the present meeting [221-12-2002, 17 December 2002]:

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.

It was noted that setting a rate that the district would pay to have irrigation acres removed from parcels of land may have the effect of setting a "minimum price" throughout the district for future transfers of irrigation acres between irrigators. It was also suggested that if the district to approve paying \$300 per acre for irrigation acres, while its Capital Assets Charge is set at \$100 per acre, the district may then need to consider an increase in the Capital Assets Charge.

It was also noted that it may be preferable to leave the setting of any rate for the transfer of irrigation acres to the irrigators. While the district would like to entice the return or removal of irrigation acres from parcels that are not being actively irrigated [for example, pivot corners], it was suggested that even the fee of \$300 per acre would not likely ensure they would be returned to the district. It was also noted that the district would need to consider whether or not the irrigation acres being returned to the district came from areas with reservoir support, partial reservoir support or unsupported by upstream reservoirs. It was also agreed that irrigators, as they continue to improve their lands, are finding places for unused irrigation acres on their lands.

004-01-2003 Moved by Mr. George that the district table motion 220-12-2002. Seconded by Mr. Johnson. DEFEATED

A vote was called on motion 220-12-2002.

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. DEFEATED

[9:35 am, Mr. Romao joined the meeting.]

4.0 Engineering Report
4.01 Project Status 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 mid-February 2003

C Springhill Rehabilitation [01-1304] Richardson Bros. (Olds) Ltd.
• 6 kilometre lined canal, 1 km. pipeline
• 4.5 kilometre of liner installed
• pipeline installed

Rolling Hills Reservoir Enlargement Project [01-1200] Chief Construction
• North Dam
• earthworks complete
• rip rap placement remains
• outlet structure, conduit concrete 75% complete
• Dykes
• earthworks complete
• rip rap placement underway
• South Dam
• earthworks complete
• outlet structure is about 95% complete for concrete

In discussion of the Rolling Hills Reservoir Enlargement it was suggested the district strongly encourage the contractor to haul the rip rap at the earliest opportunity to reduce problems with road wear-and-tear, dust, etc.

20 & 21 Bow Slope Rehabilitation [01-1318] EID
• 12 kilometre pipeline
• 6.5 km. of pipe installed

F Springhill Rehabilitation [01-1331] Richardson Bros. (Olds) Ltd.
• 3.5 kilometre lined canal
• scheduled to start in the first week of February

17 G Springhill Rehabilitation [01-1319] EID
• 4 kilometre pipeline

- pipe installed, turnouts installed

10 Rolling Hills Rehabilitation [01-1316] Brooks Asphalt

- 4.5 kilometre pipeline
- all but the domestic/household lateral installed

It was noted that a couple of Infrastructure Cost-Savings Grants for this project are included on the present agenda. It was agreed that such applications should be concluded and approved prior to the construction of the project.

There was also discussion of the implications of the district's policies regarding the design capacity of turnouts on rehabilitation projects, particularly where lands may be irrigated by surface irrigation methods. It was generally agreed that the district wishes to avoid "over-building" capacity in projects and needs to find an appropriate balance, particularly where lands are being surface irrigated. It was also noted that the district may wish to review its present structure of maximum delivery size for design purposes and its maximum delivery volume under its operating policies.

14 H West Bantry Rehabilitation EID

- 1.5 kilometre lined canal
- earthwork, liner and armour complete
- structures installed

IRP Projects

Secondary E Springhill Rehabilitation [02-1305, IRP 1945] EID

- 30 kilometre pipeline
- 10 km. of pipe installed

Mr. Romao also provided an overview of the project costs status for current and upcoming rehabilitation projects.

4.02 Infrastructure Cost-Savings Grant Applications

Mr. Romao provided an overview of two Infrastructure Cost-Savings Grant applications associated with the 10 Rolling Hills Rehabilitation as follows:

- NW ¼ 01-15-14 W4M [Michael & Sandra Shackleton], Conversion from surface irrigation to low pressure pivot, reducing flow requirement from 6 cfs to 3 cfs, cost-savings related to reduced pipeline size is \$33,700, proposed grant as per policy [50% up to a maximum of \$15,000] is \$15,000,
- NW ¼ 06-15-13 W4M [Holshire Dairy Farm Ltd.], Conversion from surface irrigation to low pressure pivot, reducing flow requirement from 6 cfs to 3 cfs, cost-savings related to reduced pipeline size is \$51,000, proposed grant as per policy [50% up to a maximum of \$15,000] is \$15,000.

005-01-2003 Moved by Mr. Johnson that the district approve Infrastructure Cost-Savings Grants for the NW ¼ 01-15-14 W4M in the amount of \$15,000 and for the NW ¼ 06-15-13 W4M in the amount of \$15,000. Seconded by Mr. Hemsing. CARRIED

[10:00 am, the meeting recessed.]

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

5.0 Operations Report

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

006-01-2003 Moved by Mr. Livingston that the district approve a Farm Improvement Project [increase in water use efficiency] for Tsuyoshi Hironaka in the NW ¼ 14-21-15 W4M, 45 acres side-roll wheel move and 27 acres surface irrigation to low pressure pivot [drop tubes, no cold weather shut-offs, pipeline to pivot centre], \$2,423 [pro-rated based on conversion], transfer of 6 irrigation acres from the SW ¼ 14-21-15 W4M, minus \$1,800 [increase in irrigation acres of 18 acres at \$100/acre, 11 acres conversion of surface irrigation at 1.4, 7 acres conversion of side-roll wheel moves at 1.15], for a total of 96 acres, EID Contribution is \$623. Seconded by Mr. Henrickson. **CARRIED**

007-01-2003 Moved by Mr. Hemsing that the district approve a Farm Improvement Project [increase in water use efficiency] for Tsuyoshi Hironaka in the SW ¼ 22-21-15 W4M [40 acres side-roll wheel move] and Mark M. Hironaka in the NW ¼ 15-21-15 W4M [119 acres side-roll wheel move], 159 acres side-roll wheel moves to low pressure pivot [drop tubes, no cold weather shut-offs, pipeline to pivot centre], \$3,057 [pro-rated based on conversion], minus \$500 [increase in irrigation acres of 5 irrigation acres at \$100 per acre, conditional upon registration of an Irrigable Unit, EID contribution is \$2,557, Seconded by Mr. Livingston.

In discussion of this motion it was noted that the change in irrigation method in the SW ¼ 22-21-15 W4M and the NW ¼ 15-21-15 W4M from efficiency improvements would be 24 acres [159 acres of side-roll wheel moves at 1.15], and that there is merit in allowing the unused balance of efficiency improvements to be transferred to NW ¼ 14-21-15 W4M.

008-01-2003 Moved by Mr. George that the district amend motion 007-01-2003 to allow the transfer of the unused balance of efficiency improvements in the SW ¼ 22-21-15 W4M and NW ¼ 15-21-15 W4M to the NW ¼ 14-21-15 W4M, [providing an increase in approved irrigation on that parcel motion 006-01-2003] from 96 acres to 115 acres [conditional upon the payment of the Capital Assets Charge or \$1,900, 19 acres at \$100 per acre]. Seconded by Mr. Livingston. **CARRIED** [Opposed: Mr. Hemsing]

There was discussion that such transfers might be able to be considered if they occur between parcels with common owners at the same time, but that the district will not be in a position to track such changes that might occur over multiple years.

007-01-2003 Moved by Mr. Hemsing that the district approve a Farm Improvement Project [increase in water use efficiency] for Tsuyoshi Hironaka in the SW ¼ 22-21-15 W4M [40 acres side-roll wheel move] and Mark M. Hironaka in the NW ¼ 15-21-15 W4M [119 acres side-roll wheel move], 159 acres side-roll wheel moves to low pressure pivot [drop tubes, no cold weather shut-offs, pipeline to pivot centre], \$3,057 [pro-rated based on conversion], minus \$500 [increase in irrigation acres of 5 irrigation acres at \$100 per acre, total available for conversion would be 24 acres, 159 acres of side-roll wheel moves at 1.15, allow balance of 19 acres of efficiency improvements to be transferred to NW ¼ 14-21-15 W4M as per amended motion, 008-01-2003], conditional upon registration of an Irrigable Unit, EID contribution is \$2,557, Seconded by Mr. Livingston. **CARRIED**

009-01-2003 Moved by Mr. Livingston that the district Approve the Farm Improvement Project [increase in water use efficiency] for Leslie and Lina Klassen in the W ½ 17-21-16 W4M, side-roll wheel moves to low pressure pivot [drop tubes, no cold weather shut-offs, pipeline to pivot centre], \$1,135 [59 acres pro-rate], conditional upon movement of 11 acres from north west corner of NW ¼ 17 to the SW ¼ 17 and registration of an Irrigable Unit, EID contribution is \$1,135, Seconded by Mr. Johnson. **CARRIED**

010-01-2003 Moved by Mr. Henrickson that the district approve the Farm Improvement Project [increase in water use efficiency] for G.W. Murray Ranches Ltd. in the NW ¼ 25-14-13 W4M, side-roll wheel move to low pressure pivot [drop tubes, no cold weather shut-offs, pipeline to pivot centre], \$2,582 [134 acres pro-rated], cancellation of 17 acre terminable water agreement, all irrigation acres moved under pivot area, EID contribution is \$2,582. Seconded by Mr. Johnson. **CARRIED**

It was noted that this parcel of land had been subject to an earlier Farm Improvement Project approval, but that the combined contributions by the district do not exceed the policy's \$7,500 maximum per parcel.

011-01-2003 Moved by Mr. Nielsen that the district approve the Farm Improvement Project [increase in water use efficiency] for G.W. Murray Ranches Ltd. in the SW ¼ 25-14-13 W4M, surface irrigation to low pressure pivot, [drop tubes, no cold weather shut-offs, pipeline to pivot centre], \$7,326 [127 acres pro-rated], minus \$2,800 [14 irrigation acres kept outside of pivot area], EID contribution is \$4,526. Seconded by Mr. Hemsing. **CARRIED**

[10:50 am, Mr. Romao and Mr. Meador exited the meeting, Mr. Matoba joined the meeting.]

6.0 Irrigated Lease Policy [Discussion]

Mr. Wilson initiated a discussion of the district's irrigated lease policy. It was noted that the discussion is required to deal with a range of issues, considering:

- that some 20 year leases are soon coming to the end of their term and the district needs to make decisions on the disposition of those leases,
- there is an interest in the district's plans for its own lands under the proposed increase in the irrigation expansion limit, and

- whether or not the district needs to develop a policy or initiative to allow irrigated lands of the district to be sold, rather than leased.

It was noted that the district presently has the following irrigated farm leases:

	Location	Lessee	Acres	Current Rate *	Expires
01	15-14-14 22-14-14	Patterson	688	\$35.00	Dec 2003
02	E ½ 19-15-13	Colbens	230	\$35.00	Dec 2005
03	w ½ 19-15-13	Mousset	185	\$35.00	Dec 2005
04	SE ¼ 05-18-12	Drotos	133	\$30.00	Dec 2007
05	25-19-13 36-19-13	Henrickson	431	\$25.00	Dec 2007
06	NE ¼ 16-15-13	Lundquist	145	\$35.00	Oct 2009
07	NE ¼ 26-14-13	Nannt, F.	135	\$35.00	Oct 2009
08	NW ¼ 26-14-13	Nannt, R.	135	\$35.00	Oct 2009
09	NE ¼ 12-15-14	Cook	135	\$40.09	May 2011
10	S ½ 12-24-16	Douglass, L.	140	\$30.00	Dec 2014
11	31-23-15 36-23-16	Douglass, R.	450	\$30.00	Dec 2015
12	NE ¼ 28-14-13	Groenenberg	130	\$35.00	Dec 2015
13	SE ¼ 11-15-13 S ½ 12-15-13	Hawkins	272	\$25.00	Dec 2015
14	SE ¼ 29-14-13	MacLagan	135	\$37.93	Dec 2015
15	SE ¼ 22-14-13	Nannt, F.	135	\$35.00	Dec 2015
16	SE ¼ 21-14-13	Nannt, R.	135	\$35.00	Dec 2015
17	SE ¼ 15-14-13	Nannt, F. & R.	130	\$35.00	Dec 2015
18	SE ¼ 32-15-15	S-Scan	134	\$51.01	Dec 2015
19	SW ¼ 32-15-15	S-Scan	134	\$51.72	Dec 2015
20	SE ¼ 10-14-13 NE ¼ 03-14-13	Cook	133	\$48.87	Feb 2021
*	Current Rate is additional to water rates and taxes.		4,145	Total Acres	

There was a general discussion of the history relating to establishing irrigated leases. It was noted that the first of the 20 year leases to expire will be that of Patterson's which will expire at the end of this calendar year.

There was also discussion of the need to prepare general information that could apply to district lands that could be developed for irrigation upon approval of an increase in the irrigation expansion

limit. There was discussion regarding the past practice of leasing lands and the potential to have them made available for sale. It was agreed that the only lands the district might wish to discuss making available for sale would be those that are being actively cultivated and irrigated -- or that could be. It was also agreed that some general information about future options should be included in the discussion at the upcoming Irrigator Information Meetings.

There was general agreement to encourage discussion and suggestions from irrigators to the following information:

- The district is investigating the possibility of selling irrigated land at the end of present lease terms in a fair way.
- If the district were to decide to do this, then future irrigation development on EID land will be leased to EID farmers under a bid system, where the bid includes the option to purchase the lease after a ten year period.
- The possible ways of handling existing leases includes:
 - Lessee given the option to extend the lease for another 10 years on the payment of 1 years lease payment.
 - Option A:
 - Lessee does not want a lease extension:
 - The district has the land appraised, after receiving an appraisal, the district sets a price, gives the lessee first option to meet this price, if not acceptable, then sell by bid or auction to EID water users, or
 - Option B:
 - Have the land appraised, set a minimum price and then sell by bid or auction with the lessee having the right to match the highest bid, or
 - Option C:
 - Sell by bid or auction.

[11:45 am, Mr. Matoba exited the meeting.]

9.0 Land Administration Report

9.01 Irrigable Unit Discharge

Mr. Wilson presented information regarding an Irrigable Unit that can be subject to a partial discharge, with the decision as follows:

012-01-2003 Moved by Mr. Hemsing that the district approve the discharge of the Irrigable Unit designation as it refers to Plan 4425D, Parcel A [in the NW ¼ 33-20-15 W4M], Dan & Marg Loewen. Seconded by Mr. Nielsen. CARRIED

9.02 Irrigable Unit Designations

Mr. Wilson presented information regarding a number of Irrigable Unit designations that need to be approved and registered at the Land Titles Office, with decisions as follows:

013-01-2003 Moved by Mr. Hemsing that the district approve the designation of the SE ¼ 05-15-15 W4M, NE ¼ 31-14-15 W4M and NW ¼ 32-14-15 W4M, Harley & Louise Tateson, as an irrigable unit, with the conversion of 103 terminable acres in the NE ¼ 31-14-15 W4M, and 52 terminable acres in the NW ¼ 32-14-15 W4M to irrigation acres at \$100/acre. Seconded by Mr. Henrickson. CARRIED

[11:50 AM, Mr. Johnson, Director exited the meeting.]

014-01-2003 Moved by Mr. Hemsing that the district approve the designation of the NE ¼ 28-18-16 W4M, SE ¼ 28-18-16 W4M [excepting LSD 01] and LSD 01 in the SE ¼ 28-16 W4M, George Niznik and Genovia Niznik [LSD 01], as an irrigable unit, with the conversion of 38 terminable acres in the NE ¼ 28, 92 terminable acres in the SE ¼ 28 and 23 terminable acres in LSD 01 of the SE ¼ 28-18-16 W4M to irrigation acres at \$100/acre. Seconded by Mr. Henrickson. CARRIED

015-01-2003 Moved by Mr. George that the district approve the designation of Ptn. NE ¼ 21, S ½ of the SW ¼ 28 and S ½ of the SE ¼ 28-19-14 W4M, Victor Valli and Lois Valli, as an irrigable unit with the transfer of 26 irrigation acres from the S ½ of the SW ¼ 28-19-14 W4M, 9 irrigation acres from the S ½ of the SE ¼ 28-19-14 W4M, 3 irrigation acres from the NE ¼ 15-19-14 W4M and 2 irrigation acres from the NW ¼ 10-19-14 W4M. Seconded by Mr. Livingston. CARRIED

016-01-2003 Moved by Mr. Henrickson that the district approve the designation of the SE ¼ 21-19-14 W4M and Plan 9710394, Block 1 [NE ¼ 21-9-14 W4M], Johnson Farms Ltd. & Victor Valli as an irrigable unit. Seconded by Mr. Hemsing. CARRIED

9.03 Proposed Land Sale [Ptn. SE ¼ 09-14-13 W4M]

Mr. Wilson provided an overview of lands proposed for sale by the district to Mr. Ralph Nannt. It was noted that the land has been cut-off from the balance of the parcel due to the relocation of a portion of the Rolling Hills Canal.

017-01-2002 Moved by Mr. Livingston that the district approve the sale of approximately 14 acres of land located in the SE ¼ 09-14-13 W4M, from the district to Ralph Nannt at the price of \$500 per acre, the sale brought about as a result of the relocation of the Rolling Hills Canal and approval to increase in irrigation acres for lands in the parcel that can be irrigated at \$100/acre. Seconded by Mr. George. CARRIED

9.04 Proposed Land Sale [Ptn. SE ¼ 03-16-16 W4M]

Mr. Wilson noted the district has received a request from the County of Newell, No. 4 to sell to them the lands that are presently occupied by Rainier Landfill Site. It was noted that the district does not want any liability associated with such sites and it is in keeping with past practices to transfer the area to the County.

018-01-2003 Moved by Mr. Hemsing that the district approve the sale of approximately 10 acres of land [Rainier Landfill Site] in a Ptn. SE ¼ 03-16-16 W4M, from the district to the County of Newell, No. 4 at the price of \$500 per acre, plus the costs of the subdivision and transfer. Seconded by Mr. Henrickson. CARRIED

[12 noon, the meeting recessed.]

[12:45 pm, the meeting reconvened. Mr. Johnson, Director, joined the meeting. Mr. Hale joined the meeting.]

7.0 Review of Responses, Mail-Out of Policy Governing the Operation of the Community Pastures

There was general discussion of the range of responses received from irrigators and lease patrons to the district's recent initiative to ask for suggestions and/or recommendations about the future direction of the district's policy governing community pastures. It was noted that responses continue to arrive at the offices of the district. It was agreed that the district report the general information at the upcoming irrigator information meetings, but that no effort be made to specifically discuss the future policy directions the district might wish to pursue. The following format of information was agreed upon:

- # responses were received,
- # suggested that grazing privileges be in proportion to irrigation acres [for example, 1 cow per 25 irrigation acres],
- # suggested no change or minor changes to the wording of some clauses, but no change to the intent of the policy,
- # suggested changing eligibility by increasing required land ownership [for example, 160 acres with 00 irrigation acres], either eliminate renters or, doubling the amount of rented land required to be eligible,
- # more autonomy on the number of cattle grazed, turn in and turn out dates be given to the grazing associations, no moving cattle from one association to another,
- # suggested much more emphasis on grass condition, make sure it is not over-grazed [less autonomy to the grazing associations],
- # raise the rates to near private market and eligibility will not be an issue,
- # suggested a higher amount of the oil and gas revenues go to the grazing lease associations, and
- # sell lease land to the present lease holders.

There was additional discussion about what other policy options there might be, including reducing the number of community grazing associations, finding ways to increase the production of the pastures, etc. It was agreed that any discussions of these options take place following a report on the information that has been received. It was also noted the district will need to report on the responses at the 2003 Annual General Meeting of the district.

8.0 Irrigator Information Meetings

8.01 Agenda Topics

The following general agenda topics were agreed to:

- Introductions,
- 2002/2003 Rehabilitation Update
- 2003/2004 Rehabilitation Update,
- Expansion Plan [MAIN TOPIC],
- Irrigated Lease Input,
- Results of Community Pasture Survey

8.02 Date/Process for Plebiscite Vote on Increase in Expansion Limit

There was discussion of the timing and locations for the proposed plebiscite vote on the proposed increase in the district's irrigation expansion limit. It was noted that a resolution authorizing the plebiscite, complete with the question, can be adopted at the next regular meeting of the directors. An advertisement specifying the date for the vote must be advertised in each of the 2 weeks prior to

the vote. It was also agreed that the district should have a number of polling stations located throughout the district.

[2:35 pm, Mr. Matoba and Mr. Redelback joined the meeting.]

10.0 Grazing Report

10.01 Albert Irwin, Private Lease

Mr. Hale provided some background on issues related to a private lease by the district with Mr. Irwin and associated concerns with Dinosaur Provincial Park. Some preliminary discussions have taken place between the district and Dinosaur Provincial Park to resolve concerns. It was agreed that the district explore options to move/find new lease area for Albert Irwin to reduce conflicts with Dinosaur Provincial Park, discuss with Irwin and Patricia Grazing Association and return with recommendations.

9.0 Land Administration Report

9.05 Transfer of Grazing Lease No. 7090

Mr. Matoba provided an overview of a proposed grazing lease transfer between Schmitke and Niznik. He noted that upon completion of the agreements for sale and transfers, the lease could then be transferred.

019-01-2003 Moved by Mr. George that the district approve the transfer of Grazing Lease No. 7090 from Schmitke to Niznik upon completion of land sales and related transfers. Seconded by Mr. Henrickson. CARRIED

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

10.04 Oil & Gas, Drilling and Exploration Concerns

Mr. Livingston noted that it is his understanding that an approval has been given that will increase the number of oil and/or gas wells that can be drilled on a parcel of land, for example from a spacing of one well per 40 acres, to one well for 20 acres. He also noted that some concern has been expressed that some wells are being angle drilled from district lands instead of from the adjacent private lands, due either to difficulty of the oil and/or gas company from reaching an agreement with the private landowner, or the district's present rate structure.

Mr. Redelback noted that he is unaware of any instance that has taken place where a well has been located on the district's lands, and a pool has been angle drilled under private land. There was discussion of the district's review and approval process for wells drilled on the district's land base. It was agreed that there is merit in keeping a close watch on locations and activities.

[2:40 pm, Mr. Redelback exited the meeting.]

10.02 Native Grass Seed Mix

There was discussion of a proposed new mix of native grass seed that is being proposed and/or agreed to by oil and gas companies and Alberta Environment. The district's current native seed mix is as follows:

- Western Wheat Grass 30%, Clark Intermediate Wheat Grass 25%, Slender Wheatgrass

20%, Green Needlegrass 20% and Sheep's Fescue 5%),

with the proposed new native mix being suggested including:

- Western Wheatgrass 20%, Green Needlegrass 20%, Needle and Thread Grass 20%, Sheep's Fescue 20%, Slender Wheatgrass 10% and June Grass 10%.

It was noted the proposed new native seed mix is about 5 times as costly as the mix the district is currently using. There was some debate regarding the merits of moving towards the recommended mix as it may be more sustainable and more closely match the native complex of materials.

020-01-2003 Moved by Mr. George that the district agree to require oil and gas companies working on the district's lands to use of the new proposed native seed mix for re-seeding and reclamation of pipeline rights-of-way, surface lease disturbances, etc. Seconded by Mr. Johnson. DEFEATED

10.03 Proposed 5 Year Plan for Lease Capital Improvements

Mr. Hale provided an overview of priorities for waterline installations and improvements to tame pasture as follows:

Proposed Water Line Installations:

Priority	Location	Length [Long/Medium/ Short]	Comments
1	North Gem	Long	Required
2	South Gem	Medium	
3	Bassano	Short	Lateral Only Required
3	Eyremore [West Lease]	Short	Could be pumped in the short term
4	Newell Grazing [West of Rolling Hills Reservoir]	?	
5	Minor Field/Rolling Hills Lake Field	Long	One line with a combination to 2 fields
Other	Duchess/Rocks Lake [south of Highway 36]	Short	Small Expansion Required

Proposed Re-Seeding/Improvements to Tame Pasture

Priority	Location	Year Seeded	Acres Seeded
1	A.I. Field [North]	1969	936
1	A.I. Field [South]	1970	960 [1208 total]
2	Newell [Reeves Field]	1983	1552
3	Burns Field	1973	2088 [2522 total]
4	Scandia Ranch	? [Oldest Field in EID]	947

Proposed Re-Seeding/Improvements to Tame Pasture			
Priority	Location	Year Seeded	Acres Seeded
5	Rolling Hills [North]	1979	1975 [2022 total]
6	Tilley [South of CPR]	1977	2344
7	Rolling Hills [South]	1981	2119 [2226 total]
8	Newell [Kinbrook]	1974	1004
9	Patricia [East]	1978	1994 [2567 total]
Others	Bantry [North]	1974	1648
	Bantry [South]	1976	1564
	Duchess [North Rock Lake]	1985	925
	Duchess [South Rock Lake]	1985	1066
	Eyremore [West]	1984	1224 [1280 total]
	Eyremore [East, North Field]	1980	620 [1281 total]
	Eyremore [East, South Field]	1980	1218 [1247 total]
	Gem	1985	650 [821 total]
	Hines [Originally Seeded]	1975	2175 [2548 total]
	Hines [Re-seeded]	2002	2500
	Tilley [Field # 01]	1970	1154 [1655 total]
	Tilley [Field # 02]	1971	1322 [1860 total]
	Tilley [Field # 03]	1972	1363 [1980 total]

There was discussion of the overall and/or annual planned costs to bring about these improvements. It was noted that previous discussion has suggested the district plan for annual investments of \$100,000 per year for lease improvements. It was agreed that the earlier recommendation did not include restoration of tame pastures.

Mr. Wilson noted that the proposed budget does include almost \$500,000 for pasture improvements in fiscal 2003, with \$265,000 for the highest priority water line and \$200,000 for the highest priority tame pasture restoration/re-seeding.

**021-01-2003 Moved by Mr. Livingston that the district approve the construction of the North Gem Waterline at the estimated cost of \$275,000 as part of fiscal 2003.
Seconded by Mr. George. CARRIED**

It was agreed that while priorities have been suggested, it would be advantageous to have the priorities accompanied with more detailed cost estimates so that annual allocations can be planned for.

10.05 Use of Right-of-Entry Payments by Community Grazing Associations

It was noted that there may be some misunderstanding about the appropriate use of funds paid to Community Grazing Associations from initial right-of-entry payments related to oil and gas operations. It was suggested that a, or some associations, have used the funds to reduce their membership fees, versus using the funds for ongoing lease improvements or to handle the extra costs associated with managing cattle during oil and gas drilling activities.

It was agreed that a letter be sent to all Community Grazing Associations to clarify the approved purpose of funds provided to them by the district from right-of-entry payments.

10.06 Loan, Rosemary Grazing Association

Mr. Hale noted that the Rosemary Grazing Association wishes to replace the residence it presently has for its lease rider. They have indicated they have \$25,000, but would like to borrow an additional \$45,000 from the district to complete installation of a new modular home.

022-01-2003 Moved by Mr. Johnson that the district approve a loan to the Rosemary Grazing Association of \$45,000 over 10 years at an annual interest rate of 5%, with a schedule to accelerate repayment should 50% of the amounts paid to the association for oil & gas and pipeline activities exceed the normal annual payment. Seconded by Mr. Henrickson. CARRIED

[3:30 pm, the meeting recessed. Mr. Hale exited the meeting.]

[3:40 pm, the meeting reconvened.]

11.0 Miscellaneous Items Report**11.01 Update, Alberta Siksika Protocol Agreement**

Mr. Wilson provided a brief update on activities and progress under the Alberta-Siksika Protocol Agreement. He noted the process appears to be moving towards an agreement. The district is providing requested information regarding suitability of present right-of-way at and upstream of Bassano Dam to Province of Alberta.

11.02 Greenwald Inlet, Servicing of Lands/Lots

Mr. Wilson provided an overview of a proposal by the County of Newell, No. 4, to provide servicing to lots at the Lake Newell Resort under a local improvement tax. It was noted that the district owns lands that contain 70 lots within the area that will receive the services. There was discussion of whether or not the district would like to commit to the servicing costs for these lots at the present time or wait till some future servicing development. Mr. Wilson also noted the present proposed costs [\$1,000 to \$1,500 per lot] represent a cost reduction due to a grant approval received by the County.

023-01-2003 Moved by Mr. Henrickson that the district approve and advise the County of Newell, No. 4 that the district is willing to participate in the local improvement tax and wishes its 70 lots to be included in the project. Seconded by Mr. Johnson. CARRIED

11.03 Lake Newell Resort, Disposition of Utility Company

Mr. Wilson also advised that the district continues to own the utility company serving the Lake Newell Resort properties. With the County's present interest and initiatives, it may be prudent to offer ownership of the company and facilities to the County of Newell. It was noted the County operates similar facilities in other locations in the region. It was suggested that granting the company and facilities to the County could be based on the future consideration of no hook-up fee to those facilities when the district develops the 70 lots it continues to own.

024-01-2003 Moved by Mr. Nielsen that the district advise the County of Newell, No. 4 that the district is willing to convey the water treatment company and facility to the County of Newell, No. 4 at no cost, based on the future condition that the district be able to add its lots to the system at no hook-up fee. Seconded by Mr. Hemsing. CARRIED

11.04 CN Right-of-Way, Proposed Land Transfer

Mr. Wilson provided information regarding an offer for a trade of properties between the district and Mr. Joseph T Palin. The lands are old CN rights-of-way that pass through the district's other lands. Mr. Palin has indicated he is willing to trade them for property owned by the district along the Red Deer River near Finnegan Ferry.

It was agreed that the district decline to offer of any land trade with Mr. Joseph T Palin for the old CN right-of-way crossing the district's lands, but provide notice to Mr. Palin that the district would consider purchase of the CN right-of-way across the district's lands based on a fair price.

11.05 Municipal Water Conveyance Agreements

Mr. Wilson provided a report on meetings with committee of the Town of Brooks regarding the renewal of their Municipal Water Conveyance Agreement. Mr. Wilson noted that he had discussed the new rate structure that will be used by the district and the discount that is being provided to municipalities under those agreements. He noted that the committee appeared to understand the rationale and he encouraged them to ensure that the fees assessed by the district are not improperly represented by the Town.

11.06 Alberta Counter Terrorism Security Measures

Mr. Wilson noted a recent meeting with officials from the federal and provincial government to determine which district structures and/or facilities should be included in the provincial inventory of facilities that have significant public safety and/or economic impacts if lost. It was noted that Bassano Dam has been referenced in the inventory and the district is now on a "notify" list should there be intelligence regarding possible terrorist threats.

11.07 Improvements to Boat Launch at Kinbrook Island Provincial Park [Kinsmen Club]

Mr. Wilson provided an overview of a request received from the Kinsmen Club of Brooks to donate equipment for the rebuilding and/or improvements to the boat launch at Kinbrook Island Provincial Park. It was agreed that the district decline the donation of funds or equipment at no cost to the improvements of boat launch, but that the district could consider a reduced rate for equipment if available and feasible.

11.08 Use of District Lands for Private Pheasant Hunt

Mr. Wilson requested a response from the directors regarding a proposal to allow the district's lands to be used in conjunction with proposed private pheasant hunts. It was agreed that the district decline to provide lands and/or to participate in the activity.

11.09 County/EID Joint Meeting

There was agreement to schedule a meeting between the County of Newell, No. 4 and the district. It was noted that it is the district's turn to host the event. Mr. Wilson noted that he would contact the County to determine a date and topics for joint meeting.

11.10 Fishing Alberta

Mr. Wilson announced that the "Fishing Alberta" program sponsored by the AIPA is scheduled to air on Edmonton A Channel at 11 AM on 02 February 2003.

11.11 Tandem/Service Truck, Approval for Dispersal

025-01-2003 Moved by Mr. Henrickson that the district approve the sale of the tandem tractor and service truck to CPA [Canadian Public Auction] at fixed offered price of \$41,000. Seconded by Mr. Hemsing. CARRIED

11.12 Energy Costs/EID Self Retail Power

There was some discussion of the potential for the district to establish itself as a "self-retailer" as a means of reducing power costs to the district. It was agreed that the district pursue arrangements to become self-retailer for the EID's power costs and that the district also complete discussions and/or consultations with irrigators on its pressurized pipelines [as the energy costs are passed on to them directly].

11.13 Meeting with the Honourable Lorne Taylor, Minister of Environment

Mr. Chrumka noted that a meeting has been scheduled with Lorne Taylor for 10:30 AM, 07 February 2003 at constituency office in Medicine Hat. The purpose of the meeting is to provide him with information on status of water efficiency improvements, etc. in follow-up to his remarks at recent AIPA Conference. Attending the meeting will be Mr. Chrumka, Mr. Henrickson and Mr. Wilson.

11.14 AIPA Retirement Social for Stan Klassen

It was agreed that the district register 10 individuals to attend reception. The district has purchased a gift and a presentation will be made by Mr. Chrumka.

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

Per: Chairman

Minutes Approved on 28 February 2003

Per: General Manager

Motion No. 031-02-2003

31 January 2003, Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 31st of January 2003. 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 10:00 AM.

12.0 Preliminary Budget Review

Mr. Wilson provided a detailed review of the draft budget for fiscal 2003. The following items were dealt with in more detail:

- interest earnings on the current account [blended to some degree with short-term interest earnings from investments],
- grazing projects, in follow-up to discussions at the 30 January 2003 meeting, concern expressed that the directors have all of the cost information related to the established priorities so that the financial implications of those projects can be assessed,
- discussion of the discount that may be allowed by the district for the early payment of rates, noting that the past discount has been 5%, and the preliminary budget has forecast a discount of 15%,
- the budget includes, from a staffing and salary perspective, a present allowance of a 5% increase in cost-of-living and merit increases [split 50/50],
- Administration Issues:
 - provision of \$30,000 for a junior landman, scheduled to commence mid-year,
 - provision for co-op engineering student for 8 month period,
 - agreement to increase tracking of time spent on AIPA Executive issues,
 - discussion of increasing insurance costs and exploration of items that might be self-insured,
 - discussion of legal expense,
 - note increase in costs of vehicles attached to administration to \$900 per month [recognizing increased costs in the Equipment Pool]
- Maintenance Issues:
 - same staffing numbers as in 2002,
 - change in yard maintenance, move to summer student, etc.
 - discussion of building and grounds,
 - increase in rate increase for vehicles attached to maintenance
- Operations Issues:
 - same staffing numbers as in 2002,
 - discussion of cell phone costs and levels of service to irrigators, etc.

- Equipment Pool Issues:
 - this is the area where the proposed budget has seen the largest increase and escalation in costs,
 - discussion of brake repairs on GMC vehicles [Pardee in Taber has after market fix],
 - discussion of changes in equipment rates, may see if some retroactive change can be made for the 2002 fiscal period
- Land Administration Issues:
 - discussion of depreciation levels for lease improvements and where that depreciation should be shown in the district's financial statements

[12 noon, the meeting recessed.]

[1:15 pm, the meeting reconvened.]

- 2003 Proposed Capital Expenditures Issues:
 - discussion of flow metre and future options for open channel measurements,
 - note purchase of mower for building and grounds
- Proposed Lease Improvement Issues:
 - discussion of proposed water line in the north Gem lease
 - discussion of need and timing of improvements and/or restoration of tame pastures
 - agreement that a more formalized approach to lease improvements is needed
- Special Projects Reserve Issues:
 - some items will be moved to the operational side following approval of the budget as they are now "standard" activities as opposed to "special projects", for example, water quality testing, etc.
 - discussion of site remediation for old yard and Modern Auto property,
- Irrigation Works Reserve Fund Issues:
 - forecast balance for IWRF at end of fiscal 2003 is \$30,000,000
 - discussion of approach and costs for campground at Rolling Hills Reservoir
 - discussion of proposed capital construction for EID Capital and IRP projects

Other items discussed as part of the preliminary budget overview included:

- discussion of number and process for hiring summer students,
- discussion of the need for a formalized policy regarding nepotism,
- discussion of looking for co-op programs that would benefit students from our region,
- additional discussion of the level of discount that is appropriate to include in the approved budget for 2003.

026-01-2003 Moved by Mr. Hemsing that the district establish the discount percentage for the early payment of current rates for fiscal 2003 at 15%. Seconded by Mr. Livingston. DEFEATED

027-01-2003 Moved by Mr. Johnson that the district establish the discount percentage for the early payment of current rates for fiscal 2003 at 25%. Seconded by Mr. George.

There was discussion of the merits of a 25% discount and also the discussion of other mechanisms to consider the relative benefits enjoyed by those who use the community pastures, etc. It was noted that the discount provisions are fairly easy to administer, while other potential differences in rates related to those who are lease patrons versus those who do not use the community pastures will be more difficult to define.

028-01-2003 Moved by Mr. Nielsen that the directors table a decision on motion 027-01-2003 until the February Directors meeting. Seconded by Mr. Henrickson. CARRIED

13.0 By-Law 837 [2003] Setting the Date for the Election of Directors, Divisions 03 and 06

Mr. Hill provided an overview of the proposed by-law establishing the date for elections of directors in each of Division 03 [incumbent, Mr. Henrickson] and Division 06 [incumbent, Mr. Chrumka]. The following by-law was presented:

Eastern Irrigation District

BY-LAW 837 (2003)

Fixing the Date and Times for the 2003 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 03, and Division 06, 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. 03, or Division No. 06, then such election shall be held on Friday, May 2nd, 2003.
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 No. 3

Includes all of the following land locations:

- Township 19 Range 11 W4M – All Sections

- Township 19 Range 12 W4M – All Sections
- Township 19 Range 13 W4M – All Sections
- Township 19 Range 14 W4M – Sections 1, 12, 13, 24, 25 and 36
- Township 20 Range 11 W4M – All Sections
- Township 20 Range 12 W4M – All Sections
- Township 20 Range 13 W4M – All Sections With the Exception of Sections 31, 32 and 33
- Township 21 Range 11 W4M – All Sections Lying to the South of the Red Deer River
- Township 21 Range 12 W4M – All Sections Lying to the South and West of the Red Deer River
- Township 21 Range 13 W4M – Sections 1, 2, 3, 10,11, 12,13, 14,15, 22, 23, 24, 25, 26,27, 34, 35 and 36
- Township 22 Range 12 W4M – All Sections Lying to the South and West of the Red Deer River
- Township 22 Range 13 W4M – Sections 1, 2, 3, 10, 11 and 12 Lying to the South of the Red Deer River

Division No. 6

Includes all of the following land locations:

- Township 16 Range 11 W4M – All Sections
- Township 16 Range 12 W4M – All Sections
- Township 16 Range 13 W4M – All Sections
- Township 16 Range 14 W4M – All Sections
- Township 17 Range 11 W4M – All Sections
- Township 17 Range 12 W4M – All Sections
- Township 17 Range 13 W4M – All Sections
- Township 17 Range 14 W4M – Sections 1, 2, 3, 4, 5, 6, 12, 13, 24, 25 and 36
- Township 18 Range 11 W4M – All Sections
- Township 18 Range 12 W4M – All Sections
- Township 18 Range 13 W4M – All Sections

3. Nominations shall be received by the Returning Officer up to and including 5:00 p.m. in the afternoon of [21 days prior to the date set for the election] 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 837 (2003) 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 31st day of January, 2003.
 This By-Law was read and approved the 2nd time this 31st day of January, 2003.

029-01-2003 Moved by Mr. Livingston that the directors unanimously approve conducting the 3rd reading of By-law 837 [2003], establishing the date for the election of directors for Division 03 and Division 06 as of Friday, 01 May 2003. Seconded by Mr. Johnson. CARRIED UNANIMOUSLY

This By-Law was read and approved the 3rd time this 31st day of January, 2003.

14.0 Other Items

There was some additional discussion of how to approach the issues of the responses from the survey regarding the policies governing the community pastures and how to provide information on the possible future direction of managing and/or selling lands that are presently held under irrigated leases.

[2:35 pm, Mr. Hemsing and Mr. George exited the meeting.]

There was agreement that under the proposed increase in the district's irrigation expansion limit, care should be taken to discuss the length of time the proposed increases will take and to demonstrate that the amount of district land that might be developed for irrigation is a relatively small portion of the total increase.

The meeting was adjourned on a motion by Mr. Nielsen at 2:45 PM.

Per: Chairman

Minutes Approved on 28 February 2003

Per: General Manager

Motion No. 031-02-2003

28 February 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 28th of February 2003. 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:

- 7.03 Stocking of Fish in Rolling Hills Reservoir, and
- 9.05 Sale/Disposal of ½ Ton Trucks.

030-02-2003 Moved by Mr. Hemsing that the agenda be approved as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes, 30 & 31 January 2002

The following corrections were noted to the minutes of the 30 and 31 January Directors Meetings:

- pg. 06 the notation following motion 007-01-2003 [Opposed: Mr. Hemsing] should be noted following motion 008-01-2003 on pg. 05,
- pg. 13 ... suggested the district plan for annual investments of \$100,000 per year for lease improvements ...,
- pg. 15 024-01-2003 Moved by Mr. Nielsen that the district advise the County of Newell, No. 4 that the district is willing to convey the water treatment company and facility to the County of Newell, No. 4 at no cost, based on the future ~~consideration~~ **condition** that the district be able to add its lots to the system at no hook-up fee. Seconded by Mr. Hemsing. CARRIED, and
- pg. 20 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.

031-02-2003 Moved by Mr. Henrickson that the minutes of the 30 January 2003 and 31 January 2003 Directors Meetings be approved as corrected. Seconded by Mr. Nielsen. CARRIED

3.0 Business from Minutes

3.01 FOIP Guidelines Regarding Employee Information

There was discussion and a review of the guidelines that had been circulated regarding limitations under FOIP to employee information, by the public or by the directors.

3.02 Update, Meeting with the Honourable Lorne Taylor, Minister of Environment

It was noted that the district had a good and candid meeting with Mr. Taylor at his constituency office on the 7th of February 2003 in Medicine Hat. The district was able to provide updated information on the status of water use efficiencies and highlight the current initiative to increase the expansion limit of the district.

There was also discussion of the problems with electricity billing being experienced in the area. Mr. Taylor noted that those problems should continue to be made known to Shirley McClellan, Deputy Premier and Minister of Agriculture, Food and Rural Development, as well as to the district's MLA, Dr. Oberg.

Mr. Livingston noted that at a recent Environmental Advisory Committee meeting there was more attention paid to issues surrounding water storage and a more realistic view of agriculture. He noted that most of the members of the committee are from urban settings. He also noted that the EUB [Energy and Utilities Board] now has a toll free number for complaints about energy billing problems at 1-866-215-1181.

It was suggested that Mr. Taylor is not likely to seek re-election in the next term. He also indicated that AIPA has to be more engaged in getting the water management message out -- more than an annual reception for MLAs.

4.0 Plebiscite Question

There was discussion of the information meetings that have been held to provide information and answer questions about the district's proposed increase in the expansion limit. It was noted that the district needs to confirm the question it will pose to the irrigators. The question needs to be clear and comply with the requirements of regulations under the Irrigation Districts Act.

032-02-2003 Moved by Mr. Hemsing that the district approve the 12th day of March 2003 as the date for the holding of a plebiscite vote, with the question for the plebiscite vote for the proposed increase in the expansion limit being the following: Form 3B, Irrigation Districts Act, [Section 12], The Eastern Irrigation District presently has an expansion limit of 286,000 acres. The Board of Directors has determined that 311,000 acres could be served with its existing water licenses. The Board of Directors is seeking the approval of the irrigators to change the expansion limit to 311,000 acres., Do you approve: Yes, I am in favour of changing the expansion limit to 311,000 acres. No, I am against changing the expansion limit. Seconded by Mr. Livingston. CARRIED UNANIMOUSLY

5.0 Draft Expansion By-Law

It was noted that in response to some of the process issues identified at the information meetings, it would be in the interest of the district to conduct the 1st and 2nd readings of a by-law authorizing the

increase in the expansion limit and having such a by-law available for review on the day of polling.

Eastern Irrigation District

BY-LAW 840 (2003)

A By-Law Authorizing an Increase in the Irrigation Expansion Limit
[Irrigation Districts Act, Sections 12 and 177 (2)(c)]

WHEREAS:

The Irrigation Districts Act [c. I-11, RSA 2000] sets out the method for the district to establish an expansion limit other than the expansion limit specified in Table 2 of the Schedule included in the Irrigation Districts Act, and

This by-law complies with the provisions as are set out in the Irrigation Districts Act [Appendix A, Completion of Regulatory Requirements, Increase in the Expansion Limit, is attached to and forms part of this by-law].

NOW THEREFORE BE IT ENACTED:

1. Subject to the requirements included in this by-law, the expansion limit of the Eastern Irrigation District is changed from 286,000 acres to 311,000 acres.
2. The increase in the expansion limit by 25,000 acres is apportioned as follows:
 - **Intensification [12,000 acres]** referring to increases in irrigation acres on existing irrigation parcels where a more efficient method of irrigation is being implemented, plus
 - **Return Flow Development [3,000 acres]** referring to increases in irrigation acres from return flow channels where water supplies do not need to be supplemented, plus
 - **Additional Intensification and/or New Irrigation Development [10,000 acres]** where the intensification on existing parcels and the conversion to a more efficient method does not provide enough acres or for new parcels of land, with 5,000 acres being considered downstream of the Crawling Valley Reservoir and 5,000 acres being considered downstream of Lake Newell Reservoir.
3. The district shall approve increases in irrigation acres under the increased expansion limit, subject to the evaluation and approval criteria that is approved of from time to time by resolution of the district, but **in no case shall the total annual approved increases under this by-law exceed 2,500 acres in any calendar year.**
4. The district shall not approve a change in the apportionment of irrigation acres referenced in paragraph 2 or the total acres approved for increases in any one calendar year referenced in paragraph 3, unless it first provides notice to the irrigators, via direct mailing and advertisement in a newspaper of general circulation, and holds a meeting to discuss its intention to amend and/or replace this by-law.

The within By-Law 840 (2003) 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:

By-Law 840 (2003) was read and approved the 1st time this 28th day of February, 2003.
By-Law 840 (2003) was read and approved the 2nd time this 28th day of February, 2003.

Appendix A, Completion of Regulatory Requirements, Increase in the Expansion Limit

The following activities were completed in support of the increase in the expansion limit of the Eastern Irrigation District:

1. The district has, via direct mailing dated the 15th day of January 2003 to all irrigators noted on the assessment roll of the district, provided information that meets the requirements set out in Alberta Regulation 79/2000, Section 4, Public information respecting expansion limit.
2. The district advertised in newspapers of general circulation, as well as in the direct mailing sent to all irrigators, a schedule of meetings that were established to discuss the district's proposed change in the irrigation expansion limit as follows:

Form 3A
Irrigation Districts Act [Section 12]

NOTICE OF PUBLIC MEETINGS
EASTERN IRRIGATION DISTRICT

CHANGE TO THE EXPANSION LIMIT

TAKE NOTICE that public meetings will be held at:

05 Feb 2003 [Wednesday], 2 PM	.....	Gem Hall
05 Feb 2003 [Wednesday], 7 PM	.....	Bassano Hall
06 Feb 2003 [Thursday], 2 PM	.....	Tilley Hall
06 Feb 2003 [Thursday], 7 PM	.....	Patricia Hall
11 Feb 2003 [Tuesday], 2 PM	.....	Rolling Hills Hall
11 Feb 2003 [Tuesday], 7 PM	.....	Duchess Hall
13 Feb 2003 [Thursday], 2 PM	.....	Rosemary Community Centre
13 Feb 2003 [Thursday], 7 PM	.....	Rainier Hall

to discuss a proposed change to the expansion limit of the Eastern Irrigation District from the existing limit of 286,000 acres to 311,000 acres, and to discuss other activities ongoing in the district. Additional information regarding the proposed change is available to the public at the offices of the district.

Dated at Brooks, this 31st day of January, 2003.
Earl Wilson, P. Eng., Manager
Eastern Irrigation District

3. The district has, via motion 032-02-2003, approved a resolution authorizing the holding of a plebiscite vote on the 12th day of March, 2003, with the question approved for the plebiscite as follows:

The Eastern Irrigation District presently has an expansion limit of 286,000 acres. The Board of Directors has determined that 311,000 acres could be served with its existing water licenses. The Board of Directors is seeking the approval of the irrigators to change the

expansion limit to 311,000 acres.

Do you approve:

- Yes, I am in favour of changing the expansion limit to 311,000 acres.
- No, I am against changing the expansion limit.

4. The district advertised, in newspapers of general circulation, the date and time for the vote as follows:

Irrigation Districts Act [Section 12]
 NOTICE OF A PLEBISCITE

EASTERN IRRIGATION DISTRICT
 PROVINCE OF ALBERTA

TAKE NOTICE that a plebiscite will be held for the purpose of seeking approval of the irrigators to change the expansion limit of the Eastern Irrigation District from the existing limit of 286,000 acres to 311,000 acres.

Additional information regarding the proposed change is available to the public at the offices of the district.

The plebiscite will take place on the 12th day of March, 2003, between the hours of 10 AM and 8 PM.

Voting stations will be located in:

- Bassano EID Shop
- Brooks EID Office at 550 Industrial Road
- Duchess EID Shop
- Gem Gem Community Hall
- Patricia Patricia Community Hall
- Tilley Tilley Community Hall
- Rainier EID Shop
- Rolling Hills EID Shop
- Rosemary Rosemary Community Centre

DATED at the Town of Brooks, in the Province of Alberta, this 21 st day of February, 2003.

5. An advance poll for irrigators, unable to vote on the 12th of March 2003, will be held at the offices of the district [550 Industrial Road, Brooks, Alberta] on the Friday, the 7th of March, 2003, between the hours of 10:00 AM and 5:00 PM.
6. The district has also provided all of the above information at its web site at <http://www.eid.ab.ca>.

it was agreed that the text of the by-law also be advertised in advance of the vote and be made available at all of the voting stations.

[10:00 AM, Mr. Mark Ens joined the meeting.]

6.0 Financial Report**6.03 Auditor's Report**

Mr. Ens provided an overview of matters related to the audit of the district's financial statements for the period ending 31 December 2003. The following matters were discussed:

- the terms of the engagement letter were reviewed, noting that recent events such as Enron and WorldCom are requiring some aspects of generally accepted accounting procedures to be disclosed that were not previously required,
- the auditors have issued a letter that confirms their independence in the audit process, and
- the details of the specific approach to the audit were discussed.

There was some discussion of the detail and process for completing the audit. It was noted that a final wind-up meeting and finalization of the audit will take place in mid-March.

[10:25 AM, Mr. Ens exited the meeting. The meeting recessed.]

[10:35 AM, the meeting reconvened.]

6.01 DRAFT Year-End Statement, Period Ending 31 December 2002

Mr. Knelsen noted that the audit is progressing well. He indicated that the statements for the period ending 31 December 2003 are not complete, but are a good representation of where the final numbers are expected to be. In discussion of these statements the following issues were noted and/or discussed:

- the district still has not received the final billing from EPCOR for some irrigation pump accounts, and
- a review of the sales and write-down of the value of the CARP inventory should be completed.

033-02-2003 Moved by Mr. Henrickson that the directors approve the preliminary financial statements for the period ending 31 December 2002. Seconded by Mr. Hemsing. CARRIED

6.02 Financial Statement, Period Ending 31 January 2003

Mr. Knelsen provided an overview of the financial statements for the period ending 31 January 2003 with discussion on the following matters:

- the statements do not reflect costs as against approved budget allocations as those are yet to be adopted by the district,
- discussion of how to best account for the costs of the Grazing Advisory Committee, with agreement to track costs and recoveries as not all expenses are recovered from the Community Grazing Associations, and
- discussions of the merits of increasing the volume of engineering completed in-house.

034-02-2003 Moved by Mr. Johnson that the district approve the financial statements for the period ending 31 January 2003. Seconded by Mr. Hemsing. CARRIED

6.04 Proposed Move of IRP Account

Mr. Knelsen noted that he has received an unsolicited proposal from Alberta Treasury Branch [ATB] that may be of financial benefit to the management of funds held under the cost-shared IRP [Irrigation Rehabilitation Program] account. He noted that the IRP funds are presently managed through an account at CIBC, but that a proposal from the ATB could increase the interest earned on those funds until they are required to meet project costs. He also noted that the CIBC had expressed little interest in the district's financial business during a recent review of banking services. Mr. Knelsen noted that all of the district's other current account activities are already at the ATB.

035-02-2003 Moved by Mr. Johnson that the district approve the move of the IRP account from CIBC to the ATB. Seconded by Mr. Henrickson. CARRIED

It was also noted that the only remaining item at the CIBC was a Safety Deposit Box. It was agreed that it also be moved.

6.05 Year End Investment Summary

It was noted that an overview of the district's investments had been included in the pre-meeting information package. There was some brief discussion of the performance and value of the present long-term investments.

6.06 Rate Enforcement Proceedings

Mr. Knelsen noted the preparation of the district's Rate Enforcement Return. Those individuals whose accounts are presently two years in arrears are similar to previous returns. It was noted that most accounts are expected to be paid prior to having to seek confirmation of the return from the courts.

[11:50 AM, the meeting recessed.]

[12:50 PM, the meeting reconvened.]

7.0 Fiscal Budget 2003

Prior to proceeding with a review of the updated proposed fiscal budget for 2003, the discussion returned to a table motion from the 31 January 2003 Directors Meeting.

7.01 Tabled Motion [027-01-2003] Discount on Early Payment of Water Rates

There was renewed discussion of the proposal to set the discount for the early payment of rates at 25% as discussed on the 31st of January.

036-02-2003 Moved by Mr. Johnson that motion 027-01-2003 be removed from the table and returned to discussion. Seconded by Mr. George. DEFEATED

The directors discussed various means to provide economic benefits to its irrigators and the communities in the region. There was some discussion of present large-scale community fund-raising projects [such as the new recreation complex and water park to be constructed in Brooks]. There was also discussion of the rate that should be used in setting a discount for the early payment of rates in 2003.

037-02-2003 Moved by Mr. George that the district set the discount for the early payment of rates [payments on current years rates made on or by the close of business on the 3rd Friday of November] at 20%. Seconded by Mr. Henrickson. CARRIED

It was noted that the value of the discount has risen from \$100,000 at the previous 5% to \$400,000 at the 20%. It was also noted that the fees collected for conveyance of water for oil and gas exploration purposes on non-district owned lands in 2002 was \$875,000.

7.0 Fiscal Budget 2003

Mr. Wilson provided an overview of the changes made to the proposed budget since the 31 January 2003 Directors Meeting. He noted that with the exception of the increase in the discount rate allowed, most of the changes were of a "tweaking" nature, better reflecting the end of the year costs and better forecasts for 2003.

The directors also raised the merits of increasing the amount of money being dedicated to rehabilitation. There was general agreement to increase the allocation for the present budget year by \$1 million and accelerate projects that have already been identified on the district's 5 Year Plan. There was also a review of the merits of increasing the district's in-house engineering capacity to handle more projects.

It was also noted that a review is taking place to determine the most appropriate method of depreciating and planning for the replacement of works involved in lease improvements. This includes the water pipelines, pivots, pasture restoration, etc.

The directors also reviewed the proposed listing of items scheduled in the budget as Capital Equipment Purchases for the 2003 fiscal period.

Mr. Wilson summarized the major changes from the 2002 budget as follows:

- the discount has been increased to 20% from 5%,
- the allocation for an increase in wages is 5%, with 2.5% as cost-of-living and 2.5% for merit increases,
- fuel prices will be higher,
- 10 seasonal staff in the Partners for Habitat Development initiative [costs are now recovered in total from Pheasants Forever],
- purchase of a lawn mower for the office area, use a seasonal student where a contractor has been used in the past [there was some discussion of whether or not this mower could also be used at the Rolling Hills Reservoir Campground, but it was concluded different equipment types are warranted],
- adding two new pieces of equipment under Capital Purchases [loader & skid loader], and
- provisions for a junior landman.

038-02-2003 Moved by Mr. Nielsen that the directors approve the proposed budget for the 2003 Fiscal Period as presented. Seconded by Mr. Helsing. CARRIED

7.02 Rate By-Law

Mr. Hill provided the details of the by-law setting the rates for 2003 as follows:

Eastern Irrigation District

BY-LAW 838 (2003)

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, via motion 038-02-2003, approved an operating budget for fiscal 2003 as stipulated in section 117 of the Irrigation Districts Act.
2. The rate for all acres of land irrigated under an annual agreement in 2003, 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 2003, 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 2003, 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 2003 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 20% 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.

By-Law 838 (2003) was read and approved the 1st time this 28th day of February, 2003.
 By-Law 838 (2003) was read and approved the 2nd time this 28th day of February, 2003.

7.03 Stocking of Fish in Rolling Hills Reservoir

Mr. Nielsen questioned the costs and/or availability of obtaining some sport fish to stock in the enlarged Rolling Hills Reservoir. It was noted that the desired species could likely be walleye or perch, but that no supplies are presently available. There was some discussion on alternatives and/or timing of stocking of fish supplies.

039-02-2003 Moved by Mr. Livingston that the district investigate the costs, timing and availability of stocking the enlarged Rolling Hills Reservoir with sport fish. Seconded by Mr. Johnson. CARRIED

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

8.0 Oil and Gas Report

Mr. Redelback provided the following update and reports on oil and gas activities on lands owned by the district.

Reporting Period, 01 January 2002 to 31 December 2002

1	New Surface Lease Takings	366
	Twinned Surface Leases	<u>25</u>
	Total 2002	391
2	New Pipelines	1056.49 acres [176.08 miles]
3	Seismic Activity	12 Permits [428.40 miles]
4	Total "Active" Surface Lease Files on District Lands	5,931

Mr. Redelback also provided the following summary of 2002 payouts to Community Grazing Associations & Private Lessees.

Association	Surface Leases		Pipelines		Seismic		Total
Bantry GA	\$	10,350.00	\$	553.35	\$	518.50	\$ 11,421.85
Bassano GA	\$	0.00	\$	0.00	\$	0.00	\$ 0.00
Duchess GA	\$	7,650.00	\$	526.65	\$	0.00	\$ 8,176.65
Eyremore GA	\$	9,000.00	\$	817.95	\$	0.00	\$ 9,817.95
Gem GA	\$	9,450.00	\$	1,240.65	\$	2,875.00	\$ 13,565.65
Newell GA	\$	8,550.00	\$	1,312.95	\$	330.00	\$ 10,192.95

Association	Surface Leases		Pipelines		Seismic		Total
Patricia GA	\$	2,250.00	\$	311.85	\$	3,348.50	\$ 5,910.35
Rolling Hills GA	\$	35,100.00	\$	2,761.95	\$	0.00	\$ 37,861.95
Rosemary GA	\$	24,750.00	\$	1,018.50	\$	0.00	\$ 25,768.50
Tilley GA	\$	12,150.00	\$	1,570.65	\$	600.00	\$ 14,320.65
Private Leases [41]	\$	17,100.00	\$	2,608.35	\$	4,218.50	\$ 23,926.85
Totals	\$	136,350.00	\$	12,722.85	\$	11,890.50	\$ 160,963.35

The following summary of payouts for the period of 1190 to 2002 was reported as follows:

Year	New Leases	Twinned	Pipeline [ac]	Seismic [mi]	Total \$
1990	110		359.25		\$ 34,521.15
1991	62		207.24		\$ 18,708.70
1992	72		178.36		\$ 21,989.55
1993	357		1,030.67		\$ 97,472.19
1994	366		981.91	940.13	\$ 108,270.58
1995	185		625.32	719.54	\$ 69,455.83
1996	274		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
2001	536	92	1,724.63	804.97	\$ 192,238.05
2002	366	25	1,056.49	428.40	\$ 160,963.35
Totals	3376	835	10198.82	8434.93	\$1,298,986.26
Average	260	64	784.52	937.21	\$ 99,922.02

Mr. Redelback noted that the calculation of the yearly "one-time" payouts for new activity each year is based on the following:

- \$450 per well site,
- \$15/acre for pipeline rights-of-way,
- \$45/mile for seismic activity in community grazing associations, and
- \$50/mile for seismic activity on private leases.

There was also some discussion of the upcoming meeting of the EID Landowners Association scheduled for 7:30 PM, on Friday, 07 March 2003 in Duchess. It was also noted that the EID expects oil and gas activity to be heavy for 2003.

[2:10 PM, Mr. Livingston and Mr. Redelback exited the meeting.]

9.0 Land Administration Report

9.01 Designation/Registration of Irrigable Units

Mr. Matoba provided information regarding the designation of specific parcels of land as "irrigable units" with the proposed notation and registration at the Land Titles Office as follows:

040-02-2003 Moved by Mr. Nielsen that the district designate the following parcels, with their respective owners as "irrigable units" and register the appropriate notations at the land titles office: Pheasant Valley Farms in the NE ¼ 23-21-15, NW ¼ 23-21-15 & SW ¼ 23-21-15, Tsuyoshi & Mark Hironaka in the SW ¼ 22-21-15 & NW ¼ 15-21-15 and Afar Farms Ltd. in the S ½ NW ¼ 09-21-15 & Ptn N ½ NW ¼ 09-21-15. Seconded by Mr. Hemsing. CARRIED

9.02 Bertha Farms Ltd. RE: Conversion of Terminable Agreement to Irrigation Acres

9.03 Richard Hiebert RE: Conversion of Terminable Agreement to Irrigation Acres

Mr. Wilson provided an overview of requests from Bertha Farms Ltd. and Mr. Richard Hiebert to convert their terminable water agreements to irrigation acres. There was some discussion of the reliability of the water supply, particularly during the early part of the season. There was also discussion of the potential for on-farm storage and/or new water control structures in the drains that provide the water.

It was noted that their requests will be investigated to determine the reliability of the water supplies and the structures that might be required that would allow the conversion from terminable water agreements to irrigation acres.

9.04 Irrigated Lease Policy

The directors discussed the response from the meetings held in February regarding a change in the district's irrigated lease policy. It was noted that there appears to be support for the district to move towards selling these leases, as opposed to continuing to provide them for rent.

There was agreement that the district develop a draft policy outline of the criteria and/or process for a revised irrigated lease policy, based on the leased properties being appraised, the appraisal being reviewed by the board of directors, the district then setting a minimum price and advertising the lease for sale by tender, with the current lessee having the right to meet the highest bid. It was also noted that there may be merit in allowing the lessee to purchase an additional 10 years of lease at the cost of a year's rental, but that upon expiry of that 10 year period the lease would be placed for sale by bid, and the lessee would not have the option of meeting the highest bid.

[2:40 PM, Mr. Matoba exited the meeting. Mr. Romao joined the meeting.]

9.05 Sale/Disposal of ½ Ton Trucks

It was noted that the district has received proposals regarding the sale and/or disposal of ½ ton trucks as follows:

Unit #	Year	Km.	Description
73	1991	241,000	GMC ½ ton, 4x4, 6 ft. box, extended cab, no A/C
82	1992	167,000	Chev ½ ton, 4x4, 8 ft. box, extended cab, no A/C
112	1995	211,000	Chev ¾ ton, 2x4, 8 ft. box, A/C
117	1996	178,000	Ford ½ ton, 2x4, 8 ft. box, A/C
120	1996	180,000	Ford ½ ton, 2x4, 8 ft. box, A/C
121	1996	185,000	Ford ½ ton, 2x4, 8 ft. box, A/C
123	1996	180,000	Ford ½ ton, 2x4, 8 ft. box, A/C
154	1999	200,000	Dodge ½ ton, 2x4, 8 ft. box, A/C

Company	Description	Selling \$	%	Net \$
Johnny Charlton Auctions	Units 73,82, 112, 117, 120, 121, 123, 154		10%	
CPA	Units 73,82, 112, 117, 120, 121, 123, 154 [FOB Calgary]			
Option A [outright purchase]		\$30,011		\$30,011
Option B [guarantee]	over \$32,000 split 85/15%	\$32,000	12%	\$28,160
Option C			8%	
Michener Allen Auctioneering Ltd.	Units 73,82, 112, 117, 120, 121, 123, 154			
Option A [outright purchase]	[\$18,500 + \$1,295 GST] FOB EID			\$19,795
Option B [guarantee]	Transportation \$800 to EID, clean-up \$25 per unit to EID	\$24,500	12%	\$21,560

There was discussion of the net sale price for vehicles sold by auction in 2002 by Johnny Charlton. It was noted that the net price obtained is close to the guarantee price offered by CPA, but without the need to transport the vehicles to Calgary.

041-02-2003 Moved by Mr. Nielsen that the district approve the disposal of Units 73,82, 112, 117, 120, 121, 123, 154 via Johnny Charlton Auctions via auction. Seconded by Mr. Hemsing. CARRIED

10.0 Engineering Report

10.01 Project Status Update

Mr. Romao provided the following report updating activities and status of capital construction projects:

EID Capital Projects

- 05 East Branch Rehabilitation [01-1248] EID
 - 2, 3 kilometre pipelines
 - west pipeline, pipeline installed, structures remain
 - east pipeline, 1 km pipeline installed, structures remain . . . Brooks Asphalt & Aggregate Ltd.

- C Springhill Rehabilitation [01-1304] Richardson Bros. (Olds) Ltd.
 - 6 kilometre lined canal, 1 km. pipeline
 - liner installed, armour remains
 - pipeline installed EID
 - structure installation underway EID

- Rolling Hills Reservoir Enlargement Project [01-1200] Chief Construction
 - North Dam
 - earthworks complete
 - rip rap placement 90% complete
 - outlet structure, conduit concrete complete by 14 March 2003
 - Dykes
 - earthworks complete
 - rip rap placement underway
 - South Dam
 - earthworks complete
 - outlet structure complete

- 20 & 21 Bow Slope Rehabilitation [01-1318] EID
 - 12 kilometre pipeline installed

- F Springhill Rehabilitation [01-1331] Richardson Bros. (Olds) Ltd.
 - 3.5 kilometre lined canal, 1 kilometre pipeline
 - equipment mobilization underway

- 17 G Springhill Rehabilitation [01-1319] EID
 - 4 kilometre pipeline
 - pipe installed, turnouts installed

- 10 Rolling Hills Rehabilitation [01-1316] Brooks Asphalt & Aggregate Ltd.
 - 4.5 kilometre pipeline
 - pipeline complete
 - structure and stilling pond remain

- 14 H West Bantry Rehabilitation EID
 - 1.5 kilometre lined canal
 - earthwork. liner and armour complete

- structures installed

IRP Projects

Secondary E Springhill Rehabilitation [02-1305, IRP 1945] EID

- 30 kilometre pipeline
- 17 km. of pipe installed

Mr. Romao also provided an overview of the project costs status for current and upcoming rehabilitation projects. There was some discussion of the increased costs for the 03 East Branch Pressure Pipeline, attributable in part to the delay in the project and an under-estimated cost for the pump house.

10.02 Tender Results

Mr. Romao reported on the results of the recent tender for the 03 East Branch Pressure Pipeline Project as follows:

Contractor	Tender Price
Brooks Asphalt & Aggregate Ltd.	\$229,500.00
MJB Enterprises Ltd.	\$231,470.00
BYZ Construction Inc.	\$294,950.00
Carmacks Enterprises Ltd.	\$320,810.00
New Concept Contracting Ltd.	\$360,654.25
Calibre Systems Inc.	\$470,260.00

Mr. Romao noted the tenders had been reviewed and the contract awarded to Brooks Asphalt & Aggregate Ltd.

[2:45 PM, Mr. Romao exited the meeting. Mr. Meador and Mr. Livingston joined the meeting]

10.03 Power to Cowoki Check Structure

Mr. Wilson provided an overview of the status of the present solar powered operation of the Cowoki Check. It was noted that vandalism of the facility has been a fairly regular occurrence. He indicated that the district has investigated eliminating the solar power to bringing in power to the site. The estimated cost is \$16,000. The existing solar equipment can be salvaged and moved to an alternate site.

042-03-2003 Moved by Mr. Hemsing that the district approve the installation of power into the Cowoki Check at an estimated cost of \$16,000. Seconded by Mr. Henrickson. CARRIED

11.0 Operations Report

11.01 Farm Improvement Projects

Mr. Meador provided background information regarding proposed Farm Improvement Projects with decisions as follows:

043-02-2003 Moved by Mr. Henrickson that the district approve the Farm Improvement Project [increase in water use efficiency] for Robert Holt in the NE ¼ 13-14-14 W4M, 144 acres surface irrigation to low pressure pivot [drop tubes, no cold-weather shut-offs, pipeline to pivot centre], \$7,500 minus \$2,200 [11 irrigation acres kept outside of pivot circle at \$200 per acre], minus \$1,700 [conversion of flood well to riser with 10" tee], EID contribution is \$3,600. Seconded by Mr. Johnson. CARRIED

There was a discussion of a proposed grant for Mr. Slenders in the SW ¼ 10-15-15 W4M. It was agreed that the district determine the costs and specifics for potential Farm Improvement Project and return it to the directors for decision when the additional information has been collected.

[3:35 PM, Mr. Meador exited the meeting. Mr. Hale joined the meeting.]

12.0 Grazing Report

12.02 Mr. Leonard Parker RE: Rental Proposal

The directors reviewed a proposal from Mr. Parker to rent some district-owned lands bordering his farm land as a means of preventing cattle from the Duchess Grazing Association entering his lands. It was noted that there has been some disagreement as to how cattle from the association might have entered Mr. Parker's lands and damaged his crop.

It was noted that the renting of some of district's lands presently included in the lands provided for pasturing to the Duchess Grazing Association is not a preferred solution. It was agreed that Mr. Hale contact Mr. Parker and inform his that the district is willing to do some additional fencing improvements, should Mr. Parker be willing to share in those costs. Improved fencing would likely remedy the problem of cattle getting into Mr. Parker's crop land.

12.01 Five Year Pasture Improvement Plan

Mr. Hale and Mr. Wilson provided an overview of proposed improvements to the district's pasture lands taking into account water supply projects and pasture restoration initiatives. The following schedule was proposed:

	Project	Miles	Acres	\$	2003	2004	2005	2006	2007	2008
1	North Gem Waterline	16	23,000	\$285,000	\$265,000					
2	South Gem Waterline	9	16,700	\$165,000		\$165,000				
3	Bassano	6	13,000	\$65,000			\$65,000			
4	Eyremore	10	10,000	\$160,000			\$160,000			
5	Newell	7	9,600	\$140,000				\$140,000		
6	Duchess	3	5,081	\$50,000					\$50,000	
7	A.I. Swing Field		1,986	\$180,000	\$180,000					
8	Reeves Field [Newell]		1,552	\$150,000		\$150,000				
9	Patricia East Regrass		2,567	\$200,000			\$200,000			
10	Scandia Ranch		647	\$64,000				\$64,000		
11	Rolling Hills [N & S]		4,248	\$420,000					\$210,000	\$210,000
	Total Budget				\$445,000	\$315,000	\$425,000	\$204,000	\$260,000	\$210,000
	Total Miles of Pipeline				16	9	16	7	3	
	Total Re-seeding [ac]				1,896	1,552	2,567	647	2,124	2,124

Details of the proposed projects were discussed. It was noted that with an approval of the Five Year Plan, individual projects would still have a more complete design prepared and that they would need to be brought back for approval by the directors.

044-02-2003 Moved by Mr. George that the district approve the Five Year Pasture Improvement Plan as presented. Seconded by Mr. Livingston. CARRIED

[4:00 PM, Mr. Hale exited the meeting. Mr. Martin joined the meeting.]

13.0 Miscellaneous Items Report

13.02 PAWM, Membership Renewal

13.03 Upper Missouri River Water Users Association, Membership Renewal

Mr. Wilson noted that memberships to the aforementioned associations are up for renewal. The district has had a practice of purchasing an individual membership in recent years.

045-02-2003 Moved by Mr. Johnson that the district approve the renewal of an individual membership in each of PAWM and the Upper Missouri River Water Users Associations. Seconded by Mr. George. CARRIED

[4:05 PM, Mr. Martin joined the meeting.]

13.01 Classroom Agriculture, Alberta Beef

Mr. Martin provided an overview of the Classroom Agriculture program whose major sponsor [50%] is Alberta Beef. He noted the district has an opportunity to participate in the program by sponsoring a page in the workbook that would highlight irrigation and/or Eastern Irrigation District focussed issues. He noted that there are 12 sponsors at present. Sponsors make a two year commitment that

costs \$3,500 per year, plus an approximate \$500 one-time fee for graphic art work and then the donation of a promotional item. The other commitment that sponsors have is attending 2 meetings per year.

Mr. Martin indicated the program is aimed at Grade 04 students and reaches about 25,000 students per year, split about 50/50 between urban and rural. The next entry into the program would be for 2004. It was agreed that the district prepare some draft material that could be considered for the notebook and reviewed then by the directors for decision.

13.04 Letter to Village of Duchess RE: Drainage Issues in the NW ¼ 28-20-14 W4M [Mr. & Mrs. Fulton]

Mr. Wilson noted that the district has been copied on a letter prepared by the Fulton's solicitor, Mr. Doug Bell. The letters deals with storm run-off from the Village of Duchess and freeze/thaw and potential flooding problems in the drain. The letter was forwarded as information only.

13.05 2007 Canada Summer Games RE: Use of Lake Newell for Events

There was a brief review of the consent granted the Medicine Hat organizing committee in their bid to obtain the 2007 Canada Summer Games. If successful, the district would allow Lake Newell to be used for rowing, sailing and canoeing events.

13.06 Letter from the Honourable Shirley McClellan, Minister of Agriculture, Food & Rural Development RE: EID Expansion Plan

Mr. Wilson noted that the district has received a letter from the Minister of Agriculture thanking the district for the copy of the expansion information provided to her and indicating her interest in the process.

13.07 AIPA Letter to the Honourable Murray Smith, Minister of Energy

There was some discussion of a letter and initiative being pursued by the AIPA in regards to the persistent problems with billings for electrical utility costs. It was agreed the district support the AIPA initiative, but that we also prepare and forward any information that the district has regarding billing problems.

13.08 Presentation Request RE: Nature Conservancy of Canada

Mr. Wilson noted that the Nature Conservancy of Canada has requested an opportunity to make a presentation to the district. It was agreed to schedule a presentation at a future directors meeting.

13.09 Rosemary Community Agricultural Society RE: Fundraising for Rosemary School Playground

It was agreed that the district decline the opportunity to make a financial contribution to the playground fundraising campaign.

13.10 A Perfect Fit, Resource Management & Professional Agrologist Conference

There was discussion of an upcoming conference [March 13 & 14] in Medicine Hat that may be of interest to the directors.

046-02-2003 Moved by Mr. Johnson that the district agree to send representatives to attend the Perfect Fit Conference scheduled for March 13 & 14, 2003 in Medicine Hat. Seconded by Mr. Henrickson. CARRIED

14.0 Upcoming Meetings Schedule

The following schedule of meetings were noted:

- Special Directors Meeting [Audit Completion, etc.] 19 March 2003 [PM]
- AIPA Directors Meeting, Brooks, AB 25 March 2003
- March Directors Meeting 26 March 2003
- County of Newell Annual Meeting 14 April 2003 [evening]
- EID Annual Meeting 17 April 2003, 1:30 PM [Thursday]

There was some discussion of agenda items for a meeting that is to be scheduled with the County of Newell. It was also agreed that some discussion of what the district might be able to consider regarding changes in policies and/or practices in managing the community pastures take place at the special meeting on the 19th of March.

The meeting was adjourned on a motion by Mr. Henrickson at 4:55 PM.

Per: Chairman

Minutes Approved on 26 March 2002

Per: General Manager

Motion No. 050-03-2003

19 March 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 19th of March 2003. 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 1:15 PM. [Mr. Mark Ens with Bevan, Halbert, Ginet and Gerrard, the firm conducting the district's annual audit, joined the meeting.]

1.0 Approval of Agenda

047-03-2003 Moved by Mr. Hemsing that the agenda be accepted as presented. Seconded by Mr. Henrickson. CARRIED

2.0 Auditors' Report

Mr. Ens provided a detailed overview of the audited financial statements of the district. These statements will be included in the district's Annual Report. Mr. Ens noted that while the overall format of the statements are similar to previous years, there are some changes that address changes in generally accepted accounting procedures and additional disclosure. A number of small changes in presentation of the financial information were discussed and agreed upon.

048-03-2003 Moved by Mr. Livingston that the directors approve the district's audited Financial Statements for the period ending 31 December 2003 as presented. Seconded by Mr. Hemsing. CARRIED

[2:50 PM, Mr. Knelsen and Mr. Ens exited the meeting.]

3.0 County of Newell, No. 4 RE: Regional Water System Services Committee

Mr. Wilson advised that the district has received a request from the County of Newell to have a director attend some initial meetings to discuss the potential for a regional water system. It was noted that this matter has been discussed earlier by the County and that Mr. Romao, P. Eng., the district's engineer has attended.

It was noted that the next meeting of the committee is scheduled for the evening of 26 March 2003. It was agreed that Mr. Neil Johnson attend on behalf of the Board of Directors and that Mr. Romao continue to attend to provide some technical support.

4.0 Joint Supper Meeting with County of Newell, No. 4

There was some discussion of the agenda items for discussion with the County of Newell, No. 4. This yearly supper meeting is being hosted this year by the district. The following issues were agreed to be included on the agenda:

- County of Newell, 50th Anniversary
- EID/County Cooperation on Required Water Pipelines
- Emerson Bridge Campground
- Impact on Subdivisions on EID, Including Discussion on the Conveyance of Water
- Update on Intensive Livestock Operations
- Health Canada Water Quality Standards RE: Water in Dugouts
- Past Water Quality Studies
- Narrow Bridges
- EID's Increase in the Irrigation Expansion Limit, Plebiscite Vote
- Thank--You for Map Books

It was noted the supper meeting is scheduled for the Heritage Inn at 6 PM on Monday, 24 March 2003.

5.0 Provincial Water Strategy, Information Meeting

Mr. Wilson noted that an invitation has been received for the Chairman and Manager of each Irrigation District to attend a meeting regarding the upcoming release of Alberta's Water Strategy. The meeting is scheduled for 24 March 2003 in Lethbridge, between 10:30 AM and 12:30 PM. It was noted that some of the items that will be discussed relates to how the Water Strategy might highlight instream flows and water conservation objectives.

[3:35 PM, Mr. Hale joined the meeting.]

6.0 Grazing Policy Review

There was some discussion regarding the possibility and/or feasibility of introducing some increased flexibility in the operations of Community Grazing Associations for the 2003 grazing period. Some of the items discussed include:

- allowing for some adjustment in turnout date, round-up date depending on grass condition,
- consideration of allowing more cattle per member for a shorter period of time [more based on AUM's of grass than number of cows per member],
- discussion of flexibility versus autonomy,
- review of need to set the ground rules at the beginning of the season if any changes to flexibility are to be implemented,
- discussion of the potential need to move association members to new areas to accommodate increased flexibility,
- discussion of other long-term policy changes, for example, allocating cows per irrigation acre with the district handling the reallocation of those cows based on an annual process for those irrigators not interested in pasturing cattle in the community pastures,
- look for policy initiatives that provide for better grass condition,
- agreement to discuss the range of flexibility options that might be considered with the Grazing Advisory Committee prior to turnout of cattle in 2003.

It was agreed that the district organize some of the options related to flexibility for a discussion with the Grazing Advisory Committee. It was also agreed that the district begin to prepare some background information and/or approaches to other policy options for discussion by the directors.

In discussion it was also agreed to move a member of a Community Grazing Association into the pasture immediately south of the district's building rather than tendering the parcel for lease for 2003.

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

7.0 Upcoming Meetings

The following schedule of upcoming meetings was discussed:

- 24 March 2003, 10:30 AM Water Strategy Meeting, Alberta Environment, Lethbridge, AB
- 24 March 2003, 6 PM Meeting with County of Newell, Brooks, AB
- 25 March 2003, 10 AM AIPA Directors Meeting, EID Office, Brooks, AB
- 26 March 2003, 9 AM Directors Meeting, EID Office, Brooks, AB
- 02 April 2003, 1:30 PM PHD Annual Meeting, EID Office, Brooks, AB [Allen Nielsen, Pat Hemsing, Bob Chrumka or Clint Henrickson]
- 17 April 2003, 1:30 PM EID Annual General Meeting, Heritage Inn, Brooks, AB

It was noted that the 16th of April, the initially proposed date for the Annual General Meeting was not available at the Heritage Inn due to other bookings. As such, some directors may not be in attendance at the meeting, due to their prior commitments.

The meeting was adjourned on a motion by Mr. Hemsing at 4:30 PM.

Per: Chairman

Per: General Manager

Minutes Approved on 17 April 2003

Motion No. 079-04-2003

26 March 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 26th of March 2003. 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

Prior to the meeting being called to order there was a discussion of whether or not the manner in which the district handles the payment of per diem and expenses for directors completely meets the requirements of reporting by Revenue Canada. It was agreed that the matter be researched to ensure the district is in compliance with whatever provisions are in place.

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

1.0 Approval of Agenda

The following items were added to the agenda:

- Item 9.0 UN International Year of Fresh Water [AIPA Involvement],
- Item 4.04 Setting of AUM Rate for 2003.

049-03-2003 Moved by Mr. Nielsen that the agenda be accepted as added to. Seconded by Mr. Henrickson. CARRIED

2.0 Approval of Minutes, 28 February 2003

In discussion of the minutes of the 28 February 2003, it was noted that the detailed excerpts from the Freedom of Information and Protection of Privacy Act do not need to be re-stated in the minutes.

050-03-2003 Moved by Mr. Henrickson that the minutes of the 28 February 2003 Directors Meeting be approved as corrected. Seconded by Mr. Livingston. CARRIED

3.0 Business from Minutes

In review of matters raised at the 28 February 2003 Directors Meeting there was discussion of the background information that could be made available to the directors regarding staffing costs for the district's operations. It was agreed that the administration work to develop a process and template of information for regular [3 or 4 times per year] updates on staffing costs in the district; including, number of staff, range of salaries, base pay or salary versus overtime, with information grouped by department.

4.0 Financial Report**4.01 Financial Statement, Period Ending 28 February 2003**

Mr. Knelsen provided a detailed overview of the district's financial statements for the period ending 28 February 2003. The following items were highlighted:

051-03-2003 Moved by Mr. Nielsen that the district write-off the \$1,491.76 owing by Don Alberts Feed Lot as it is not collectible as the company no longer exists. Seconded by Mr. Hemsing. CARRIED

- It was noted that allowances for doubtful accounts should remain in the Statement of Revenue and Expenditure rather than being shown in department reporting, for example, under administration.
- There was agreement that old fax machines provided to Pat Hemsing and Clint Henrickson, that have been replaced, may be disposed or by them as they see fit.
- There was also some discussion of tracking or showing the proceeds from sale of district land as a separate item in the Irrigation Reserve Fund. While the money in the Irrigation Reserve Fund is internally restricted to rehabilitation, it was noted there may be some merit in segregating the proceeds from sale of land and further restricting their use. Mr. Wilson indicated he would take a look at what might be done in this regard.

052-03-2003 Moved by Mr. Hemsing that the district approve the Financial Statements for the period ending 28 February 2003 as presented. Seconded by Mr. Henrickson. CARRIED

[10:20 AM, the meeting recessed.]

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

4.04 Setting of AUM Rate

It was noted that the approved budget contemplates an AUM rate for 2003 of \$16.00 per AUM. The district's practice has been to set that rate by resolution, prior to billings being issued.

053-03-2003 Moved by Mr. Hemsing that the district set the AUM rate for 2003 at \$16.00 per AUM. Seconded by Mr. Johnson. CARRIED

4.02 Rate Enforcement Proceedings Update

Mr. Knelsen provided a brief overview of the accounts that remain on the district's Rate Enforcement Return. He noted that the date for confirmation of the return has been set for the 22nd day of May, 2003.

4.03 Rate and Fee By-Laws

Mr. Hill noted that By-Law 838 (2003) establishing the annual rate and other fees was read and approved twice at the 28 February 2003 Directors Meeting. The final review and approval of the By-Law is required. The provisions of the by-law are as follows:

Eastern Irrigation District

BY-LAW 838 (2003)

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, via motion 038-02-2003, approved an operating budget for fiscal 2003 as stipulated in section 117 of the Irrigation Districts Act.
2. The rate for all acres of land irrigated under an annual agreement in 2003, 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 2003, 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 2003, 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 2003 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 20% 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.

By-Law 838 (2003) was read and approved the 3rd time this 26th day of March, 2003.

Mr. Hill also provided an overview of By-Law 839 (2003) establishing rates for household purposes, rural water use purposes, water conveyance fees and other related charges. It was noted that the by-law differs from the 2002 by-law in that it contains a provision for a "re-connect" fee should the district have to cancel an agreement due to non-payment and then re-authorize the agreement. There was discussion on the amount of the fee.

054-03-2003 Moved by Mr. Hemsing that the district establish the re-connect fee for household and rural water use agreements that are cancelled due to non-payment at \$250, plus the outstanding fees owing. Seconded by Mr. Livingston.

CARRIED

It was also noted that the current by-law maintains the discount rate of 85% for conveyance agreements for municipalities. There was a motion in November 2002 [motion 189-11-2002] that moved that rate to 75%. In recent discussions with the municipalities it has been noted that the district's replacement costs DO NOT include the Bassano Dam and that the replacement costs are being amortized over a longer period of time. As such, the rate of 85% of the costs remains appropriate.

Eastern Irrigation District
BY-LAW 839 (2003)

A By-Law Setting Fees for Household Purposes, Rural Water Use 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, rural water use 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, rural water use 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 2003:
 - (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. 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

4. The fee for the conveyance of water for rural water use purposes for 2003 is referenced to a base per acre foot conveyance charge [\$24.22] rounded to the closest \$5.00 and takes into consideration the relationship with the categories of rural water use referenced in paragraph 3 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

5. All fees charged for household purposes or for rural water use purposes shall be paid in full by the 1st day of May, 2003 or prior to any water being conveyed to the agreement holder if the agreement was entered into after the 1st day of May, 2003.
6. Where a household purposes agreement or rural water use agreement is not paid for by the 1st day of May, 2003 or prior to any water being conveyed to the agreement holder and the district cancels or suspends the agreement, then a penalty of **\$250.00** plus the fees for the current [and any prior years if applicable] must be paid prior to the agreement being reinstated.
7. The fees for conveyance of water under water conveyance agreements, excepting those subject to an existing agreement, for 2003 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 [$\$24.22 \times 0.95 = \23.01], rounded to the nearest \$0.50 or \$23.00/acre foot, or
 - (b) the fee assessed for water conveyed for municipal purposes is set at 85% the cost per acre foot of water consumed [$\$24.22 \times 0.85 = \20.58], rounded to the nearest \$0.50 or \$20.50 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 [$\$24.22 \times 0.75 = \18.17], rounded to the nearest \$0.50 or \$18.00 per acre foot.
8. 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.
9. 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.
10. 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:	Amount
Consumptive Use [Average Volume of Water in Acre Feet Delivered to the Farms Gate, past 5 Year Average]	450,000

Description:	Amount
Description:	Average
Amortization/Required for Replacement of Irrigation Works \$700 million [1.5%]	\$10,500,000
plus Budgeted Operating Costs [net of Land]	\$4,600,000
minus Funds Received under Alberta IREP	(\$4,200,000)
Net Annual Costs of Operations, etc.	\$10,900,000
<hr/>	
Average Net Annual Costs of Operations	\$10,900,000
Divided by Average Consumptive Use	450,000
Average Cost per Acre Foot of Water Delivery	\$24.22

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 [$\$24.22 \times 0.75 = \18.17], being \$18.00 per acre foot [rounded to the nearest \$0.50].

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 [$\$24.22 \times 0.85 = \20.58], being \$20.50 per acre foot [rounded to the nearest \$0.50].

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 [$\$24.22 \times 0.95 = \23.01], being \$23.00 per acre foot [rounded to the nearest \$0.50].

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 85% of the actual per acre foot cost [or \$20] for a total of \$170.

The within By-Law 839 (2003) 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:

By-Law 839 (2003) was read and approved the 1st time this 26th day of March, 2003.

By-Law 839 (2003) was read and approved the 2nd time this 26th day of March, 2003.

055-03-2003 Moved by Mr. Henrickson that the directors provide unanimous approval to the 3rd reading of By-Law 839 (2003). Seconded by Mr. Hemsing. CARRIED

By-Law 839 (2003) was read and approved the 3rd time this 26th day of March, 2003.

There was also agreement that the district should explore the potential to develop an agreement with the County of Newell for fees related to household purposes and rural water use agreements, with district direct billing the County and the County collecting the "utility fees".

5.0 Operations Report

5.01 Farm Improvement Project

Mr. Meador provided the details of the following proposed Farm Improvement Project. It was noted that the improvements had been made by the renter on the land, who has since become the owner. No other Farm Improvement Projects have been approved on the parcel.

056-03-2003 Moved by Mr. Livingston that the district approve the Farm Improvement Project [increase in water use efficiency] for Charles & Wynona Hansen in the NW ¼ 17-19-13 W4M, 126 acres side-roll wheel moves to low pressure pivot [drop tubes, no cold-weather shut-offs, pipeline to pivot centre], \$2,423 [pro-rated] minus \$1,400 [7 irrigation acres kept outside of pivot circle at \$200 per acre], EID contribution is \$1,023. Seconded by Mr. Nielsen. CARRIED

5.02 Housing Appraisals

There was discussion of the appraisals that have been completed for district property in Rosemary and for 2 homes in Rolling Hills. These appraisals have been completed as the properties have been determined to be surplus to the district's needs.

In discussion of the properties in Rolling Hills, it was noted that Mrs. MacGregor, a long-time tenant, is wishing to continue renting and residing the district residence for up to another 2 years. There was also a brief discussion of staffing changes in Rolling Hills. There was agreement to extend Mrs. MacGregor's tenancy agreement up to an additional 2 years, and to remove the Rolling Hills properties from consideration for sale at the present time.

There was discussion of the appraisal on the district's Rosemary property. It was noted the area with the house needs to be subdivided from the balance of the district's parcel. The following decisions regarding the property were agreed to:

057-03-2003 Moved by Mr. Livingston that the district subdivide the subject property from the balance of the parcel and then offer the property and improvements for sale at the price of \$125,000. Seconded by Mr. Hemsing. CARRIED

5.03 Snow Pack Update

Mr. Wilson provided an overview of snow pack in the South Saskatchewan River Basin as of the third week of March. It was noted that the snow pack in the Bow River Basin headwaters ranges between 80% to 95% of long-term average.

[11:15 AM, Mr. Cook and Mr. Lindsay joined the meeting.]

6.0 Equipment Pool Report**6.01 Approval to Sell/Dispose of Hoes**

The following quotes have been received for 2 hoes that the district plans to dispose of:

Company	Equipment	Selling Price	Commission	Net Price
Brooks Asphalt & Aggregate Ltd.	1998 J.D. 230LC			\$107,000
	1998 J.D. 330LC			\$96,000
Canadian Public Auction	1998 J.D. 230LC			
	1998 J.D. 330 LC			
Option A, purchase	both units			\$205,000
	both units	\$200,000	12%	\$176,000
Option B, Guarantee	on amount over \$200K		15%	
Option C, Commission	both units		8%	
Michener Allen Auctioneering Ltd.	1998 J.D. 230LC			
	1998 J.D. 330 LC			
	both units	\$175,000	12%	\$154,000
Option A, Guarantee	on amount over \$175K		10%	
Option B, Commission	both units		8%	

In discussion it was noted that Canadian Public Auction and Michener Allen would both like the machines delivered around the 20th of April for their sales. It was noted that the district may be able to negotiate the sale of the equipment with Brooks Asphalt at the quoted price, but providing them with the J.D. 230LC around the 1st to 7th of April and keeping the J.D. 330LC until the 10th of May.

058-02-2003 Moved by Mr. Johnson that the district approve the sale 1998 JD 230LC Hoe and 1998 JD 330 LC Hoe to Brooks Asphalt & Aggregate Ltd. at quoted prices of \$107,000 and \$96,000 with provision that district sell 230 LC around the 1st to 7th of April and the 330LC around the 10th of May. Seconded by Mr. Livingston. CARRIED

6.02 Purchase, Skid Loader

The following quotes have been received by the district for the purchase of a skid loader:

Company	Features	Price
Brandt Tractor Ltd.	J.D. 250, 60 HP with attachments, 48" trencher, 12 months unlimited warranty	\$47,506

Company	Features	Price
Brooks Farm Centre	Bobcat S185, 56 HP with attachments, 36" trencher, 12 months unlimited warranty	\$55,545
Evergreen Implements Inc.	J.D. 250, 60 HP with attachments, 48" trencher, 12 months unlimited warranty	\$46,005
Finning	Cat 236, 59 HP with attachments, 48" trencher, 36 month/3,000 hour extender warranty, anti-stall feature - allows partial throttle operation, delivers maximum power to wheels and work tools without stalling engine	\$56,013
Hammer Equipment	Case 40XT, 60 HP with attachments, 36" trencher, 12 months unlimited warranty	\$46,367

In discussion, it was noted the district has had a chance to demo these machines. The recommended purchase is from Finning, for the CAT 236, as the controls more closely resemble those of larger machines and are fully functional at lower engine speeds. Both experienced and inexperienced operators quickly become comfortable using it.

~~059-03-2003 Moved by Mr. Livingston that the district approve the purchase of the CAT 236 skid steer loader, c/w attachments from Finning at quoted price of \$56,013. Seconded by Mr. Johnson. [rescinded by motion 081-04-2003] -CARRIED~~

6.03 Purchase, Front End Loader

The following quotes were received in reference to the district's proposed purchase of a new front end loader:

Company	Features	Price	
		3 yd ³	3.5 yd ³
Brandt Tractor Ltd.	J.D. 544H & 624H, 6 month full warranty, 3 year structure warranty	\$154,085	\$175,105
Coneco Equipment	Komatsu WA250-3MC & WA320-#MC, 12 month/1,500 hour full warranty	\$143,252	\$175,210
Finning	Cat 928G [w/ guaranteed buy-back after 36 months/5,000 hours @ \$92,310] Cat 938G [w/ guaranteed buy-back after 36 months/5,000 hours @ \$100,769]	\$169,555	\$182,000
Hammer Equipment	Case 621D & 721D, 12 month unlimited hours, engine 24 month/2,000 hours	\$149,029	\$176,174
Strongco Equipment	Volvo L70E & L90E, 3 years/6,000 hours on major hydraulic components	\$162,478	\$191,888

There was some discussion of the most appropriate size of loader, with agreement that the 3.5 yd³ provides the district with some increased flexibility and safety of operation.

- 060-03-2003** Moved by Mr. Nielsen that the district approve the purchase of the 3 ½ yard³ J.D. 624H loader from Brandt Tractor Ltd. at quoted price of \$175,105. Seconded by Mr. Hemsing. **CARRIED**

6.04 Purchase, Ride-On Lawn Mower

The following quotes received for the district's purchase of a ride-on lawn mower were reviewed:

Company	Features	Price
Brooks Farm Centre	Bush Hog ZT230, 23 HP, gas engine, air cooled, 54" side discharge mower, mulcher	\$13,507
	J.D. F735, 20 HP, diesel engine, liquid cooled, 54" side discharge mower, mulcher, heavy deck, hydraulic life	\$12,400
Evergreen Implements Inc.	J.D. F725, 20 HP, gas engine, liquid cooled, 54" side discharge mower, mulcher, heavy deck, hydraulic life	\$9,250
	Toro Z283L, 23 HP, gas engine, liquid cooled, 62" side discharge mower, mulcher	\$12,727
Park Sales & Service	Toro Z283L, 23 HP, gas engine, air cooled, 62" side discharge mower, mulcher	\$11,200

- 061-03-2003** Moved by Mr. Hemsing that the district approve the purchase of the J.D. F735 [diesel] lawn mower c/w attachments from Evergreen Implements at quoted price of \$12,400. Seconded by Mr. Livingston. **CARRIED**

In discussion of other items, it was explained that the new ladder purchased [noted during review of the financial statements] is a 40' extension ladder, purchased to remove the need to rent a lift to replace lights in the shop.

[11:35 AM, Mr. Cook and Mr. Lindsay exited the meeting.]

6.05 Purchase, New Photo Copier

Mr. Wilson provided an overview of quotes to replace the district's photo copier. Quotes received are as follows:

- Xerox 460ST \$25,320 [recommended],
- Canon Imagerunner 5000 \$25,995.

- 062-03-2003** Moved by Mr. Nielsen that the district approve the purchase of the Xerox 460ST at quoted price of \$25,320 [net of trade] as per quote. Seconded by Mr. Livingston. **CARRIED**

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

7.0 Engineering Report**7.01 Project Update**

Mr. Romao provided an overview of the status of some ongoing rehabilitation projects with the use of photos from the construction sites. There was some discussion of the problems encountered with frost on some of the pipelines and the volume of clean-up that will be required to complete the projects.

7.02 05 Secondary C Springhill Rehabilitation

Mr. Romao provided an overview of the proposed rehabilitation of the 05 Secondary C Springhill Canal rehabilitation. The canal presently serves 382 irrigation acres, all irrigated by sprinkler methods, with no potential for an increase in acres. He noted that the existing canal has been operated as a level canal due to the lack of an adequate tailout channel beyond the existing pump deliveries. As a result, vegetation growth, low velocities and minimal water depth have contributed to capacity problems. The recommended rehabilitation considers installation of a closed PVC pipeline at an estimated cost of \$110,000.

063-03-2003 Moved by Mr. George that the district approve the installation of a closed pipeline system for rehabilitation of 05 Secondary C Springhill Canal at estimated cost of \$110,000. Seconded by Mr. Hemsing. CARRIED

7.03 12-01 Rolling Hills Canal Rehabilitation

Mr. Romao noted that the existing canal system serves 808 irrigation acres irrigated by sprinkler and an additional 174 acres irrigated by surface methods. The proposed rehabilitation contemplates 2 separate pipelines. The estimated cost of the project is \$785,000.

064-03-2003 Moved by Mr. Henrickson that the district approve the installation of 2 pipelines for the rehabilitation of 12-01 Rolling Hills Canal at estimated cost of \$785,000. Seconded by Mr. Johnson. CARRIED

Mr. Romao also provided an overview of an application for an Infrastructure Grant in the NW ¼ 05-15-13 W4M. It was noted that the parcel is currently surface irrigated from deliveries in the northeast or southeast corners of the parcel. The land owner is willing to give up the northeast delivery, resulting in a project cost savings of an estimated \$41,000.

065-03-2003 Moved by Mr. Johnson that the district approve the Infrastructure Grant to Joseph & Alejandra Baer [NW ¼ 05-15-13 W4M], with EID payment being \$15,000 [total cost savings of \$41,000]. Seconded by Mr. Livingston. CARRIED

7.04 15 East Branch Canal Rehabilitation

Mr. Romao indicated that the present 15 East Branch Canal and 15-02 East Branch Canal are about 2.5 kilometres in length and serve 346 irrigation acres. The primary problems with the system include seepage, capacity and the poor condition of the canal banks and structures, along with limited accessibility. The proposed rehabilitation considers the installation of a closed gravity-fed PVC pipeline at an estimated cost of \$278,862.

066-03-2003 Moved by Mr. Hemsing that the district approve the installation of a closed system gravity PVC pipeline for 15 East Branch Canal at estimated cost of \$280,000. Seconded by Mr. Henrickson. **CARRIED**

Mr. Romao also provided an overview of applications for Infrastructure Grants with decisions as follows:

067-03-2003 Moved by Mr. Livingston that the district approve the Infrastructure Grant to Blake Mulvey [NE ¼ 17-18-16 W4M], for a new additional turnout, with the contribution by Mr. Mulvey being \$5,500 [total increased cost of \$11,000]. Seconded by Mr. Johnson. **CARRIED**

068-03-2003 Moved by Mr. Hemsing that the district approve the Infrastructure Grant to Ken Sharpe [ME ¼ 20-18-16 W4M], for a new delivery location, with the contribution required from Mr. Sharpe being \$850 [total increased cost of \$1,700]. Seconded by Mr. Livingston. **CARRIED**

[12 Noon, the meeting recessed.]

[12:55 PM, the meeting reconvened.]

7.05 15 Bow Slope Canal Rehabilitation

Mr. Romao indicated that the review of this project involves the proposed method of rehabilitation as well as the consideration of conversions from terminable agreement acres to irrigation acres and a number of applications for Infrastructure Grants.

Mr. Romao noted that the project serves 1,156 irrigation acres irrigated by sprinkler methods and 122 irrigation acres that are surface irrigated. In addition, the district has identified 329 acres presently served from a drain that can be added to the project, 140 acres of which are currently terminable agreement acres that would be converted to irrigation acres.

There was discussion of the district's policies regarding the cost-sharing of pipeline extensions for terminable agreement acres and under the Infrastructure Grant program. It was noted that there are some policy issues that need to be resolved prior to decisions being made on the project as a whole.

It was agreed that the administration review policies for cost-sharing of pipeline extension costs for terminable agreement acres and irrigation acres and return with recommendations for April 2003 meeting for project approval and consideration of proposed Infrastructure Grants.

7.06 PVC Pipe Price Increases

Mr. Wilson noted that the district had recently received three-days notice of a pending increase in the price for PVC pipe from IPEX. Mr. Wilson indicated he had immediately placed an order for \$3 million of pipe, knowing that the district would have to take delivery and store the pipe until the fall construction period. He advised that the order had been refused by IPEX. There was some discussion of other pipe suppliers. It was also noted that sending out the notice of the pipe price increase in advance was likely an error on the part of IPEX.

[1:45 PM. Mr. Romao exited the meeting.]

8.0 Land Administration Report**8.01 Review, Outcome of Plebiscite Vote**

There was discussion of the results of the district's plebiscite vote on the question of an increase in the district's expansion limit from 286,000 acres to 311,000 acres. It was noted that there were 242 irrigators voting "YES" and 127 irrigators voting "NO". It was agreed that the affirmative vote does provide the basis for moving ahead with the district's expansion plans as outlined in By-Law 840 (2003).

8.02 By-Law 840 (2003), A By-Law Authorizing an Increase in the District's Expansion Limit

The directors reviewed By-Law 840 (2003) authorizing an increase in the district's expansion limit from 286,000 acres to 311,000 acres as follows:

Eastern Irrigation District

BY-LAW 840 (2003)

A By-Law Authorizing an Increase in the Irrigation Expansion Limit
[Irrigation Districts Act, Sections 12 and 177 (2)(c)]

WHEREAS:

The Irrigation Districts Act [c. I-11, RSA 2000] sets out the method for the district to establish an expansion limit other than the expansion limit specified in Table 2 of the Schedule included in the Irrigation Districts Act, and

This by-law complies with the provisions as are set out in the Irrigation Districts Act [Appendix A, Completion of Regulatory Requirements, Increase in the Expansion Limit, is attached to and forms part of this by-law].

NOW THEREFORE BE IT ENACTED:

1. Subject to the requirements included in this by-law, the expansion limit of the Eastern Irrigation District is changed from 286,000 acres to 311,000 acres.
2. The increase in the expansion limit by 25,000 acres is apportioned as follows:
 - **Intensification [12,000 acres]** referring to increases in irrigation acres on existing irrigation parcels where a more efficient method of irrigation is being implemented, plus
 - **Return Flow Development [3,000 acres]** referring to increases in irrigation acres from return flow channels where water supplies do not need to be supplemented, plus
 - **Additional Intensification and/or New Irrigation Development [10,000 acres]** where the intensification on existing parcels and the conversion to a more efficient method does not provide enough acres or for new parcels of land, with 5,000 acres being considered downstream of the Crawling Valley Reservoir and 5,000 acres being considered downstream of Lake Newell Reservoir.
3. The district shall approve increases in irrigation acres under the increased expansion limit, subject to the evaluation and approval criteria that is approved of from time to time by

resolution of the district, but in no case shall the total annual approved increases under this by-law exceed 2,500 acres in any calendar year.

4. The district shall not approve a change in the apportionment of irrigation acres referenced in paragraph 2 or the total acres approved for increases in any one calendar year referenced in paragraph 3, unless it first provides notice to the irrigators, via direct mailing and advertisement in a newspaper of general circulation, and holds a meeting to discuss its intention to amend and/or replace this by-law.

The within By-Law 840 (2003) 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:

By-Law 840 (2003) was read and approved the 3rd time this 26th day of March, 2003.

8.03 New Policy for Review of Applications for Increases in Irrigation Acres

Mr. Wilson provided an overview and discussion of the elements of a new policy that could be adopted to address applications for increases in irrigation acres now that the expansion limit has been increased. The following general items were discussed:

1. The maximum increase in irrigation acres in any year [via By-law] is 2,500. Does the district wish to limit any particular category of irrigation acre application, for example; new parcels, development from return flow channels, new acres that include acres that are part of intensification -- but require some new acres, etc.

Note: Consider limit to any acres requiring "new" water supplies to 1,000 per year.

2. Should the district review ALL applications for increases in irrigation acres only once per year, for example, in November -- or should the district deal with changes in on-farm efficiency throughout the year as they occur and deal with applications for new irrigation acres in November? For intensification based on improved on-farm efficiencies, should these go to the directors for approval, or should they be handled by the administration, or should there be an acre limit for those handled by administration?

Note: A process similar to that in place appears acceptable, staff handle intensification up to 20 acres or 30 acres [in the case of rehabilitation and removal of a canal, etc.], all new acre applications to be presented to the directors and new acres reviewed once per year only.

3. Should the district approve any new acres in areas supported only by the river? Not new parcels, but if conversion to more efficient method of irrigation left an application short, say 5% -- would such an application be considered?

Note: Some flexibility is OK.

4. What conversion will the district allow or grant for irrigation acres that are transferred from one parcel to another? Should these acres be treated differently if they are transferred to a parcel that already has irrigation acres or if they are proposed to be transferred to a parcel with no irrigation acres? [Perhaps a conversion from Class A or B surface irrigation to "?" might be appropriate.]

Note: OK to allow conversion on transfers from one parcel to another.

5. Should the district set a maximum # of new acres [irrigation acres that require more water than that gained by conversion] that any individual or company owned by the individual can be granted; say 300 acres?

Note: 150 acres limit.

6. Should the district restrict and/or limit the development of any district-owned lands for a period of time [a few years] to see how many good parcels of private land are proposed for new irrigation acres?

Note: Play it by ear, evaluate based on interest.

7. How tough/stringent a set of criteria should the district select for the evaluation of new parcels of land, for example; soil classification, on-farm efficiency, the effect on the efficiency of a new development on the district's works at any particular location, etc.?

Note: Adapt weighting to emphasize better soils, more efficient delivery, etc.

It was agreed that the administration develop a draft policy for review of applications for increases in irrigation acres for April Directors Meeting, based on previous policy discussion.

[2:30 PM, the meeting recessed.]

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

Mr. Knelsen noted that he has reviewed the requirements of Revenue Canada for payments of per diem and mileage to directors and noted that the district should be issuing T4s and making deductions for income tax and CPP. There was some discussion of the effect of this on the net per diem permitted under the district's by-law.

069-03-2003 Moved by Mr. George that the district amend the fees in the district's by-law setting the rates of remuneration per day at authorized meetings of the district at \$300 per day, with the district withholding the appropriate deductions and contributions. Seconded by Mr. Henrickson. CARRIED

8.04 Policy Regarding Minimum Parcel Size for Irrigation Acres

There was some discussion of the merits of reducing the minimum number of irrigation acres on a parcel of land that would be considered for irrigation acres. At the present time the district's policy indicates that no irrigation acres will be assessed on a parcel where there would be fewer than 40 irrigation acres. In these instances, a terminable water agreement could be authorized.

A couple of examples were discussed. It was noted that the district's present policy was to prevent the district having to respond to water requirements of a number of small parcels of land and to ensure that the irrigators maintain the electoral control of the district.

070-03-2003 Moved by Mr. George that the district amend its present policy and reduce the minimum number of acres on a parcel of land that would be considered to be assessed as irrigation acres from 40 acres to 30 acres.

As there was no seconder for the motion, it was DEFEATED.

With no approval for a change in the policy, it was agreed that the district would respond to the interested parties in keeping with the district's current minimum requirements for irrigation acres.

8.05 Irrigable Unit Designations

The following decision regarding the registration of Irrigable Units was approved:

071-03-2003 Moved by Mr. Johnson that the district agree to the registration of Irrigable Units for the following land owners and locations; SW ¼ 25-14-13 W4M, NW ¼ 25-14-13 W4M, G.W. Murray Ranches Ltd. and Ptn. NE ¼ 06-19-15 W4M, SE ¼ 06-19-15 W4M, Jason Giles & SW ¼ 06-19-15 W4M, Murry Giles. Seconded by Mr. Hemsing. **CARRIED**

8.06 Transfer of Irrigation Acres

Mr. Matoba provided background information regarding the following applications for the transfer of irrigation acres, with decisions as follows:

072-03-2003 Moved by Mr. Livingston that the district approve the transfer of 21 irrigation acres from the north east corner of the SE ¼ 22-23-16 W4M to the NW ¼ 15-23-16 W4M, for Mr. Rob Wallace. Seconded by Mr. Hemsing. **CARRIED**

073-03-2003 Moved by Mr. Hemsing that the district approve the transfer of 15 irrigation acres from SW ¼ 06-18-12 W4M to the W ½ 24-17-14 W4M, Mr. Melvin Fieldberg, providing land transactions are completed. Seconded by Mr. Henrickson. **CARRIED**

8.07 Conversion of Terminable Agreement Acres to Irrigation Acres, Mattheis Engineering Ltd.

There was discussion of an application by Mattheis Engineering Ltd. to convert 688 acres under Terminable Water Agreements to irrigation acres. It was noted that the water serving these acres comes through a lengthy drainage system and then through a system of Ducks Unlimited facilities on the district's lands and cannot easily be guaranteed. As such, it was agreed the district decline the application.

8.08 Signage Request, Vauxhall Co-op Petroleum Ltd.

Mr. Matoba provided information regarding a request to place a sign on district land near the entrance to Kinbrook Island Provincial Park. It was noted that the sign does comply with the district's policy.

074-03-2003 Moved by Mr. George that the district approve the sign placement request made by Vauxhall Co-op Petroleum Ltd. as per policy. Seconded by Mr. Johnson. **CARRIED**

8.09 Applications for New Irrigation Acres

Mr. Matoba provided a brief overview of correspondence received from Mr. Richard Hiebert on New Investments Ltd. and 591155 Alberta Ltd. It was noted that given the earlier policy discussions, Mr.

Hiebert's request needs to be declined, but that the district advise him that applications for new parcels can be considered for the November 2003 Directors Meeting and that there will likely be a restriction on the number of new irrigation acres any applicant may receive.

8.10 Brooks Motorcycle Club

There was discussion of a request by the Motorcycle Club for a new and expanded parking area. This area has been used with permission of the district in the past for special events. With the road improvements that have recently been completed by the County of Newell, the club is requesting the parking area be added to their lease.

075-03-2003 Moved by Mr. Nielsen that the district approve an increase to the lease area for Brooks Motorcycle Club to increase and/or create a new parking area and include it in present lease with no increase in fee with the conditions that the Brooks Motorcycle Club construct any fences, maintain cleanliness of site and allow use of parking area by Silver Sage [if required] and for County of Newell Anniversary Celebration.. Seconded by Mr. Hensing. CARRIED

8.11 Brooks Asphalt & Aggregate Ltd., Request to Purchase Land

There was some discussion regarding a request by Brooks Asphalt & Aggregate Ltd. to purchase land from the district to the east of the Silver Sage and Brooks Motorcycle Club. The request appears to be exploratory in nature. It was noted the district is not interested in selling those lands at the present time.

There was, however, discussion regarding the potential development of an industrial subdivision on a Ptn. W ½ 29-14-18 W4M. It was agreed that the district begin preliminary discussions with Town of Brooks to determine conditions, off-site levies, etc. that might be required.

9.0 General Manager's Report

There was some discussion of the Wonder of Water program being sponsored in part by the Alberta Irrigation Projects Association. The concerns appear to be connected to the United Nations Year of Fresh Water and to ensure that the AIPA is not being brought into an initiative that could be viewed as being inappropriate.

9.01 Decline of Requests for Funding

Mr. Wilson noted that the district has declined sponsorship and funding requests from the Rosemary Community Ag Society, the Griffin Park Student Environment Club and the Junior Achievement Program for Southern Alberta.

9.02 Canadian Water Resources Association, Memberships

There was agreement that the district would maintain memberships in the CWRA for Mr. Wilson and Mr. Romao. It was also noted that there will be no one from the district attending the upcoming CWRA Conference in Grande Prairie, AB from the 13th to 15th of April, 2003.

9.03 Northwest Irrigation Operators Tour

Mr. Wilson advised that he has received the first notice of the planned Northwest Irrigation

Operators Tour scheduled for 15 to 18 September 2003 out of Durango, Colorado. More information is expected in the coming months.

9.04 Report, Water Strategy Meeting with Alberta Environment and Irrigation Districts

It was noted that the recent presentation appears intended to make sure irrigation districts understand that the upcoming strategy is not to be seen as looking for retroactive solutions [for example, changes to first in time, first in right, etc.] and that irrigation is important to Alberta. It is expected that the strategy will be announced in early April, with additional public consultation to continue to refine strategy.

9.05 Agenda for Annual Meeting

The following preliminary agenda was approved for the upcoming Annual General Meeting:

1. Welcome and Opening Remarks
2. Introduction of Guests
3. Election of a Chair for the Annual General Meeting
4. Adoption of Agenda
5. Approval of Minutes, 12 April 2002 Annual General Meeting
6. Business from Minutes, 12 April 2002
 - 6.1 Report, Response to the Resolution Regarding Community Grazing Lease Policy
7. Presentation of Reports
 - 7.1 Report of the Chairman and the Board of Directors
 - 7.2 Report of the Manager
 - 7.3 Presentation of the Audited Financial Statements of the District
 - 7.4 Annual Maintenance of Irrigation Works Report
 - 7.5 Irrigation Infrastructure Report
8. Report on the Approved Increase in the Expansion Limit
9. New Business
 - 9.1 General Matters Raised from the Floor
 - 9.2 Report on Scheduled Election, Division 03 [Incumbent, Mr. Henrickson] and Division 06 [Incumbent, Mr. Chrumka] [Mr. Earl Wilson, P. Eng., Returning Officer]
10. Adjournment

It was also noted the district should be prepared to discuss what it may wish to pursue as a new policy governing irrigation farm leases and to present some information regarding the district's policy regarding donations to public initiatives and specifically, should a request come to assist with the new recreation complex.

9.06 Clearview Hutterian Brethren

Mr. Wilson advised that the Clearview Hutterian Brethren have asked for some information regarding the process to remove land from the district. He indicated he has provided them with excerpts from the Irrigation Districts Act.

9.07 Staffing Update

Mr. Wilson provided a brief summary of changes in staffing, the replacement of a Water District Supervisor in the Rolling Hills area and advertisements for a Junior Land Man that has been issued.

9.08 Classroom Agriculture Program

Mr. Hill provided an update on how the district might participate in the Classroom in Agriculture Program. The program is delivered to Grade 04 students throughout the Province. To participate, the Partners program requires a 2 year commitment. The costs of participation are as follows:

Year 1: \$3,500 program fee [provides a page in the Partners publication], \$500 for art work for the page, 1 promotional item, and attend 2 meetings.

Year 2: \$3,500 program fee [provides a page in the Partners publication], 1 promotional item, and attend 2 meetings.

The Partners program is presently preparing for the 2004 and 2005 periods. As such, a decision about the district's participation in the activity is needed. There was also some discussion of the "mock up" examples of 2 types of inserts for the magazine.

076-03-2003 Moved by Mr. Livingston that the district approve the participation in the magazine portion of Classroom Agriculture Program for 2004 and 2005 period and develop art work with program coordinators. Seconded by Mr. Henrickson. CARRIED

There was also discussion of having staff of the district participate in the classroom activities.

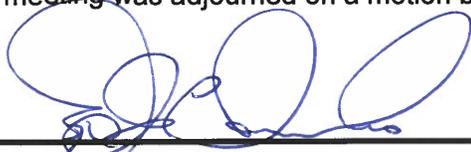
077-03-2003 Moved by Mr. Henrickson that the district provide some limited staff participation in the Classroom in Agriculture Program to gauge the merits of such involvement. Seconded by Mr. Livingston. DEFEATED

10.0 Upcoming Meetings

The following upcoming meetings were noted:

- EID Annual General Meeting, 1:30 PM, Thursday, 17 April 2003, and
- EID Directors Meeting, 9 AM, Tuesday, 29 April 2003.

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



Per: Chairman
 Minutes Approved on 17 April 2003



Per: General Manager
 Motion No. 080-04-2003

17 April 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 17th of April 2003. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]
Mr. Clint Henrickson	Vice-Chair [Division 03]
Mr. Floyd George	Director [Division 01]
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. Livingston was excused from the meeting, due to recovery from surgery.

The meeting was called to order at 10:05 AM.

1.0 Approval of Agenda

078-04-2003 Moved by Mr. Henrickson that the agenda be adopted as presented. Seconded by Mr. Hemsing. CARRIED

2.0 Approval of Minutes

079-04-2003 Moved by Mr. Hemsing that the minutes of the 19 March 2003 Directors Meeting be approved as circulated. Seconded by Mr. Henrickson. CARRIED

080-04-2003 Moved by Mr. Henrickson that the minutes of the 26 March 2003 Directors Meeting be approved as circulated. Seconded by Mr. Johnson. CARRIED

3.0 Business from Minutes

In discussion of the minutes it was noted that the decision made regarding the purchase of the Skid Loader [059-03-2003] no longer appears valid. It was agreed, however, that the minutes properly reflect the decision on the day of the meeting -- it is subsequent information that has since been received that requires that decision to be revisited.

4.0 Equipment Pool Report**4.01 Purchase of Skid Loader**

Mr. Wilson noted that following the 26 March 2003 Directors Meeting the district was made aware that the final bid price the Brooks Farm Centre did not take into account the offered discount. There was some discussion of what information was provided to the district by means of a bid package. There was agreement that some effort to standardize the presentation of the final bid price, complete with information provided by respective bidders might prevent problems such as the one that has been noted.

Mr. Wilson advised that upon hearing of the discrepancy he had cancelled the order to the purchase

authorized under motion 059-03-2003. It was noted that Brooks Farm Centre has been able to offer a substantial discount to the district with corrected bid prices as follows:

Brooks Farm Centre	Features	Price
Previous Recorded Bid Price	Bobcat S185, 56 HP with attachments, 36" trencher, 12 months unlimited warranty	\$55,545
Corrected Bid	Bobcat S185, 56 HP with attachments, 36" trencher, 12 months unlimited warranty [discount of \$17,695]	\$37,850
Alternate Machine	Bobcat 863, 73 HP with attachments, 36" trencher, 12 months unlimited warranty [discount of \$19,870]	\$38,064

It was noted that these prices are lower than any of the other quotes received. It was also noted that the 73 HP unit offers some additional flexibility and also is lower than any of the previously received bid prices.

081-04-2003 Moved by Mr. Hemsing that the district rescind motion 059-03-2003 and authorize the purchase of the Bobcat 863 Loader from the Brooks Farm Centre at the corrected and discounted price of \$38,064. Seconded by Mr. Henrickson. CARRIED

4.02 Results of Auction [½ ton trucks]

Mr. Wilson reported on the results of the recent auction as follows:

Unit #	Year	Km.	Description	Price
73	1991	241,000	GMC ½ ton, 4x4, 6 ft. box, extended cab, no A/C	\$4,700
82	1992	167,000	Chev ½ ton, 4x4, 8 ft. box, extended cab, no A/C	\$4,100
112	1995	211,000	Chev ¾ ton, 2x4, 8 ft. box, A/C	\$4,700
117	1996	178,000	Ford ½ ton, 2x4, 8 ft. box, A/C	\$3,000
120	1996	180,000	Ford ½ ton, 2x4, 8 ft. box, A/C	\$3,900
121	1996	185,000	Ford ½ ton, 2x4, 8 ft. box, A/C	\$3,400
123	1996	180,000	Ford ½ ton, 2x4, 8 ft. box, A/C	\$3,700
154	1999	200,000	Dodge ½ ton, 2x4, 8 ft. box, A/C	\$7,500
Total				\$35,000
Less Commission [10%]				\$3,500
Net Proceeds				\$31,500

It was noted the actual proceeds exceeded the guarantee provided by other auction firms received earlier.

5.0 Annual Meeting Agenda

There was brief discussion of the proposed agenda for the Annual General Meeting as follows:

1. Welcome and Opening Remarks [Mr. Bob Chrumka]
2. Introduction of Guests [Mr. Earl Wilson]
3. Election of a Chair for the Annual General Meeting [Mr. Bob Chrumka]
4. Adoption of Agenda
5. Approval of Minutes, 12 April 2002 Annual General Meeting
6. Business from Minutes, 12 April 2002
 - 6.1 Report, Response to the Resolution Regarding Community Grazing Lease Policy [Mr. Earl Wilson]
7. Presentation of Reports
 - 7.1 Report of the Chairman and the Board of Directors [Mr. Bob Chrumka]
 - 7.2 Report of the Manager [Mr. Earl Wilson]
 - 7.3 Presentation of the Audited Financial Statements of the District [Mr. James Knelsen]
 - 7.4 Annual Maintenance of Irrigation Works Report [Mr. Earl Wilson]
 - 7.5 Irrigation Infrastructure Report [Mr. George Romao]
8. Report on the Approved Increase in the Expansion Limit [Mr. Earl Wilson]
9. New Business
 - 9.1 General Matters Raised from the Floor
 - 9.2 Report on Scheduled Election, Division 03 [Incumbent, Mr. Henrickson] and Division 06 [Incumbent, Mr. Chrumka] [Mr. Earl Wilson, P. Eng., Returning Officer]
10. Adjournment

6.0 Water Delivery Date

There was discussion of the time required to prepare the district's canal system to supply water for irrigation demand. It was noted that the weed problem at the beginning of this season is severe and more time will be required to "flush" canals -- and in some cases, excavators will have to be used to remove weeds from the canals. It was suggested that the district will begin filling canals on May 05, with water available for irrigation during the period of 07 to 10 May.

It was also noted that the district is set to begin the filling of the Rolling Hills Reservoir. The status of construction in relation to reservoir filling was reviewed. The districts other reservoirs are near or above normal operating levels.

082-04-2003 Moved by Mr. Nielsen that the district set the date for water availability for irrigation at the 10th of May, 2003. Seconded by Mr. Johnson. CARRIED [Opposed: Mr. George]

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

7.0 GAC Meeting Report

Mr. Hale provided an overview of the discussions held at the recent meeting of the Grazing Advisory Committee. Copies of the minutes of that meeting were provided. In review of that meeting Mr. Hale noted there was general agreement that the district operate the leases in 2003 in a manner that would see all of the leases in generally the same condition at the end of the grazing period.

He noted there was some discussion of alternate methods for determining turnout dates, the

number of cattle run, basing grazing association access on total animal unit months of available grass and then allowing some flexibility. He noted there appears to be some interest in taking a look at what might be able to be put in place for the 2004 grazing period and that some of the pastures are still in need of significant rest and improvement. It was also noted agreed that unless the district were adopt a specific resolution, the existing policy regarding "opting-out" for a season would again apply. There was consensus that there was no need for the district to authorize opting-out as in previous drought years.

There was also discussion of the planned capital improvements on the leases. It was noted the re-grassing project scheduled for 2003 will not take place until after pasturing has been completed. The project will likely entail breaking and re-seeding in the fall of 2003. It was also noted that the district is proceeding with the detailed design and options for water supply improvements in the north Gem area. Those plans will be brought to the directors for approval at a future meeting.

It was also agreed that with the enlargement and construction at the Rolling Hills Reservoir it will be important to discourage camping on the east side of the reservoir as early and often as possible.

[11:05 AM, Mr. Hale exited the meeting.]

8.0 CWRA National Conference, June

Mr. Wilson provided an overview of the upcoming CWRA National Conference scheduled for Vancouver in June. A portion of the event also includes a CANCID conference [Canadian Committee on Irrigation and Drainage]. Mr. Wilson noted that he would like to have Mr. Romao attend as well as himself. Mr. George expressed interest in attending on behalf of the directors.

083-04-2003 Moved by Mr. Henrickson that the district authorize sending 2 staff members and 1 director to the CWRA National Conference, June 11 to 13, 2003. Secoded by Mr. Hensing. CARRIED

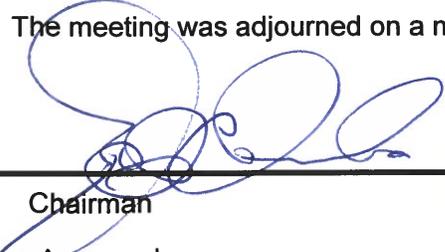
9.0 Irrigation Council Appointments

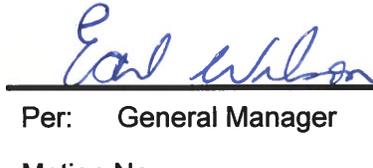
Mr. Wilson provided information on re-appointments of members of the Irrigation Council. He also noted that Alberta Environment's representative has changed, from Alan Pentney to Dennis McGowan.

10.0 Irrigation Council Evaluation

Mr. Wilson also noted that the Irrigation Council has circulated an evaluation form that districts are being asked to complete. This matter will be reviewed in more detail at the 29 April 2003 Directors Meeting.

The meeting was adjourned on a motion by Mr. Henrickson at 11:15 AM.





Per: Chairman

Per: General Manager

Minutes Approved on

Motion No.

29 April 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 29th of April 2003. 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. James Knelsen	Manager of Administration
Mr. David Hill	Resource Policy and Planning
Ms. Sandra Hajash	Human Resources

The meeting was called to order at 9:07 A.M.

1.0 Adoption of Agenda

The following items were added to the agenda:

- County road bans
- Two alternate parcels
- Water Strategy
- Information on the Carsland/Bow Operation
- Upcoming events: Range Tour, Miles City Montana
- Community Recreation Complex Fund Raising presentation at 1:15 p.m.

**084-04-2003 Moved by P. Hemsing that the agenda be adopted as presented with additions.
Seconded by C. Henrickson CARRIED**

2.0 Organizational Meeting**2.01 Election of Chairman**

E. Wilson took the chair and called for nominations for Chairman. P Hemsing nominated B. Chrumka for chairman. Seconded by N. Johnson. Mr. Wilson called 2nd and 3rd times for nominations. As no further nomination was placed, Mr. Chrumka was elected chair by acclamation.

2.02 Election of Vice-Chairman

Mr. Chrumka called for nominations for the vice-chair. P. Hemsing nominated C. Henrickson. T. Livingston seconded the motion. B. Chrumka called 2nd and 3rd times for nominations and as none were forthcoming Mr. Henrickson was elected by acclamation.

2.03 AIPA Directors

E. Wilson, B. Chrumka, Allan Nielsen and F. George were appointed as EID representatives. Alternates will be the remaining board: C. Henrickson, P. Hemsing, N. Johnson and T. Livingston.

2.04 Bow River Basin Council

As D. Hill, who is leaving the District, is the present EID representative, it was decided E. Wilson

would now represent the District.

2.05 Palliser Economic Partnership

N. Johnson was designated to represent the EID.

2.06 CWRA

The EID has no official designate but does attend pertinent functions put on by this organization.

2.07 Chamber of Commerce

P. Hensing will represent the EID for the next term.

2.08 Joint EID/County Drainage Committee and Potable Water Representation

This will be represented on an ad hoc basis. T. Livingston, A. Nielsen and C. Henrickson constituted EID representation when the original committee was established. N. Johnson attended some meetings when the initial potable water concept was put forth by the County.

At this time no finance committee to review payables, etc, will be instituted.

3. Approval of Minutes

3.01 April 17, 2003 Regular Board Meeting

85-04-2003 Moved by A. Nielsen that the minutes of the April 17, 2003 regular board meeting being approved as circulated. Seconded by C. Henrickson.
CARRIED

3.02 April 17, 2003 Annual General Meeting

These were circulated for comments as they must be approved at the annual general meeting in 2004. The tabled motion on page 72 may be brought up at the next annual general meeting if a water user wishes to. B. Chrumka noted that is likely the board will address the issue on grazing prior to that meeting. Following up a board question, E. Wilson indicated he and J. Knelsen are reviewing Epcor billings, costs and the eventuality of becoming a self retailer.

4.0 Business Arising from the Minutes

No items were brought forward.

5.0 By-Law 841 (2003) Remuneration

Discussion was held on the taxation aspects of the proposed increase in remuneration. Variations in interpretation of The Municipal Government Act and the Taxation Act reference to "other similar bodies" were mentioned with no definitive answer being reached. The by-law established payment at \$300 per diem (full taxation expectation), mileage at \$.40 per kilometre and full reimbursement for expenses incurred on district business.

86-04-2003 Moved by N. Johnson that the Board approve first and second readings of By-Law 841(2003) - Establishing the Rate of Remuneration and Expenses for Directors. Seconded by F. George.
CARRIED

87-04-2003 Moved by T. Livingston that the Board approve 3rd reading of By-Law 841(2003). Seconded by A. Nielsen. CARRIED UNANIMOUSLY

6.0 Financial Report for The Period Ending March 31, 2003

J. Knelsen reviewed the statements, investment report and information provided. The following items were discussed or noted for follow up:

- water quality testing was relevant and should be continued
- investigate increasing the EID insurance deductible on vehicles for a cost savings in the premium
- provide a total cost for the new service truck
- enforcement of the water rate for domestic agreements may require cancellation of those agreements that are delinquent. Irrigation rates are rate enforceable.
- rate enforcement forms will be mailed to rate payers next week if required. Court date has been set for May 22, 2003
- look into discrepancy between cheque run and Board statements (they are run on different dates)
- discussion on tracking expenses for development of the Rolling Hills reservoir campground.

88-04-2003 Moved by A. Nielsen that the Board approve the Financial Statements to March 31, 2003 as presented. Seconded by T. Livingston. CARRIED

D. Hill exited and 10:10 a.m. and J. Meador entered. A break was held 10:10 to 10:20.

7.0 Operations Report

7.01 Farm Improvements

Six farm improvements were presented for Board consideration.

89-04-2003 Moved by N. Johnson that the following four farm improvements be approved:

K. Klassen: NW 21-21-16W4 - Flood irrigation to low pressure pivot with drop tubes, supply line to be piped to pivot centre, pump site to be located in the SW corner off 08A Springhill with an assessment of 145 acres (new pivot area 139 acres but water user keeping 6 acres; 145 acres at \$7,500- 6 acres kept at @ \$200 or \$1,200), to pay water user \$6,300.

K. Klassen NE 21-21-16W4 - Flood to low pressure corner pivot with drop tubes, pump site in the SW corner of the NW 21-21-16, supply line to be piped to pivot centre, current assessment of 152 acres remain but acres to be registered as part of an irrigable unit, payment to the water user of \$7,500.

~~R & D Pickett NE 24-22-17W4 - Wheel moves to low pressure pivot with drop tubes, supply line to be piped to the pivot centre, delivery off 02 North Branch pipeline, 152 acres wheels to pivot with final assessment to be 144 acres (152 acres at \$2,500, keeping 10 acres in the SW & SE corners @ \$200/acre for a deduction of \$2,000 but releasing 8 acres in the SW & SE corners @ \$100/acre equalling \$800) for a net payment to the water user of \$1,300.~~ [rescinded by motion 2018-03-162]

Doug Gray NW 33-19-14W4 - Wheel moves to low pressure pivot with drop tubes, delivery off of Springhill pressure system, supply line to be piped to the

centre of the pivot; current assessment of 121 acres to pivot assessment of 112 acres (121 acres at \$2,327 minus 9 acres kept at \$200/acre or \$1,800) with final payment to water user of \$527.

Seconded by F. George

CARRIED

90-04-2003 Moved by P. Hemsing that the following two farm improvements be approved with additional acres:

Allan Jones NW22-18-16W4 Flood to low pressure pivot with drop tubes, delivery off 03 East Branch pipeline with pivot line piped to centre, adding 23 acres to the current 108 acres for a final assessment of 131 acres (100 acres at \$6,230 plus 23 acres @\$100 or minus \$2,300) for a payment to the water user of \$3,930

Alex Stewart SW 07-22-16W4 Wheel moves to low pressure pivot with drop tubes, pivot line to be piped to pivot centre, delivery off 03C North Branch pipeline, adding 19 acres to the current assessment for a total of 129 acres (110 acres at \$2,115 minus 19 acres @\$100 or \$1,900) for a payment to the water user of \$215

Seconded by A. Nielsen.

CARRIED

7.02 County Road Bans

A recent incident effecting EID and EID contractor hauling relating to County Road bans was discussed at some length. Some board members and staff had conversations with County staff and councillors at that time. Today's discussion centred on a setback to recent "cooperation" between the two entities and the need to resolve the issue.

91-04-2003 Moved by T. Livingston that the EID set up a meeting with County Council to discuss recent road ban issues. Seconded by C. Henrickson. CARRIED

8.0 Engineering Report

8.01 Policy Options for Pipeline Extensions to Serve Terminable Agreement Acres-Infrastructure Cost Sharing

A memo detailing policy and options was reviewed at length. It was noted that water users pay the cost of installation of delivery and turnout, plus paying for \$100 per acre for the addition of acres to the assessment roll.

92-04-2003 Moved by A. Nielsen that the board approve option 2 for the infrastructure Cost-Saving Grant Policy which states "Change the Contribution towards Special Infrastructure Policy to 50% district and 50% land owner for the first \$30,000 and then revert to the 75% district and 25% land owner. (The directors would maintain the ability to refuse any application that in their opinion was not in the best interests of the district)". Seconded by P. Hemsing. CARRIED

This direction will also tie into other existing policies and will compliment it. C. Henrickson mentioned that in the Household and/or Rural Water Use Turnout Policy, the word "not" should be deleted: "this is not specifically limited to "no" one turnout".

The board adjourned for lunch at 11:45 a.m. and reconvened at 1:10 p.m.

D. Gillespie and M. Romuld from the Community Recreation Centre Fund Raising Committee entered.

Presentation - Community Recreation Centre Fund Raising Committee

B. Chrumka proceeded with introductions of those in attendance. D. Gillespie commenced with an in depth presentation giving an overview of the project, requirements, scheduling and funds raised to date. Both members responded to Board questions.

Total cost of the completed project is estimated at 14.9 million with the Town dedicating 5.5 million and the County 1 million to date, leaving fundraising for another 8.4 million. Various aspects of further grant funding, timing, logistics, etc were detailed. At a board member's request, D. Gillespie indicated the committee's hope was for the EID to commit to between \$100,000 to \$300,000. The sponsorship of the total water park theme is valued at \$500,000 (the leisure centre \$250,000 and leisure pool \$150,000). In conclusion, Mr. Gillespie indicated that if the EID would consider a donation, the committee would hope to have a response by the middle of June.

M. Romuld and D. Gillespie exited at 2:02. J. Meador and G. Romao entered at 2.03 p.m.

8.0 Engineering Report

In a general question regarding cost on the Kitsim pivot, J. Meador responded that upgrades were done to the pivot to increase efficiencies along with some repairs. The cost shown on the financial statements were gear box drives that were on sale so a few were purchased for future use.

8.02 15 Bow Slope

G. Romao reviewed a handout sent out at a previous board meeting which detailed the project. Total cost was estimated at \$1,330,000 for a pipeline, serving 1607 acres and would be under the IRP program.

The various land owners effected and their various situations were detailed. Some would apply for the district cost sharing programs available and this would facilitate the rehabilitation.

- Monfred Haag (SW 07-16-15) - requires pipe up sizing for a turnout relocation with a cost of \$2,750. This would be on a 50% cost share between the EID and Haag as per policy.
- Cummings (NW 07-16-15) - must pay \$4,150 for a turnout at a future centre pivot
- Casper Cattle Company (W ½ 2-16-16W4) - will require a pipeline extension to 15 Bow Slope. Cost to landowner is \$9,000 plus \$100/acre capital assets charge to convert to first water
- S & E Farms/Anderson (S ½ 02-16-16W4) - this land was previously served from a drain, however the legal delivery is off 16 Bow Slope. It is proposed to serve this from 15 bow Slope so that 16 bow Slope can be shortened by over a mile. The extra cost to serve the pump site over the legal delivery is \$41,000 , \$15,000 being borne by the EID and \$26,000 by S & E Farms as per policy.

93-04-203 Moved by A. Nielsen that the EID collect all amounts owing by farmers on infrastructure programs prior to projects being installed on each individual

property. Seconded by T. Livingston.

CARRIED

- 94-04-2003** Moved by A. Nielsen that the Board approve the IRP rehabilitation of 15 Bow Slope at a cost of \$1,330,000 including all infrastructure cost share agreements as per presentation. Seconded by T. Livingston. CARRIED

8.03 7 Bow Slope

The board reviewed the synopsis for 7 Bow Slope. This canal originates at the Bow Slope Canal in the NE 12-17-17W4 and runs in a south westerly direction. The section being considered for rehabilitation is the first 6.5 kilometres. The present assessed acres served by this canal are 3,963 of which 1744 acres are pump irrigation, 2,131 gravity irrigation and 88 terminable acres. The flow required to supply these acres is 62 cfs. There are many concerns such as capacity, grade, farm severance and water quality issues as, it is downstream of Kitsim reservoir.

Board direction indicated alternative 1 combining 05 Bow Slope and 07 Bow Slope would be preferable. This would combine these systems into 6,631 acres of which 3901 are pump irrigation, 2642 gravity irrigation and 88 terminable acres. Required flow would be 110 cfs. Preliminary cost estimate is \$2,700,000 which includes rehabilitation of the first 3 kilometres of 05 Bow Slope. The advantages of alternative 1 are better water quality and reduced severance with the disadvantage of loss of reservoir support.

J. Meador exited at 2:52 p.m. and R. Matoba entered.

8.04 Rolling Hills Reservoir Update

Weather precludes a tentative tour. E. Wilson provided an update on construction to date. Options for further development for up to 100 lots were outlined including boat ramp, washrooms, parking, landscaping with sprinkler system, grass and trees. Board direction was to provide a suitable level of development. Suggestions were provided. Discussion indicated that at this stage of development beyond the major construction, costs are to be tracked for the campground.

- 95-04-2003** Moved by A. Nielsen the EID proceed with development of the Rolling Hills campground to a suitable standard with landscaping and facility development including boat launch, underground sprinklers, grass, trees and washroom, with costs to be tracked separate from the Reservoir and reported to the Board. Seconded by P.Hemasing. CARRIED

G. Romao exited at 3:10 p.m.

9.0 Lands Report

9.01 Request to Transfer Private Grazing Lease #7077 - Lanz to Kropf

Mr. Lanz has sold his farm in the Rolling Hills area and wishes to transfer his lease to Luke Kropf who recently purchased the NE 1/4 36-17-14. The parcel has 130 irrigation acres and Mr. Kropf resides in the EID so he is an eligible lessee.

- 96-04-2003** Moved by P. Hemasing that the Board approve transfer of Grazing Lease #7077 from Vern Lanz to Luke Kropf for lands located in the N 1/2 30-14-12, SW 31-14-12, E 1/2 36-14-13 comprising approximately 800 acres. Seconded by C. Henricksen. CARRIED

9.02 Irrigation Development Policy - Increases in Irrigation Acres, Criteria and Guidelines

The draft policy presented was reviewed. Considerable discussion focussed on Item 9, criteria. Item 13 was revised from each regular meeting to quarterly board meetings for reporting, however if staff approve in excess of 150 acres it is to be reported at the next regular board meeting. Staff can approve up to 30 acres total with 0-20 being "new" acres as intensification, to the assessment roll without requiring board approval. E. Wilson will update the draft with the Board recommendations and fax out to the board for discussion at the next meeting.

9.03 Niznik Development

R. Matoba provided details of the proposed development

97-04-2003 P. Hemsing moved approval of the Niznik application for an addition of approximately 24 acres in the W ½ 36-18-16, approximately 58 acres in the W ½ 26-18-16, and approximately 82 acres in the NE 36-18-16. These acres will only be added to each parcel when the pivots are installed commencing in 2003 on the W ½ 36, with the remaining two to be completed prior to the 2009 irrigation year. Seconded by N. Johnson. **CARRIED**

9.04 Transfer of Irrigable Acres - Alternate Parcel

Requests for two alternate parcel transfers were presented.

98-04-2003 F. George moved approval of the transfer of 195 acres under the alternate parcel policy, from Newell Colony in Section 15-23-18 to Clearview Colony in Part Sections 23, 24, 25-23-18. Seconded by N. Johnson. **CARRIED**

99-04-2003 A. Nielsen moved approval of transfer of 80 acres under the alternate parcel policy from John Miller in the S ½ 23-17-17 to Brad Calvert in the SW 1/4 30-17-16. Seconded by N. Johnson. **CARRIED**

9.05 Request to Purchase Land - Smith Group Holdings

A proposal to purchase approximately 58.8 acres in the NE 20-28-14 for \$5,000 per acre for 38.7 acres and \$1,500 per acre for 20.1 acres was brought to the Board from Smith Group Holdings. The total purchase price would be \$223,650 with the purchaser paying the subdivision and rezoning costs. The land is located to the south of Brooks near the Silver Sage Corral. Discussion noted the potential for development in the area and the possibility of a higher land value.

100-04-2003 Moved by A. Nielsen that the district obtain a professional appraisal on the lands located in the N ½ 20-18-14 prior to an agreement to sell being entered into. Seconded by F. George. **CARRIED**

R. Matoba exited at 3:45 p.m.

10.0 Oil & Gas Report**10.01 Meeting with Encana**

E. Wilson reported that himself, G. Redelback and B. Hale met with Encana representatives on March 26, 2003. A memo was provided detailing that meeting which covered proposed procedures for 2003 oil and gas activity. Mr. Wilson indicated it was a positive meeting with the hope that the issues will be resolved adequately.

10.02 General Update - January 1 to April 23, 2003

A provided handout indicated 292 well, 820.11 acres or 136.68 miles of new pipelines and 8 permits for seismic activity totalling \$352,795 since January 1, 2003. Indications are that activity is as busy as ever.

Mr. Wilson advised board members a new junior land agent has been hired and will be starting work within the month.

In general discussion it was reported that there is considerable activity east and west of Lake Newell as well as in the north west area of the EID. It was confirmed that drilling is being contained to only corner areas of EID land that may be eligible for potential irrigation development.

11.0 General Manager's Report

11.01 Irrigation Council Evaluation

Irrigation Districts have been requested to complete the evaluation provided for the period April 1, 2002 to March 31, 2003. E. Wilson will respond with board member comments by May 15. An information letter was also provided indicating the re-appointment and appointment of various Irrigation Council members effective May 1, 2003. A business plan for Irrigation Council was also circulated.

11.02 County Information - Grasshopper Bait

A letter sent by the County Agricultural Fieldman provided information on the availability of grasshopper bait

11.03 Letter From Tilley School - Request for Donation

The letter requests a donation from the EID for a donation to a Cooperative Youth Program. This will be declined as outside the EID policy.

11.04 Operation of Carsland Weir

E. Wilson advised the board that the government owned weir at Carsland and the canal to Lake McGregor will now be operated under contract by the BRID with Volker Stevin contracted for the maintenance until March 31 of 2004, with a review at that date.

12.0 Upcoming Events

12.01 Regular EID Board Meeting - Wednesday, May 28, 2003 at 9:00 a.m.

12.02 Irrigation Council Tour - Thursday, June 19, 2003

12.03 Regular EID Board Meeting - Tuesday, June 24, 2003 at 9:00 a.m.

12.04 Grazing Tour - Miles City, Montana

E. Wilson will arrange the proposed tour aiming for the first week of June. Travel time will require three full days as Miles City is in the SE corner of Montana.

P. Hemsing moved adjournment of the meeting at 4:37 p.m.

Chairman

General Manager

28 May 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 28th day of May, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)
Mr. Earl Wilson	General Manager
Mr. James Knelsen	Manager of Administration
Mr. George Romao	District Engineer
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 9:02 a.m.

1.0 Adoption of Agenda

The following items were added to the agenda:

- Red Deer Water Shed Council
- Gem Grazing Lease Waterline
- Grazing Lease Cattle Numbers

101-05-2003 Moved by P. Nielsen that the agenda be adopted as presented with additions. Seconded by N. Johnson. CARRIED

2.0 Approval of Minutes**2.01 29 April, 2003 Regular Board Meeting**

102-05-2003 Moved by T. Livingston that the Minutes of April 29, 2003 regular Board meeting be approved as circulated. Seconded by C. Henrickson. CARRIED

3.0 Business Arising from the Minutes

Discussion was held with respect to Motion 93-04-2003 concerning the collection of monies owing by farmers on infrastructure programs prior to projects being installed on each individual property. It was suggested that individual agreements for farmers be drafted setting out the terms including clauses with respect to special works, interest rates, rate enforcement and payment by farmers, allowing farmers to pay after the installation of the infrastructure programs. A draft of such agreement is to be submitted at the next Board Meeting.

4.0 Engineering Report**4.01 07 Bow Slope**

George Romao presented the synopsis of relocating 07 Bow Slope, combining it with 05 Bow Slope with the first 3 km of the 6.5 km reach to be rehabilitated. The entire reach will have a buried polyethylene liner installed and gravel armoured side slopes. The combined system will supply a total of 6,770 acres of which 4,128 acres are pump irrigation and 2,642 acres are gravity irrigation with a required flow to supply these acres of 110 cfs. He determined that this was the most cost effective approach and recommended that the rehabilitation be funded under the capital works program. The estimated cost for this project is \$2,740,000.00.

103-05-2003 Moved by P. Hemsing that the Board approve the relocating of 07 Bow Slope, combining it with 05 Bow Slope with the first 3 km of the 6.5 reach to be rehabilitated, at an estimated cost of \$2,740,000.00. Seconded by T. Livingston. CARRIED

4.02 Discussion of Tour of Completed Projects and Upcoming Events

A short discussion was held with respect to a tour of completed projects and upcoming projects. It was decided that a tour in late June would be good. J. Meador G. Romao, E. Wilson and the Board would attend. G. Romao and E. Wilson will set a date and notify the Board.

5.0 Equipment Report

5.01 Fuel Tenders

James Knelsen reviewed the fuel tenders and pointed out that he had done a cost comparison analysis between AgCom Petroleum Sales Ltd. and Vauxhall Co-op Petroleum Ltd. for fuel consumption in relation to the cardlock accounts in the last 5 months with the results showing only a \$500.00 difference, with Vauxhall Co-op coming in at the lower cost. There was some discussion of the pros and cons in dealing with both suppliers. E. Wilson mentioned he had done a cost comparison for the last 6 months, and that the AgCom prices increase up to 10 days earlier and decrease up to 10 days later and also that the posted price in their fuel tender is not the refinery price, which he would have preferred for clarity. There was mention of some difficulties with one vehicle that had received AgCom fuel, however, E. Wilson pointed out that the fuel may not have been a factor. James Knelsen also discussed the equity account which the EID has with Vauxhall Co-op which is currently in the amount of \$49,518.00. On the 2003 budgeted fuel expenditure of \$540,000.00, calculated at 8%, the EID's annual growth would be in excess of \$43,000.00. With the current account balance, it is presumable that in one year the EID would receive a cheque for the regular patronage dividend as the balance in the equity account would meet the cap, and the effective savings would then be approximately 0.04 cents per litre on fuel. In summary, the two bids are very close to equal in cost.

104-05-2003 Moved by T. Livingston to grant the fuel tender to Vauxhall Co-op Petroleum Ltd. Seconded by P. Hemsing. CARRIED

Robert Matoba entered at 9:32 a.m.

Rolling Hills Reservoir Campsite

E. Wilson gave an update on the Rolling Hills campsite, the estimated cost to install the underground electrical services on the sites is \$70,000.00 for 66 sites (Mario's Electric). As the electrical services are to be located under the EID works, he felt it was practical to install the electrical services prior to the installation of the EID works. There was some discussion as to the number of campsites that would be

receiving the electrical services at this time and he felt that 60 sites seemed reasonable at this time. It was suggested that a trailer dump be installed on the campgrounds as well, however, it was decided that this could be done at a later time if required.

105-05-2003 Moved by A. Nielsen that the EID proceed with the installation of electrical services to the campsites at the Rolling Hills Reservoir Campsite. Seconded by P. Hemsing. CARRIED

6.0 Lands Report

6.01 Alternate Parcel SE 24-18-15 W4M to NW 20-18-16 W4M (60 acres)

Robert Matoba advised the Board that Jamie Buteau has applied for Alternate Parcel Irrigation for 60 acres in the NW 20-18-16 W4M from the SE 24-18-15 W4M. It is suggested that it could become a problem for the EID, and as Mr. Buteau's application for 100 irrigation acres was turned down last year, perhaps this one should also be turned down. It was stated that since the *Irrigation District Act* allows for the transfer of the irrigation acres, the Board does not have the right to deny it, provided that the criteria are met. The results of the soil sample have not yet been received. It was noted that Jamie Buteau has a 100 acre pivot, which would irrigate 40 acres more than the alternate parcel acres and as such he would have to put up a barricade to ensure that only 60 acres will be irrigated. It was also noted that the alternate parcel agreement would only be for one year at a time.

106-05-2003 Moved by C. Henrickson that the Board approve the Alternate Parcel Application of Jamie Buteau, subject to receiving favourable soil samples and the condition that a barricade be constructed to ensure that the number of acres irrigated in the alternate parcel do not exceed the number of irrigation acres. Seconded by F. George. CARRIED

G. Romao exited at 9:45 a.m.

6.02 Sound Vibration Lease

The lease with Steven Norris, proprietor of Sound Vibration expires on May 31, 2003, and he wishes to have the lease renewed for two years. A short discussion followed with suggestions made that rent increases may be in order, the nature of planned improvements to the premises, and payment of taxes. The EID would have to replace the rear portion of the roof. The general consensus was that he was a good tenant, the rent was adequate and that he was also paying the property taxes.

107-05-2003 Moved by T. Livingston that the District renew the lease with Steven Norris for two years at the current rate of \$875.00 per month, plus taxes. Seconded by C. Henrickson. CARRIED

6.03 Smith Group Holdings Ltd. Offer to Purchase 58.8 acres in NE 20-18-14 W4M and Evaluation of Land Value

E. Wilson reviewed the Market Evaluation submitted by Coldwell Banker. Some Board members felt that it was a good offer, however there was the suggestion a counter offer be made. At the outset E. Wilson felt that the Smith offer was a good one considering that it was not good agricultural land and Smith Group would pay for all subdivision and rezoning costs. However, the comparable sale from Hargrave to Evergreen Implements was far in excess of this amount. A discussion was held and it was the general opinion that the land was not particularly saleable due to approximately 20 +/- acres being

under water or wet, and would only appeal to very few purchasers. The best solution seemed to make a counter offer of \$250,000.00.

**108-05-2003 Moved by P. Hemsing that the District present a counter offer to Smith Group Holdings Ltd. to sell the 58.8 acres in NE 20-18-14 W4M for \$250,000.00.
Seconded by C. Henrickson.**

CARRIED

6.04 Letter from Harold Hawkins - Irrigated Lease

Robert Matoba presented a copy of a letter from Harold and Merlie Hawkins to the Board requesting to purchase the irrigated land which they are leasing from the EID, with consideration being given to them for improving the land, and wanted to deal with only the EID in this matter. A discussion followed with suggestions that the EID wait until the lease has expired before it considers a sale to the Hawkins and the matter needs further consideration and discussion before a decision can be made. The irrigation lease policy will be reviewed later this summer. It was suggested that the Board draw up a policy for the EID irrigated leases, and in the meantime, that the EID prepare a draft letter to the Hawkins advising them the matter is pending.

**109-05-2003 Moved by A. Nielsen to table the sale of irrigated lease lands to Harold and Merlie Hawkins pending the review of the irrigation lease policy this summer.
Seconded by T. Livingston.**

CARRIED

Red Deer Water Shed Council

E. Wilson advised the Board that he received an invitation to attend the Red Deer Water Shed Council start up meeting on June 4, 2003, that it will be a brainstorming session of the Red Deer Water Shed Basin Alliance. E. Wilson said he is willing to go if the Board thinks it is important, but doesn't want to be committed to being on a board. The general consensus was that it was important to go as the Board needs to know what is going on as there are a number of EID farmers along the Red Deer River. A comment was made that we have a corporate view, we need an individual view. It was decided that E. Wilson should attend the meeting on June 4, 2003.

Bob Hale enters at 10:00 a.m.

7.0 Grazing Lease Report

7.01 Gem Grazing Waterline

Bob Hale circulated a proposal for a waterline project to provide water to the grazing lands in the Gem Grazing Lease. The proposed project would pump water from the North Branch canal with two 10 hp pumps which would have sufficient capacity to supply water for this system. The single phase electrical line ½ mile to the west would be extended to supply power to the pumps. The pipeline would consist of 3 miles of 6 inch PVC and then would reduce into a 4 inch line, which would run west for 4.5 miles. The laterals running off the 4 inch lines would be 2 inch PVC. Water troughs would be installed off of the main line and laterals, a 2 inch line would also be run to the lease rider camp in the SE 1-24-17 W4M. The line would be installed below frost lines so draining in fall will not be required and the pipe will be PVC pipe with bell and spigot joints. There are several dugouts along the proposed alignment that would have turnouts to them so they could be filled for watering or storage. The estimated cost of this project would be \$275,000.00, based on using EID equipment and labour to install the pipeline.

110-05-2003 N. Johnson moved that the Board approve the project to install a pipeline to

the Gem Grazing Lease lands at an estimated cost of \$275,000.00. Seconded by T. Livingston. **CARRIED**

7.02 Grazing Lease Cattle Numbers

B. Hale reported that the grass in the grazing leases is looking good at this time. There is new growth in the dead grass areas from last year. He has had farmers ask that the EID increase the number of cattle presently allowed, but he did not recommend this. The Board agreed that to allow an increase in cattle numbers would be premature because at this time we don't know if the grass will continue to be good. We are only in the beginning of a year that has a good grass outlook.

T. Livingston purchased and brought in several sets of books titled "Common Plants of the Western Rangelands". His opinion was that it was an excellent reference on Alberta grazing and plant descriptions, and would be beneficial to farmers. The cost to him for the books was \$324.00.

111-05-2003 Moved by P. Hemsing that the EID should pay for the books by reimbursing T. Livingston the \$324.00. Seconded by N. Johnson. CARRIED

Bob Hale exited at 10:15 a.m.

8.0 General Manager's Report

8.01 Irrigation Development Policy - Increases in Irrigation Acres, Criteria and Guidelines

It was noted that the numbering on page 3 is incorrect and should be amended.

A lengthy discussion ensued with respect to clause 15.0 of the Policy. Several Board members commented that they would be more comfortable with the maximum number of new water acres per water user being set at 160 rather than 300. A suggestion was made to have a target of 160 acres with allowances made to move up. A comment was made that the amount of acres should match with the number of acres a pivot would irrigate. It was felt that it is difficult to set any kind of a limit on the number of acres, however, a suggestion was made that the limit be at least 220 acres as it works out well in a two mile square. Another comment was made that it would be preferable for more farmers to receive the new water acres, rather than a few farmers receiving a large amount of new water acres. It was decided that a more in-depth discussion was required before the maximum number of new water acres to be granted to a person or corporation could be set.

The amendment in clause 5.0 was reviewed.

A typing error was noted in clause 9.1 - "location" to be amended to "located".

8.02 Water Strategy Response

E. Wilson presented a draft letter he prepared for Equus Consulting Group, which he felt gave a better view of his ideas for the Water Strategy Response. A request was made that the storage of water should be emphasized more strongly in the letter. Discussion ensued. A comment was made that the EID should influence AE to study storage of water. The "first in time, first in right" concept was discussed. A suggestion was made that "first in efficiency" should be more important than "first in time". E. Wilson stressed that the "first in time, first in right" concept was extremely important to the EID. It was decided that the letter explained the EID's position and the only modification that needed to be made was to emphasize water storage and to also send a copy of the letter to Lorne Taylor, Minister of the

Environment.

8.03 Recreation Centre Sponsorship

The question was, should the EID donate between \$100,000.00 to \$500,000.00 to the new Community Recreation Centre? A suggestion was made that before the Board agrees, they should know who will be managing the Rec Centre, and that the management personnel should come from different areas. If a donation was given, it should be with conditions. Some Board members were against sponsorship. One Board member said that all the farmers in his area that he spoke to were against it. Another Board member said he talked to 18 people in his area and 50% were in favour, 50% were not. A comment was made that the fund raising committee should be lobbying the individual farmers rather than the EID. Some of the Board members had not talked to any of the farmers in their division. It was decided to table the motion as more discussion with water users was required.

112-05-2003 Moved by A. Nielsen to table the motion as more discussion with water users was required. Seconded by P. Helsing. CARRIED

N. Johnson and T. Livingston exited at 11:15 a.m.

T. Livingston re-entered at 11:18 a.m.

8.04 Pheasant Habitat Development Symposium

Short discussion. There was some support, but it was felt that the timing of the symposium is poor and no decision to attend was made at this time.

8.05 Q 13 Radio Advertisement Package re County of Newell

E. Wilson was lukewarm on the idea of advertising for the County of Newell 50th Anniversary, he felt that it was free advertising for the County at an expense to the EID of \$800.00 over 4 months, the same rate payer patting themselves on the back, it seems more appropriate for Finning, Armtec, etc. It was decided to decline the advertising

8.06 Grass Tour - Miles City, Montana, U.S.A.

E. Wilson felt that it would be a worthwhile tour, although it would take two or three days including the long drive. The suggested date of the tour to be in the week of July 21, 2003, as the best time for the tour.

9.0 Upcoming Events

9.01 Regular EID Board Meeting - Tuesday, June 24, 2003.

9.02 Tour of Projects - proposed for late June, 2003.

9.03 Regular EID Board Meeting - Tuesday, July 22, 2003 - may have to be changed due to Miles City, Montana, tour.

9.04 Miles City, Montana, U.S.A. tour - tentatively proposed for week of July 21, 2003, E. Wilson to arrange.

N. Johnson re-entered at 11:22 a.m.

10.0 Financial Report

10.01 Power Consumption

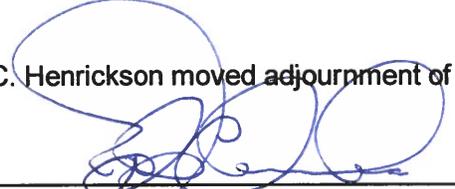
A short discussion was held on power consumption, with the idea that it would be beneficial for the EID to become a self-retailer.

10.02 Financial Report for the period ending April 30, 2003

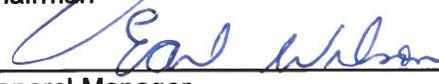
J. Knelsen reviewed the statements and information provided. In general, gross revenue is up due to the oil and gas sector. It was noted that cell phone expenses were unusually high for the month of April due to start up costs with a new cell phone service provider. It was also noted that under Equipment Purchases, that the new photocopier was purchased at a cost of \$34,320.00 and file cabinets were purchased at a cost of \$7,986.24, with both items being within the 2003 budget.

113-05-2003 Moved by P. Hensing that the Board approve the Financial Statements as at April 20, 2003. Seconded by C. Henrickson. CARRIED

C. Henrickson moved adjournment of the meeting at 11:45 a.m.



Chairman



General Manager

24 June 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 24th day of June, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)
Mr. Earl Wilson	General Manager
Mr. James Knelsen	Manager of Administration
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 9:03 a.m.

1.0 Adoption of Agenda

The following items were added to the agenda:

- Newell Regional Solid Waste Management Authority Ltd. - Transfer Stations
- Proposal from Scott Tateson
- Proposed Land Sale - Smith Group Holdings Ltd.
- Letter from Luscar Coal
- Discussion on gravel pit re Hutterian Brethren of Bow City
- MLA Tour
- School Tours
- Fuel Tenders
- Premier's Dinner

114-06-2003 Moved by C. Henrickson that the agenda be adopted as presented with additions. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes**2.01 28 May 2003 Regular Board Meeting**

The Board had been given two drafts of Minutes of May 28, 2003, regular Board meeting, with the first being more detailed than the second. Discussion ensued.

115-06-2003 Moved by F. George that the first draft of Minutes of May 28, 2003 regular Board meeting be approved, subject to minor changes. Seconded by N. Johnson. DEFEATED

Lengthy discussion on both sets of Minutes, with an opinion that names should be used and only motions should be inserted in the Minutes. Another opinion was that there had to be background information for the motions to show how the motions had been arrived at. It was the general

consensus that the second draft of Minutes were preferable.

116-06-2003 Moved by C. Henrickson that the second draft of Minutes of May 28, 2003 regular Board meeting be approved as circulated, subject to minor changes. Seconded by T. Livingston. **CARRIED**

3.0 Business Arising from Minutes

3.01 Valeo Power

A short discussion was held on the EID becoming a self-retailer for power with Valeo Power as our agent.

117-06-2003 Moved by Clint Henrickson that the District becomes a self-retailer for power with Valeo Power as the agent. Seconded by A. Nielsen. **CARRIED**

3.02 Recreation Centre Sponsorship

Discussion held on motion 112-05-2003 as to whether or not the EID should donate between \$100,000.00 and \$500,000.00 to the new Community Recreation Centre. The Board members had canvassed a number of farmers in their districts, and as there seemed to be little support for the sponsorship, it was decided that the EID would not make a donation at this time. E. Wilson is to inform Mr. Gillespie of the decision of the Board.

4.0 Financial Report, Period Ending May 31, 2003

J. Knelsen reviewed the statements and information provided. It was noted that gross revenues are strong due to the oil and gas sector. E. Wilson noted that the miscellaneous revenue contained patronage revenue from Vauxhall Co-op and requested that it be credited to fuel expense. Advertising and promotion was higher due to advertising for two new positions (junior landman and assistant engineer) and the required advertising for the plebiscite.

E. Wilson advised the Board that the assessment on two parcels in the SW 29-18-14 W4M (lands adjacent to the carp facility and motocross land) had changed and accordingly increased the property taxes to \$5,000.00 and that the EID was appealing the assessment.

A suggestion was made that the EID contact the UFA in Calgary in December for a tender on fuel. J. Knelsen pointed out that the EID is not eligible for an equity dividend account with the UFA due to their policies, however he would contact them in December.

Due to the over abundance of gophers this year, the purchase of the gopher blaster from Evergreen Implements was discussed. The cost is \$3,500.00. E. Wilson suggested that he approach the Town and the golf course to share in the cost and use of the gopher blaster. It was suggested that the EID purchase it, and rent it to other parties.

A suggestion was made that the EID set up a special account for land sales and it was decided that J. Knelsen was to set up the account.

118-06-2003 Moved by P. Hemsing that the Board approve the Financial Statements as at May 31, 2003. Seconded by N. Johnson.

A break was held at 10:10 a.m. to 10:25 a.m.

Jim Meador entered at 10:25 a.m.

5.0 Capital Construction Charges Report

E. Wilson advised the Board that he had met with Mr. Lutes concerning the drafting of an agreement with individual water users with respect to the infrastructure programs setting out terms of payment to the EID by the water users. With these agreements the charges can be added to the collectors roll and are rate enforceable. It was recommended that the agreements be executed prior to the construction of the irrigation works. For the larger projects, where the cost to the water user is substantial, the terms of repayment would be over three years. Interest rates were discussed and it was decided that prime plus 1% would be reasonable, with interest accruing 30 days from the date the invoice was sent out.

119-06-2003 Moved by P. Hensing that the interest rate in the infrastructure program agreements be set at the Alberta Treasury Branches prime rate plus 1%, with interest starting 30 days from the date the invoice for payment is sent out. Seconded by C. Henrickson. CARRIED

6.0 Operations

6.01 Water Use, Reservoir Status

Due to a very wet spring, very little irrigation has been used, less than 50,000 acre feet to date. The reservoirs are at full capacity.

6.02 Farm Improvement Policy

A lengthy discussion was held on aquatic weed and algae problems and controls in the canals. A suggestion was made that the EID increase its efforts both in research and application of different methods of controlling weeds, and include individual farm turnout screen devices as part of the District's farm improvement program on a cost share basis. The concept of doing more research and implementation of different types of screens, etc., on large systems and entire pipeline systems most people were in favour of, but felt individual farm screens should be the farmers' responsibility. It was decided to look into the problem a bit more and have a further discussion at a future Board meeting.

It was also noted that individuals are installing screens on their turnouts and in some cases running high voltage power across the canal bank. The District should look into this and establish an acceptable standard that can be used.

7.0 Report on Meetings with County of Newell re Road Bans

B. Chrumka, C. Henrickson and E. Wilson gave a report on two meetings held with the County of Newell regarding road bans. The first meeting was held with the entire Council on June 4, 2003, followed by a meeting with their road ban committee on June 17, 2003. In summary, the County is now aware, if they weren't before, of our need to do a lot of small projects in the spring as well as the completion of some large projects, however, they would like to minimize the amount that is

hauled in the spring. They are especially concerned about large hauls, 10 to 20 trucks hauling to the same place and are proposing to ask contractors to post a bond in order to haul these types of hauls. We explained that would simply add to our costs because the contractor would have to assume his bond would be cashed and add it to his price to the EID.

After much discussion, the direction the County appears to be going is:

- (a) place a 50% road ban on dirt, gravel and manure hauls in the spring, likely March 1 to June 1;
- (b) give the EID a special permit to haul for its many small projects in this period based on our past history of helping repair damaged sections of road;
- (c) grant special permits to contractors if they post the required bond on a specified section of road.

The County also indicated they would look at building the road from Highway #539 north four miles toward the Eyremore Pit so that it does not need to be banned.

Board members did not like the concept of banning gravel roads for an extended period of time or the banning of some types of haul but not others and asked that this be relayed to County Council.

The Board adjourned for lunch at 11:45 a.m. and reconvened at 12:45 p.m.

George Romao is present.

Premier's Dinner

An invitation to the Premier's dinner was received by B. Chrumka.

120-06-2003 Moved by P. Hemsing to reserve a table for 8 at the Premier's Dinner to be held on October 30, 2003. Seconded by T. Livingston. CARRIED

8.0 Engineering Report

8.01 A West Bantry

George Romao presented the synopsis for A West Bantry. The plan is to combine 03 Main Bantry with the acres served off of A West Bantry for 496 acres of pump irrigation and 20 acres of terminable water irrigation. The problems associated with this canal is lack of capacity caused by poor bank width and height, and the control structures along this reach are in need of replacement. The recommendation is to tie into the existing steel pipe presently supplying 03 Main Bantry with PVC pipeline that will follow the existing 03 Main Bantry to the first delivery, then south through the NW 14-18-14 W4M for ½ mile, at which point install a line running west and a line running east. The east line will feed two deliveries and drain back towards the mainline and the line running west will feed a delivery on the west side of the road and drain into the existing ditch. The estimated cost of this project is \$300,000.00 and it is recommended that the rehabilitation be funded under the capital works program.

Some land owners have asked if we could extend this line down to O1C pipeline, hook up to it, closing the open pipeline and running it backwards, creating some pressure and removing some

sand problems they are experiencing. This would cost an additional \$250,000.00 and is not recommended because it does not create much pressure and because a whole new pipeline structure would be required in the aqueduct.

121-06-2003 Moved by P. Hemsing that the Board approve the project to install PVC pipeline following existing 03 Main Bantry to first delivery, then south through NW 14-18-14 W4M for ½ mile, and install a line running west and a line running east at an estimated cost of \$300,000.00. Seconded by C. Henrickson. **CARRIED**

8.02 Tilley Canal

George Romao presented a synopsis which would involve the rehabilitation of the Tilley Canal from the Tilley B Reservoir outlet to a check structure 300 metres north of Highway #1. The proposed rehabilitation is a polyethylene-lined canal and includes about 2.5 km of canal relocation at an estimated cost of \$1,900,000.00. There was discussion on extending the rehabilitation to the highway at an estimated extra cost of \$80,000.00.

122-06-2003 Moved by T. Livingston that the Board approve the rehabilitation of the Tilley Canal from the Tilley B. Reservoir outlet to Highway #1. Seconded by C. Henrickson. **CARRIED**

8.02.1 Letter from Brent Schroeder re Land Purchase

The EID received a letter from 768976 Alberta Ltd. (Brent Schroeder) requesting to purchase 91.3 acres in the SE 12-18-13 W4M (Grazing Lease #7040) with the plan to install a pivot irrigation system. There was discussion as to soil testing, and cost to the EID to install irrigation works. The Board decided that the soil should be tested to see if it classifies for pivot irrigation and to table the matter until the results have been received. Mr. Schroeder is to be advised accordingly.

Newell Regional Solid Waste Management Authority Ltd. - Transfer Sites

The EID received a letter from Newell Regional Solid Waste Management Authority Ltd. requesting that the EID consider providing small parcels of land for waste transfer station sites, one parcel in the Gem area, adjacent to the east of the Gem landfill containing 1 hectare, and one of two parcels in the Rainier area, 1 hectare on the north side of the existing Rainier landfill, or the preferred location of a 1 hectare site 700 metres east and across the road from the existing Rainier landfill. It is essential to the NRSWMA that the acquisition of the new sites happen as quickly as possible due to their Provincial grant funding deadline.

123-06-2003 Moved by N. Johnson that the District sell to the Newell Regional Solid Waste Management Authority for \$500.00 per acre, the 1 hectare site located in the SE 13-23-17 W4M adjacent to the existing Gem landfill; and a 1 hectare site near the existing Rainier landfill, which choice of site is subject to the approval of E. Wilson and A. Nielsen. Seconded by P. Hemsing. **CARRIED**

Robert Matoba enters at 1:20 p.m., George Romao exits.

9.0 Lands Report

9.01 Irrigable Units

Robert Matoba provided information regarding the required "irrigable units":

124-06-2003 Moved by N. Johnson that the District agrees to registration of an Irrigable Unit on lands owned by George and Joan Niznik, Brad and Kristen Niznik, and Bruce and Jodi Niznik, described as NW 36-18-16 W4M and SW 36-18-16 W4M. Seconded by C. Henrickson. **CARRIED**

125-06-2003 Moved by T. Livingston that the District agrees to registration of an Irrigable Unit on lands owned by Albert Snyders Holdings Ltd., described as NE 27-18-14 W4M and Pt. SE 34-18-14 W4M. Seconded by N. Johnson. **CARRIED**

9.02 Rural Water Use Agreements

E. Wilson advised that Rural Water Use Agreements are being sent to every active farmyard in the District at this time. There is no charge for the use of up to 5 acre feet of water under these agreements, as per the Board bylaw passed earlier this year.

9.03 Irrigated Lease Policy

Irrigated Lease Policy was revisited. The Board agreed that the irrigated leases should be sold at the end of the 20 year lease. There was discussion as to when the appraisal on the leases be done, but the general agreement was that it would be appropriate to have it done at the end of the lease and that the appraisal would be on the land only. The EID would set a minimum price and this price would be told to the current lessee who could opt to extend the lease for a further 10 years or request to have the lease sold. If the current lessee decides not to extend the lease, the land will be put up for sale by bid to EID water users and the current leaseholder would have the right to match the highest bid, provided it was above the minimum price. It was requested that the EID send a letter to Harold and Merlie Hawkins advising that their lease may be sold at the end of the term of their lease.

126-06-2003 Moved by N. Johnson that the EID sell its irrigated lease lands at the end of their leases. The EID would obtain an appraisal on the lands without improvements and then set a minimum price. The present lessee would be told this price and be given the option to extend the present lease by 10 years for a one time payment equal to the rental price in the 20th year of the current lease or ask to have the lease sold. The land would be put up for sale to EID resident water users with the present leaseholder having the right to match the highest bid, providing it was above the minimum price. Seconded by F. George.

UNANIMOUSLY CARRIED

9.04 Irrigation Expansion Plan

The Irrigation Development Policy for increases in irrigation acres was revisited, with discussions as to the maximum number of new water acres to be granted to a water user ranging from 130 acres to 300 acres. There was concern that with the larger the amount of new water acres granted to one water user, that fewer water users would be the recipients of new water acres.

127-06-2003 Moved by T. Livingston that the District limit the maximum number of new water acres to be granted to a water user to 160 acres. Seconded by P.

Hemsing.**CARRIED**

Robert Matoba exits at 2:10 p.m., Bob Hale, Gary Redelback and Scott Anderson enter.

9.05 Proposal from Scott Tateson

E. Wilson advised the meeting that he had received a proposal from Scott Tateson to purchase 13 acres in the NW 21-16-12 W4M to square up this parcel of land. There is a 29 year old gas well on the 13 acre parcel and the possibility of a new gas well to be drilled. The Board felt that it would be wise to hold off on a decision to sell the 13 acres until the District knows more about the gas well that may be located on the lands.

9.06 Smith Group Holdings Ltd. (Brooks Asphalt)

E. Wilson advised the meeting that Smith Group Holdings Ltd. had accepted the counter-offer of \$250,000.00 for the purchase of Ptn. NE 20-18-14 W4M. Smith Group Holdings Ltd. was advised that part of the land that had water was crown land and could not be included in the sale.

10.0 Grazing Lease Report**10.01 Increase in Cattle Numbers**

Discussion as to whether or not there should be an increase in cattle numbers on the grazing leases due to an exceptional growth of grass this year. The Grazing Associations have been asked what they wanted and half said to leave it and half said to increase it. Each of the Board members was asked as to what they preferred and the majority agreed to leave it as is, but to extend the grazing season for an additional two weeks in October.

128-06-2003 Moved by C. Henrickson that the District extend the grazing period in the Grazing Leases for an additional two weeks in October. Seconded by T. Livingston. CARRIED

10.02 2002 Reseeded Area

Discussion on what to do with the 270 acres of fall rye growing in Hines Field. Bob Hale advised that it was about 5 feet high and would produce approximately 20 to 30 bushels. The decision of the Board was to combine the 270 acres, to prevent the rye from reseeding and choking out the grass.

10.03 2003 Reseeding

Bob Hale advised the meeting that Tilley A1 Swing Field should be regrassed and that the ground should be broken up in August if it was to proceed. E. Wilson advised that he had contacted Lakeside to haul manure to the field and they tentatively agreed to do so, subject to the soil test. E. Wilson advised that this project was on the approved 5 year lease improvement plan and that conditions are better than average and accordingly should proceed. There was discussion as to whether it should be tendered to farmers to break up the land or to use EID personnel. The Board suggested we rent equipment to break it ourselves and contract the seeding only.

11.0 Oil and Gas Report**11.01 General Discussion on Oil and Gas Activity**

Gary Redelback advised the meeting that the oil and gas sector has been extremely busy. Encana is to start their drilling and completions next week. CNR is to start drilling 90 to 100 wells in August.

Discussion was held on the clean up of well sites by oil companies. Some of the old well sites that have been reclaimed are still fenced and are unsightly with fences falling down and high grass inside the fences. It was noted that the oil companies pay annual rent until the fences come down and they are usually waiting for reclamation certificates. A suggestion was made that perhaps the EID shouldn't allow any new work until the old work is cleaned up, however, it was felt that better communication and co-operation between the EID and oil companies could better rectify the situation.

11.02 Report on Meeting with PALS (Patricia Area Landowners Society)

Earl Wilson and Gary Redelback attended a meeting of PALS Executive, and what was noteworthy to the EID in the meeting was a suggestion that perhaps the EID should have a water access charge for the oil companies as well as the conveyance charge.

Gary Redelback, Bob Hale and Scott Anderson exit at 3:30 p.m.

12.0 General Manager's Report

12.01 Red Deer River Water Shed Alliance

E. Wilson attended the meeting on June 4, 2003. He advised that the purpose of the meeting was to form an alliance so that they will be recognized provincially. The consensus of the Board was that the EID should be involved in the alliance and have representation at their meetings.

12.02 Grass Tour, Miles City, Montana

The grass tour at Miles City, Montana has been scheduled for July 22, 2003. The method of travel was discussed and flying with Integra Air seemed to be the most time efficient and cost effective method. Departure from Brooks in the evening of July 21, 2003, with the tour on July 22, 2003, and return home that evening.

12.03 Luscar Coal

The EID and Board members received a letter from Luscar Coal advising that they have taken over the proposed project from Fording Coal and are reviewing their interest in it.

12.04 Bow City Hutterian Brethren - Gravel Pit

E. Wilson advised that he has had discussions with the Bow City Hutterian Brethren with respect to the EID mining gravel from the gravel pit located on lands owned by the colony adjacent to the Eyremore gravel pit. The gravel pit provides very good armour that would be beneficial to EID projects. The Bow City Colony would like the EID to give them a bid on the gravel. E. Wilson felt that a bid of \$1.03 to \$1.05 per cubic metre would be reasonable. Other suggestions for bids higher and lower were made. The Board gave direction to E. Wilson to negotiate a price with the Bow City Colony for the removal of gravel. If the EID were to get this pit, then we would be able to allow the County to use the pit as well.

12.05 MLA Tour

A short discussion was held on the MLA Tour that is to be scheduled for September 4th or 13th, 2003. It seemed reasonable to have it in conjunction with the Caucus Meeting in Medicine Hat on September 10th and 11th, 2003. It was undecided at this time as to what the best method of travel would be, either air or bus, or both.

12.06 School Tours

E. Wilson advised that all the school tours to the Bassano Dam have been completed. Rosemary and Tilley did not attend this year.

13.0 Upcoming Events

13.01 Miles City, Montana Grass Tour - July 21 and July 22, 2003

13.02 Regular EID Board Meeting - Tuesday, July, 29, 2003

13.03 Regular EID Board Meeting - Tuesday, August 26, 2003

13.04 Premier's Dinner - October 30, 2003

C. Henrickson moved adjournment of the meeting at 4:02 p.m.



Chairman



General Manager

29 July 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 29th day of July, 2003. Those in attendance were:

Mr. Bob Chrumka	Chair (Division 06)	Mr. Earl Wilson	General Manager
Mr. Clint Henrickson	Vice-Chair (Division 03)	Mr. James Knelsen	Manager of Administration
Mr. Floyd George	Director (Division 01)	Sandra Hajash	Human Resources
Mr. Tom Livingston	Director (Division 02)		
Mr. Neil Johnson	Director (Division 04)		
Mr. Allen Nielsen	Director (Division 05)		
Mr. Pat Hemsing	Director (Division 07)		

The meeting was called to order at 8:58 a.m.

1.0 Adoption of the Agenda

The following items were noted for addition:

- ▶ A letter from Newell Grazing Association to Item 9
- ▶ A board member question on the Rosemary pipeline to item 5
- ▶ EID liability regarding the LAP Plan to Item 4
- ▶ a question on a problem culvert on the Bow Slope system to Item 6
- ▶ problems with weeds in pipelines to Item 6

129-07-2003 Moved by C. Henrickson that the Board adopt the agenda as presented with the noted additions. Seconded by T. Livingston. CARRIED

2.0 Approval of Minutes

2.01 24 June 2003 Regular Board Meeting

The following items were noted for correction or clarification in the draft June 24, 2003 minutes:

- ▶ clarify the mover and seconder of motion 117-06-2003 which gives approval for the EID to become a self-retailer with Valeo power as the agent.
- ▶ 9.03 Irrigated Lease Policy, page 101, (remove "without any improvements")
- ▶ 6.02 Farm Improvement Policy, page 98, clarify reference to farm screen improvements
- ▶ 12.05 MLA Tour reference to "MLA Meeting" should be "Caucus Meeting"
- ▶ 12.04 Bow City Hutterian Gravel - cubic yards not cubic metres
- ▶ 4.0 Financial - add "required plebiscite advertising" to reference for increased costs

130-07-2003 Moved by P. Hemsing that the Board approve the minutes of the June 24, 2003, regular meeting as presented with noted corrections. Seconded by C. Henrickson. CARRIED

3.0 Business Arising from the Minutes of June 24, 2003

3.01 Scott Tateson Land Sale Proposal - 13 acres, NW 21-16-12W4

At the June meeting Mr. Tateson's proposal to purchase the 13 acres of EID land to square up his land had been reviewed with EID concerns that a new well may be drilled on that parcel in addition to the older well still active. The EID had retained this parcel as the Tilley Grazing corrals were located at the site some years ago. It is a rough piece of ground which would require considerable work to make it an irrigation parcel. Following discussion, there were still questions as to Mr.

Tateson's intent for the purchase and whether the EID should retain it. More information was requested for a future board meeting.

3.02 Hutterian Brethern of Bow City - Gravel Pit

Mr. Wilson updated Board members on the negotiations indicating a 20 year lease pricing gravel at \$1.15 per cubic yard appeared to be acceptable to the Colony. A tentative meeting for signing of a contract was scheduled for tomorrow.

4.0 Financial Report, Period Ending June 30, 2003

4.01 June 2003 Financial Statements

James Knelsen provided an overview of the financial statements to the Board. Comment was made that the oil and gas revenue is still doing very well. Income is still in surplus to budget.

Various items were noted including:

- ▶ the EID has billed the CPR for \$5,000 damages to grass which occurred during work to clean up a derailment in the Tilley area
- ▶ the EID will not have to provide a formal appeal for EID land reclassification within the Town boundaries from agriculture to commercial
- ▶ a collection agency is working on outstanding household purpose accounts
- ▶ the Rolling Hills campground costs are being tracked separately
- ▶ the Gem Grazing water line is progressing well with 7 miles of 20 being completed. It was noted here that conditions are very dry and care is being taken due to the fire hazard.
- ▶ Rate Enforcement court procedures are not required this year

A board member commented that the oil and gas companies appear to be doing an excellent job throughout the district and numerous water trucks are being utilized to reduce the risks of fire hazard.

131-07-2003 Moved by P. Hemsing that the Board approve the Financial Statements to June 30, 2003 as presented. Seconded by T. Livingston. CARRIED

4.02 Accounts Receivable

A summary of accounts receivable was provided for board review.

4.03 Investment Report

The Board reviewed the information provided regarding district investments.

4.04 Pension Liability

Media information has indicated concerns over the operation of pension funds and their performance. The question of future unfunded liability was put forward as the main concern. Initial information was provided and board members requested staff provide them with a brief summary to ensure the LAPP's viability for a future meeting.

A recess was taken from 10:25 to 10:35 a.m.

G. Romao entered at 11:35 a.m.

5.0 Engineering

5.01 09 Secondary 'A' Rolling Hills

The proposed rehabilitation is on the end of the lateral 09 Secondary A Rolling Hills system running through sections 10 and 11-15-13W4. The recommended rehabilitation is a 3.5 km main pipeline with 2 lateral pipelines, plus 1.5 km of drain improvement to handle canal spill at the pipeline start. Estimated cost is \$650,000 with the project serving 1155 irrigated acres with an option to add 112 acres of terminable water in the NW 2-15-13W4. This is being discussed with the land owner with the option of converting to first water irrigation and he does appear interested.

The pipeline alternative is recommended because the canal spill is redirected to potential use, elimination of severance in the NE11 and lower maintenance cost in the future. Various questions followed on the project.

132-07-2003 Moved by P. Hemsing that the board approve the rehabilitation of 09 Secondary 'A' Rolling Hills through sections 10 and 11-15-13W4 with a 3.5 km pipeline with two lateral pipelines, plus 1.5 km of drain improvement at an estimated cost of \$650,000. Seconded by N. Johnson. CARRIED

Board members also asked if settling ponds could be made larger to help reduce problems being experienced. It appears when many water users are irrigating, the flow is going straight through and the "settling pond" is not effective. Staff indicated this could be done or other alternatives to reduce the problem could be looked at.

5.02 AH North Bantry

G. Romao indicated this rehabilitation investigates a portion of AH North Bantry as well as sub-laterals 02-AH, 03-AH and 10-AH North Bantry. The portion of AH canal that is included in this investigation is in the NW 22-20-12 and the SE 28-20-12. 02AH runs along the north/south quarter line of 22-20-12 going north from AH North Bantry. 03-AH runs west through the centre of section 21-20-12 and the NW 21-20-12. 05-AH runs through the SW 28-20-12 and the SE 29-20-12. This system serves 1,679 acres.

The problems with AH and the sub laterals are seepage, lack of proper banks, inadequate capacity and deteriorated structures. The banks are inadequate for proper freeboard and require rebuilding for access and maintenance.

The recommended rehabilitation is to replace 1.6 kilometres of the AH canal with an open buried PVC pipeline. This open pipeline would follow the alignment of the existing canal. 02-AH would be a closed buried pipeline starting in the SE 22-20-12 and follow the existing alignment. 03-AH would be a closed buried pipeline running along the east/west quarter line of 21-20-12 until the centre of 21-20-12 where it would be diagonal across the NW 21-20-12 to the NE 20-20-12 where it would run north through the SW 28-20-12. The estimated cost of this alternative is \$1,155,000 and would be under the 2003 Capital Construction Program.

Board members were also advised this rehabilitation is designed to be incorporated into future rehab work on the same system. It also allows this pipeline to be pressurized at that time, if required.

133-07-2003 Moved by T. Livingston that the board approve the rehabilitation of Lateral 'AH', '02-AH', 03-AH, and '04AH' North Bantry with a combination of both open buried and closed buried PVC pipeline at an estimated cost of \$1,155,000. Seconded by C. Henrickson. CARRIED

5.05 15 East Branch - NW 20-18-16: Jamie Buteau

This project was previously approved at \$280,000 to serve 346 acres. Mr. Buteau has re-assessed his land base and would like to request an addition which would require \$14,500 for upsizing the line although he does not have all the water rights in place at this time. He is negotiating on acres to move permanently to the site. Following discussion board members indicated that Mr. Buteau should have all required acres in place by October 31, 2003 or be required to pay the \$14,500 upfront with no recourse for repayment by the EID should those acres not become available.

5.03 'R' North Bantry

The initial phase of this project is on the EID's Five Year Plan, however, staff would like to delay the project for a year or two and re-shuffle the budget. This will allow a re-evaluation of the total area which is located in Patricia and tails out into the One Tree and Sandhill Creeks near Dinosaur park.

E. Wilson provided information which indicated this could be feasible to pipeline as it has 50 metres of drop. Part could also serve as an operational spill for a section of the project. The board discussed the options and concurred with Mr. Wilson's recommendation.

5.04 PVC Pipeline Prices with IPEX

Mr. Wilson related the results of his meeting with IPEX. Pricing for the coming years supply of pipe have been established and are being held to last year's prices. This is deemed most satisfactory for the district.

5.06 Rosemary Pipeline

A couple of farmers had mentioned problems they were having getting water from the Rosemary pipeline to a board member. This was explained and resolved.

J. Meador entered at 11:10 a.m.

6.0 Operations**6.03 Problems with Weeds in Pipelines**

Board members commented on their concern with weeds entering the pipeline systems. Various options were discussed including larger settling ponds, various types of screens and systems viewed while on tours. Staff will continue to monitor the problems and explore options for improvements.

6.01 Farm Improvements**6.01.1 K & A Sharpe: NE 20-18-16**

This improvement calls for changing 40 acres of flood to wheel moves. The system would pump from a dugout in the NE corner of the quarter for this year with the system to be hooked up to 15 East Branch in 2004. If approved, payment to the water user would be \$769.20.

134-07-2003 Moved by P. Hemsing that the board approve a Farm Improvement for K & A Sharpe in the NE 20-18-16 with 40 acres flood being converted to wheel

moves to be pumped from a dugout in the NE corner for 2003 and to be hooked to 15 East Branch pipeline following rehabilitation in 2004, with payment to the Sharpe's of \$769.20. Seconded by N. Johnson.

CARRIED

6.01.2 G. Frank: SE 35-17-14

This project would see 58 acres of wheel moves convert to pivot and 7.5 acres flood to pivot irrigation with specifics for delivery itemized

58 acres wheels to pivot	-	\$1,115.34
7.5 acres flood to pivot	-	<u>432.67</u>
		\$1,548.01
Less: \$200/acre for 6 acres in NW & NE corners of SE35-17-14	(	<u>\$1,200.00)</u>
Of SE 35-17-14		
Pay to water user:		<u>\$ 348.01</u>

135-07-2003 Moved by P. Hemsing that the board approve a Farm Improvement to Gordon Frank for land located in the SE 25-17-14 with 58 acres wheels moves to pivot and 7.5 acres flood to pivot (retaining 3 acres in each of the NW & NE corners of SE 25-17-14W4) with pivot to be low pressure with drop tubes and no cold weather shut-offs, pivot to be piped to pivot centre, and coming off a pump in the SW corner of SE 35-17-14 off of Scott Canal with resulting payment to the water user of \$248.01. Seconded by C. Henrickson.

CARRIED

6.01.3 Armstrong Ranches N ½ 09-21-18

Mr. Armstrong would like to install a corner arm that will pick up an additional 18 acres that was flood. The two quarters are part of one irrigable unit. Payment to the water user would be 18 acres flood to pivot totalling \$1,038.42.

Considerable discussion followed as to whether this is an efficiency or not and how previous decisions had been made. Staff are to contact Mr. Armstrong to review the request and discuss possible alternatives.

6.02 Canal Flows

The present status of canal flows and reservoir levels was provided. Information shows the EID is in basically good shape. Water will be tight for the next week to ten days particularly for deliveries off the main canal flows with no reservoir backup, but usage will decrease. Lake Newell will go down over that time, however, there should be no need for concern. In the 2003 season, irrigation is later than usual and the river is drying up sooner.

J. Meador and G. Romao retired at 11:45 a.m.
 The Board adjourned for lunch at 11:45 a.m. and reconvened at 12:45 p.m.
 J. Meador and R. Matoba entered at 12:45 p.m.

6.04 Problems with Culverts

A lengthy discussion was held on culverts in tailouts and some problems that had arisen. It was noted the EID designs most to handle the normal overflow for emergency shutoffs.

It was decided that the situations cited were unusual and should be monitored and if required, remedied.

J. Meador retired at 1:00 p.m.

7.0 Land Report

7.01 Rosemary House

Two offers have been placed on the EID residence/acreage at Rosemary even though the District has not formally listed it for sale. It was also noted the EID may wish to retain some of the land at that site in the event a central shop/storage area for the north is required. Discussion concluded that until the County moratorium on rural subdivision is removed, no action can be taken. The parties making the offers are to be advised.

7.02 Antelope Creek Residence

A staff member living in the residence is interested in purchasing the acreage and an appraisal is provided. This acreage is one recommended for sale by management. Limited discussion followed on such items as the appraisal value and acres to be sold. However, this parcel also falls under the County moratorium which is not likely to be removed until spring of 2004, therefore no decision will be made at this time. The staff member is to be advised.

7.03 Irrigable Unit - Klassen Seeds Inc. NW & NE 21-21-16W4

The two parcels in the NW & NE 21-21-16 must be registered as a condition of farm improvement approvals 01-5041 and 01-5042.

136-07-2003 Moved by P. Hemsing that the board approve registering an irrigable unit on the NW 21-21-16 and NE 21-21-16 for land owned by Klassen Seeds Inc. with the delivery to be off of 08'A' Springhill canal located near the west centre of the NW 21-21-16 as a condition of Farm Improvement approvals 01-5041 and 01-5042. Seconded by N. Johnson. CARRIED

7.04 Proposed Land Sale - Bernhard Schulz

Mr. Schulz has proposed a land trade which would see the EID obtain 3 parcels totalling 70.0 acres and Mr. Schulz getting 71.8 acres of EID land located in Pt SW 14-17-16. It is suggested that this would square off both EID lands and Mr. Schulz's land base. Issues to consider include a requirement for Schulz's to subdivide out the 36.4 acres in the NE 31-16-15 and Schulz's to ensure that the parcels they own are free and clear of all financial encumbrances. Also, the EID land in the S ½ 14-17-16 has a well located which splits the two quarters. The actual well is on land the EID will retain, but a portion of the lease extends into the SW quarter and would have an annual lease income of \$700. Bob Hale is ensuring the trade would not have a negative impact on the grazing lease. Fencing costs for re-alignment of boundaries and legal fees are to be considered. A brief discussion followed.

137-07-2003 Moved by A. Nielsen that the board approve a land trade with Bernard Schulz for Parcel 1 - Pt NW 14-17-16 (10.8 acres), Parcel 2 - Pt SW 13-17-16 (22.8 acres), Parcel 3 - Pt. NE 31-16-15 (36.4 acres); totalling 70.0 acres; for 71.8 acres of EID land located in Pt SW 14-17-16. Schulz ensuring his lands are free and clear of all financial encumbrances with subdivision, fencing and legal fees to be split between Schulz and the EID. Seconded by C. Henricksen. CARRIED

7.05 Rural Water Use - Karl Deschner: NW 35-17-13

Approximately 300 rural water use agreements have been sent out with just under one third returned. Only one applied for more than the 5 acre feet for a farm yard which the Board has agreed to supply at no additional fee .

Mr. Deschner has applied for the maximum 20 acre feet as he has a large orchard as well as the usual lawn, garden, trees and dugout. Some of the orchard is inside the area which has irrigation acres but 13.3 acres of yard lies outside of the assessed area. As 20 acre feet may be more than he actually requires, it may be wise to consider actual need before entering into such an agreement and setting a precedent. Establishing a policy would be useful when dealing with applications for new yards. Various ideas were reviewed by board and staff including adding the acres to the assessment roll versus including them in the Rural Water Use Agreement.

Staff are to review the by-law and provide an update for board approval which would include consideration for when a land owner requires more than 5 acre feet of water acre feet. This would allow granting the appropriate water (only what is required) at a charge of \$25/acre foot or a minimum of \$200. R. Matoba is to discuss adding the acres to the assessment roll with Mr. Deschner.

R. Matoba exited at 1:20 p.m. and E. Hildebrand entered.

7.06 SPCA Offer to Purchase EID Town Lot

The SPCA has submitted a letter offering \$6,000 for the EID triangular shaped 2.46 acre lot on the corner of Canal Street and Industrial Drive. Although this lot does have some pipelines running through it, the offer is considerably lower than market value. Mr. Hildebrand is to advise the SPCA that their offer is declined.

E. Hildebrand exited at 1:29 p.m. and B. Hale entered.

8.0 Grazing Lease Report**8.01 Reseeded Tilley A1 Field and Hines Field Harvest**

B. Hale reported that work has commenced for breaking up the Tilley A1 field. Responding to a board question, Mr. Hale indicated a contractor is combining the rye off the Hines field which was reseeded last year.

8.02 Proposal to Put Manure on Tilley A1 Field

Lakeside will be available to spread manure onto the A1 Field. This will both provide fertilizer and should reduce possible problems with wind erosion. Cost was detailed at \$0.75 per metric ton for approximately 50,000 tonnes.

**138-07-2003 Moved by F. George that the board approve the EID proceeding with an agreement for Lakeside to haul and spread manure onto the Tilley A1 Field at a cost of \$0.75 per metric ton for approximately 50,000 tonnes.
Seconded by T. Livingston. CARRIED**

Note: N. Johnson abstained from voting.

9.0 BSE Discussion (Mad Cow Disease)

Letters from Newell Grazing Association, Gail Anderson and Fred Mandeville were provided to Board members. Numerous discussions between board members and water users have occurred. Chairman, Bob Chrumka, requested each Board member provide a comment on their suggestion for assisting with the plight of agriculture at this time and a time frame for implementing that suggestion.

Extensive debate followed with all agreeing that the EID should provide both morale and concrete support. The most commonly suggested concept was to waive the water rate for 2003.

139-07-2003 Moved by F. George that the EID waive the 2003 water rate to all water users for 2003. Seconded by N. Johnson. DEFEATED

More discussion occurred as all Board members again reiterated the need for the EID to take some form of action. However, a majority felt more information was required and the EID commitment could be tailored to work with possible government agency incentives that may be announced in the next few weeks. Staff and Board will work on options for discussion at the next meeting. Grazing Associations could also provide input into their concepts for dealing with the issue. The possibility of moving the next board meeting date up was also considered in order to update new information.

10.0 General Manager's Report**10.01 Northwest Irrigation Operators Tour**

As the deadline for this tour is approaching, board members were asked if they wished to attend. It was decided that two staff members, G. Romao and J. Meador, would attend and board members would contact the office later in the week with their decision. The tour is to Durango, Colorado on September 15 to 19, 2003.

140-07-2003 Moved F. George that the board approve expenses for two EID staff members and any directors wishing to attend the Northwest Irrigation Operator's tour to Durango, Colorado, U.S.A. Seconded by C. Henrickson. CARRIED

10.02 Growing Alberta Harvest Gala

This annual event will be held on Friday, October 17, 2003, in Calgary.

141-07-2003 Moved by N. Johnson that the EID purchase tickets for two tables for the 2003 Growing Alberta Harvest Gala. Seconded by F. George. CARRIED

10.03 Bassano Dam Land Claims

E. Wilson provided the Board with an update on negotiations which are continuing. The usual delays have been experienced with postponed meetings. The EID is working on GIS data for the area.

10.04 AIPA Letter

The new Executive Director, Mr. Dave Hill, has circulated a letter to all irrigation districts indicating his willingness to meet with all boards to obtain their views on irrigation matters and update them on his current activities and information he is gleaning from his government and association contacts. Board members felt that as Mr. Hill is quite familiar with the EID it would not be

productive to meet at this time.

10.05 Draft Water Strategy Report

The draft of the Water Strategy Report was provided for board members interest. It was just released on July 25 therefore staff have not had time to read the material in detail.

11. Upcoming Events

11.01 Next Regular Board Meeting - Rescheduled to Tuesday, August 19, 2003

11.02 MLA Tour - Friday, September 5, 2003

It was suggested that it would be beneficial to have as many board members as possible attend this meeting/tour. The MLA's will be flown down from Edmonton. A general gathering will be held starting at 1:00 to 2:00 p.m. in Lethbridge for the larger group.

11.03 September Board Meeting - Tuesday, September 23, 2003

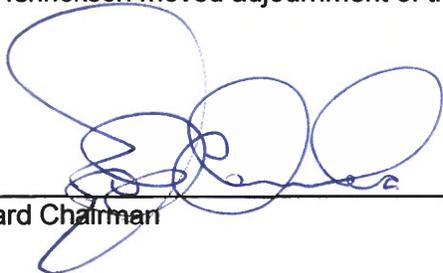
11.04 Premier's Dinner - Thursday, October 30, 2003

11.05 EID Golf Tournament - Thursday, September 4, 2003 at 3:00 p.m., Brooks

11.06 Livestock Information Meeting - Tuesday, August 5 at 7:30 p.m., Duchess Hall

T. Livingston indicated this meeting was being organized with representatives from government agencies and various organizations in attendance to explain what has been done to date and explain assistance programs that are or may be available.

C. Henrickson moved adjournment of the meeting at 2:30 p.m.



Board Chairman



General Manager

19 August 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 19th day of August, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)
Mr. Earl Wilson	General Manager
Mr. James Knelsen	Manager of Administration
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 8:58 a.m.

1.0 Adoption of Agenda

The following items were noted for addition to the agenda:

- Fire hazard on EID grazing lease lands to item 9
- GST Exemption re small businesses to item 11
- Alberta Government rescinding of inspections of reclaimed wells
- AIPA Meeting to item 12
- Harvest Gala to item 12

142-08-2003 Moved by P. Hemsing that the Board adopt the agenda with noted additions. Seconded by N. Johnson. CARRIED

2.0 Approval of Minutes - July 29, 2003

143-08-2003 Moved by T. Livingston that the Board approve the minutes of the July 29, 2003 regular meeting as presented. Seconded by N. Johnson. CARRIED

3.0 Business Arising from Minutes

3.01 BSE (Mad Cow Disease) and Waiving of Water Rates

At the July 29th, 2003 Board meeting, a motion to waive the 2003 water rates was defeated pending more discussion and input. A lengthy discussion ensued on this issue, with a suggestion made to discount water rates up to 90%. Another suggestion was that instead of waiving the 2003 water rates, this money should be used for screening of algae and weeds. A question was raised as to whether the Board had the right to waive water rates. E. Wilson advised that he had discussed this issue with Len Ring of the Irrigation Council and they both feel that in this case the District should use Section 128(4) of the *Irrigation Districts Act* (hardship clause) to waive the water rates. E. Wilson read Section 128(4) of the *Irrigation Districts Act* as follows:

“Notwithstanding anything in this Part, when it appears to the district that the payment of all or part

of the amounts shown as owing on the collector's roll by any person has resulted or is likely to result in hardship or injustice to the person who owes the amounts to the district, the district may, by resolution, cancel or refund all or any part of the amounts owing or paid".

A comment was made that although this year was tough for farmers, next year could be tougher and the EID may have to deal with this issue again next year.

Another option was to waive water rates and reduce grazing lease fees by 50%. The general consensus on this option was that if the EID waives the water rates, the District water users all benefit, but if the EID reduces the grazing lease fees, only certain persons will benefit. It was decided that it was more fair not to be commodity specific.

144-08-2003 Moved by F. George that the District waive the 2003 water charges on all acres to be irrigated and acres subject to terminable water agreements, due to the BSE case and subsequent severe drop in prices of cattle, feed and all related crops, the District water users will experience some hard economic times this fall, paying their bills including water will be difficult. Seconded by A. Nielsen. CARRIED

Letters were received from Rolling Hills Grazing Association, Newell Cattle Grazing Association, Rosemary Grazing Association, Gem Grazing Association, Gail Anderson and Fred Mandeville with respect to this issue. Reply letters are to be sent out to the aforesaid parties.

A short discussion followed on reducing grazing charges on cattle in light of BSE.

145-08-2003 Moved by A. Nielsen that the District reduce grazing fees to \$12.00 per AUM for grazing. Seconded by F. George. DEFEATED

Ann Harvey, reporter from Brooks Bulletin enters at 9:45 a.m.

Press Release given to the Brooks Bulletin as follows:

"The Board of Directors of the Eastern Irrigation District have decided to waive the charges for irrigation in 2003.

This decision was made to help the water users who are experiencing tough economic times because of the drastic drop in prices of cattle and all types of crops since the BSE case. It will benefit all water users.

The District will be continuing with the same level of operations, maintenance and rehabilitation work as had been previously planned.

The Board hopes that the land owners who have their lands rented will see fit to pass the savings on to their renters".

Short interview followed.

Jamie Buteau enters at 9:58 a.m. and introductions are made.

4.0 Financial Report, Period Ending July 31, 2003

4.01 July 2003 Financial Statements

James Knelsen provided an overview of the financial statements to the Board.

- Gross revenues are still doing well due to the strong oil and gas sector.
- Due to the earlier cut off date for the Board meeting this month, some fuel expenses are not included for July.
- B. Chrumka requested a summary for next month with respect to the swathing and combining of the 300 acres of fall rye in Hines field.

146-08-2003 Moved by P. Hensing that the Board approve the Financial Statements to July 31, 2003, as presented. Seconded by C. Henrickson. CARRIED

5.0 Engineering Report**5.01 Letter from Jamie Buteau**

Jamie Buteau presented a letter to the Board from Dean Martin confirming that Dean Martin will sell to Jamie Buteau, irrigation rights on 60 acres in SE 24-15-18 W4M to be transferred to the NW 20-18-16 W4M within the next five years, once Dean Martin's financial institution releases the land. Jamie Buteau must also obtain an additional 35 to 40 irrigation acres for a total of 100 acres. It will cost the EID \$14,500.00 to upsize the line and Jamie Buteau will be required to pay a percentage of this cost (60/40 ratio) up front in order for the EID to proceed with its work, which funds will be reimbursed after he receives all his irrigation acres.

147-08-2003 Moved by T. Livingston that the Board accept the letter from Dean Martin as evidence that Dean Martin will sell irrigation rights on 60 acres in SE 24-18-15 W4M to Jamie Buteau, and that Jamie Buteau will pay to the EID a percentage (60/40 ratio) of the \$14,500.00 up front in order for the EID to proceed with the upsizing of the line. Seconded by N. Johnson. CARRIED

5.02 7 Bow Slope Tender Results

Five tenders have been received for the 7 Bow Slope Canal Rehabilitation project as follows:

Calibre Systems	\$1,557,383.20
Richardson Bros. (Olds) Ltd.	\$1,595,538.00
deGraaf Excavating Ltd.	\$1,611,278.00
Top Notch Construction	\$1,857,647.00
G.W. Cox Construction	\$1,893,766.00

The EID engineer's estimate is \$1,655,108.00. Calibre Systems tender came in the lowest at \$1,557,383.20. The tender is still being investigated but will likely go to Calibre Systems.

5.03 H Cowoki Update

E. Wilson presented five different design options for this project:

1. Lined canal serving existing 1450 acres at a cost of \$1,930,000.00;
2. Low pressure pipeline serving existing 1450 acres at a cost of \$1,950,000.00;
3. High pressure pipeline serving 1825 acres at a cost of \$2,470,000.00;
4. High pressure pipeline serving 1471 acres at a cost of \$1,865,000.00;

5. High pressure pipeline serving 1471 acres plus separate pipeline off of Tilley Canal serving 350 acres at a cost of \$2,174,000.00.

E. Wilson asked for Board input on whether the land owner should be granted additional acres or not and what percentage of the extra cost for high pressure pipeline should the land owner pay. The Board direction was:

- 150 acres maximum over the conversion from flood to pivot, ie. approximately 1,700 acres in total;
- land owner pays the extra cost for high pressure pipeline, ie. approximately \$2,174,000.00 less \$1,950,000.00.

6.0 Operations

6.01 Water Use, Reservoir Status

E. Wilson gave an update on water use and reservoir status. Water diversion to date is 310,000 acre feet plus 37,000 acre feet taken from the reservoirs. The water situation is manageable in spite of the long period of hot, dry weather. The water in the reservoirs is 66.55%, broken down as follows:

Lake Newell:	61%
Rolling Hills Reservoir:	70%
Tilley B Reservoir:	63.9%
Cowoki Reservoir:	14.6%
Kitsim Reservoir:	78.57%
Snake Lake:	58.46%
Crawling Valley:	78.20%

6.02 Water Shut Off Date

Due to the long period of hot, dry weather this summer, E. Wilson recommended that irrigation water be shut off on October 3, 2003, this year, a little earlier than usual, to ensure safe winter levels in the reservoirs.

148-08-2003 Moved by P. Hemsing that the Board set the shut off date for irrigation water at October 3, 2003, to ensure safe winter water levels in the reservoirs. Seconded by T. Livingston. CARRIED

7.0 Capital Purchases

7.01 Results of Quotation on Hoes

E. Wilson presented the Board with quotes on the purchases of two new hoes. Staff recommended the purchase of a Hitachi 330 hoe, although the price is a couple of thousand dollars higher than the lowest quotes, as the estimated resale value of the Hitachi hoe is the highest of all hoes. It was also recommended that the EID purchase a Kobelco 250 hoe, which came in at the lowest quote.

149-08-2003 Moved by P. Hemsing that the EID rent the Hitachi 330 hoe for \$12,000.00 per month, and the Kobelco 250 hoe for \$8,000.00 per month, and to purchase these hoes in January, 2004, if they prove to be good machines. Seconded by C. Henrickson. CARRIED

7.02 Auto Desk Land Software

E. Wilson advised the Board that the EMXS software that the EID engineers are using is becoming obsolete, is not being upgraded, is not user friendly and it is becoming more difficult to get software support. G. Romao, the district engineer has suggested the EID purchase a new Auto Desk software program that is being used exclusively by MPE and UMA engineers, Auto Desk Land software. He is training a new engineer and it would seem reasonable to train him on the new software. The purchase price of two copies of the software is \$13,000.00.

150-08-2003 Moved by P. Hemsing that the EID purchase two copies of Auto Desk Land software for \$13,000.00. Seconded by C. Henrickson. CARRIED

The Board adjourned for lunch at 11:40 a.m. and reconvened at 12:30 p.m.

8.0 In Camera Meeting

James Knelsen, Bob Hale and Renate Dykstra re-entered at 1:00 p.m.

9.0 Grazing Lease Report**9.01 Update on Lease Improvement Projects**

Bob Hale advised the Board that the Gem waterline is almost complete and the combining of the fall rye on Hines field is complete. He also advised that there is a lot of oil and gas activity on the grazing leases.

Bob Hale also advised that the Kitsim Swing Lease and the Newell Grazing Association have agreed to a 50/50 split on the cost of repairs on corrals. The EID's cost is approximately \$20,000.00.

9.02 Fire Hazard on Grazing Lease Lands

Concerns were raised about fire hazards on grazing lease lands with respect to oil companies. A suggestion was made that the EID place a moratorium on all exploration and service activity until there is rain. It was pointed out that the oil companies have been very conscientious and are taking every precaution to avoid starting any grass fires.

9.03 Hunting on EID Lands

Concerns were raised about hunters starting fires on EID lands. Consideration is to be given to closing EID lands to hunting should the lack of rain continue to the hunting season. This will be discussed again in September.

10.0 Oil and Gas Report

A discussion was held with regard to the Alberta Government rescinding mandatory inspection of all reclaimed wells, and will now only check 15% of reclaimed wells. It is the understanding of the Board that Reclamation Certificates will be granted at the request of the oil companies. The cutback in inspections is due to the government being 2.5 years behind in their inspections. It was decided that more information was needed on this issue and will be revisited at the next Board meeting.

Bob Hale exits at 1:15 p.m.

11.0 General Manager's Report**11.01 Letter from the Village of Tilley**

A letter was received from the Village of Tilley advising that there is a drainage problem on King Street as a result of the canal bank sliding down to the extent that it deters the proper flow of drainage. E. Wilson advised that the canal bank has not slid down, and the drainage problem has occurred as a result of decisions made in the past by the Village even though they were advised at the time of the potential problems that could arise in the future. The EID has done all it can do to accommodate the Village of Tilley, but the drainage problem is not the responsibility of the EID and should be rectified by the Village of Tilley. E. Wilson is to advise the Village of the EID's position.

11.02 GST Exemption re Small Business

A Board member reported he was told the EID was having difficulty in having work done in small communities because the EID was GST exempt. J. Knelsen advised that we send out notices to any businesses requiring notification of the GST exemption at their request. If it does cause a problem for small businesses the GST can be paid and the EID will collect it back.

11.03 AIPA Executive Committee Meeting

E. Wilson advised the Board that he attended the AIPA Executive Committee meeting on August 18, 2003. The AIPA would welcome new ideas for education and outreach activities from any EID Board members.

11.04 Conference at Banff Centre - Mountains as Water Towers

E. Wilson advised that there will be a conference held on November 23 to 26, 2003, which should be very informative, and suggested that some Board members may want to attend. Those wishing to attend should contact the office with their decision.

11.05 MLA Tour

A short discussion on the MLA tour to be held on September 5, 2003. There will be 16 MLA's and 3 to 4 cabinet ministers attending. The BBQ will be at 1:00 p.m. at Henderson Lake, Lethbridge. Those attending should advise the office.

12.0 Upcoming Events

12.01 EID Golf Tournament - Thursday, September 4, 2003, at 3:00 p.m. in Brooks.

12.02 MLA Tour - Friday, September 5, 2003.

12.03 AIPA September Directors Meeting - Tuesday, September 9, 2003.

12.04 Northwest Irrigation Operators Tour - September 15 - 19, 2003.

12.05 Regular EID Board Meeting - Tuesday, September 23, 2003.

12.06 Harvest Gala - Friday, October 17, 2003.

12.07 Mountains as Water Towers Conference, Banff Centre - November 23 - 26, 2003.

12.08 Premier's Dinner - Thursday, October 30, 2003.

C. Hennickson moved adjournment of the meeting at 1:40 p.m.



Board Chairman



General Manager

23 September 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 23rd day of September, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)
Mr. Earl Wilson	General Manager
Mr. James Knelsen	Manager of Administration
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 9:02 a.m.

1.0 Adoption of Agenda

The following items were noted for addition to the agenda

- Rolling Hills Campground to item 3.0 - Engineering Report
- Request for a Weather Station to item 5.0 - Lands
- Update on Whaley Mar Land to item 5.0 - Lands
- Brent Schroeder Purchase of EID lands to item 5.0 - Lands
- Update on Patterson Lease to item 5.0 - Lands
- Court Action to item 6.0 - Grazing Lease Report
- Village of Tilley Meeting to item 7.0 - General Manager's Report
- Talk on Water Markets: Lessons from Australia to item 10.0 - Upcoming Events
- AIPA Annual Meeting to item 10.0 - Upcoming Events

A suggestion was made to move the presentation of the August 2003 Financial Report to the afternoon session of the meeting.

151-09-2003 Moved by P. Hemsing to move the presentation of the August 2003 Financial Report to the afternoon session of the meeting. Seconded by C. Henrickson. CARRIED

152-09-2003 Moved by P. Hemsing that the Board adopt the Agenda with noted additions. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes - August 19, 2003

153-09-2003 Moved by C. Henrickson that the Board approve the Minutes of the August 19, 2003 regular meeting as presented. Seconded by F. George. CARRIED

George Romao and Ryan James enter at 9:14 a.m., introductions to Ryan James were made.

3.0 Engineering Report

3.01 H. Cowoki

G. Romao presented a synopsis for H Cowoki. The present system serves 1452 acres (252 gravity and 1200 sprinkler irrigation). The problems with the existing system include seepage, poor access, poor canal banks, farm severance, capacity and tumble weeds. The three alternatives are:

- (a) to line and armour the existing canal at an estimated cost of \$1,930,000;
- (b) to install a low pressure pump and pipeline system at an estimated cost of \$1,947,000; or
- (c) to install a high pressure pipeline for 1207 acres and install a pipeline from Tilley Canal for 354 acres at an estimated cost of \$1,800,000.

The landowners prefer the third alternative. They wish to convert their flood irrigation to pivot, complete one circle now that the canal is gone, move 78 acres of sprinkler irrigation to a different parcel and move their pump to the Tilley Canal for the southern 354 acre pivot if the EID installs the pipeline and turnout. The estimated conversion factor for the 251 acres of flood irrigation is 1.33 or 334 acres. Accordingly, this application is for 109 additional acres, 83 being from conversion from flood to sprinkler and for 26 acres of new water below Lake Newell. With the proposed pivot alignment approximately 40 acres of EID land would be irrigated and consideration should be given as to whether or not the Board should sell the land or a squared up version of the land to the landowners.

Discussion followed as to whether or not the Board should levy a surcharge for extra maintenance for the high pressure system, and as to the sale price for the lands should the lands be sold to the landowner.

154-09-2003 Moved by P. Hemsing that the Board approve the third alternative, to install a high pressure pipeline for 1207 acres, install a pipeline from Tilley Canal for 354 acres, at an estimated cost of \$1,800,000. The landowners are to pay 100% of the power costs and \$2.00 per acre per year surcharge to cover extra maintenance on the high pressure system. The landowners are to be granted 109 additional irrigation acres, 26 of which are part of the new acres below Lake Newell and 83 of them due to conversion from flood to pivot. Seconded by T. Livingston. **CARRIED**

155-09-2003 Moved by C. Henrickson to sell to the landowners approximately 60 acres in the NE 34-18-13 W4M at \$500.00 per acre for prairie grassland, \$750.00 per acre for land to be irrigated, plus \$100.00 per acre for capital assets charge. Seconded by P. Hemsing. **CARRIED**

3.02 F. & G West Bantry

A proposed rehabilitation of F & G West Bantry was presented. F West Bantry services 859 acres of which 819 acres are pump irrigation and 40 acres are gravity irrigation with a required flow of 19.5 cfs to supply these acres. G. West Bantry serves 335 acres of gravity with a required flow of 13 cfs to supply these acres. Problems associated with F West Bantry is a long meandering canal before the first deliveries, poor control structures and severe erosion where this lateral tails out. G. West Bantry deficiencies include seepage and poor bank width and height. The recommendation is for F West Bantry to come off the West Bantry Canal approximately 300 m downstream of the existing turnout, be relocated following a southwesterly direction for 1.8 kms where it will intersect and follow the existing canal ending in the NW 25-17-14 W4M. G West Bantry will start approximately 400 m downstream of

its existing origin, be relocated in a southwesterly direction where it will intersect and follow the existing canal ending in NW 30-17-13 W4M. The delivery point in the NE 31-17-13 W4M will be fed from the existing G West Bantry delivery and the 300 m reach of canal feeding this delivery will be pushed in and a head ditch pad constructed. The estimated cost of this project is \$1,053,000 and is to be funded under the capital works program.

156-09-2003 Moved by P. Hemsing that the Board approve the rehabilitation of F West Bantry and G West Bantry at an estimated cost of \$1,053,000. Seconded by N. Johnson. CARRIED

3.03 10B Springhill

G. Romao presented a synopsis for the proposed rehabilitation of 10B Springhill. 10B Springhill runs from Secondary B in NE 3-21-16 W4M and runs to a tributary of Matziwin Creek in Section 30-21-15 W4M, some 16 km. The bottom 3.5 km was plastic lined and is good shape. Lateral 02-10B (2.5 km) is pipelined and is in excellent shape. 10B serves 3,250 acres, 720 are sprinkler and 2,530 are flood irrigated. The problems with the existing canal are seepage, poor banks, lack of freeboard, severance, poor structures and poor access for maintenance. The proposed rehabilitation is a closed pipeline system for 10B and all its laterals. The pipeline would hook onto the existing 02-10B pipeline and have an outlet structure that feeds into the bottom 3.5 km of lined canal. The rehabilitation would include a large settling pond that can hold surge flows from Secondary B or from landowner shut offs on the pipeline. The settling pond would have an overflow drainage channel. The estimated cost of this project is \$2,500,000 and is recommended for approval for rehabilitation under the 2003 IRP Program.

157-09-2003 Moved by T. Livingston that the Board approve the rehabilitation of 10B Springhill and all its laterals by the installation of a closed pipeline system and settling pond with a large overflow drain, at an estimated cost of \$2,500,000. Second by P. Hemsing. CARRIED

3.04 G10 North Bantry

A synopsis for the rehabilitation of G10 North Bantry was proposed. G10 North Bantry runs from G North Bantry in Section 6-20-13 W4M to One Tree Creek in Section 12-20-14 W4M, a total length of 4.8 km, serving 847 acres. The upper kilometre of this lateral was lined and armoured and is in good condition. The present canal is experiencing some seepage problems, the control structures are nearing the end of their life and there is a small amount of severance. The proposed rehabilitation includes lining 800 metres of G10 and 400 metres of 02-G10, installing an 800 metre long closed PVC pipeline for 01-G10, and a 1,500 metre long open PVC pipeline for the bottom 1.5 kilometres of G10, at an estimated cost of \$630,000.00

158-09-2003 Moved by C. Henrickson that the Board approve the rehabilitation of G10 North Bantry by lining 800 metres of G10 and 400 metres of 02-G10, installing an 800 metre closed PVC pipeline for 01-G10 and an open PVC pipeline for the bottom 1.5 km of G10, at an estimated cost of \$630,000. Seconded by T. Livingston. CARRIED

3.05 Tender Results - Tilley Canal

Tender bid results for the Tilley Canal Rehabilitation have been received as follows:

Calibre Systems Inc.	\$1,259,550.00
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Degraff Excavating Ltd.	\$1,164,388.75
Richardson Bros. (Olds) Ltd.	\$ 956,900.00

Richardson Bros. (Olds) Ltd. had the lowest bid and the contract has been awarded to them.

Lands 5.08 Brent Schroeder re Land Purchase

Discussion was held on Brent Schroeder's request to purchase land in SE 12-18-13 W4M from the EID with the intention of installing a pivot on these lands. It was suggested that it would be preferable for Mr. Schroeder to first install a pivot on the SW 12-18-13 W4M which is now flood irrigated and the EID should perhaps enter into an agreement with him for the purchase of the EID land within 5 years. It was decided that more information was required and to table the discussion until the next meeting.

G. Romao and R. James exit.

A break was held at 10:30 a.m. to 10:40 a.m. J. Meador enters.

3.06 Rolling Hills Campground

A suggestion was made with regard to expanding the Rolling Hills campground from 65 to 100 campsites and constructing washrooms and showers. The idea was that it would be more cost effective to install the campsites on the third bench now and it would be just as easy to operate 100 sites as 65 sites. Another opinion was that the expansion should be done gradually and as required. It was also mentioned that the campground at Crawling Valley should be expanded. It was decided that a cost estimate for the expansion of the Rolling Hills campground should be submitted at the next meeting.

Lands 5.01 Transfer Acres - Rommens Farms Ltd.

E. Wilson advised that Rommens Farms Ltd. have requested a transfer of 28 acres of wild flood acres and a pivot corner in Section 15-18-16 W4M to the SW 20-18-16 W4M. It is relatively unlevelled land and the proposed irrigation would be gated pipe flood. Only 24 acres in the SW 20-18-16 passed the soil test. It would be more efficient for the landowner, but as there is no conversion, there is little benefit to the EID.

159-09-2003 Moved by T. Livingston that the Board approve the transfer of 24 acres of wild flood acres and a pivot corner in Section 15-18-16 W4M to SW 20-18-16 W4M. Seconded by N. Johnson. CARRIED

4.0 Operations

4.01 Water Use, Reservoir Status

E. Wilson gave an update on the amount of irrigation water used to date, 381,582 acre feet have been diverted to date. There was a gain in the reservoirs this week. Storage capacity is at 200,000 acre feet, 20,000 of which is in the new Rolling Hills reservoir. Preferred winter level is at 265,000 acre feet. The reservoirs should be at winter levels by November 10, 2003.

4.02 Farm Improvement - SE 20-20-15 W4M - E. and L. Rutschmann

A request has been made for a farm improvement on SE 20-20-15 W4M from wheels and pump flood irrigation to pivot irrigation. The current assessment is 151 acres, with 90 acres wheels and 61 acres

flood. The proposed pivot area is 132 acres, with 55 acres going from flood to pivot and 77 acres going from wheels to pivot. The delivery site will remain the same, pivot must be low pressure with drop tubes and no cold weather shut-offs, and the pivot must be piped to the pivot point. The landowner will give up 13 acres in the NW, NE and SE corners and will keep 6 acres in the SW corner. The new assessment will be 138 acres. If approved, payment to the water user would be \$4,753.66.

~~160-09-2003 Moved by T. Livingston that the Board approve the farm improvement on SE 20-20-15 W4M of 55 acres from flood to pivot irrigation and 77 acres wheels to pivot irrigation, with 13 acres being given up and 6 acres remaining in the south west corner, with a resulting payment to the landowner of \$4,753.66, less the cost of the pipe. Seconded by P. Hemsing. CARRIED~~

[rescinded by motion 166-10-2003]

4.03 Drain Relocation - SE 20-21-16 W4M - Vern Dyck

A drain relocation has been requested for the SE 20-21-16 W4M. The job would consist of digging 650 metres of new drain at cuts of 1 to 1.5 metres deep, dig out the existing crossings and fill in the old canal, haul soil from new drain to finish back-filling of existing drain, and install 4 gas line crossings and 1 pivot crossing. The cost of this drain relocation will be over \$15,000 and could be as high as the low \$20,000's depending on the pipeline crossing and how much dirt the water user wishes to move to the old drain. The EID's portion of the cost would be \$7,500.00 as per policy.

161-09-2003 Moved by P. Hemsing that the Board approve a drain relocation on the SE 20-21-16 W4M at an estimated cost of \$15,000 to low \$20,000's, with the EID's portion of the cost to be 50%, up to \$7,500.00 as per policy. Seconded by C. Henrickson.

CARRIED

5.0 Lands

5.02 Hunter Access

E. Wilson advised that the EID has run an ad in the Brooks Bulletin, Brooks & County Chronicle and Bassano Times in the weeks of September 22nd, September 30th, and October 13th and November 3rd, 2003 (to coincide with opening of pheasant, antelope and deer hunting season), directed to hunters with respect to access on EID grazing lands and fire hazards. The EID will also run the announcement on Q13 on October 14th and November 5th, 2003. The ad placed in the newspapers reads as follows:

"ATTENTION: HUNTERS

The Board of Directors of the Eastern Irrigation District would like to remind all recreational users of EID grazing lands to obey the access rules.

This year we had exceptional grass growth on our prairie lands creating a substantial fire hazard. The recent cool/wet weather has reduced the hazard in the short term, but throughout the fall this long grass will be very susceptible to fire.

For these lands to continue to be available for use by hunters and other outdoor enthusiasts, everyone must co-operate to prevent prairie fires.

All vehicles must stay on established roads or designated routes where posted. No exceptions and no ATV's or motor bikes are permitted on EID lands.

Please remember access to these private lands is a privilege, not a right. These lands will be closed to public access if this privilege is abused."

5.03 Letter from TD Bank re Dean Martin and Jamie Buteau

The EID has received a letter from the TD Bank advising that Dean Martin has entered into a Security Agreement pledging his irrigation acres in the SE 24-15-18 W4M as security to the TD Bank, and has specifically agreed not to transfer his irrigation acres to any party. Accordingly, he is not allowed to sell his irrigation acres to Jamie Buteau and if Jamie Buteau wishes to proceed with the upsizing of the line, he will be responsible for the entire cost or obtain the required irrigation acres elsewhere by the end of October, 2003. E. Wilson has advised Mr. Buteau as to the letter from the TD Bank.

G. Redelback enters at 11:25, J. Meador exits

5.04 Oil Lease Reclamation

Discussion was held on the oil lease reclamation regulations that will come into effect on October 1, 2003, whereby the Alberta Government will only inspect 15% of wells prior to issuing reclamation certificates and will issue reclamation certificates to the oil companies at their request for the balance of uninspected wells. The landowners will be notified when the oil companies have requested a reclamation certificate on their lands and they will receive a form to complete if they have an objection to the reclamation certificate being issued. The Alberta Government has placed the onus on the landowners to ensure that the well sites are properly reclaimed. It would be advisable for the EID to ask the oil companies to notify us when they are doing the reclamation work on EID lands to ensure that the reclamation is properly done and the topsoil is restored to original levels.

G. Redelback exits at 11:35 a.m.

5.05 Update on Patterson Irrigated Lease Lands

E. Wilson will order an appraisal to be done on the Patterson irrigated lease lands and thereafter the Board will set a sale price for same.

5.06 Request for a Weather Station

The EID has received a request from Alberta Agriculture to locate a weather station on SW 5-22-15 W4M covering a 15 x 15 metre fenced area, to be used for agricultural programs. It was decided that a different location in a more northerly area would be more suitable as there is more rainfall in the location chosen by Alberta Agriculture. E. Wilson is to discuss a new location with Alberta Agriculture.

9.0 Policy Review

9.01 Credit Card Authorizations

The last sentence in Policy Guidelines was amended to read as follows:

"Credit limits are established based on the needs of the approved staff members and board members activities."

David Hill's name is to be deleted from the list of company credit cards currently held.

The following sentence is to be added to the Guidelines:

"Credit card authorizations are to be reviewed annually at the annual reorganizational meeting.

9.02 Contribution Towards Special Infrastructure Policy

No changes were made.

9.03 Drainage Policy

The third paragraph on page 4 was changed to read as follows:

"Where a drainage improvement project is proposed/planned by a single jurisdiction, the project may be carried out at the sole cost of the initiating jurisdiction so long as all of the approval requirements for the work have been obtained from the other jurisdiction."

9.04 Housing Policy

Clause 1.1 has been amended to read as follows:

"The district will not require that district operational employees live in a district residence, but will require employees to live within a reasonable distance of his/her service area, subject to written approval of the Operations Manager."

Clause 1.3, second bullet has been amended from "non-district staff" to "general public."

9.05 Board of Directors and Manager Relationship.

This policy is to be reviewed by the Board and revisited at the next meeting.

9.06 By-law, Election of Officers, Quorum and Voting Procedures

A suggestion was made that every Board member's vote should be recorded. The general consensus was that if a Board member wishes to have his vote recorded individually, he may request to do that. It was suggested that more information be gathered on how other Boards vote.

There were no amendments at this time.

The Board adjourned for lunch at 12:05 p.m. and reconvened at 1:40 p.m.
F. George did not return.

B. Hale enters at 1:40 p.m.

6.0 Grazing Lease Report

6.01 Tilley Swing Field Reseeding Tender

B. Hale presented the tender results for the Tilley Swing Field reseeding project. Two bids were submitted, but only one bid seemed acceptable. The acceptable bid was from 660580 Alberta Ltd. and consisted of 2 passes, seeding the nurse crop with a flexicoil 5000 air drill and then seeding grass with a Valmar heavy harrow at the cost of \$27.50 per acre. The best prices for grass seed came from Airth Farms at \$2.60 per pound and triticale from Gold Medal Seeds at \$5.50 per bushel for a total cost of \$60,250.00. The number of acres to be seeded is 2,000 and the cost of the entire project will be approximately \$200,000.00 or \$100.00 per acre. It was suggested that crop insurance be investigated

next spring.

162-09-2003 Moved by T. Livingston that the Board accept the second bid from 660580 Alberta Ltd. (Tom Armstrong) to reseed 2000 acres at Tilley Swing Field at a cost of \$27.50 per acre, and to purchase grass seed from Airth Farms and triticale from Gold Medal Seeds at a total cost of \$60,250.00. Seconded by A. Nielsen. **CARRIED**

6.02 Court Action - Melvin Fieldberg's Bull

A discussion was held on a court action naming the EID as one of the defendants, regarding an accident involving a bull belonging to Melvin Fieldberg which strayed from the Tilley Community pasture. The bull was hit by a vehicle on the TransCanada Highway. B. Hale advised that there was no negligence and it is unknown as to how the bull escaped. The fences were all intact and in good shape and no gates were open. E. Wilson advised that the insurance company will defend the claim.

A short report was given on the fire on the Rolling Hills Lease. The start of the fire is unknown. A total of 2 miles of fence must be replaced, a 1/4 mile of which was new fence.

7.0 General Manager's Report

7.01 South Saskatchewan River Basin Plan Phase II

E. Wilson gave a brief review on the South Saskatchewan River Basin Water Management Plan, Phase II: Background Studies. The Basin Advisory Committees will be drafting a report and meeting with Alberta Environment this fall to provide recommendations on how to best balance water consumption and environmental protection in the SSRB.

7.02 AIPA September 2003 Meeting

E. Wilson and B. Chrumka gave a report on the September 2003 AIPA meeting. The AIPA will suspend publishing their Irrigation Alberta magazine as it was felt that it was not reaching their targeted audience and the cost of producing this magazine consumes 25% of their budget. It was also decided that the AIPA would not sponsor any further segments in Fishing Alberta at this time.

7.03 Report on Bow River Basin Advisory Committee Tour

E. Wilson gave a report on his tour on September 19th and 20th, 2003.

7.04 EID Historical Park - Funding Request

The EID received a letter from EID Historical Park in Scandia requesting monetary contribution. The Board decided that a monetary contribution would not be appropriate, however if the EID could help in a different capacity by providing a service or contributing in a different manner, the Board would be willing to consider their request. E. Wilson is to respond to their letter.

7.05 Seniors Outreach Society Request

A letter was received from the Seniors Outreach Society advising of the need for used computer equipment for seniors. The EID does not presently have any unused equipment, however, it would consider their request in the future. A response is to be sent to their letter.

7.06 Irrigation Rates

The Irrigation Secretariat provided charts showing the 2003 rates and fees charged by all Alberta irrigation districts. It was noted that the EID rates are lower than all other districts and some districts also have a surcharge for pipeline or pressure delivery. These rates are to be reviewed by the Board prior to setting rates in the spring of 2004.

Lands 5.07 Update on Whaley Mar Lands

Concerns were raised with regard to an open unfenced ditch on EID lands. Whaley Mar is installing a water pipeline to his property though these lands and the EID is to ensure that it is backfilled.

7.07 Village of Tilley Meeting

E. Wilson attended the Village of Tilley council meeting in response to their letter. He advised the council that the canal bank has not slid down, and the drainage problem they are experiencing has occurred as a result of their past decisions even though they were advised by the EID at the time of the potential problems that could arise at a future time. E. Wilson advised that the EID has done all it can do to accommodate the Village of Tilley, but the drainage problem is not the responsibility of the EID and should be rectified by the Village of Tilley. E. Wilson also pointed out to the council that the EID has had to keep its water levels up in the canal to accommodate the Village of Tilley as the Village's pond is at the same level as the canal and fills very slowly.

8.0 Financial Report

8.01 August 2003 Financial Statements

J. Knelsen provided an overview of the August 2003 financial statements to the Board. Gross oil and gas revenues are up by \$4.8 million, with 611 new leases this year. Fuel expenses are higher this month as some were not included in last month's statements due to an early cut off date. Operating expenses were a little higher this month due to an Epcor bill which came in on time this year and an invoice for magnicide. The cost of the Autodesk software program was higher than originally estimated due to an additional module that was required. In Equipment Pool Expenses, Buildings and Grounds is higher as a result of repairing the roof on the Sounds Around building. More information is required with regard to the purchase of a grazing genset for \$1,796.17.

A suggestion was made that the perhaps the EID should consider purchasing a water truck as the cost of hiring water trucks has become a large expense. J. Knelsen is to look into the cost of purchasing a water truck and advise the Board at the next meeting.

8.02 Valeo Power

J. Knelsen gave an update on self-retailing with Valeo Power. He will analyze the savings after a year and perhaps lock in at 4.5 cents for the 2004 to 2005 year.

163-09-2003 Moved by P. Hemsing that the Board approve the Financial Statements to August 31, 2003, as presented. Seconded by T. Livingston. CARRIED

10.0 Upcoming Events

- 10.01 Water Markets - Lessons from Australia, University of Lethbridge - Monday, September 29, 2003, at 1:30 p.m.
- 10.02 Harvest Gala - Friday October 17, 2003.
- 10.03 Regular EID Board Meeting - Tuesday, October 28, 2003.
- 10.04 Premier's Dinner, Thursday, October 30, 2003.
- 10.05 Mountains as Water Towers Conference, Banff Centre - November 23 - 26, 2003.
- 10.06 AIPA Annual Meeting - Wednesday, December 3, 2003.

Allen Nielsen gave a report on the Northwest Irrigation Operators Tour which was held in Durango, Colorado.

C. Henrickson moved adjournment of the meeting at 3:22 p.m.



Board Chairman



General Manager

28 October 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 28th day of October, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)
Mr. Earl Wilson	General Manager
Mr. James Knelsen	Manager of Administration
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 9:00 a.m.

1.0 Adoption of Agenda

The following items were noted for addition to the agenda:

- Rolling Hills Campground Update to item 3.0 Business Arising from Minutes
- LAPP Discussion to item 4.0 - Financial Report
- Patterson Lease Update to item 7.0 - Lands Report
- Genset Update to item 3.0 - Business Arising from Minutes
- Henry and Mark Kasdorf Meeting to item 5.0 - Engineering Report
- Weather Station Update to item 3.0 - Business Arising from Minutes
- Whaley Mar Ditch Update to item 3.0 - Business Arising from Minutes
- Vehicle Replacement to item 11.0 - General Manager's Report
- Monty Solberg Luncheon to 12.0 - Upcoming Events

164-10-2003 Moved by C. Henrickson that the Board adopt the Agenda with noted additions. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes - September 23, 2003

165-10-2003 Moved by C. Henrickson that the Board approve the Minutes of the September 28, 2003, regular meeting as presented, with minor amendments. Seconded by N. Johnson. CARRIED

3.0 Business Arising from Minutes**3.01 Rutschmann Farm Improvement - SE 20-20-15 W4M**

166-10-2003 Moved by P. Hemsing that due to more information, Motion 160-09-2003 be rescinded. Seconded by T. Livingston. CARRIED

3.02 Genset Update

An explanation of the purchase of the genset was given. The genset was required by Duane Lindsay and Bill Kazimir for repairing leaks and should have

been coded to large shop tools rather than miscellaneous equipment charges.

3.03 Rolling Hills Campground Update

The Rolling Hills Campground proposed expansion of the third tier was revisited from last month. E. Wilson advised the meeting that the cost has been approximately \$500,000 to date. There are 80 sites and the third tier would add another 30 sites. E. Wilson felt that enough money has been spent on the campground and it would not cost any more to develop the third tier at a future date and there would be no benefit to developing the third tier at this time. It was decided that the Board would view the campground after lunch, and they came to the same conclusion that expansion was not beneficial at this time.

3.04 Weather Station Update

E. Wilson advised the meeting that the irrigation branch of Alberta Agriculture will be building the weather station for irrigation modelling. He had spoken to them about finding an alternative location and was informed that this particular location was chosen as it was close to irrigation and away from Brooks. They are looking in the Rosemary area for an alternative site.

3.05 Whaley Mar Ditch Update

The open ditch on the EID lands where Whaley Mar's water pipeline is being installed is still not backfilled despite requests by the EID. It was suggested that the EID do the backfilling and charge Whaley Mar for the work.

4.0 Financial Report

4.01 September 2003 Statement

J. Knelsen presented the September 2003 Financial Statements. Revenues are not as high as in prior months, but the oil and gas sector is still strong. The EID received a refund on taxes from the Town of Brooks in the amount of \$5,253.00 due to a reassessment on property. J. Knelsen advised that collision insurance rates could go up 40%. The equipment pool expenses were higher this month due to crane inspection and trailer certification. In Operations Expenses, Materials/Supplies, \$11,000 of the \$13,000 is the US exchange on magnicide purchase.

167-10-2003 Moved by P. Hemsing that the Board approve the Financial Statements to September 30, 2003, as presented. Seconded by N. Johnson.

CARRIED

4.02 Receivables

J. Knelson presented an Accounts Receivable Summary to the meeting. He advised that the accounts receivable balances now include GST. It was noted that the collection agency has not been very successful in collecting some outstanding household purposes accounts.

4.03 Land Sales Cash Reserve

In response to a question asked by the Board at an earlier meeting, J. Knelsen advised that the estimated total principal of real estate assets over the last 10 years is \$3,237,510. This amount does not include the sale of the old EID office and the houses in Evergreen Park as these funds were used to build the current EID building. The question was, does the Board wish to restrict these funds as a separate reserve item, or maintain an internal schedule and does the Board wish to have the exact amount set up as a specific investment and designated as such. It was decided that for the time being, the cash reserve funds from land sales are to be tracked in the reserve fund and that this matter will be discussed further at a future date.

4.04 LAPP Fund

J. Knelsen advised that the pension contributions for employees and employers are increasing as of January 1, 2004, by 1.077% of salary, in order to offset the weak returns the LAPP has experienced in the investment market. The concern of the Board was that this is an unfunded liability that could result in continual increases that could become problematic in the future and what could the EID do about it. It was decided that more information was required.

4.05 Investment Report

J. Knelsen presented an Investment Summary. Total investments are \$40,670,104 as at September 30, 2003, compared to \$43,799,577 as at September 30, 2002.

A break was held at 10:40 am to 10:48 a.m. George Romao enters. Henry and Mark Kasdorf enter at 11:a.m.

5.0 Engineering Report

5.01 Henry and Mark Kasdorf - 10B Springhill Project

E. Wilson advised the meeting that the Kasdorfs have requested, that in order for them to sign the Right-of-Way Agreement to allow the 10B Springhill project to proceed, they would like the EID to line their borrow pit. The EID had originally dug the pit in 1996/1997 and it has since been made larger by the landowner. The borrow pit covers approximately 2 acres and is 35 to 40 feet deep. The problem is that water seeps out of the borrow pit. The Kasdorfs have been using this pond for recreational purposes. The cost of installing a liner is approximately \$30,000.00. The Kasdorfs advised that they would forfeit the right-of-way payment to them of \$7,500.00, which would leave the EID with the cost of \$22,500.00. The Kasdorfs advised that the proposed project will benefit their neighbours but is of no benefit to them, will cause them inconvenience and will cost them about \$10,000.00 for gated pipe if this project goes ahead. It was noted that the EID had lined the pond with excess dirt from 11B in the past so that it wouldn't leak, but was unsuccessful. The Kasdorfs also advised that if the EID did not wish to line the pond, they would accept irrigation acres instead.

Henry and Mark Kasdorf exit.

The general consensus of the Board was that it would not be advisable for the EID to line the borrow pit or grant irrigation acres and to look at other possibilities and perhaps delay the 10B Springhill project for a year.

Henry and Mark Kasdorf exit.

- 168-10-2003 Moved by T. Livingston that other possibilities and alternatives be explored rather than line the borrow pit or grant irrigation acres to the Kasdorfs. Seconded by C. Henrickson. CARRIED**

5.02 23 Rolling Hills

G.Romao presented the synopsis for the 23 Rolling Hills proposed project. Lateral 23 Rolling Hills is a canal located in Sections 15 and 21-14-13 W4M, south east of Rolling Hills. The lateral starts at the Rolling Hills main canal and tails out in a drain. The canal is seeping and has some capacity restrictions. The pipeline design will control the seepage and other problems and return any spill water back to the supply system. The lateral 23 Rolling Hills delivers water to 1042 acres of sprinkler irrigation. The estimated cost of this project is \$635,000.

- 169-10-2003 Moved by N. Johnson that the Board approve the installation of a pipeline to control seepage and other problems associated with Lateral 23 Rolling Hills and to return any spill water back to the supply system at an estimated cost of \$635,000. Seconded by C. Henrickson. CARRIED**

G. Romao presented an infrastructure cost share program project in conjunction with the new proposed pipeline (23 Rolling Hills) for A. and M. Wennekers in the NW 22-14-13 W4M. Wennekers are irrigating using 3 pivot irrigation systems pumped from one location. The pump site is located approximately 160 meters east of the legal delivery which is located in the south west corner of NW 22-14-13 W4M. The ditch that supplies the pump site was constructed by the landowner and with the new pipeline, it is proposed to supply water for a direct hook up to the pump site by the installation of a supply line that will cost approximately \$11,200 with the District's cost share of this line to be 50% funding for a total of \$5,600.00.

- 170-10-2003 Moved by P. Hensing that the Board approve the installation of a supply line to supply water for a direct hook up to the pump site on NW 22-14-13 W4M, at an estimated cost of \$11,200, with the Districts cost share being 50% or \$5,600.00. Seconded by A. Nielsen. CARRIED**

5.03 03 H West Bantry

A synopsis for 03 H West Bantry was presented. The system being looked at starts at H West Bantry canal in the NW 29-17-13 W4M and ends in the SE 30-17-13 W4M, serving 289 acres of pump irrigation and 166 acres of gravity irrigation. Problems associated with this canal are poor access in the last 1200 meters making it difficult for operation and maintenance, and seepage along the length of the canal is a growing concern. The canal also lacks adequate bank width and height. The recommended alternative is to install a PVC pipeline, with the existing turnout in H West Bantry that presently feeds 03 H West Bantry becoming the stilling pond inlet. From the stilling pond the pipeline will follow the existing alignment for approximately 2000 meters where it will tail out, at an estimated cost for this project of \$363,000, to be funded under the capital work's program.

- 171-10-2003** Moved by P. Hemsing that the Board approve the project to install a PVC pipeline following 03 H West Bantry canal, with the existing turnout in H West Bantry to become the stilling pond inlet from where the pipeline will follow the existing alignment for approximately 2000 meters and tail out, at an estimated cost of \$363,000, to be funded under the capital works program. Seconded by C. Henrickson. **CARRIED**

5.04 07B and 01-07B Springhill

G. Romao presented the synopsis for this project. This system is about 4 miles west of the Village of Rosemary, to serve 435 acres of pump irrigation and 90 acres of flood irrigation at a supply flow of 14cfs. The problems are lack of capacity, poor bank width and height and control structures along this reach need replacement. The recommendation is to supply a PVC pipeline from a settling pond located near the current canal inlet, running west to NE 5-21-16 W4M, from which point the line will run north for about 50 meters, where a lateral will then split away to the north west direction to supply two deliveries, and the main pipeline will continue north. The project also includes a delivery to the centre of SW 8-21-16 W4M, sized for a new pivot. This will eliminate the need for a turnout off of 01-08 A on the opposite side of the quarter section. The estimated cost for this project is \$306,672.

- 172-10-2003** Moved by F. George that the Board approve the project to install a pipeline from the settling pond located near the current canal inlet in the NW 4-21-16 W4M, with the pipeline running west to NE 5-21-16 W4M, then north for 50 meters, at which point a lateral will split away in the north west direction and the main line will continue due north, at an estimated cost of \$306,572. The project also includes delivery to the centre of SW 8-21-16 W4M. Seconded by N. Johnson, **CARRIED**

An infrastructure savings grant application by David and Dorrie Corcoran was presented in conjunction with the proposed 07B and 01-07B Springhill project. They wish to convert their 141 acres of flood irrigation in the NE 5-21-16 W4M and the SE and NE 8-21-16 W4M to a configuration of wheel-move sprinklers and a pivot totalling 183 acres (138 acres under pivot and 45 acres of wheel move), requiring an increase of 42 irrigation acres. The estimated savings of \$10,180 would be from reduced pipe diameter and one less turnout and with the recommended grant through the infrastructure savings grant program would be \$5,090.00.

- 173-10-2003** Moved by C. Henrickson that the Board approve the infrastructure savings grant application by David and Dorrie Corcoran on the NE 5 and SE and NE 8-21-16 W4M, at a savings to the EID of \$5,090.00 (50% of the estimated cost of \$10,080) due to reduced pipe diameter and one less turnout. Seconded by P. Hemsing. **CARRIED**

5.05 Project Update

G. Romao presented an EID Project Construction Status Report on 07 Bow Slope, G 10 North Bantry, A West Bantry, 15 East Branch and Tilley Canal.

5.06 Doug Gray - Infrastructure Grant Application and Request for Additional Acres

Doug Gray has made a request for 26 irrigation acres. He has 86 acres of first water

wild flood on the NW 21-20-12 W4M. These acres were assessed prior to 1978 allowing the Board to increase these acres by 30% without soil testing and the landowner would like to add irrigation acres up to the maximum allowable without soil testing which would be 86 acres plus 30%, totalling 112 acres. The landowner would like to keep 7 acres in the north west corner, leaving 105 acres under pivot.

- 174-10-2003 Moved by P. Hensing that the Board approve the application of Doug Gray for an additional 26 irrigation acres in the NW 21-20-12 W4M with the condition that the 7 acres in the north west corner be under pivot irrigation for a total of 112 acres under pivot irrigation. Seconded by T. Livingston. CARRIED**

In addition to the request for additional acres, there is also an infrastructure grant application for Doug Gray with respect to the NW 21-20-12 W4M. This quarter has 86 acres of first water wild flood, and there are 3 turnouts which would have to be served with the pipeline. There is a cost savings of \$40,000 for the pipeline project if the owner installs a pivot on this quarter, however a drain would have to be relocated at a cost of \$6,500 and the landowner wishes to have a domestic line installed to the yard at a cost of \$6,500, making a total cost savings of \$27,000, 50% of which is \$13,500.

- 175-10-2003 Moved by T. Livingston that the Board approve the infrastructure savings grant application of Doug Gray at a cost savings to the District of \$13,500. Seconded by C. Henrickson. CARRIED**

5.07 Bruce Musgrove - Infrastructure Cost Share, Lateral AH North Bantry

Part of the SW 29-20-12, containing 62 acres of first water was converted in 2002 from terminable water and the turnout location was moved from the Sand Hill Creek to the SE corner of the SE 29-20-12 W4M. As part of the AH North Bantry pipeline project, the lateral which runs along the south boundary of the SE 29-20-12 W4M will be replaced with a closed buried pipeline. This pipeline can be extended to the SW 29-20-12 to serve the 62 acres at an estimated cost of \$17,000, 50% of the cost to be borne by each the District and the landowner, or \$8,500 each.

- 176-10-2003 Moved by T. Livingston that the Board approve the extension of the closed buried pipeline that will run along the south boundary of the SE 29-20-12 W4M as part of the AH North Bantry pipeline project, to the SW 29-20-12 W4M, to serve the 62 acres at a cost of \$17,000, with the District and the landowner each paying \$8,500. Seconded by C. Henrickson. CARRIED**

6.0 Operations

6.01 Farm Improvement - T and Y Doerksen - NW 24-22-17 W4M

This improvement calls for changing 114 acres of gated pipe flood irrigation to 132 acres pivot irrigation. The landowner would also like to keep 5 acres in the south west corner of this quarter. If the 5 acres are awarded to the landowner, the payment to the water user would be \$4,277.00, calculated as follows:

114 acres flood to pivot:	\$6,577.00
23 acres needed (23 x \$100):	<u>\$2,300.00</u>
Payment to water user:	<u>\$4,277.00</u>

If the 5 acres are not awarded to the landowner, the payment to the water user would be \$4,777.00, calculated as follows:

114 acres flood to pivot:	\$6,577.00
18 acres needed (18 x \$100):	<u>\$1,800.00</u>
Payment to water user:	\$4,777.00

The delivery site will remain the same off of 01-08 NB pipeline, pivot must be low pressure complete with drop tubes and no cold weather shut-offs and pivot must be piped to pivot centre.

- 177-10-2003 Moved by P. Hensing that the Board approve the farm improvement on the NW 24-22-17 W4M, for the conversion of 114 acres of gated pipe flood irrigation to 132 acres of pivot irrigation, provided that the 5 acres in the south west corner of the quarter are moved under the pivot, with a resulting payment to the landowner of \$4,777. Seconded by F. George. CARRIED**

- 178-10-2003 Moved by T. Livingston that the Board approve the increase of 18 irrigation acres to Tim and Yvonne Doerksen by the conversion of 114 acres of flood irrigation to 132 acres of pivot irrigation in the NW 24-22-17 W4M. Seconded by P. Hensing. CARRIED**

6.02 Farm Improvement - Richard Rosen - SE 22-16-16 W4M

This farm improvement calls for converting 143 acres of wheel move irrigation to 132 acres of pivot irrigation. The pivot is to be low pressure with drop tubes and no cold weather shut-offs and the pivot is to be piped to pivot centre. The difference between 143 acres of wheel move irrigation and 132 acres of pivot irrigation is 11 acres, which the landowner can either keep or sell back to the EID. If the landowner decides to keep the 11 irrigation acres, payment to the landowner would be \$300, calculated as follows:

132 acres wheels to pivot:	\$2,500.00
11 acres kept (11 x \$200):	<u>\$2,200.00</u>
Payment to landowner:	\$ 300.00

If the landowner decides to sell the 11 irrigation acres back to the EID, payment to the landowner would be \$3,600, calculated as follows:

132 acres wheels to pivot:	\$2,500.00
11 acres sold back to EID (11 x \$100):	<u>\$1,100.00</u>
Payment to landowner:	\$3,600.00

- 179-10-2003 Moved by C. Henrickson that the Board approve the farm improvement on the SE 22-16-16 W4M for the conversion of 143 acres of wheel move irrigation to 132 acres of pivot irrigation, with the landowner having the choice of keeping the extra 11 irrigation acres resulting in payment to him of \$300, or selling the 11 acres back to the EID, resulting in payment to the landowner of \$3,600. Seconded by P. Hensing. CARRIED**

6.03 Farm Improvement - Hutterian Brethren of Bow City - Section 16, 17 and NW 29-17-17 W4M

This farm improvement calls for the conversion of 385 acres of flood irrigation to 376 acres of pivot irrigation. Pivot to be low pressure complete with drop tubes and no cold weather shut-offs and pivot to be piped to pivot centre. The conversion of 385 acres flood to pivot rated at a factor of 1.33 equals 512 acres, less 376 pivot acres for a total of 136 additional irrigation acres ($385 \times 1.33 = 512 - 376 = 136$). Using this conversion factor, the landowner wishes to install a new pivot in the NW 29-17-17 W4M. Pump wells and some ditch work will need to be done to accommodate these pivots with the cost to be taken off of the efficiency grant of \$21,691.00.

180-10-2003 Moved by C. Henrickson that the Board approve the farm improvement of the Hutterian Brethren of Bow City for the conversion of 385 acres of flood irrigation in Sections 16 and 17- 17-17 W4M to 376 acres of new pivot irrigation, resulting in payment to the landowner of \$21,691.00, less the cost of pump wells and ditch work. Seconded by N. Johnson.

CARRIED

181-10-2003 Moved by C. Henrickson that the Board approve the increase of 133 irrigation acres in the NW 29-17-17 W4M for the Hutterian Brethren of Bow City as a result of the conversion of 385 acres of flood irrigation to 376 acres of pivot irrigation. Seconded by N. Johnson.

CARRIED

6.04 Reservoir Status

E. Wilson presented a report on the reservoir status to date. He advised that the District had diverted 460,000 acre feet this year. Lake Newell is 9 inches from capacity and the Rolling Hills Reservoir is 4 feet from capacity. All reservoirs are at preferred winter levels at an earlier date than anticipated because TransAlta Utilities have increased flows to Meet power generation demands..

7.0 Lands Report**7.01 Casper Cattle Company Ltd. - Conversion of 2nd Water Rights to 1st Water Rights**

Casper Cattle Company Ltd. has 103 acres of terminable irrigation in the NW 2-16-16 W4M and 37 acres of terminable irrigation in the SW 2-16-16 W4M. It is currently irrigating both parcels with a single pump site off of drain, however, it will be connecting to the new 15 Bow Slope pipeline at the same delivery point (Board approval April 29, 2003). The recommendation is that these parcels be converted to 1st water irrigation.

182-10-2003 Moved by P. Hemsing that the Board approve the conversion of 103 acres of terminable irrigation in the NW 2-16-16 W4M and 37 acres of terminable irrigation in the SW 2-16-16 W4M to 1st water irrigation, subject to the registration of an "irrigable unit" on the NW 2-16-16 W4M and SE 2-16-16 W4M. Seconded by C. Henrickson.

CARRIED

7.02 Irrigable Unit and Increase in Irrigation Acres - NE and SE 8-21-16 W4M and NE 5-21-16 W4M

E. Wilson provided information regarding the requirement of an "irrigable unit" on

the NE and SE 8-21-16 W4M and NE 5-21-16 W4M, being lands owned by David and Dorrie Corcoran.

183-10-2003 Moved by N. Johnson that the Board approve the discharge of the "Irrigable Unit" on the SE 8-21-16 W4M and NE 8-21-16 W4M, and the registration of a new "Irrigable Unit" on the NE 8-21-16 W4M, the SE 8-21-16 W4M and the NE 5-21-16 W4M, being lands owned by David and Dorrie Corcoran. Seconded by P. Hemsing. **CARRIED**

184-10-2003 Moved by N. Johnson that the Board approve the increase of 42 irrigation acres (141 irrigation acres to 183 irrigation acres) for David and Dorrie Corcoran in the NE and SE 8-21-16 W4M and the NE 5-21-16 W4M, subject to the conversion of the 141 acres of flood irrigation to 138 acres of pivot irrigation and 45 acres of wheel move irrigation. Seconded by P. Hemsing. **CARRIED**

7.03 Review of Irrigation Development Policy

A lengthy discussion ensued on the irrigation development policy and the transfer or sale of conversion efficiency acres. It was decided to table this matter to the next Board meeting.

7.04 Capital Assets Charge

E. Wilson advised that other districts were charging \$150 to \$300 per acre for capital assets charge. The discussion was on whether or not the District should raise the capital assets charge. It was decided to table this matter to the next Board meeting.

Jim Meador exits at 3:37 p.m.

7.05 Report on Fire Adjacent to Crawling Valley

A report was presented with respect to the fire located on EID lands on the SW 18-22-17 W4M and SE 13-22-18 W4M, which occurred on October 8, 2003. The area of the fire was approximately 10 acres and the cause is unknown at this time.

8.0 Grazing Lease Report

8.01 Letter from Melvin Fieldberg

A letter was received from Melvin Fieldberg requesting that the EID pay him for the loss of his bull in the amount of \$1,800. The bull had escaped from the Tilley Community Lease and was killed in a motor vehicle accident on the TransCanada highway on August 31, 2001. The consensus of the Board was that no payment would be forthcoming over the standard \$500.00 payment.

Gary Redelback enters at 3:45

9.0 Oil and Gas Report

9.01 Wells to Date

Gary Redelback advised the meeting that during the period of January 1, 2003 to October 22, 2003, there have been 792 new wells, 2775 acres or 462 miles of new pipelines and 5 permits for seismic activity.

9.02 Proposed Wells

Gary Redelback advised that between November 2003 and February 2004, there will be approximately 400 new Encana wells, 105 new CNRL wells and 100 new EOG wells.

Clint Henrickson and Gary Redelback exit at 3:55

10.0 Equipment

10.01 Water Truck

E. Wilson advised the meeting that in 2003, the EID had spent \$93,067.50 on water hauling, however 2003 was the highest year for water hauling due to the fire hazard on EID lands. The average cost in the four previous years was less than half of that amount, and accordingly he felt he could not recommend the purchasing of a new water truck.

10.02 Hydro-vac Truck

E. Wilson advised the meeting that in 2003, \$124,789.00 was spent on hydro-vacs. The cost of a new hydro-vac truck is approximately \$550,000, the maintenance costs would be very high and a skilled operator would be required. He felt that he can not justify the purchase of a hydro-vac truck at this time.

10.03 Theft of Tools from Construction Trailer

E. Wilson advised that \$1,000 worth of hand tools had been stolen from the construction trailer at the Rolling Hills Campground.

11.0 General Manager's Report

11.01 Bow River Basin Council

E. Wilson received a letter from the Bow River Basin Council advising that they are fund raising for the production and distribution of an up-to-date State of Basin Report and requested financial support from the District.

185-10-2003 Moved by A. Nielsen that the District give a cash donation of \$1,500 to the Bow River Basin Council for the production and distribution of an up-to-date State of Basin Report. Seconded by P. Helsing. CARRIED

11.02 Bassano Pool - Fund Raising

The EID received a letter from the Bassano Pool Fund Raising Committee, requesting that the District donate cash or an item for their auction to raise funds for modernizing their facility. It was decided that a donation to their auction would be appropriate.

11.03 Rainier Hall Donation

A letter was received from the Rainier Community Hall requesting a contribution or cash donation to help cover the operating expenses of the Rainier Hall for the next 18 months. It was the decision of the Board that no cash donation would be made.

11.04 Alberta Sustainable Resource Development.

A request was made by the Director of Alberta Sustainable Resource Development to attend at a Board meeting and make a presentation to the Board of Directors. It was decided that he make his presentation at the January 2004 monthly Board Meeting.

11.05 Board of Directors and Manager Relationship Policy

The Board decided that the review of this policy be tabled to a future meeting.

11.06 Vehicle Replacement

A short discussion was held with respect to the replacement of trucks. It was felt that half ton trucks may be too light and that fleet trucks are a lighter quality than trucks purchased from dealership lots. Some repair parts for fleet trucks are not kept in stock and have to be ordered in. A suggestion was made to purchase trucks from a wholesaler as the price would likely be less. It was decided that more information was required and this matter would be addressed at a future meeting.

12.0 Upcoming Events

12.01 Premier's Dinner, Thursday, October 30, 2003.

12.02 Chamber of Commerce Luncheon - Monty Solberg - November 14, 2003.

12.03 Board Meetings - November 18 and November 20, 2003.

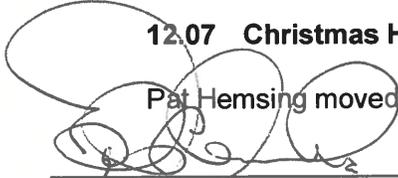
12.04 Mountains as Water Towers Conference, Banff Centre - November 23 - 26, 2003.

12.05 AIPA Annual Meeting - Wednesday, December 3, 2003.

12.06 Regular EID Board Meeting - December 18, 2003.

12.07 Christmas Holiday shut down - December 24, 2003 to January 2, 2004.

Pat Hemsing moved adjournment of the meeting at 4:35 p.m.



Board Chairman



General Manager

18 November 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 18th day of November, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)

Mr. Earl Wilson	General Manager
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 8:58 a.m.

1.0 Adoption of Agenda

The following items were noted for addition to the agenda:

- Rate for Land Sales - \$500.00 per Acre

186-11-2003 Moved by C. Henrickson that the Board adopt the Agenda with noted additions. Seconded by P. Hemsing.

CARRIED

2.0 Approval of Minutes - October 28, 2003

187-11-2003 Moved by P. Hemsing that the Board approve the Minutes of the October 28, 2003, regular meeting as presented, with noted amendments. Seconded by C. Henrickson.

CARRIED

3.0 Business Arising from Minutes

Board of Directors Meeting to be held on Wednesday, November 19, 2003, rather than Thursday, November 20, 2003.

Reminder that J. Knelsen was to contact the UFA in Calgary in the month of December with regard to a fuel tender (June 23, 2003 meeting).

4.0 Increases in Irrigation Acres, Criteria and Guidelines

E. Wilson presented the amended draft Policy for Increases in Irrigation Acres, Criteria and Guidelines, containing a rating system that he had developed for the evaluation of parcels of land to determine if they qualify for increases in irrigation acres. The rating system is based on ability to deliver water, soil classification, size of parcel, intensification and efficiency of delivery. A lengthy discussion ensued with regard to the soil classification rating. E. Wilson gave examples of a number of different scenarios to demonstrate the effectiveness of the rating system. The consensus was that this was a good and fair method of determining eligibility for increases in irrigation acres.

A recess was held at 10:45 a.m. to 10:53 a.m.

5.0 Irrigation Expansion Policy

5.01 Transfer of Farm Efficiencies

Lengthy discussion was held on the issue of selling and transferring farm efficiency conversion acres. E. Wilson felt that since the EID had told water users at a public meeting that on the river, the EID would be at a net balance, that some farmers would be given a few extra acres (ie. add 20 acres so a pivot can go), and that some farmers would create more efficiencies than needed. It was his view that if the EID allows the transfer of efficiency irrigation acres from one farmer to another, then the EID could not help any farmers at all.

Although the EID regards its conversion numbers as somewhat conservative, and if all efficiencies were transfers, the EID would have to rate the land more stringently, making it more difficult for individual farmers to get enough acres and that would stall some on farm conversions.

An alternative opinion was that the transfer of efficiency irrigation acres should be at the discretion of the water user creating these efficiencies and that he should have the option to sell them if he so chooses.

The general feeling amongst the Board members was that efficiencies should be transferred within the "irrigator's farm unit" only. As such, it was necessary to determine the criteria for defining an "irrigator's farm unit".

Some of the options were:

- (a) Within the income tax rules, there are two definitions (related and/or associated) that could be used. This would require all parties' signatures and a certificate from their accountant stating that they are related and/or associated.
- (b) Applicants provide proof of their ownership, and the Board accepts or rejects their documentation.
- (c) That the landowner who will be receiving the efficiency conversion acres is on title of the parcels creating the efficiencies. The applicants would have to produce the titles and fill out a declaration that the recipient is not only on title, but has a beneficial interest in the land. In the case of the land producing the efficiencies being owned by a company, they would have to produce a declaration stating that the recipient has a legal, beneficial interest in the company (ie. common shares).

Discussion ensued and it was decided that it would be best to have the applicants provide proof of ownership by providing documentation as set out in clause (b) and/or (c), and the Board of Directors would accept or reject their documentation.

188-11-2003 Moved by P. Hemsing that farm efficiency conversion acres are to be transferred within the "irrigator's farm unit" only. Applicants will be required to provide proof of ownership of the land that is creating and receiving the efficiency conversion acres, and acceptance or rejection of the ownership documentation and approval of the application will be at the discretion of the Board of Directors. Seconded by Neil Johnson.

**CARRIED
(OPPOSED: C. HENRICKSON)**

(F. George wished to have his vote recorded in favour of the motion).

6.0 Capital Assets Charge

6.01 Increase in Capital Assets Charge

The issue of whether or not to increase the capital assets charge is revisited from the previous Board meeting. The EID's capital assets charge is \$100 per acre and most other districts are charging \$150 to \$300 per acres, with St. Mary's Irrigation District charging \$800 per acre. The mountain districts range from zero to \$80 per acre. The question raised was, "Should new water irrigation acres be at a different capital assets rate than intensification acres?"

Lunch break was held from 11:45 a.m. to 12:50 p.m.. Jim Meador enters.

Discussion was continued on increase of capital assets charge and a two tier system.

189-11-2003 Moved by N. Johnson to set the capital assets charge at \$150 per acre for efficiency acres and \$400 per acre for new acres that require new water. Seconded by P. Hemsing.

There was a lengthy discussion. Comments were made that the value of farm land would increase with an increase in capital assets. Another opinion was that farmers with intensification acres would receive no benefit if new acres are developed and therefore the capital assets charge for on farm efficiencies should stay at \$100 per acre.

190-11-2003 Moved by C. Henrickson to amend motion 188-11-2003 to set the capital assets charge at \$100 per acre for efficiency acres and \$200 per acre for new acres that require new water. Seconded by F. George **DEFEATED**

191-11-2003 Moved by F. George to leave the capital assets charge at its current rate of \$100 per acre. Seconded by C. Henrickson. **DEFEATED**

192-11-2003 Moved by N. Johnson to set the capital assets charge at \$200.00 per acre. Seconded by P. Hemsing. **CARRIED**
(OPPOSED: F. GEORGE)

7.0 Applications for Increases in Irrigation Acres

7.01 Granting of Irrigation Acres to Non-Residents

A concern was raised with respect to granting irrigation acres to non-residents. There are parcels of land in the EID where the landowners do not live in the area and the lands are being leased to other EID water users. If applications for irrigation acres are made for acres in more than one quarter section leased by the same lessee and the lands qualify under the rating system, the lessee could receive the benefit of increases in irrigation acres in excess of the 160 irrigation acres limit allotted to a water user. Discussion ensued, some Board members were opposed to this idea and others were in favour of it, however it was felt that the District should not discriminate between residents and non-residents.

7.02 Applications for Increases in Irrigation Acres

Applications for increases in irrigation acres have been received and rated in accordance with

this policy. The approval of increases in irrigation acres is subject to conditions, namely, the completion of the development by November 1, 2004, completion of satisfactory soil classification tests by May 30, 2004, the acquisition of additional irrigation acres if required and any other conditions imposed by the EID. If the conditions are not met as aforesaid the approval for irrigation acres will be revoked.

**193-11-2003 Moved by T. Livingston that the Board approve the following applications for increases in irrigation acres, subject to completion of the conditions (ie. completion of the development by November 1, 2004, completion of satisfactory soil classification tests by May 30, 2004 and acquisition of additional irrigation acres if required).
Seconded by C. Henrickson. CARRIED**

Name	Land Location	Existing Assesment	Application Proposed Change	Conversion Factor	Increased Assesment due to Conversion	New Acres Requiring New water Below Newell	New Acres Requiring New water Crawling Valley	Acres Requiring New Water From River	Rating	Total Change
South Slope	Sect. 11-17-16	0	Numerous conversions		278				116	278
Bernard Steinbach	SW 32-20-17	40	Wild flood to pivot	1.5	20 ac transfer from NW 29				112	45
Gerald Connors	NE 35-21-13	70	Wild flood to pivot	1.5	35	20			98	55
Veenstra	SE 9, SW 10-18-14	271	Install a Linear		10	4			97	14
Clearview Hutterian Brethren	Sect. 24, 25-23-18	135	Pivot				135		74	135
591 155 Alberta Ltd.	NE 15-22-16	150	Pivot				150		65	160
New Investments Ltd.	SW 14- 22 -16	150	Pivot				150		65	160
Lily Murray	NE 12 - 18 - 13	0	New development	0	0	135			62	135
Robert Peltzer	SE 8 - 21 - 15	80	Wheels to Pivot	1.15	20			20	57	40
Brad Deschamp	SW 30 - 20 - 12	70	Add 19 to 30 ac leveled	1.25 on 35 ac	9	10			57	19
Bar 4T	SW 16 - 19 - 12	0	1/4 sec Pivot	0		130			56	130
Totals					474	299	435	20	859	1171

The following applications for increases in irrigation acres have been refused:

Name	Land Location	Existing Assessment	Application Proposed Change	Conversion Factor	Increased Assessment due to Conversion	New Acres Requiring New water Below Newell	New Acres Requiring New water Crawling Valley	Acres Requiring New Water From River	Rating	Total Change
Neil Douglas	W 36,E 35-24-16	0	New development	0	0		130		56	130
Paul Hansen	NE 25-17-14	256 pivot	25 ac wheels	0		25			43	25
Neil Douglas	E 5 - 25 - 16	0	New development	0	0		260	0	42	260
L & L Oilfield	N 30 - 21 - 16	0	New development	0	0		150		40	150
Jamie Buteau	SE 26 -18 - 16	0	New development	0	0			120	0	130
Armstrong Ranches	NE 32- 20 - 18	0	New development	0	0			150	0	150
Isaak Wall	NE 15 - 16 - 16	0	New development	0	0			100	0	100
Robert Peltzer	SW 28 - 21 - 15	35	Add 25 acres Whees	0	0			25	0	25
Jamie Buteau	NW 20 - 18 -16	0	New development	0	0			90	0	90
Brad Calvert	SW 30 - 17 - 16	35	Complete the pivot	0	0			80	0	80
Hargrave	NE 16-21-14	0	New development	0	0			130	0	130
Kris Vikedal	NW 34 - 18 - 15	11	Add 5 acres of Wheels	0	0			5	0	5
John Hiebert	SE 1 - 22 - 17	80	Put up small pivot						0	40
Vern Parker	NE 17 - 21 - 16		See Note		5			15	0	20
Leo Wiebe	SE 27 - 21- 16		Small pivot	0	0			20	0	20
V & L Vali	NE 21 - 19 - 14		Complete the pivot	0	0			40	0	40
Gordon Kay	NE 6 -21 - 13		Small pivot	0	0	35			0	25
Totals						60	540	775	181	1420

A recess was held from 2:55 p.m. to 3:03 p.m. Jim Meador exits at 3:07 p.m.

8.0 Board of Directors and Manager Relationship Policy

It was the decision of the Board to table this matter to the November 19, 2003 meeting.

9.0 Review of Policies

E. Wilson asked the Board which policies they would like to review over the next few months. The topics requested were as follows:

- (a) Expansion Policy - how is the EID going to dispose of land (ie. EID land)?
- (b) Grazing/Irrigated Acres
- (c) Fred Mandeville's letter re payment of dividends to water users from surface lease revenue.

10.0 Election By-Law

By-Law 842 (2003) was presented to the meeting for the 2004 election of Directors for Division 2 (Tom Livingston), Division 4 (Neil Johnson) and Division 7 (Pat Hemsing), establishing the date for nominations of Directors as at Friday, April 2, 2004, and the date for the election of Directors to be held on Friday, April 23, 2004. April 7, 2004.

By-Law 842 (2003) 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:

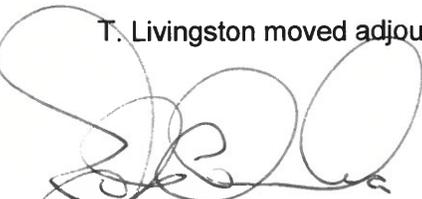
Moved by C. Henrickson that this By-Law was read and approved the 1st time this 18th day of November, 2003. Seconded by P. Hemsing.

Moved by C. Henrickson that this By-Law was read and approved the 2nd time this 18th day of November, 2003. Seconded by P. Hemsing.

194-11-2003 Moved by N. Johnson, that the Directors unanimously approve conducting the 3rd reading of By-Law 842 (2003), establishing the date for nominations of Directors for Divisions 2, 4 and 7, as at Friday, April 2, 2004, and the date for the election of Directors for Divisions 2, 4 and 7, as at Friday, April 23, 2004. Seconded by A. Nielsen. UNANIMOUSLY CARRIED

By-Law 842 (2003) was read and approved the 3rd time this 18th day of November, 2003.

T. Livingston moved adjournment of the meeting at 3:22 p.m.



Board Chairman



General Manager

19 November 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 19th day of November, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Helsing	Director (Division 07)

Mr. Earl Wilson	General Manager
Mrs. Renate Dykstra	Executive Assistant

The meeting was called to order at 9.05 a.m. James Knelsen is present.

1.0 Adoption of Agenda

The following items were noted for addition to the Agenda:

- Sale of Land - \$500.00 per acre, to 3.0 Engineering
- Board of Directors and Manager Relationship, to 8.0 General Manager's Report
- Irrigated Lease - Patterson Lease Update to 8.0 General Manager's Report
- 10B Springhill / Kasdorf Update, to 3.0 Engineering
- Infrastructure Improvement, to 4.0 Operations
- Vern Parker Irrigation Application, to 3.0 Engineering

195-11-2003 Moved by P. Helsing that the Board adopt the Agenda with noted additions. Seconded by C. Henrickson.

CARRIED

2.0 Financial Report

2.01 October 2003 Statement

J. Knelsen advised the meeting that he had done an analysis on vehicle insurance costs. There has been a 23% increase in insurance costs in 2003. The breakdown is: \$477 per unit for the pick up trucks, \$754 per unit for the big trucks and \$250 per unit for the trailers. The Board felt that these were reasonable costs and that there was no need make any changes with respect to vehicle insurance.

J. Knelsen presented the October 2003 Financial Statements. To date revenues are \$3.7 million higher than last year, largely due to the oil and gas sector. With the increase in the oil and gas sector it would appear that the EID's revenue will surpass last year's despite a zero revenue from water rates. With respect to administration expenses, directors expenses and equipment and software are over budget. Maintenance expenses are higher due to materials expenses that included gates, hoists, fencing. Internal labour charges are also over budget. Equipment Pool expenses are up due to rental on the new hoes and replacement of tools that were stolen from the construction trailer. Land Administration expenses are also up due to payment of the security contract which was billed earlier this year than last, fencing on the leases, two additional lease riders and prevention of fire hazards (water hauling). Overall expenses are at 80% of budget for the year and with two months to go, they should be just slightly under budget.

196-11-2003 Moved by P. Hemsing that the Board approve the Financial Statements to October 31, 2003, as presented. Seconded by C. Henrickson. CARRIED

James Knelsen exits at 9:52 a.m., George Romao enters.

3.0 Engineering

3.01 Vern Parker Irrigation Application - NE 17-21-16 W4M

Vern Parker's application for increase in irrigation acres (15) was refused at the last meeting. Since then, Mr. Parker has advised that he is able to purchase an additional 6 irrigation acres as part of his application. The Board reviewed the new information in conjunction with the original application and decided to refuse it due to unsuitable criteria, such as the conversion from pivot irrigation to poor flood irrigation, small parcels and transfer of efficiencies from Rolling Hills below Newell to Rosemary on the river. The Board will deal with the transfer of 6 acres once they have the official application to transfer.

3.02 01-08A Springhill

G. Romao presented a synopsis for 01-08A Springhill Canal rehabilitation. This pipeline will serve 478 acres of sprinkler irrigation and 132 acres of gravity irrigation with a current design capacity of 15 cfs. The problems associated with this canal are seepage, lack of capacity, poor bank width and height and the control structures are in need of replacement. The recommended rehabilitation is to install a PVC pipeline from a settling pond located approximately 1100 metres west of the current canal inlet, which will greatly increase the supply elevation, resulting in greater head for the pipeline. The new inlet location will allow 138 acres located on 11-21-17 W4M to be added to the system and eliminate the need for the 07A Springhill Canal. The pipeline will run east-south-east to the northwest corner of SE 12-21-17 W4M, then due east. A lateral beginning between 12-21-17 W4M and 11-21-17 W4M will run due north to supply one delivery.

Flood service to SW 8-21-16 W4M (Jason Hale) will be eliminated in favour of delivery to a new pivot from the 07B Springhill project, to be completed this winter. Flood service to SE 12-21-17 W4M will also be eliminated in favour of wheel move sprinklers to be supplied from 01-08A Springhill, eliminating the requirement of a delivery from 09A Springhill.

The proposed acres to be served by this project are 686 acres of sprinkler irrigation and 75 acres of gravity irrigation, with a required flow of 21 cfs. The estimated cost for this project, including engineering and contingencies is \$750,000.

197-11-2003 Moved by C. Henrickson that the Board approve the rehabilitation of 01-08A Springhill Canal as presented, at an estimated cost of \$750,000. Seconded by T. Livingston. CARRIED

3.03 Infrastructure Grant Savings Grant Application - Jason Hale - W ½ 8-21-16 W4M

In conjunction with the planned rehabilitation of 01-08A Springhill, Jason Hale proposes to convert 121 of his current flood irrigation acres located on the W ½ 8-21-16 W4M to a pivot sprinkler irrigation system. Mr. Hale has 139 acres on these two quarters and will continue to flood 18 acres in the north west corner. He is not requesting any conversion acres. There would be an estimated cost savings to the EID of \$39,500 due to reduced pipe diameter with a recommended grant through the Infrastructure Savings Grant Program of \$15,000 (50% to a maximum of \$15,000), less the cost of the required drain crossings, which will be determined after constructions.

- 98-11-2003 Moved by T. Livingston that the Board approve the infrastructure grant cost savings application of Jason Hale for the W ½ 8-21-16 W4M, in the amount of \$15,000, less the cost of the required drain crossings, to be determined. Seconded by N. Johnson.

CARRIED

3.04 Project Update

George Romao presented a Project Construction Status as follows:

Capital Projects

7 Bow Slope

8 kilometre lined canal

- earthwork below liner grade is about 50% complete
- liner installation started November 13, 2003

G10 North Bantry

1 kilometre lined canal

2 pipelines - total of 2.3 kilometres

- canal earthwork and liner complete, structures remain
- pipeline complete, turnouts remain

A West Bantry

2.2 kilometre pipeline

- installation started November 13, 2003
- completion expected by end of this week

12-01 Secondary A Rolling Hills and 23 Rolling Hills

- scheduled to start in late November, 2003

IRP Projects

15 East Branch

3 kilometre pipeline

- installation to start November 14, 2003

Tilley Canal

4 kilometre lined canal

- scheduled to start November 17, 2003

3.05 10B Springhill/Kasdorf Update

At the October 28, 2003 Board meeting, it was decided that the EID explore other possibilities and alternatives to the original 10B Springhill design. E. Wilson presented two alternatives to the 10B Springhill project, with neither one of them being as good as the original design. E. Wilson recommended that the original design be used, but that the project be delayed for a year, due to the weather conditions and the scheduling of other projects. E. Wilson has since the last meeting, met with the Kasdorfs, shown them these alternatives and they have agreed to sign the right of way agreement even though the EID is not willing to line their borrow pit or grant them irrigation acres. The Board was in agreement with this recommendation.

Mark Kasdorf had requested E. Wilson to calculate the potential acres that could be transferred if he

were to install a pivot on NW 22-21-16 W4M. He was given a letter of commitment, outlining how their land would be rated during the next 5 year period if they wished to transfer irrigation acres and put up a pivot on land to be purchased.

A recess was held from 10:26 to 10:40. Jim Meador enters.

3.06 Sale of Land - \$500 per Acre

A discussion was held with respect to the sale price of lands. The policy has been to sell or acquire prairie land at \$500.00 per acre, prairie land to be irrigated at \$750.00 per acre, and irrigated land at \$1,500.00 per acre. A concern was raised that with the capital assets charge, the price per acre is actually \$200 higher, and that this would increase the value of farmland or cause confusion as to the actual cost. The direction of the Board was to sell prairie land to be irrigated at \$950 per acre all inclusive (ie. including capital assets charges).

4.0 Capital Assets Charge on Farm Improvements

A discussion was held on capital assets charge on farm improvements and whether or not it should be raised for the irrigation acres returned to the District. Under the Farm Improvement Policy, the general practice has been to deduct \$200 per acre for each acre of land that remains surface irrigated outside the wetted perimeter of a pivot and a \$100 per acre credit for each irrigation acre returned to the District outside the wetted perimeter of the pivot. Some Board members felt that the buy back of \$100 per irrigation acre was too low and should be raised to \$300 per acre, others felt that this was too high.

**199-11-2003 Moved by A. Nielsen that the District increase what it pays for any irrigation acres returned to the District as part of the farm improvement program from \$100 to \$200 per acre, this matches the increase in capital assets charges.
Seconded by T. Livingston.**

CARRIED

5.0 Operations

Jim Meador presented the following farm improvement projects:

5.01 Farm Improvement - John Graham - NE 26-16-16 W4M

This farm improvement calls for the conversion of 146 acres of flood irrigation to pivot irrigation in the NE 26-16-16 W4M. The pivot in the SE 26-16-16 W4M irrigates 28 acres in the NE 26-16-16, leaving 118 acres of flood and the new pivot in the NE 26-16-16 will pick up 102 of these acres, leaving 16 acres of flood irrigation. Payment to the landowner for the conversion to 102 acres of pivot irrigation is \$5,884.00.

**200-11-2003 Moved by A. Nielsen that the Board approve the farm improvement project (increase in water use efficiency) for John Graham of 102 acres of flood irrigation to pivot irrigation on the NE 26-16-16 W4M, conditional on the registration of an Irrigable Unit on the NE and SE 26-16-16 W4M, with resulting payment to the landowner of \$5,884.
Seconded by C. Henrickson.**

CARRIED

5.02 Farm Improvement - James Graham Jr. - NE 29-16-16 W4M

This farm improvement calls for the conversion of 139 acres of wheel move irrigation in the NE 29-16-16 W4M to 131 acres of pivot irrigation. Pivot must be low pressure complete with drop tubes and no cold weather shut offs. Payment to the landowner for the conversion to 131 acres of pivot irrigation is \$2,500.

201-11-2003 Moved by T. Livingston that the Board approve the farm improvement project (increase in water use efficiency) for James Graham Jr. of 139 acres of wheel move irrigation to 131 acres of pivot irrigation in the NE 29-16-16 W4M, with resulting payment to the landowner of \$2,500. Seconded by P. Hemsing. CARRIED

5.03 Farm Improvement - Russel Pickett - NE 13-22-17 W4M

This farm improvement project is for the conversion of flood irrigation in the NE 13-22-17 W4M to wheel move irrigation. The present assessment is 117 acres of flood irrigation, 14 of which will remain as such, leaving 103 acres for wheel move irrigation. The new wheeled area is 106 acres, and accordingly, the water user will require 3 additional irrigation acres, which is easily within the conversion factor. Payment to the water user would be \$1,975, calculated as follows:

103 acres flood to wheels:	\$2,575.00
less 3 acres @ \$200.00	<u>600.00</u>
total payable to water user:	\$1,975.00

202-11-2003 Moved by P. Hemsing that the Board approve the farm improvement project (increase in water use efficiency) for Russel Pickett for the conversion of 117 acres of flood irrigation on the NE 13-22-17 W4M to 103 acres of wheel move irrigation and 14 acres of flood irrigation. Seconded by C. Henrickson. CARRIED

203-11-2003 Moved by P. Hemsing that the Board approve the application of Russel Pickett for an increase of 3 irrigation acres (by the conversion of flood irrigation to wheel move irrigation), for a total wheeled area of 106 acres in the NE 13-22-17 W4M. Payment to the water user as a result of the farm improvement and increase in irrigation acres is \$1,975.00. Seconded by C. Henrickson. CARRIED

5.04 Farm Improvement - Richard and Diana Schuett - NE 5-15-13 W4M

This farm improvement is for the conversion of 142 acres flood irrigation in the NE 5-15-13 W4M to 133 acres of pivot irrigation. Pivot must be low pressure complete with drop tubes and no cold weather shut-offs, and must be piped from the pump site to the pivot centre. The water user wishes to keep the 9 remaining acres. The payment resulting to the water user from this farm improvement is \$5,700.00 calculated as follows:

133 acres flood to pivot:	\$7,500.00
less 9 acres kept at \$200:	<u>1,800.00</u>
total payable to water user:	\$5,700.00

Crossing pipes will be paid for by the water user when the number and location are determined and the flood well will also need to be changed to a riser.

204-11-2003 Moved by P. Hemsing that the Board approve the farm improvement project for Richard and Diana Schuett (increase in water use efficiency) in the NE 5-15-13 W4M for the conversion of 142 acres of flood irrigation to 133 acres of pivot irrigation, and the water user keeping the remaining 9 irrigation acres, with a resulting payment to the water user of \$5,700. The water user will be required to pay for the crossing pipes and the changing of the flood well to a riser. Seconded by T. Livingston. CARRIED

5.05 Stranded Fish Report

A report on the Assessment of Fish Stranded in EID Canals, October 2003 was presented to the meeting. In summary, a total of 250 stranded fish were observed, due to the fall water shut down. A number of fish were likely removed by salvage permit holders the day after the canals were shut down.

Bob Hale enters at 11:15 a.m.

6.0 Grazing Lease Report

6.01 Letters from Ken Ellingson and Rob Urban

Bob Hale advised the meeting that he had received two letters, one from Ken Ellingson and one from Rob Urban advising that they did not have any cattle on the lease this year due to BSE and accordingly they did not wish to pay their grazing fees. EID policy is that the EID has to be notified of this by April 1st, and this wasn't done, and therefore they will be required to pay their 2003 grazing fees and will not be able to run cattle until the account has been cleared. Bob Hale is to reply to their letters.

6.02 Grass Reseeding Update

Bob Hale gave an update on the grass reseeding on the Tilley A1 Swingfield. The cost of the reseeding project to date is \$190,000 for 2,000 acres, with an additional cost of approximately \$45,000 for manure.

6.03 Recommended Carrying Capacity on Grazing Leases

The recommended carrying capacity on grazing lease lands for 2004 is 70,000 AUM (animal unit months) or 14,000 head for a 5 month period.

6.04 2004 Grazing Rates

Bob Hale suggested a reduction in grazing rates for 2004, due to the hardship the BSE has caused for cattle farmers, and that other grazing associations were charging a lesser rate. The present rate is \$16.00 per AUM, with expenses running at approximately \$10.00 per AUM. The Board requested that Mr. Hale provide a report of grazing rates from other associations and this matter will be addressed at the next board meeting.

Bob Hale exits at 11:32 a.m.

7.0 Equipment**7.01 Method of Purchasing Vehicles**

This issue is revisited from the October 28, 2003 meeting. E. Wilson advised the meeting that the dealerships advised that the quality of fleet trucks and trucks purchased off of dealership lots are the same and that they would give the same discounts for vehicles purchased off the lot as for fleet truck orders. It has happened that when parts were ordered through the dealerships for the fleet trucks, the parts were different than the ones on the fleet trucks and the equipment department is of the opinion that the quality is not the same. The direction of the Board was that for the next year or two, trucks should be purchased off of dealership lots and checked out by the EID mechanics before they are purchased. A suggestion was made that all trucks should be 4-wheel drive trucks. Not all Board members agreed, but agreed we should increase the number of 4 wheel drives we have.

A lunch break was held from 12:40 p.m. to 1:10 p.m.

8.0 General Manager's Report**8.01 Staffing**

E. Wilson advised that he has hired Kevin Bridges as the new assistant general manager to replace James Knelsen on December 15, 2003. He presented a revised EID Corporate Structure. Mr. Bridges will be responsible for the accounting/administration department and the land department, as well as all the other departments in the absence of the general manager. The Board was pleased with this decision and felt that Mr. Bridges would be good asset to the District.

8.02 AIPA Annual Meeting

E. Wilson advised that the AIPA Annual meeting will be held on December 3, 2003. Three EID directors must attend as there will be an election of officers.

8.03 E. Wilson Nominated for Executive Committee

E. Wilson advised that he had been nominated for the Executive Committee of the AIPA. This position would take about 6 days per year. A concern was raised that the time would be used more productively in the management of the EID, however most of the Directors felt that it was a worthwhile position and the EID should have representation that would have a voice in making effective changes if necessary.

8.04 AIPA Draft Budget

E. Wilson presented the draft budget for the AIPA for October 1, 2003, to September 30, 2004. A short discussion was held on how some funds could be used in more effective ways.

8.05 Number of Thank-you Cards and Calls

The EID has received a number of thank you cards and calls from water users expressing their appreciation for the waiving of the 2003 water rates due to BSE.

8.06 Licence Transfer

E. Wilson advised that United Irrigation District has transferred a water licence to Southeast Alberta Water Co-op for 1,500 acre feet of water at a cost of \$600 per acre foot. The water will be pipelined from Ridge Reservoir.

8.07 U.S. Irrigation Association Award

The Irrigation Association based in the U.S. has recognized 7 districts in Southern Alberta for pooling their water licenses and sharing shortage of water equally with junior license holders. The 2003 award is made to the 2001 Southern Alberta Water Sharing Group, specifically mentioning St. Mary's, Taber and Raymond Irrigation Districts.

8.08 Board of Directors and Manager Relationship

This topic is being revisited from the November 18, 2003 meeting. F. George was to provide information as to how other Boards handle this policy, however, he was unable to obtain all the required information for this meeting and will present it at a future meeting, therefore the policy is to remain as it is for the time being.

8.09 Policies to Review

The following were policies that the Board wished to review:

- (a) Grazing Lease/Irrigated Acres
- (b) Fred Mandeville letter suggesting that the EID pay dividends to water users from the surface lease revenue, and to the farmers who sell out or retire for the financial reserve they helped to build.
- (c) 5 Year Capital Plan

8.10 Irrigated Leases - Patterson Lease

The appraisal on the Patterson Lease was received, with the appraisal being higher than anticipated. The direction of the Board was to give the appraisal to Pattersons and to set a minimum price at the December 18, 2003 regular Board meeting.

9.0 Upcoming Events

9.01 Mountains as Water Towers Conference, Banff Centre, November 23 to 26, 2003.

9.02 AIPA Annual Meeting, December 3, 2003.

9.03 EID Christmas Party, December 12, 2003.

9.04 Regular EID Board Meeting, December 18, 2003

9.05 Christmas Holiday shut-down, December 24, 2003 to January 2, 2004.

9.06 Regular EID Board Meeting, January 27, 2004.

9.07 Regular EID Board Meeting, February 24, 2004.

9.08 Academy Services Tour (Valley Pivot) to Omaha, Nebraska in January or February, 2004.

9.09 2004 Southern Alberta Upland Habitat Symposium, March 25 - 26, 2004.

Clint Henrickson moved adjournment of the meeting at 2:40 p.m.



Board Chairman



General Manager

18 December 2003 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 18th day of December, 2003. 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. Allen Nielsen	Director (Division 05)
Mr. Pat Hemsing	Director (Division 07)
Mr. Earl Wilson	General Manager

The meeting was called to order at 9.05 a.m.

1.0 In Camera Meeting**1.01 General Manager's Contract**

Renate Dykstra entered at 10:10 a.m.

2.0 Adoption of Agenda

The following items were noted for addition to the Agenda:

- Letter from Fred Barg added to item 7.0 Operations
- Letter from Tim and Arno Doerksen added to item 7.0 Operations
- Rolling Hills Campground added to item 4.0 Lands

205-12-2003 Moved by A. Nielsen that the Board adopt the Agenda with noted additions. Seconded by P. Hemsing. CARRIED

3.0 Approval of Minutes**3.01 November 18, 2003 Minutes**

206-12-2003 Moved by P. Hemsing that the Board approve the Minutes of the November 18, 2003 meeting, as presented. Seconded by C. Henrickson. CARRIED

3.02 November 19, 2003 Minutes

207-12-2003 Moved by A. Nielsen that the Board approve the Minutes of the November 19, 2003 meeting as presented, with noted amendment. Seconded by P. Hemsing. CARRIED

4.0 Business Arising from Minutes**4.01 UFA Fuel Price Quotes**

E. Wilson advised the meeting that the UFA offered fuel to the District at a gas price of 53.9 cents

per litre and a diesel price of 33.7 cents per litre, for the period from April to October, 2004, to be ordered by December 12, 2003 and to be paid for by December 31, 2003.

The District's present gas price is 47.5 cents per litre and diesel price is 34.7 cents per litre, the average price over the last six months being approximately 1 cent higher, however, we will be receiving a dividend off of these prices, therefore it was decided not to take the UFA offer.

5.01 Lands

5.01 Irrigable Unit - Section 27-21-16 W4M - Leo Wiebe

E. Wilson provided information regarding the requirement of an "irrigable unit" on Section 27-21-16 W4M.

208-12-2003 Moved by T. Livingston that the Board approve the registration of an "irrigable unit" on Section 27-21-16 W4M, being lands owned by Leo Wiebe. Seconded by C. Henrickson. CARRIED

5.02 Brent Schroeder Presentation

E. Wilson provided a review of proposed land sale to 768976 Alberta Ltd. (Brent Schroeder), wherein the EID had proposed to sell 80 acres in SE 12-18-13 W4M for \$750.00 per acre for the acres to be irrigated and \$500.00 per acre for the pivot corners, with \$100 per acre capital assets charge to apply to the irrigation acres.

Brent and Rhian Schroeder entered at 10:25 a.m.

Brent Schroeder presented a counter-offer to the Board of \$600 per acre all inclusive. He advised that the soils were classified as class 3. He also gave information on a comparable land sale in area at that price. He wishes to convert his farm from flood to low pressure pivot irrigation to increase efficiency in water use, and as he owns a portion of the SE 12-18-13 W4M, he requires the additional acres in this quarter in order to put a pivot on the quarter. If this project is not allowed to proceed he will still have to flood irrigate with high water usage.

A suggestion was made that perhaps there should be an appraisal of the lands in question and the lands should be put up for bid, however, if it was put up for bid, the capital assets charge would be \$200 per acre, rather than the \$100 per acre.

The Schroeders were advised that the Board would give their offer consideration and would advise them accordingly.

Brent and Rhian Schroeder exited the meeting at 11:00 a.m.

A further discussion was held and a suggestion was made that perhaps the District should give them a break on the dry corners as there will be borrow pits in each corner.

James Knelsen and Kevin Bridges enter at 11:15 a.m.

209-12-2003 Moved by P. Helsing that the Board approve the sale of 80 acres in the SE 12-18-13 W4M to 768976 Alberta Ltd. (Brent and Rhian Schroeder) at \$850.00 per acre (inclusive of capital assets charge) for the acres to be

irrigated and the non-irrigable acres will granted at no cost. Seconded by N. Johnson.

CARRIED

5.03 Patterson Lease

E. Wilson advised the meeting that he had a discussion with the Pattersons with respect to the appraisal received on the lease. They felt that the appraisal was on the high side as the comparable sales were for lands sold to large potato growers who paid top dollar. It was noted that this is a large lease consisting of 6 quarter sections of land and has only one pump site. A lengthy discussion ensued with respect to setting a minimum sale price on the lease lands before the lease was put up for bid. Opinions varied from \$1,000 per acre to \$1,500 per acre for the irrigated acres and \$200 to \$350 for the dryland acres and river breaks. A comment made was that the minimum price had to be set at a price that was comparable to the revenue that is receivable on the lease and that the District was responsible for setting a fair price and not the maximum price, as the bidders would set the actual price. It was decided that this matter needed a little more thought and a decision would be made after lunch.

5.04 Letter from the County of Newell

A letter was received from the County of Newell requesting the EID's opinion as to developing a policy whereby industrial, commercial and institutional subdivisions should be required to have waterlines installed for non-potable use at the time of the development of the subdivisions.

It was the consensus of the Board that the District is not against the County forcing developers to install waterlines for the aforesaid subdivisions, but that it is not willing to guarantee that it will supply water to them as part of its license. These subdivisions will be looked at on an individual basis, or the County could force each one into obtaining their own water license or have the County provide that license. E. Wilson is to write a letter to the County stating the District's position.

5.05 Application to Transfer 6 Irrigation Acres

E. Wilson advised that Vern Dyck has proposed to purchase 6 irrigation acres from Erwin Braun in the SE 1-21-16 W4M for transfer to NE 17-21-16 W4M.

210-12-2003 Moved by N. Johnson that the Board approve the transfer of 6 irrigation acres owned by Erwin Braun in the SE 1-21-16 W4M to Vern Dyck in the NE 17-21-16 W4M. Seconded by C. Henrickson.

CARRIED

5.06 Oil and Gas Recovery Treatment Facility

A letter from CCS Energy Services was received requesting to purchase a quarter section of land from the EID in the Kitsim Reservoir area for an engineered landfill site for the reclamation and disposal of contaminated soil.

The consensus of the Board was that it is not in favour of the sale of land for the above purposes and E. Wilson is to write a letter to them advising of its position.

5.07 Rolling Hills Reservoir Campground

There have been a number of inquiries with respect to the Rolling Hills Reservoir campground by

campers wishing to obtain seasonal permits. Decisions will have to be made as to how the District is going to operate the campground, and if the sites are to be leased on an annual basis, a monthly basis, etc., and the cost of leasing the campsites. This matter will be brought to the January meeting for further discussion.

Lunch break was held from 11:50 a.m. to 12:50 p.m. Neil Johnson did not return. Rick Martin and Tanis MacLean were present.

5.08 Report on Public Access on EID Lands in 2003

Rick Martin presented a report on Public Access on EID lands for the 2003 year. Over the spring and summer there was less activity and fewer infractions. The lands were well patrolled to ensure enforcement, and he noted that with the exception of a very few incidents, there has generally been very good compliance with the EID rules, and feedback from the public has been good.

He also advised that there has been a 3rd reading of Bill 28 (amendment) of the *Occupiers Liability Act* which would reduce liability for landowners who permit public access to their lands.

The Board requested that Rick Martin place an ad in the newspaper in appreciation and co-operation of the rules and regulations on the EID lands.

5.09 Pheasant Habitat Development Report

Tanis MacLean presented a report on the PHD activities in 2003. She advised that they planted 47,643 trees and shrubs with an 84% success rate from April to September. They had a crew of up to 13, 2 bobcats and a tree planter. She showed before and after slides (4 years) of same areas that had been planted with very favourable results. They constructed 12.4 kilometres of fencing 2 of which projects fenced out existing habitat and 12 fenced out newly planted sites from livestock access. There were 4 construction projects, 3 of which supplied services off of a pipeline which will be used to water PHD planting sites, and 1 project included installing 4 services (1 off the main canal and 3 from a ditch) in order to flood a new wetland project and supply water in the future for trees and shrubs planted by PHD. The wetland project consisted of 100 acres, half in water. PHD has also set up 4 food plots and 12 feed barrels to provide food for wildlife throughout the winter. She reported that partridge, pheasant and grouse numbers are up from last year. This year they started an education program where they had the grade 4 and 5 students from Gem school and the grade 3 and 4 students from Rainier school come out on a field trip to help plant, mulch and water seedlings. This was well received by the students.

Of the \$420,000 funding they received in 2003, approximately \$291,000 was spent in the EID.

In 2004, PHD plans to plant 50,000 trees and shrubs in the District with 8 seasonal crew for 4 months and 4 temporary staff for 4 to 6 weeks. To date there are 8 projects for 7.6 km of fencing, which number is likely to increase throughout the year. They will have 1 service installed on a pipeline to water future planting and they will continue the education program for students in the Tilley and Bassano schools.

In the past the EID has donated \$50,000 per year to PHD and Tanis MacLean was asked what she would do if the funding was increased. She advised that they could plant another 10,000 trees and shrubs and hire 2 additional staff.

Rick Martin and Tanis MacLean exited at 1:25 p.m.

- 211-12-2003** Moved by T. Livingston that the Board increase the 2004 funding for Pheasant Habitat Development to \$75,000. Seconded by P. Hemsing. **CARRIED**

The Patterson lease matter was revisited.

- 212-12-2003** Moved by P. Hemsing that the Board set the minimum sale price of the Patterson lease lands at \$1,100 per acre for the irrigated acres and \$250 per acre for the dryland, pivot corners and river breaks. Seconded by T. Livingston. **CARRIED**

E. Wilson is to advise Mr. Patterson of the minimum sale price.

6.0 Financial Statements

6.01 November 30, 2003 Statement

J. Knelsen presented the November 2003 Financial Statements. He reported that revenues are up 4.4 million dollars from the prior year due to oil and gas. Waiving the 2003 water rates cost 2 million dollars. In November, the annual grazing association invoices were sent out for a gross revenue of \$997,552 compared to \$374,000 in the previous years. Overall expenses are within the budget.

George Romao enters at 1:40 p.m.

J. Knelsen advised the meeting that he had been dealing the Federal Excise tax department with respect to obtaining a rebate on fuel. This matter had been addressed in prior years with no success, however, he was able to convince them that the District was eligible to receive the rebates and the District has received \$70,000 in retroactive rebates and the District will receive a further \$80,000 in the new year.

- 213-12-2003** Moved by P. Hemsing that the Board approve the Financial Statements to November 30, 2003 as presented. Seconded by T. Livingston. **CARRIED**

- 214-12-2003** Moved by A. Nielsen that the signing authority with respect to the Royal Bank account number 100 412 6, and Alberta Treasury Branch accounts, number 07529 3300064-24 (general account) and number 07529 1176161-24 (IRP account) be changed from James Knelsen to Kevin Bridges as new Assistant General Manager, along with Earl Wilson as General Manager, Bob Chrumka as Board Chairman and Clint Henrickson as Vice-Chairman. Seconded by P. Hemsing. **CARRIED**

7.0 Engineering Report

7.01 Project Update

George Romao presented an update on the construction projects as follows:

7 Bow Slope

- 8 km lined canal
- liner installation 40% complete
- structure installation 30% complete
- armour hauling started December 15, 2003

G10 North Bantry

- 1 km lined canal
- 2 pipelines - total of 2.3 km.
- canal earthwork & liner complete, structures remain
- pipeline complete

A West Bantry

- 2.2 km. pipeline
- complete except for cleanup in spring

12-01 Rolling Hills

- 3.8 km pipeline
- pipeline complete
- structures remain

23 Rolling Hills

- 3.5 km pipeline
- pipeline complete
- structures complete

H Cowoki

- 2.4 km pipeline and 8 km pipeline
- 2.4 km pipeline and turnouts complete
- 2 km of 8 km pipeline installed as of December 12, 2003
- pump system and structure
- scheduled to start in January

07 B Springhill

- 3 km pipeline
- installation started December 11, 2003

IRP Projects**15 East Branch**

- 3 km pipeline
- pipeline and turnouts complete
- settling pond and structures remain

Tilley Canal

- 4 km lined canal
- liner and armour 50% complete by December 19, 2003
- cast-in-place structure
- schedule to start in February

Tilley B Outlet Structure Bid

BYZ Construction was the low bidder for the Tilley B Outlet Structure. Within the hour of the tender being awarded, they advised that they had made a mistake and did not include all of the concrete pipe or cradles in their bid at a cost of \$69,000. The EID received a letter requesting that it let them out of their bid.

215-12-2003 Moved by C. Henrickson that the Board reject the tender from BYZ Construction

due to the error in their tender and award the contract for Tilley B Outlet Structure to Porter Tanner. Seconded by P. Hemsing.

CARRIED

7.02 Infrastructure Savings Grant - NW 2-15-13 W4M and NE 3-15-13 W4M - Gordon Cook

G. Romao advised the meeting that Gordon Cook has proposed to construct a large pump site in the north west corner of the SW 11-15-13 W4M to supply pivots in the NW 2-15-13 W4M, NE 3-15-13 W4M and SW 11-15-13 W4M. From this site he will install the infrastructure to supply the other pivots. The cost savings are associated with moving delivery points for the NE 3 and NW 2 into the SW 11. The cost savings by constructing a gravity supply pipeline lateral for the NE 3 is \$60,200 and the NW 2 is \$20,000, for eligible infrastructure savings grants of \$15,000 for the NE 3 and \$10,000 for the NW 2.

216-12-2003 Moved by P. Hemsing that the Board approve the infrastructure savings grant application of Gordon Cook to construct a large pump site in the SW 11-15-13 W4M:

- (a) to supply a pivot on the NE 3-15-13 W4M with a cost savings to the EID of \$60,200 and an infrastructure savings grant of \$15,000 to Gordon Cook; and
- (b) to supply a pivot on the NW 2-15-13 W4M with a cost savings to the EID of \$20,000 and an infrastructure savings grant of \$10,000 to Gordon Cook;

with a capital assets charge of \$200.00 per acre for conversion of terminable acres in the NW 2-15-13 W4M. Seconded by C. Henrickson.

CARRIED

7.03 IRP Report

G. Romao presented the Annual Rolling Three-Year Plan for the Years 2004/2005 to 2006/2007. The new projects to be presented for approval are Secondary G. Springhill, Lower North Branch and 18 Rolling Hills for a total cost of \$6,107,000.

217-12-2003 Moved by F. George that the Board approve the Annual Rolling Three Year Plan for the Years 2004/05 to 2006/07, as presented. Seconded by C. Henrickson.

CARRIED

Jim Meador enters at 2:58, George Romao exits

8.0 Operations Report

8.01 Farm Improvement - Warren Hendricksen - SE 6-17-13 W4M

Jim Meador presented a farm improvement for Warren Hendricksen. This improvement calls for the conversion of 138 acres of flood irrigation to 130 acres of pivot irrigation in the SE 6-17-13 W4M. Pivot must be low pressure complete with drop tubes and no cold weather shut-offs and pivot must be piped from sump site to pivot centre and the delivery site to be off of 01-10 H West Bantry. The water user wishes to keep the extra 8 irrigation acres and accordingly payment to the water user is \$5,900 calculated as follows:

130 acres flood to pivot:	\$7,500
Less 8 acres kept @ \$200 per acre	<u>1,600</u>
Payment to water user	\$5,900

218-12-2003 Moved by A. Nielsen that the Board approve the farm improvement for Warren Hendricksen on the SE 6-17-13 W4M for the conversion of 138 acres of flood irrigation to pivot irrigation, and the water user keeping the remaining 8 irrigation acres, resulting in payment to the landowner of \$5,900. Seconded by C. Henrickson.

CARRIED

8.02 Letter from Fred Barg

A letter was received from Fred Barg on behalf of the Springhill Pressure Pipeline Irrigators stating their concerns with respect to the condition and operation of their pump station.

The Board requested a summary on the Springhill Pressure System to be presented at the next meeting and the matter will be discussed at that meeting.

A short break was held at 3:15 .

8.03 Academy Services Tour (Valley Pivot) to Omaha, Nebraska

Jim Meador brought up the subject of the Academy Services tour which has been tentatively scheduled for the 1st week in February, 2004. There was a lot of interest in this tour by the Board and the 1st week in February, 2004 was an acceptable time.

Jim Meador exits at 3:20 p.m.

8.04 Letter from Tim and Arno Doerksen

A letter was received from Tim and Arno Doerksen advising that they would be interested in leasing or purchasing Section 35-22-16 W4M and part of Section 34-22-16 W4M east of Crab Lake Spillway with the intention of developing pivot irrigation by pumping water out of the Crab Lake Spillway.

The consensus of the Board was that before this individual matter can be addressed, the District will have to develop a policy to deal with these situations and a separate meeting should be held in early February, 2004, to discuss how and when irrigation development will occur on District owned land.

9.0 Grazing Report

9.01 2004 Lease Rate Review

This matter was revisited from the November 19, 2003 meeting. The GAC has requested a drop in the 2004 grazing rates from the \$16.00 per AUM charged in 2003. Discussion ensued.

219-12-2003 Moved by P. Hemsing that the Board approve the grazing lease rate of \$14.50 per AUM for 2004. (No seconder).

220-12-2003 Moved by A. Nielsen that the Board amend the prior motion to approve the grazing lease rate of \$14.50 per AUM to \$14.00 per AUM for 2004. Seconded by F. George.

DEFEATED

Grazing Lease rates from other areas were reviewed and discussion continued to determine what would be an appropriate rate, taking into consideration the costs incurred by the District to operate

the grazing leases.

221-12-2003 Moved by T. Livingston that the Board approve the grazing lease rate of \$14.50 per AUM for 2004. Seconded by P. Hemsing. **CARRIED**

Bob Hale enters at 3:28 p.m.

9.02 2004 Applications

Bob Hale advised that he has received applications for 14,500 cattle (based on a 40 head maximum) for 2004, from 401 members.

9.03 Todd Irwin Lease

Dinosaur Park people have complained that Irwin cattle get into the park from the private lease the Irwins lease from us and when moving from their land to our lease. They have asked if we would consider trading what Irwins now lease for an equivalent price of land adjacent to Irwins' that presently is grazed by Patricia Grazing Association. Patricia Grazing Association is okay with this, therefore it will be offered to Irwins providing Irwins and the Park construct the required fence.

The Board requested that Bob Hale present the 5 year plan for the grazing land improvements at the next meeting.

Bob Hale exits the meeting at 3:40 p.m.

10.0 General Manager's Report

10.01 Letter to Ralph Klein

E. Wilson presented a draft letter that he felt should be sent to Ralph Klein with respect to keeping Lorne Taylor on as Minister of the Environment in the event of a cabinet shuffle since he played a large role in developing the Water for Life Strategy, and as such, it would be beneficial for him to remain for the early implementation and fine tuning of the Water Strategy. The Board felt that this was an excellent idea.

10.02 Water for Life Strategy

E. Wilson gave an report on the official release of the Water for Life Strategy. The purpose of the Water for Life Strategy is the Government of Alberta's response to develop a new water management approach and outline specific strategies and actions to address the issues of population growth, droughts and agricultural and industrial development that are increasing demand and pressure on the province's water supplies, and the risk to the health and well-being of Albertans, our economy and aquatic ecosystems. He pointed out the importance of implementing short term goals, medium term goals and long term goals to improve efficiency and productivity by 30% by 2015. Three groups of partnerships will be involved in the planning and implementation of improved water and watershed management throughout the province, namely, the Provincial Water Advisory Council, Watershed Planning and Advisory Councils and Watershed Stewardship Groups.

10.03 Bow River Basin Forum (December 10, 2003)

E. Wilson gave a report on the Bow River Basin Forum he attended in Calgary. Lorne Taylor gave a one hour presentation on the Water for Life Strategy and answered quite a few questions on the water strategy. He emphasized how the water strategy plans to encourage and support more basin councils. He noted that Lorne Taylor is struggling with the make up of the Provincial Council and asked for more input from anyone as to whether the makeup should be 10 to 12 wise people or should it be made up of sector representation. E. Wilson felt that the answer is both, many wise people regarding water are working within the various sectors, therefore wise people, some from sectors should be chosen, and not political sector selections. The Board agreed and suggested this be communicated with Dr. Taylor.

Dr. Taylor mentioned that understanding and education are very important, especially in understanding and achieving water conservation. He pointed out that some sectors and specifically the EID are well ahead of others and mentioned the District's expansion plan with no additional licensing requirement. He also pointed out that the true economical value of water had to be determined and that all water needs to be metered including irrigation to meet the 30% goal. Education of the public and schools children will be required.

Conservation of supply is vitally important because of the reduction of water due to global warming. He stated that the plan would have to include additional storage, both on and off river to replace low flow times of the year and to transfer some water from wet years to dry years.

Calgary Parks also gave a talk on how they are conserving water by going to more parks with natural vegetation and no irrigation, and only irrigate heavily used areas such as soccer fields, ball diamonds, trees and shrubs.

10.03 Bow River Basin Advisory Committee

E. Wilson gave a report on the presentation that was made by Trans Alta Utilities and how they operate 11 power plants on the Bow River System and what their requirements are for producing power due to deregulation. E. Wilson advised that he is planning on meeting with Lorne Taylor in February to discuss an option for Trans Alta Utilities to reduce their water requirements and other issues as well.

10.04 Northwest Irrigation Operators Inc.

E. Wilson advised that there will be a conference of the Northwest Irrigation Operators, Inc. in Boise, Idaho, from January 20 to January 23, 2004, with the theme being "Sustainable Water Resources for the Future". He felt that this may be a worthwhile conference for some Board members to attend.

222-12-2003 Moved by C. Henrickson that the Board approve that three Directors attend the conference of Northwest Irrigation Operators Inc. in Boise, Idaho, from January 20 to January 23, 2004. Seconded by N. Johnson. CARRIED

11.0 Upcoming Events

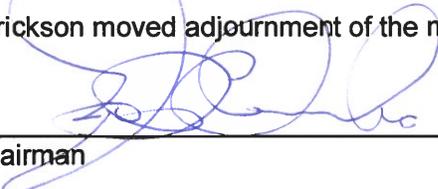
- 11.01 Christmas Holiday shut down - December 24, 2003 to January 2, 2004**
- 11.02 Henry Holst's Retirement Party - Friday, January 9, 2004**
- 11.03 AIPA Meeting, Strathmore - January 12, 2004**
- 11.04 Regular EID Board Meeting - January 27, 2004**
- 11.05 Academy Services Tour (Valley Pivot) in Omaha, Nebraska - 1st week of**

February, 2004

11.06 Regular EID Board Meeting - February 24, 2004

11.07 2004 Southern Alberta Upland Habitat Symposium - March 25 - 26, 2004

Clint Henrickson moved adjournment of the meeting at 4:10 p.m.



Board Chairman



General Manager