

TABLE OF CONTENTS

February 1, 2005 Directors Meeting

1.0	Approval of the Agenda.....	1
	2005-01-001	1
2.0	Approval of the Minutes – December 21, 2004.....	1
2.01	Regular Board Meeting – December 21, 2004	1
	2004-12-246	1
	2005-01-002	1
2.02	Minutes for the Annual Meeting of March 30, 2004	1
	2005-01-003	2
3.0	Business Arising.....	2
3.01	Sale of EID Dozer.....	2
3.02	Irrigated Lease Reviews.....	2
3.03	GW Murray Proposed Land Trade SE 27-18-13 (159.2 acre quarter).....	2
3.04	County Ticket for Trespass on EID Land 2004	2
3.05	Kinsmen Winter Pheasant Hunt – March 2005.....	2
	2005-01-004	3
4.0	High Speed Internet Update.....	3
4.01	County Letter of Concern	3
4.02	Pioneer Gas Co-op Letter	3
5.0	Lands.....	3
5.01	Transfer of 35 Acres – Ramer Ranches/Duchess E ½ 28-20-14 to W ½ 13-20-15	3
	2005-01-005	4
5.02	Oil & Gas	4
5.02.1	Letter from CNR – Water Credit.....	4
	2005-01-006	4
5.02.1a	Grazing Association Payouts for Cancelled Well Sites and Accountability	4
5.02.2	Encana Request for Meeting.....	4
5.03	Irrigation Expansion – Soil Testing.....	5
6.0	Engineering.....	5
6.01	Project Status	5
6.02	Rae Latimer Cattle Loss SW 22-21-17 on 01-1354	6
	2005-01-007	6
6.03	Casey Kozma J-01 North Bantry W22-19-13.....	7
	2005-01-008	7
6.04	Don Peterson – Tilley – SE 01-17-14 W4, 12 Acres to Lease	7
	2005-01-009	7
	2005-01-010	7
8.0	Luscar Coal Update.....	7
7.0	Budget.....	7
9.0	Draft Public Relations Plan	8
10.0	General Manager’s Report	8
10.01	Letter from CV Recreational Society.....	8
10.02	Tour of Strathmore Tertiary Treatment Plant – February.....	9
10.03	Review of County Survey on Per Diems/Expenses	9
11.0	Upcoming Events	9
12.0	Board “In Camera”	9

February 16, 2005 Directors Meeting

1.0	Approval of the Agenda.....	11
	2005-02-011	11
2.0	Approval of the Minutes – February 2, 2005.....	11
	2005-02-012	11

3.0	Business Arising	11
3.01	Response Letter to County Regarding Internet	11
3.02	Latimer's Cattle Payment	11
3.03	Proposed Murray Land Trade	11
	2005-02-013	11
	2005-02-014	12
	2005-02-015	12
4.0	Financial Report	12
4.01	December 31, 2004 Financial Statements	12
	2005-02-016	13
4.02	Investment Report	13
	2005-02-017	13
4.03	Accounts Receivable Report	13
	2005-02-018	13
5.0	2005 Budget	13
5.01	Budget	13
	2005-02-019	13
	2005-02-020	14
	2005-02-021	14
7.0	Upcoming Events	15
6.0	Board "In Camara"	15

March 3, 2005 Directors Meeting

1.0	Approval of the Agenda.....	17
	2005-03-022	17
2.0	Approval of the Minutes – February 16, 2005.....	17
	2005-03-023	17
3.0	Business Arising	17
3.01	Murray Ranches Proposed Land Trade	17
5.0	Financial Report	17
5.01	January 31, 2005 Statement	17
	2005-03-024	18
5.02	2005 Water Rate By-Laws # 846 and # 847	18
	2005-03-025	20
	2005-03-026	21
	2005-03-027	21
	2005-03-028	22
5.03	Lake Newell Utility Update	22
	2005-03-029	22
4.0	Auditor's Report	22
	2005-03-030	23
	2005-03-031	23
7.0	Engineering Status Report	23
5.0	Financial	25
	2005-03-032	25
6.0	Lands	25
6.01	Dryland Lease SE 09-21-14	25
	2005-03-033	25
6.02	Request to Lease 17 acres SW 17-17-16	25
	2005-03-034	25
	2005-03-035	26
6.03	Irrigation Application (Mattheis) SW 32-16-16 W4	26
6.04	Report on Ring Neck Pheasant Classic – Kinsmen Sponsored Winter Hunt	26
9.0	General Manager's Report	26
9.08	Progressive Conservative Convention – April 7 & 8	26
9.09	Bow River Basin Council Fundraiser	26

	2005-03-036	26
9.06	County of Newell EID Annual Supper Meeting	26
8.0	Internet Report.....	27
	2005-03-037	27
9.0	General Manager's Report	27
9.01	Report on Utilities Consumer Advisory Council	27
9.02	Offer to Purchase Old Bridge	27
	2005-03-038	28
9.03	Report on Meeting with Crawling Valley Campground Society.....	28
9.04	Request to Renew Membership – Partners for South Saskatchewan River	28
	2005-03-039	28
9.05	Women's Shelter Request for Funding	28
9.07	Farm Meetings	28
9.10	Strathmore Tertiary Treatment Plant Tour	28
9.11	Camber Update	28
9.12	AIPA Conference Review.....	28
11.0	Upcoming Events	28

March 23, 2005 Directors Meeting

1.0	Approval of the Agenda.....	31
	2005-03-040	31
2.0	Approval of the Minutes – March 3, 2005	31
	2005-03-041	31
3.0	Business Arising	32
4.0	Review of County Meeting	32
5.0	Financial	32
5.01	Rate Enforcement	32
5.02	Financial Statements.....	32
	2005-03-042	32
5.03	LAPP Update.....	32
6.0	Engineering Report	32
6.01	Project Status	32
6.02	Lower Bow Slope	33
	2005-03-043	33
7.0	Operations Report.....	34
7.01	Start Up Date.....	34
7.02	Farm Improvements	34
7.02.1	Les Douglass (M. Douglass) NE ¼ 21-20-15 W4	34
	2005-03-044	34
7.02.2	Fernando Dyck NE 21-20-15 W4	34
	2005-03-045	34
7.03	Rick Volek Letter of Commendation to EID Staff	34
7.04	Farm Environmental Plan.....	34
8.0	Lands.....	35
8.01	Encana Presentation	35
8.02	Request to Purchase Patricia Lot – Lot 5, Block 10 Plan 7910924	35
	2005-03-046	35
8.10	Tabled Motion 2005-03-034	35
	2005-03-047	35
	2005-03-048 [rescinded by motion 2005-03-051]	35
8.04	PHD Annual Report.....	35
8.05	Delta Waterfowl	35
8.06	Patricia Solid Waste Transfer Station SW 22-20-13 W4 – 2 acres.....	35
	2005-03-049	35
8.07	Patricia Cemetery Pt NE 16-02-20-13 W4	36
8.08	Alta Gas Plant Location 16-16-20-12 W4	36

8.09	Drotos Ranching offer to Purchase Remnant Portion of NE 01-18-13 W4	36
10.0	Rolling Hills Campground	36
10.01	Number of Sites to be leased	36
10.02	Method of Leasing/Rates	37
8.03	Lease of 16.9 acres in the SW 17-17-16 W4 Motion 2005-03-047	37
	2005-03-050	37
	2005-03-051	37
	2005-03-052	37
9.0	Grazing	37
9.01	Request to Transfer Grazing Lease # 7057 – Todd Irwin	37
	2005-03-053	37
9.02	Policy Regarding: Grazing Beyond 5 Months with EID Approval, Grazing Beyond Come Home Date Without EID Approval	38
	2005-03-054	38
	2005-03-055	38
9.03	Late Entry	38
	2005-03-056	38
9.04	Report on GAC Meeting	38
9.05	Potential Newell Grazing Water Line	38
9.06	Firmin Declercq Presentation – Irrigation Expansion Review	39
10.0	Rolling Hills Campground	39
10.03	Grand Opening	39
11.0	Equipment	39
11.01	Trucks	39
11.02	Mowers	40
	2005-03-057	40
11.03	Tractors	40
	2005-03-058	41
12.0	Luscar Coal	41
13.0	Bow River Council Ice Breaker Gala – April 29 at Westin in Calgary	41
13.02	Chamber Update	41
13.03	Employment Contracts	41
	2005-03-059	42
14.0	Upcoming Events	42

April 26, 2005 ORGANIZATIONAL Meeting

1.0	Elections, Appointments	44
1.01	Election of Chairman	44
	2005-04-060	44
	2005-04-061	44
1.02	Election of Vice- Chairman	44
	2005-04-062	44
	2005-04-063	44
1.03	Appointment of AIPA Directors	44
1.04	Appointment of County of Newell Regional Service Committee Representative	44
1.05	Appointment of Chamber of Commerce Representative	44
1.06	Appointment of Prairie Conservation Action Committee Representative	45
1.07	Board Member Remunerating	45
	2005-04-064	45

April 26, 2005 Directors Meeting

1.0	Approval of the Agenda	45
	2005-04-065	45
2.0	Approval of the Minutes – March 23, 2005	45
	2005-04-066	45
3.0	Business Arising from Minutes	46

3.01	Request to Purchase Land (Drotos Ranching Ltd.)	46
3.02	PC Convention Report	46
3.03	EUB Well Spacing & Compliance Processes	46
4.0	Financial Report	46
4.01	March 2005 Financial Statement	46
	2005-04-067	46
4.02	Quarterly Accounts Receivable Report	46
4.02.1	Irrigated Lease # 8142	46
	2005-04-068	46
4.03	Investment Report	47
	2005-04-069	47
5.0	Lands.....	47
5.01	Alternate Parcel Applications	47
5.01.1	Request to Use Irrigation Acres in an Alternate Parcel – John Miller to Bradley Calvert	47
	2005-04-070	47
5.01.2	Request to Use Irrigation Acres in an Alternate Parcel – Ken Sharpe and Dean Martin to James Buteau	47
	2005-04-071	47
5.01.3	Request to Use Irrigation Acres in an Alternate Parcel – Newell Hutterian Brethren to Clearview Hutterian Brethren	47
	2005-04-072	47
5.02	Request for Annual Permit to Irrigate.....	47
5.02.1	Heinz Dyck SW 04-21-15.....	47
	2005-04-073	48
5.02.2	Leo Wiebe SE 27-21-16.....	48
5.03	Result of bids on Grazing Lease SW 17-17-16.....	48
	2005-04-074	48
5.04	Request to Transfer Grazing Lease # 7038, Margaret Douglass to Les Douglass	48
	2005-04-075	48
5.05	Lot in Patricia Sale Update.....	48
5.06	Lands South of Office Sale Update.....	48
5.06.1	South Parcel	48
5.06.2	North Parcel	48
5.07	Potential Sour Gas Plant East of Patricia.....	48
5.08	Rolling Hills Campground Update	48
5.09	Delta Waterfowl Meeting Update	49
6.0	Engineering.....	49
6.01	Project Status	49
6.01.1	Bow Slope	49
	2005-04-076	49
	2005-04-077	50
6.01.2	17 G Springhill.....	50
	2005-04-078	50
	2005-04-079	50
6.01.3	3 North Branch	50
	2005-04-080	50
7.0	Operations	51
7.02	Snow Pack	51
7.03	Reservoir Status.....	51
7.04	Delivery to Farmers	51
8.0	Equipment.....	51
8.01	Discussion on Purchasing Process.....	51
8.02	Quotes on New Grader	51
	2005-04-081	51
8.03	Quotes on New Tandem	51
	2005-04-082	51

8.04	Quotes on New Generators	52
	2005-04-083	52
8.05	Quote on New Brushcutter	52
	2005-04-084	52
8.06	Sale of Equipment	52
	2005-04-085	52
	2005-04-086	52
	2005-04-087	52
	2005-04-088	52
7.01	Farm Improvements	52
7.01.1	Farm Improvement – N ½ 17-21-15 W4M – Tom Parker	53
	2005-04-089	53
	2005-04-090	53
7.01.2	Farm Improvement – E ½ 27-20-15 W4M – H. & D. Torkelson	53
	2005-04-091	53
7.01.3	Farm Improvement – NE 20-17-13 W4M – R. & D. Torkelson	53
	2005-04-092	54
7.01.4	Farm Improvement – E ½ 03-17-13 W4M – A. & B. Wester	54
	2005-04-093	54
9.0	Bassano Dam Land Claim	54
	2005-04-094	54
	2005-04-095	54
	2005-04-096	54
10.0	Luscar Coal Update.....	55
11.0	EID Net.....	55
11.01	Update on Customers	55
11.02	Update on Tower Placement.....	55
11.03	Trade Show Update	56
12.0	Utilities Consumer Advisory Council Report	56
13.0	Other	56
13.01	EID Land Acquisition	56
13.02	Conservative Party of Canada – Med. Hat. Elect. Dist. Assoc. Fundraiser Banquet	56
13.03	PHD Update	56
13.04	Irrigation Council – Client Satisfaction Survey	56
14.0	Upcoming Events	56

May 11, 2005 Directors Meeting

1.0	EUB Presentation	57
2.0	Bassano Dam Land Claim	57
	2005-05-097	57

May 31, 2005 Directors Meeting

1.0	Approval of the Agenda.....	59
	2005-05-098	59
2.0	Approval of the Minutes	59
2.01	April 26, 2005	59
	2005-05-099	59
2.02	May 11, 2005.....	59
	2005-05-100	59
3.0	Financial Report	59
3.01	April 2005 Financial Statement	59
	2005-05-101	60
3.02	Investment Policy	60
	2005-05-102	60
3.03	Opening an Investment Account	60
	2005-05-103	60

4.0	Engineering.....	61
4.01	Tilley Canal.....	61
	2005-05-104	61
4.02	9H West Bantry	61
	2005-05-105	61
4.03	S Tilley.....	61
	2005-05-106	61
4.04	Letter from KWH re Weholite pipe	62
5.0	Operations	62
5.01	Water Use to Date	62
5.02	Reservoir Status, Snow Pack.....	62
6.0	Lands.....	62
6.02	Oil & Gas	62
11:00 a.m.	Encana Presentation (Drilling next to Lake Newell)	62
5.0	Operations	62
5.03	Farm Improvements	62
5.03.1	Farm Improvement – NW 26-17-17 W4M – David Andrews, Lazy A Farms Ltd. 2005-05-107	62
	2005-05-108	63
5.03.2	Farm Improvement – NE 14-14-14 W4M – Cornelis & Marian Van Den Hoek.....	63
	2005-05-109	63
	2005-05-110	63
5.03.3	Farm Improvement – SE 14-14-14 W4M – Cornelis & Marian Van Den Hoek.....	63
	2005-05-111	63
	2005-05-112	63
5.04	Infrastructure Policy.....	63
6.0	Lands.....	64
6.01	Grazing Report	64
6.01.4	Dick Edwards Private Grazing Lease.....	64
	2005-05-113	64
6.01.1	Lease Condition Update.....	64
6.01.2	Eyremore Grazing Lease Water Line.....	64
	2005-05-114	64
6.01.3	Workers Compensation.....	64
6.03	Grazing Lease Transfer – Leigh & Nicole Cordes to Cornelis & Marian Van Den Hoek ..	64
	2005-05-115	64
6.04	Transfer of Irrigation Acres – Karl Wiebe to Leo Wiebe.....	64
	2005-05-116	64
6.05	Response to Offer to Sell Patricia Residential Lot	65
	2005-05-117	65
6.06	Industrial Land Development	65
6.06.1	Sale of Raw Industrial Parcel Located South of EID Office	65
	2005-05-118	65
6.06.2	Vacant, Unserved Industrial Land Adjacent to Former Carp Facility	65
	2005-05-119	65
6.06.3	Business Park Parcel Located North of EID Office.....	65
1:52 p.m.	Jacque Murray Presentation (proposed centennial fountain project).....	65
7.0	EID Net Report	66
7.01	Monthly Report	66
7.02	Expansion Proposal	66
6.0	Lands.....	66
6.07	Irrigation Development	66
8.0	Other	66
8.01	Request to waive water rates for Bassano Golf Course	66
8.02	Request for funding Classroom Agriculture	66
	2005-05-120	66

8.03	Red Deer River Watershed Alliance	66
8.04	Rolling Hills Reservoir Campground Grand Opening July 17 or 24.....	67
8.05	MLA Tour June 21/22.....	67
8.06	Special Areas Water Project Open House June 24	67
8.07	EUB Notice of Hearing July 13.....	67
9.0	Upcoming Events	67

June 28, 2005 Directors Meeting

1.0	Approval of the Agenda.....	68
	2005-06-121	68
2.0	Approval of the Minutes	68
	2005-06-122	68
3.0	Business Arising	68
3.01	KWH	68
4.0	Financial Report	68
4.01	May, 2005 Financial Statements.....	68
4.01.1	Overall Financial Statement	68
4.01.2	Investments	69
	2005-06-123	69
4.02	Authorization to Open PHD Bank Account.....	69
	2005-06-124	69
5.0	EIDNet.....	69
5.01	Monthly Report	69
5.02	Expansion Proposal	69
	2005-06-125	69
6.0	Operations	70
6.01	Farm Improvements	70
6.01.1	Farm Improvement – SE 29-21-14 W4M – Cross Creek Ranching (Austin Beasley)	70
	2005-06-126	70
6.01.2	Farm Improvement – SE 28-21-14 W4M – Austin Beasley	70
	2005-06-127	70
	2005-06-128	70
6.01.3	Farm Improvement – NE 18-24-15 W4M – John Douglass	70
	2005-06-129	70
6.01.4	Farm Improvement – SE 22-21-17 W4M – Ray Latimer.....	71
	2005-06-130	71
	2005-06-131	71
6.02	Water Use to Date	71
7.0	Engineering.....	71
7.01	13 East Branch 01-1379	71
	2005-06-132	71
7.02	Antelope Creek Canal	72
7.03	Irrigation Council Letter re IRP Funding.....	72
11:06 a.m.	Vern Parker / Curtis Huber Assessment Appeal.....	72
7.04	AIPA	72
8.0	Lands.....	72
8.01	Sound Vibrations Audio Lease	72
	2005-06-133	73
8.02	County of Newell Gravel Stockpile	73
	2005-06-134	73
8.03	Antelope Creek Acreage	73
	2005-06-135	73
8.04	Regrass Breaking	73
	2005-06-136	73
8.05	Bow City Hutterite Colony Fencing	73
8.06	Floyd George Request to Trade Land.....	73

8.07	Gem Community Association Request to Purchase or Rent Land	74
	2005-06-137	74
9.0	Other	74
9.01	Luscar Coal Update.....	74
9.02	Bassano Dam Land Claim Update	74
9.03	EnCana Negotiations Update.....	74
9.04	Rolling Hills Reservoir Campground Grand Opening Update.....	74
9.05	Patricia Cemetery	74
9.06	PAWM Update.....	74
9.07	Fred Mandeville Letter.....	74
9.08	Disposal of Tractor and Mower	74
	2005-06-138	74
10.0	Upcoming Events	75

July 19, 2005 Directors Meeting

1.0	Approval of the Agenda.....	76
	2005-07-139	76
2.0	Approval of the Minutes	76
	2005-07-140	76
3.0	Business Arising	76
3.01	KWH Pipe Update	76
4.0	Financial Report	76
4.01	June 30 th , 2005 Financial Statements	76
	2005-07-141	76
4.02	Quarterly Accounts Receivable Report	77
	2005-07-142	77
4.03	Quarterly Investment Report	77
	2005-07-143	77
6.0	Operations	77
6.01	Water Use to Date	77
5.0	EIDNet Report	77
7.0	Engineering.....	77
7.01	Project Status	77
7.02	R North Bantry.....	78
	2005-07-144	78
7.02.1	Lawson Water Supply	78
	2005-07-145	78
7.02.2	Musgrove Infrastructure Savings Grant	78
	2005-07-146	79
	2005-07-147	79
7.03	North Bantry Surge Pond	79
	2005-07-148	79
7.04	17 G Infrastructure Savings Grant	79
	2005-07-149	79
8.0	Equipment.....	80
8.01	Quotes on New Hoes	80
	2005-07-150	80
	2005-07-151	80
9.0	Bassano Dam Update	80
10.0	Lands.....	80
10.01	Request to have Pheasant Shooting Permit on Irrigated Lease	80
10.02	Antelope Creek Residence	80
10.03.1	Should We Allow Additional Cattle on Lease August 1	80
10.03	Grazing.....	80
10.04	Letter from Dan Sewall.....	81
11.0	Other	81

11.01	Rolling Hills Reservoir Campground Grand Opening	81
11.02	Letter from Andy Mitchell	81
12.0	Upcoming Events	81

August 23, 2005 Directors Meeting

1.0	Approval of the Agenda.....	82
	2005-08-152	82
2.0	Approval of the Minutes	82
2.01	July 19, 2005	82
	2005-08-153	82
3.0	Business Arising	82
4.0	Financial Report	82
4.01	July 31 st , 2005 Financial Statements	82
	2005-08-154	83
5.0	Engineering.....	83
5.01	Antelope Creek Canal	83
	2005-08-155	83
5.02	Project Update.....	83
5.02.1	Rehabilitation Projects Land Assembly Status	83
5.02.2	04 Bow Slope	83
5.02.3	Tilley Canal.....	84
	2005-08-156	84
5.03	Conversion of Terminable Acres to Irrigation Acres & Approval of Cost Shares	84
5.03.1	Beasley Ranches Ltd. – NW 07-20-12 W4M	84
5.03.2	Deschamps – NW 19-20-12 W4M	84
	2005-08-157	84
	2005-08-158	84
5.03.3	T. Irwin – Pt. 9 & 10 -21-12 W4M.....	84
5.03.4	J. & K. Irwin – NW 32-20-12 W4M	85
	2005-08-159	85
	2005-08-160	85
5.03.5	J. & K. Irwin – NW 29 & SW 32-20-12 W4M.....	85
	2005-08-161	85
5.03.6	Baran – NW 13-20-13 W4M.....	85
	2005-08-162 [rescinded by motion 2005-09-185].....	85
	2005-08-163 [rescinded by motion 2005-09-185].....	85
5.03.7	N. Owen – SW 18-20-12 W4M.....	85
	2005-08-164	85
	2005-08-165	85
6.0	EIDNet Report	85
7.0	Lands.....	86
7.01	Bassano Property – Approval of Subdivision & Setting of Asking Price of Parcels	86
	2005-08-166	86
7.02	Sale of House in Rolling Hills	86
	2005-08-167	86
7.03	4 Irrigable Units to Register.....	86
7.03.1	John & Sandra Genovese – NE 36-21-13, & Frank & Maria Genovese – SE 36-21-13 ..	86
	2005-08-168	86
7.03.2	John & Katherine Irwin – NW 29-20-12 W4M and SW 32-20-12 W4M	86
	2005-08-169	86
7.03.4	Herb & Dorothy Torkelson – NE 27-20-15 W4M and SE 27-20-15 W4M.....	86
	2005-08-170	87
7.04	3 Irrigable Units to Discharge	87
7.04.1	Brad Deschamps and Robert Deschamps – SW 30-20-12 W4M.....	87
	2005-08-171	87
7.04.2	Don Owen and Ross Owen – NW 05-21-12 W4M.....	87

	2005-08-172	87
7.04.3	Barry Humen – SW 34-18-16 W4M and SE 34-18-16 W4M.....	87
	2005-08-173	87
7.05	North Yard Remediation.....	87
8.0	Operations	87
8.01	2 Farm Improvements	87
8.01.1	Greg Dyck – SW 11-20-14 W4M.....	87
	2005-08-174	87
	2005-08-175	88
8.01.2	Lester Cattle Co. Ltd. – SE 05 and SW 04-14-13 W4M.....	88
	2005-08-176	88
	2005-08-177	88
8.02	Setting Water Shut Off Date.....	88
	2005-08-178	88
8.03	Setting Cattle Round Up Date.....	88
	2005-08-179	88
9.0	Other	88
9.02	Letter from Bertha Farms Ltd.	88
	2005-08-180	89
	2005-08-181	89
9.03	Letter from Harold & Kim Heinrichs re: Interlake	89
9.04	Letters as Information.....	89
2:00 p.m.	Lakeside Industries.....	89
11.0	Bassano Dam Land Claim Update.....	89
2:46 p.m.	Presentation by Dennis Roth, Legal Counsel	89
9.05	Rolling Hills Reservoir Campground	89
9.06	Irrigation Rehabilitation Program (IRP) Funding for 2005/2006.....	90
9.07	Proposed Patricia Solid Waste Transfer Station Site.....	90
	2005-08-182	90
12.0	Upcoming Events	90
9.01	Staffing – Board “In Camera”	90
10.0	“In Camera”	91

September 27, 2005 Directors Meeting

1.0	Approval of the Agenda.....	92
	2005-09-183	92
2.0	Approval of Minutes.....	92
2.01	August 23, 2005	92
	2005-09-184	92
3.0	Business Arising	92
3.01	Conversion from 2 nd to 1 st Water on NE 13-20-13 W4M – Baran	92
	2005-09-185	92
3.02	Lakeside Effluent Irrigation.....	93
3.03	Angle Drilling	93
4.0	Financial Report	93
4.01	August 31, 2005 Financial Statements	93
	2005-09-186	93
4.02	Request for Reimbursement – Bob Breakell Letter re: Wayne Sinclair	93
4.02.1	EIDNet Response.....	93
5.0	Engineering.....	93
5.01	Project Construction Status.....	93
5.02	Rehabilitation Projects – Land Assembly Status	94
5.03	One Tree Creek Structures Project Approval	94
	2005-09-187	94
	2005-09-188	94
5.04	R1 North Bantry Project Approval	94

	2005-09-189	95
5.05	Lower 7 Bow Slope Rehabilitation Project Approval	95
5.06	03 North Branch Extension	95
5.07	17G Springhill Tender Results	95
5.08	R North Bantry Infrastructure Request, and Savings Grant	95
5.08.1	County of Newell Turnout Request – NE 13-20-12 W4M – R North Bantry	96
	2005-09-190	96
5.08.2	G. Musgrove Infrastructure Savings Grant – NE 24-20-13 W4M – R North Bantry	96
	2005-09-191	96
5.09	Letter from KWH.....	96
	2005-09-192	96
6.0	Operations	96
6.01	Farm Improvements	96
6.01.1	Lou & P. De Jager – W ½ 05-14-13 W4M.....	96
	2005-09-193	96
	2005-09-194	96
6.01.2	Daniel Doerksen – NW 05-22-16 W4M.....	97
	2005-09-195	97
	2005-09-196	97
6.01.3	Rae Latimer – NW 15-21-17 W4M.....	97
	2005-09-197	97
	2005-09-198	97
	2005-09-199	97
6.01.4	Dan & Marg Loewen and Scott & Janée Loewen – SW 33-20-15 W4M	97
	2005-09-200	98
6.01.5	Chris & M. Schmidt – NW 33-16-16 W4M.....	98
	2005-09-201	98
	2005-09-202	98
6.01.6	Norman & N. Wester – NE 34-16-13 W4M	98
	2005-09-203	98
6.01.7	Wayne & C. Slenders – SW 10-15-15 W4M	98
	2005-09-204	98
	2005-09-205	98
6.02	Letter from Arno Doerksen	98
8.0	General Manager's Report	99
8.01	Village of Duchess Drainage Meeting	99
8.02	Interlake Landowner's Meeting	99
8.03	Ducks Unlimited License	99
8.04	Scada Conference.....	99
	2005-09-206	99
8.05	Letter from Andrew Braun, Art Paetkau, Abe Berg	99
8.06	AIPA Meeting	100
8.07	Request for funding Duchess Playground, Brooks Library	100
8.08	Premier's Dinner Letter	100
8.09	Irrigation Council Workshop	100
8.10	County of Newell Letter – Rolling Hills Sewer Effluent	100
9.0	Upcoming Events	100
7.0	Lands.....	101
7.02	Grazing.....	101
	2005-09-207	101
7.01	Encana Negotiations	101
10.0	In Camera	101

October 25, 2005 Directors Meeting

1.0	Approval of the Agenda.....	102
	2005-10-208	102

2.0	Approval of the Minutes	102
2.01	September 27, 2005.....	102
	2005-10-209	102
3.0	Business Arising	102
4.0	Engineering Report	102
4.02	Tender Results	102
4.02.1	North Bantry Surge Pond	102
4.02.2	One Tree Structures.....	103
	2005-10-210	103
4.03	PVC Supply & Pricing.....	103
	2005-10-211	103
4.04	Rehabilitation Projects Construction Status & Land Assembly Status	103
4.05	R North Bantry.....	104
4.05.1	Infrastructure Savings Grant – Clint Henrickson, NW 12-20-13 W4M, R North Bantry..	104
	2005-10-212	104
	2005-10-213	104
	2005-10-214	104
4.05.2	Conversion of 2 nd Water to 1 st – Beasley Ranches, NW 07-20-12, R North Bantry	104
4.05.3	Conversion of 2 nd Water to 1 st – Todd Irwin, S ½ 9 and SW 10-21-12 R North Bantry ..	104
4.06	North Bantry Canal.....	104
	2005-10-215	105
4.07.1	One Tree Creek Conversion of 2 nd Water to 1 st – Jack Adams	105
4.07	3 Year Plan for: Automation, Return Flow Monitoring, Flow Meters on Existing Pipelines, Screening Devices and Structures	105
	2005-10-216	106
4.08	Draft Policy for Purchase of Water Rights & Reduction of Infrastructure	106
	2005-10-217	106
5.0	Operations	107
5.01	8 Farm Improvements	107
5.01.1	Steven Anderson – SE 31-15-15 W4M.....	107
	2005-10-218	107
5.01.2	D. & D. Eckert – NE 15-21-14 W4M.....	107
	2005-10-219	107
5.01.3	Ted Enns – NW 32-21-16 W4M	107
	2005-10-220	107
5.01.4	Ted Enns – NE 32-21-16 W4M.....	108
	2005-10-221	108
5.01.5	Ted Enns – SW 11 & NW 02-21-16 W4M.....	108
	2005-10-222	108
5.01.6	Leila Hiebert – SW 05-22-16 W4M	108
	2005-10-223	108
5.01.7	Richard Hiebert – SE 05-22-16 W4M.....	109
	2005-10-224	109
5.01.8	J. & R. Miller – NE 24-17-14 W4M	109
	2005-10-225	109
6.0	Lands.....	109
6.02	Irrigated Leases.....	109
6.02.1	Request for Annual Lease – Jim Aleman – NW 15-15-13 W4M.....	109
	2005-10-226	109
6.02.2	20 Year Lease Terminations – Lloyd Colbens, Peter Mousset.....	109
	2005-10-227	109
6.03	Transfer of Irrigation Acres.....	110
6.03.1	Lathom Hutterian Brethren	110
	2005-10-228	110
6.03.2	River Bow Ranch to 1184989 Alberta Ltd.	110
	2005-10-229	110

6.03.3	Bow City Hutterian Brethren.....	110
6.04	Transfer of Grazing Lease # 7029 – Bob Brodie to Jake Veenstra	110
	2005-10-230	110
6.05	6 Irrigable Units	110
	2005-10-231	111
4.0	Engineering Report	111
4.01	Financial Overview	111
7.0	Financial Report	111
7.01	September 30, 2005 Financial Statements	111
	2005-10-232	111
7.02	3 rd Quarter Investment Report.....	112
	2005-10-233	112
7.03	3 rd Quarter Accounts Receivable	112
	2005-10-234	112
7.04	Quotes on Health & Dental Insurance for Directors	112
8.0	EIDNet Report	112
6.0	Lands.....	112
6.01	Oil & Gas Negotiations – 1:00 p.m.	112
6.01.1	Presentation by Dennis Roth	112
6.01.2	Response to EnCana Offer	112
9.0	Equipment Report	112
9.01.1	Sale of 1996 Mack Gravel Truck.....	112
	2005-10-235	113
6.0	Lands.....	113
6.01.3	Well Access Conflicting Ditch – F. George	113
10.0	Other	113
10.01	County of Newell West Nile Control Program	113
10.02	Moratorium on Licenses on the Bow River	113
11.0	Upcoming Events	113

November 28 & December 1, 2005 Directors Meeting

1.0	Approval of the Agenda.....	115
	2005-11-236	115
2.0	Approval of the Minutes	115
2.01	October 25, 2005.....	115
	2005-11-237	115
3.0	Business Arising	115
4.0	General Manager's Report	115
4.01	Request to Endorse Nomination of Tom Livingston to AB Agricultural Hall of Fame	115
	2005-11-238	115
4.02	South Saskatchewan River Draft Management Plan.....	116
4.03	AIPA November Directors Meeting	116
4.04	AIPA Draft 2006 Budget.....	116
4.05	Northwest Irrigation Operators 2006 Conference – Feb. 14-16 '06, Boise, Idaho.....	116
4.06	Board Retreat	116
5.0	Engineering Report	116
5.01	Rehabilitation Project Construction Status.....	116
5.02	Rehabilitation Projects Land Assembly Status	117
5.03	13 East Branch Infrastructure Savings.....	117
	2005-11-239	117
5.04	IRP Annual Rolling 3 Year Plan – for the years 2006/07 to 2008/09	117
	2005-11-240	118
5.05	Request to keep water on NW corner of NW 12-20-13 W4M – C. Henrickson	118
6.0	Lands.....	118
6.01	2006 Irrigation Applications	118
6.01.1	Jake Veenstra – SW 09-18-14 W4M.....	118

2005-11-241	118
6.01.2 Clearview Hutterian Brethren – S 23-23-18 W4M.....	118
6.01.3 Fred Klassen – NE 22-22-17 W4M	118
2005-11-242	118
6.01.4 Sage Farms Ltd. – W 03, 04 E 05-25-16 W4M.....	119
2005-11-243	119
6.01.5 Cross Coulee Ranching – N 28, S 33, SW 34-21-14 W4M	119
6.01.6 Austin Beasley – SE 28-21-14 W4M.....	119
6.01.7 Isaak Wall – NE 15-16-16 W4M.....	119
1.0 Approval of the Agenda (day 2).....	119
7.0 Financial Report	119
7.01 October 31, 2005 Financial Statements.....	119
2005-12-244	120
8.0 Operations	120
8.01 5 Farm Improvements	120
8.01.1 Charles & W. Hansen – NW 07-19-13 W4M.....	120
2005-12-245	120
8.01.2 Charles & W. Hansen – S ½ 07-19-13 W4M	120
2005-12-246	120
2005-12-247	120
8.01.3 Fred Klassen – E ½ 35-22-17 W4M.....	121
2005-12-248	121
2005-12-249	121
8.01.4 Henry & Betty Neufeld – NW 10-23-16 W4M.....	121
2005-12-250	121
8.01.5 Cliff & Melanie Walde – SE 06-23-16 W4M	121
2005-12-251	121
6.0 Lands.....	121
6.02 Irrigated Leases # 8136 and # 8142	121
2005-12-252	122
2005-12-253	122
6.03 Transfer of Irrigation Acres.....	122
6.03.1 OH Ranch – 542 acres.....	122
2005-12-254	122
6.04 Don Peterson – Irrigated Lease	122
2005-12-255	122
6.05 Grazing.....	123
2005-12-256	122
2005-12-257	123
6.06 Oil & Gas	123
6.06.1 EnCana Negotiations	123
4.0 General Manager's Report (day 2).....	123
4.04 AIPA Draft 2006 Budget (revisited)	123
4.08 Meeting with Ministers Horner & Oberg - Dec. 6, Edmonton	123
4.09 Oberg Open House – Dec. 9, Brooks	124
4.10 Email from Don Bruce re Leisure Centre Project.....	124
2005-12-258	124
4.02 South Saskatchewan River Draft Management Plan – Survey (revisited).....	124
9.0 Upcoming Events	124
 <u>December 20, 2005 Directors Meeting</u>	
1.0 Approval of the Agenda.....	125
2005-12-259	125
2.0 Approval of the Minutes	125
2.01 November 28 & December 1, 2005.....	125
2005-12-260	125

3.0	Business Arising	125
4.0	Report on CRWUA Conference.....	126
5.0	By-Law 848 (2005) Setting the Date for the Election of Directors, Div. 3 & 6.....	126
	2005-12-261	127
	2005-12-262	127
6.0	Financial Report	128
6.01	November 30, 2005 Financial Statements	128
	2005-12-263	128
7.0	EIDNet Report	128
8.0	Engineering Report	128
8.01	Rehabilitation Projects Construction Status	128
8.02	Rehabilitation Projects Land Assembly Status	129
8.03	2005/2006 Structures Program	129
	2005-12-264	130
9.0	Operations	130
9.01	Farm Improvement – Art Paetkau – NE 19-22-16 W4M	130
	2005-12-265	130
	2005-12-266	130
10.0	Equipment Report	130
10.01	Results of Sale of Tandem Truck	130
10.02	2006 Vehicle Sales.....	130
10.03	2006 Vehicle Purchases	131
	2005-12-267	131
10.04	Draft Equipment Disposal Policy.....	131
	2005-12-268	131
11.0	Lands.....	131
11.01	Irrigated Leases # 8136 and # 8142	131
11.02	Grazing Report.....	132
11.02.5	2005 Grazing Report & Comments	132
11.02.1	Number of 2006 Applications	132
11.02.2	Setting Cattle Numbers for 2006.....	132
11.02.3	Irrigated Pasture Fertilizer Costs & Options.....	132
11.02.4	GAC Meeting.....	132
11.03	Partners in Habitat Development 2005 Year End Report	133
11.04	Public Access Summary Report.....	133
11.05	Newalta Request to Purchase Land.....	133
11.06	EnCana Negotiations	134
12.0	General Manager’s Report	134
12.01	Meeting with Ministers Horner & Oberg – Dec. 6, Edmonton	134
12.02	Meeting with Ministers Boutilier & Oberg – Dec. 13, Edmonton	134
12.03	AIPA Managers Meeting – Dec. 9, Lethbridge.....	134
12.04	AIPA Annual Meeting – Dec. 16, Picture Butte.....	134
12.05	Paul Seaton’s Request to Purchase Land; Water-ski Slalom Course	134
12.06	County of Newell’s Request to Cost Share Ground Water Study.....	134
12.07	Staff Changes.....	134
12.08	Northwest Operator’s Conference – Feb. 14-16, Boise, Idaho.....	134
13.0	Upcoming Events	135

The Directors of the Eastern Irrigation District held a meeting on the 1st day of February, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair [Division 06]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair [Division 05]	Mr. Kevin Bridges	Assistant General Manager
Mr. Clint Henrickson	Director [Division 03]	Sandra Hajash	Human Resources
Mr. Floyd George	Director [Division 01]		
Mr. Tom Livingston	Director [Division 02]		
Mr. Neil Johnson	Director [Division 04]		
Mr. Pat Hemsing	Director [Division 07]		

The meeting was called to order at 9:00 a.m.

1.0 Approval of the Agenda

Items added to the Agenda were:

- 3.05, Follow up on Kinsmen request for a pheasant hunt (under business arising)
- 3.04, Updates on County ticket for trespass
- 10.03, Information on County Per Diem survey under G.M.'s report
- 9.0, Information on local PC Parties motion regarding water storage in S. Alberta

2005-01-001 Moved by Clint Henrickson that the Board approve the agenda for the February 1, 2005 Board meeting as presented with additions. Seconded by T. Livingston. CARRIED

2.0 Approval of the Minutes

2.01 Regular Board Meeting - December 21, 2004

The following items were noted for correction:

- page 145, remove the word "restricted" from the second paragraph under 9.0 regarding Kinsmen winter pheasant hunt.
- in 10.01 Lake Newell designated camping areas - make text singular not plural " a random camping site"
- page 148, 12.06 Penalty for Newell Grazing Association - Add a line indicating the item is to be taken to the GAC for discussion and referral back to the Board.
- add a motion indicating decision by the "in camera" session on GM's contract.

2004-12-246 Moved by P. Hemsing that the Board approve the renewal of the General Manager's contract for 2005; and the award of bonuses to the General Manager and Assistant General Manager, payable in December, 2004. Seconded by T. Livingston. CARRIED

The actual amounts awarded are kept on file and signed by the Chairman of the Board as verification for the audit.

2005-01-002 Moved by T. Livingston that the Board approve the minutes of the December 21, 2004, Board meeting as presented with additions and corrections. Seconded by C. Henrickson. CARRIED

2.02 Minutes for the Annual Meeting of March 30, 2004

Board members indicated the following items for correction:

- page 5, 8.01 , High Speed Internet, remove "identical" and replace with "similar".
- page 5, correct year to June 2004, not June 2003.

- page 6, 8.02.3, Master Oil & Gas Agreement, replace "accorded" with "giving" in last sentence.

2005-01-003 Moved by P. Hemsing that the Board approve the minutes of the Annual General Meeting held on March 30, 2004. Seconded by A. Nielsen. CARRIED

3.0 Business Arising

3.01 Sale of EID Dozer

E. Wilson updated the Board on the sale of the D6 Dozer. Finning in Calgary sold the unit for \$130,000 with EID netting \$119,600.

3.02 Irrigated Lease Reviews

To date there has been no response by lease holders. Staff expect to hear from most within the next few weeks.

3.03 GW Murray Proposed Land Trade. SE 27-18-13 (159.2 acre quarter)

The Board were provided with a review of a potential land trade with GW Murray. Presently the EID has one quarter of land, SE 27-18-13, surrounded by Murray land. A number of other miscellaneous parcels are owned by both parties in the nearby vicinity. The proposed trade would see the parcels better aligned to both parties advantage. The parcels are presently split, EID owning east of the old canal and GW owning west. These would be divided so EID would own the complete quarter for four of these quarters and GW for two of these quarters and Murray's would acquire the quarter in the middle of their land. The final result would see the EID with 231.6 acres of land from GW and GW would receive 235.3 acres of EID land. The revenue involved with oil & gas wells on the parcels would also have to be taken into consideration.

The Board debated the merits of the proposal and felt the EID should continue negotiations as the benefit to the EID was not substantial enough to warrant the trade at this time. The fencing of the new property boundaries at a cost to the Murrays might substantiate such a trade. At present EID land is not fenced out and is being grazed by Murrays. As well, the private grazing lease immediately adjacent the property and leased by the Murrays may have to be reviewed.

E. Wilson is to further negotiations regarding fencing, oil & gas revenue and Private Grazing Lease tender option; bringing those discussions back for Board consideration.

R. Martin entered at 9:37 a.m.

3.04 County Ticket for Trespass on EID Land 2004

R. Martin provided a letter from the County constable reporting that one person was ticketed and found guilty of trespassing at the Lake Newell Resort spill gates in September of 2004. This followed a number of warnings to the individual. The Petty Trespass Act is a new law which became effective in 2004. Future incidents will be monitored in an attempt to continue to reduce such cases.

3.05 Kinsmen Winter Pheasant Hunt - March 2005

At a previous meeting the Board provided a tentative agreement to allow a winter pheasant hunt on EID land pending suitable locations being determined. R. Martin reported that five sites appear to be suitable: adjacent to Tilley A and B reservoirs areas, Eyremore near Kitsim and the Scandia Ranch. The fifth was an EID private grazing lease held by GW Murray and it appeared the Murray's were agreeable to such a hunt.

Debate followed on allowing such a hunt and dealt with issues of site and species sensitive areas, access and liability, clean up, promotion of hunting in the EID and the general

coordination of the project. In conclusion it was decided that such a one day hunt could be undertaken on a trial basis. Should a private grazing lease be chosen, EID staff will broach the issue with the lease holder as they have the right to decline access. No names are to be released to any party. Staff are to monitor the man hours and costs involved.

- 2005-01-004 Moved by F. George that the Board approve a one day winter pheasant hunt sponsored by the Brooks Kinsmen Club on a trial basis for 2005, on a total of five parcels of EID community pasture or private grazing leases (lease holder's permission required) with the requirement that the sites are not site/species sensitive and the Kinsmen be required to provide proof of liability and have a release signed by those participating. Seconded by A. Nielsen. CARRIED**

R. Martin exited at 10:02 a.m. A short break was taken. R. Hayes entered at 10:10 a.m.

4.0 High Speed Internet Update

4.01 County Letter of Concern

Board members referred to concerns expressed in the County's letter dealing with poor service in some areas, lack of response at the help desk and the fact that not all areas of the County have been serviced yet. R. Hayes advised that he discussed the above issues with the County Administrator today indicating that all items were being addressed. More discussion followed and E. Wilson will follow up with County on their letter of concern.

A lengthy report was given providing an update on the project to date and addressing a number of issues. While many areas are being successfully served, there are a number of gaps in system where the radio coverage is not complete. More towers or radios will be required, up to five, to completely service the areas originally intended. Many of the problem areas are on the fringe of the system or in heavily treed or low lying areas. Some of the availability issues for service when the system has gone down were mis-communication and are being addressed. A Board member asked if IP Plus would be covering the cost of the additional towers as they had provided the initial projection for servicing. Staff will address this issue the IP Plus. The option for placing telephone service on the towers was also touched on but it was not felt this would be viable.

Financing and subsidizing of the internet service were discussed. It was decided that pricing would remain as is for the present due to budgeting concerns for many of the water users but the issue could be reviewed in the future. Staff will continue to work on reducing the problems and will follow up on Board suggestions including improving the overall service aspect of the project.

4.02 Pioneer Gas Co-op Letter

Pioneer gas submitted a letter requesting gas cooperative rates be considered water user rather than small business. Discussion followed with staff directed to contact the co-op and decline the request.

R. Hayes exited at 10:42 a.m.

5.0 Lands

5.01 Transfer of 35 Acres - Ramer Ranches/Duchess E ½ 28-20-14 to W ½ 13-20-15

E. Wilson provided an overhead of the subject land and reviewed it's history. In 2002 Ramer Ranches sold their lands in the E1/2 28-10-14 to the Village of Duchess for expansion of their wastewater lagoon. A clause in the agreement allowed Ramer Ranches to obtain the transfer of irrigation acres if those water rights were no longer required.

There were 65 acres in the original parcel and 35 acres are being taken out of production; therefore the two parties have applied for the transfer. Ramers wish to transfer 35 acres to Section 13-20-15. Twenty-two acres were previously approved for transfer to the same parcel in 2003. Soils have been tested on section 13 and the landowner may develop 95 acres with a wheel move system or 54 acres with a small pivot to remain in the soils guidelines. Approval of the 35 acres would total 57 acres and fall within the guidelines.

- 2005-01-005 Moved by T. Livingston that the Board approve the transfer of 35 acres of irrigation from the E ½ 28-20-14 , owned by the Village of Duchess, to the W ½ 13-20-15, owned by Ramer Ranches, ensuring land classification requirements are met. Seconded by C. Henrickson. CARRIED**

G. Redelback entered at 10:42 a.m.

5.02 Oil & Gas

The Board were provided with an Oil & Gas report for the period January 1 to December 31, 2004.

5.02.1 Letter from CNR - Water Credit

The CNR letter followed up previous discussions regarding cancellation of drilling activity and a request for a refund of monies paid in anticipation of that program. Initially the EID provided 57 wells with a "water credit" as they had already been paid for. This letter of January 21, 2005 cancelled an additional 37 wells. Discussion followed as to allowing an additional "water credit" to cover the 37 wells.

- 2005-01-006 Moved by A. Nielsen that the Board approve a water credit for 37 well sites being cancelled from the 2004 drilling program as stated in a letter dated January 21, 2005 from Canadian Natural Resources, bringing the total sites credited to 94 . Seconded by P. Hemsing. CARRIED**

Further discussion on the EID cancellation/refund indicated no generic mail out is required as most, if not all companies, are aware of the EID practice. Present handling of the situation is to stay the same.

5.02.1a Grazing Association Payouts for Cancelled Well Sites and Accountability

Discussion on reclaiming payments to the Grazing Associations based on the proposed programs indicated it would be best to bill the association for the overpayment rather than leaving the amounts outstanding. Rolling Hills Grazing is to be billed the \$11,700 overpaid.

Staff are also to follow up on the Board's request that the Grazing Associations provide an accounting for the well site monies paid to them. The Board had approved by motion 98-04-2204, a GAC recommendation for the \$450 payment to be split three ways. One third retained by the EID for future irrigation improvements to grasslands; the remaining two thirds going to the Associations- one third for capital improvements and one third to be spent as the association deemed suitable.

A Board member expressed concern on benefits coverage such as WCB, EI and CPP to lease riders within the EID. The EID paid swing field lease riders are paid on a contract basis and covered by WCB. Staff were requested to ensure the Grazing Associations are also providing this coverage to the lease riders hired by them directly.

5.02.2 Encana Request for Meeting

Encana wish to meet with the Board at a March meeting to discuss the Board's reluctance to allow drilling in 15-20-71-14, 7-29-17-14, 10-29-17-14 and 11-29-17-14. G. Redelback will confirm the meeting and follow up on actual date.

5.03 Irrigation Expansion - Soil Testing

A Board member mentioned including costs for possible soil testing on sites for future potential irrigation expansion in the upcoming budget. A brief discussion followed and it was decided this would be discussed later in the meeting during budget review.

G. Redelback exited at 11:06 a.m. G. Romao and I. Friesen entered.

6.0 Engineering

- 6.01** G. Romao commenced an update on engineering projects. In responding to a Board inquiry, Mr. Romao noted the EID and contractors would be stock piling needed materials on site, anticipating upcoming road bans.

18 Rolling Hills

2.4 km pipeline

- complete except for cleanup and screen cleaner

- EID Crews

26 & 27 Rolling Hills:

4 km and 1 km pipelines

- pipeline and turnouts installed
- structures remain

- E.I.D. Crews

Lower North Branch:

7.3 km lined canal

- earthworks and armour complete
- structures underway

- E.I.D. Crews

10 Rolling Hills:

pivot line relocation and precast check structure

- check structure remains

- E.I.D. Crews

10 B Springhill:

10 km pipeline

plastic lined surge pond

two cast-in-place structures

- remaining work:
 - one precast baffle structure
 - approximately four turnouts
 - steel work on large structures
 - cleanup

- E.I.D. Crews

- E.I.D. Crews & Top Notch

- Robin Hansen Constr.

There will be upgrading required on two culverts on the drain receiving spill water from the surge pond. One culvert is on a County road. A cost sharing will also be done with Alberta Transportation on a 2.5 m culvert crossing on Sec Hwy 550. Board members queried the work undertaken by Top Notch and Mr. Romao explained they excavated a portion of a large plastic lined surge pond for the project as they were in the vicinity doing the coffer dam at Crawling Valley.

Long Pump:

1.5 km Weholite pipeline

4 km PVC pipeline

- Weholite installation complete
- PVC pipeline in February

- E.I.D. Crews

- E.I.D. Crews

Board members were advised there is one land agreement still outstanding on the project.

Verbal approval has been given by Mr. Valli, however he is out of country and his accountant who has power of attorney is holidaying. A Board member familiar with the landowner, verified his approval of the agreement. No problem is foreseen and work will proceed.

01 Antelope Creek:

- 1 km lined canal and 2.5 km pipeline - EID Crews
- canal earthwork complete except for cleanup
- pipeline and structures in spring

Sec. G Springhill

- 6 km lined canal - Caliber Systems
- cast-in-place structures - Charmar Enterprises
- approximately 2.5 km liner installed
- armour placement started
- cast-in-place structures 50% complete

05G and Sec. G Springhill Pipelines:

- 2 pipeline systems totalling 11 km - E.I.D. Crews
- 1 - 5 km spillway rehabilitation - E.I.D. Crews
- spillway channel trimmed and armoured
- gabion chute and culvert on John Ware 50% complete
- pipeline installation to start beginning of February

Sec. A and B North Branch

- 25 km, 3 km, and 1 km pipelines - EID Crews
- cast-in-place pipeline inlet structure
- 15 km pipeline installed
- inlet structure to start early February

R Tilley and 4H West Bantry

- 1.5 km and 3 km pipelines - CanDoo Excavating
- construction scheduled to start early February

2004/05 Structures Program

- 2 precast structures - EID Crews
- 1 automated gate
- 1 CSP spillway structure
- structures and automated gate on order

6.02 Rae Latimer Cattle Loss SW 22-21-17 on 01-1354

Board members were informed that a letter of claim has been submitted by Rae Latimer for the loss of five head of cattle. The landowner had agreed that an existing pond adjacent to the EID canal in the SW 22-21-17 would be filled in with excess material. The banks were pushed in but there was not enough material to fill the pond completely and it was decided to leave the matter until spring. The site had been previously fenced out and cattle did not use it for watering. However, five animals wandered into the pond, could not get out and died. Since the incident, the remaining material was leveled out and the site fenced to prevent further problems. Work will be completed in the spring. Mr. Latimer has provided a professional estimate of the value of the cattle and is requesting compensation. Discussion followed.

2005-01-007 Moved by T. Livingston that the EID pay Rae Latimer for the loss of five head of cattle which died in an unfenced dugout on a rehabilitation project 01-1354 (Secondary A & B North Branch) located on SW22-21-17; four head at \$1250, one head at \$850 for a total of \$5,850. Seconded by C. Henrickson. CARRIED

6.03 Casey Kozma J-01 North Bantry W22-19-13

This request is placed as it appears an old polyethylene pipeline installed in the 1970's is experiencing flow restrictions which are getting progressively worse. G. Romao reviewed the options and cost.

2005-01-008 Moved by P. Hemsing that the Board approve the replacement of 600 m of an older 12 inch polyethylene pipe which is partially collapsed with 12 inch pvc pipe on J-01 North Bantry in the W ½ 22-19-13 at an estimated cost of \$30,000 under the Capital Program. Seconded by F. George. CARRIED

G. Romao and I. Friesen exited at 11:39 a.m.

6.04 Don Peterson - Tilley - SE 01-17-14W4, 12 Acres to Lease

Mr. Peterson presently irrigates the east 80 acres of SE 01-17-14 with wheels from the Summit Drain. He proposes to put up a pivot that does a little over a half circle that would cross onto District land adjacent to the drain. It was recommended to lease Mr. Peterson the approximately 12 acres of District land unless he wants to bear the cost to subdivide it out.

A board member suggested the EID investigate the possibility of converting this land to 1st water. E. Wilson indicated that it was the 3rd drain on our priority list to look at installing control structures and converting the acres to 1st water.

2005-01-009 Moved by T. Livingston that the Board approve the lease of approximately 12 acres of EID land located in the SE 01-17-14W4 to Don Peterson at the current average of irrigated leases, for a 20 year lease. Seconded by C. Henrickson. CARRIED.

2005-01-010 Moved by T. Livingston that the District investigate the conversion of the 235 acres of terminable water in the E1/2 01 & SE 12-17-14W4 to first water rights. Seconded by P. Hemsing. CARRIED

8.0 Luscar Coal Update

Recent updates to the ongoing development of coal reserves near the Kitsim Reservoir by Luscar Coal were provided. In January of 2005, Luscar went public with their proposal to develop the project. The two preferred options were detailed, both of which would impact the irrigation system. The re-establishment of the area was also discussed. Luscar is suggesting it will not require the Kitsim reservoir as a cooling pond. Instead they plan to construct a new pond 10 feet deep requiring up to 2, 000 acres of land. Plant location has not been disclosed.

The EID will continue negotiations and monitoring of the projects progress.

A lunch adjournment was from 11:59 a.m. to 12:42 p.m. J. Meador was in attendance

7.0 Budget

A spreadsheet detailing the draft 2005 budget was reviewed line by line.

Revenue from water irrigation was based at zero in the event the Board wishes to waive payment again in 2005. This decision can be made at a later date. For 2005 the projected revenue for water is based on 1.8m with 1.6 of that from oil & gas uses. Oil and Gas is set at 17.5 m for a total projected revenue of 20.646 million. 2004 revenue was 21.237 million. Interest rates on the banking accounts were presented.

Various items were brought up with establishing fees and how to lease sites at the Rolling Hills

campground being debated at length. A more detailed plan will be brought back for Board approval as sites will be advertised in late February or early March.

Expenditures were reviewed with the projected salary increase presented for debate at the next meeting. Various items were discussed including cost of repairs to irrigation pumps, an increase to housing maintenance for catch up, equipment pool recoveries and a suggestion to increase the budget recoveries for upcoming oil and gas negotiations. Fencing costs in grazing were questioned as they have been high for some years and catch up should be near. Total 2005 expenditures were 1.173 million with 2004 being 1.107 million.

Capital Purchases were reviewed at 1.7 million. The option of buying a diesel vehicle as a trial was suggested. Merits were discussed.

The Board reviewed the special projects with irrigation items such as screening devices and flow measurement seeing special attention. Previously a number of screening devices have been included in project costs. However both items may require some research consideration in order to come up with better options than those presently at hand. Budgeting for land classification for possible irrigation expansion was also discussed.

The Irrigation Works Fund estimated at January 1, 2005 was \$42.4 million. Projected balance at December 31, 2005 would be 40.2 million

A short debate followed on the pros and cons of charging a 2005 water rate. At this time some felt farming was still in a crisis and the EID enjoyed an extraordinary income from Oil & Gas in comparison to other districts.

A board meeting is set for Tuesday, February 16 specifically to debate the budget.

A short break was held 2:24 to 2:31 p.m. J. Meador exited.

9.0 Draft Public Relations Plan

E. Wilson presented a draft plan that dealt with a number of items including:

- what do we need to do or continue to do in the next 3 to 5 years?
- people we need to communicate with
- what message do we want to tell, to whom and how?
- How do we do this?

The concepts were discussed at some length. T. Livingston presented a copy of a motion passed by the local PC constituency at their recent meeting urging the government to investigate and implement the expansion of viable water storage in Southern Alberta.

It was a general consensus that the District must aggressively pursue all aspects of the draft plan and attain a higher profile. Awareness of the value of irrigation and its many facets must be presented at all levels from water user to local general public, southern Alberta public, urban centers, senior and middle management bureaucrats, MLA's and the Alberta Cabinet. And it was deemed essential that the District continue to pursue increasing efficiencies. Board members and staff conceded that this was a large task and further discussion must follow.

10.0 General Manager's Report

10.01 Letter from CV Recreational Society

The Crawling Valley Recreational Society has requested the District consider assisting with the replacement of the deteriorating sign on the No 1 Highway. A second sign is also needed at the

actual site.

E. Wilson will respond to the letter indicating the EID is willing to pay for the cost or do a sign at/to the Crawling Valley Recreational area; however it will also incorporate other EID reservoirs and information and must be to EID specifications.

Signage promoting irrigation in general was also debated.

10.02 Tour of Strathmore Tertiary Treatment Plant - February

The Town of Strathmore constructed a tertiary treatment plant three years ago and would now like to convey the effluent to the Bow River. The EID has received an invitation to tour the plant.

Board members indicated they would be interested in having staff and a couple of Board members attend. A reply will be sent and a suitable day established.

10.03 Review of County Survey on Per Diems/Expenses

The EID participated in a survey undertaken by the County of Newell as they are attempting to establish a new policy for their councillors. A copy of the results was provided. Note was taken that the EID Board's rates are very reasonable in comparison and the District is the only organization not on benefits.

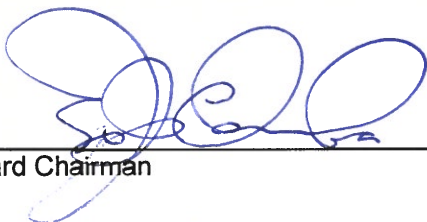
Board members were made aware of the possibility of a \$10,000 Life insurance option through AIPA. The Board declined to look into this.

11.0 Upcoming Events

- | | |
|-------|---|
| 11.01 | BUDGET - Board Meeting - February 16 - 9:00 a.m. |
| 11.03 | Regular Board Meeting - February 24, - 9:00a.m. |
| 11.02 | Red Deer River Watershed Alliance Open House, Feb 24 - Brooks
- N. Johnson will attend |
| 11.04 | AIPA Conference - February 27 to March 1 - Calgary |
| 11.05 | Board Meeting with Auditor - Thursday, March 3 - 10:00 a.m. |
| 11.06 | AIPA Directors Meeting - Brooks March 8, 10:00 a.m. |
| 11.07 | Farm Meetings - Thursday, March 10
- Rainier (7:00 p.m.) and Patricia (2:00 p.m.) if possible
Topics for Presentation:
- Water Strategy - Highlights from AIPA Conference
- Board Retreat - Internet Problems
- Public Relations - Luscar
- Rehabilitation Program |
| 11.08 | Regular Board Meeting - March 29, 2005 |
| 11.09 | Annual General Meeting March 30, 2005 at the Heritage Inn, Brooks |
| 11.10 | Closing of Nominations for Directors (Div 1& 5) March 31, 2005 |

P. Hemsing moved adjournment of the meeting at 3:30 p.m.

12.00 Board "In Camera"



Board Chairman

General Manager

The Directors of the Eastern Irrigation District held a meeting on the 16th day of February, 2005. Those in attendance were:

Mr. Bob Chrumka-Chair [Division 06]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen-Vice-Chair [Division 05]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George-Director [Division 01]	Sandra Hajash	Human Resources
Mr. Tom Livingston-Director [Division 02]		
Mr. Neil Johnson-Director [Division 04]		
Mr. Pat Hemsing- Director [Division 07]		
Mr. Clint Henrickson-Director [Division 03] - Absent		

The meeting was called to order at 8:55 a.m.

1.0 Approval of the Agenda

The agenda was reviewed. The visit to the Strathmore tertiary treatment plant was discussed. K. Bridges will make final arrangements to tour the treatment plant for Tuesday, March 1, 2005 on the return trip from the AIPA Conference in Calgary. A tentative time would be 3:00 p.m. with some staff and board members attending both the tour and supper.

It was noted that the regular board meeting date would change from March 29 to March 24.

2005-02-011 P. Hemsing moved the Board approve the Agenda for the Wednesday, Feb 16, 2005, Board meeting as presented with additions. Seconded by A. Nielsen. CARRIED

2.0 Approval of the Minutes - February 2, 2005

2005-02-12 Moved by T. Livingston that the Board approve the minutes of the February 1, 2005, meeting as presented. Seconded by N. Johnson. CARRIED

3.0 Business Arising

3.01 Response Letter to County Regarding Internet

Responding to a board questions, E. Wilson noted he did contacted A. Martens following the last board meeting and will follow up with a letter once more details are available.

3.02 Latimer's Cattle Payment

Board members were advised the cheque payment is in the process as per the board motion passed at the last meeting.

3.03 Proposed Murray Land Trade

Some discussion with Murray's has occurred but no real decision was made. Lengthy debate followed regarding the proposed land trade with various view points put forward.

2005-02-13 Moved by P. Hemsing that the Board approve the land trade with G. W. Murray for the EID quarter located on the SE 27-18-13W4 (159.2 acres) and miscellaneous parcels located in section 24-18-13, totalling 235.3 acres; with the EID acquiring a total of 231.6 acres of Murray land located in W ½ 25, W ½ 36 and SE 13-18-13, with the requirement that the new EID lease land be incorporated into a Private Grazing Lease allocated to the Murrays and extended to 2008. Seconded by T. Livingston. DEFEATED

Discussion followed on the motion.

- 2005-02-14** **Moved by F. George that motion 2005-02-13 be amended with a requirement for Murrays to fence the legal boundaries of the land involved in the land trade. Seconded by N. Johnson. DEFEATED**

Continuing debate agreed that it would be best to have all lease agreements come due in 2008. However, the direct allocation of the new lease area without going to tender was not agreeable to all and the questions of who would be responsible for the fencing was discussed further with an amending motion being put forward. A vote was held on the two motions and both were defeated and a new motion was proposed.

- 2005-02-15** **Moved by N. Johnson that the Board approve a land trade with G. W. Murray for the EID quarter located on the SE 27-18-13W4 (159.2 acres) and miscellaneous parcels located in section 24-18-13, totaling 235.3 acres; with the EID acquiring a total of 231.6 acres of Murray land located in Sections E ½ 35, W ½ 36 and W ½ 25-18-13, with a new 800 acre private grazing lease (E ½ 35, W ½ 36 and W ½ 25-18-13) being placed up for bid for a three year term to 2008; and with the requirement for fifty percent (50%) of the fencing cost to be the responsibility of Murray's should another bidder obtain the lease. Seconded by A. Nielsen. CARRIED**

E. Wilson is to contact the Murrays and discuss the proposal along with related items such as oil and gas considerations.

A brief break was taken from 10:10 to 10:16 a.m.

4.0 Financial Report

4.01 December 31, 2004 Financial Statements

K. Bridges provided preliminary financial statements for December 31, 2004, noting the audit is near completion; however, some additional accounting entries may be required with completion of the audit.

Revenues ended the year at approximately 114% of budget and expenses at approximately 99% of budget. Water revenues are on budget and are \$609,000 below the 2003 income level. 2004 oil and gas water revenues are \$37,000 below budget however, the CNRL credit of \$112,800 has been subtracted from the 2004 revenue. Oil and gas revenues ended the year at \$2.06 million over budget and \$1.2 million lower than 2003. Lease revenues from all sources finished 2004 at \$1.87 million over budget and \$1.4 million less than 2003. EIDNet ended the year with revenues of \$286,000 which is 2.5 times budget and \$166,000 higher than 2003. Other revenues ended at \$808,000 which is \$635,000 higher than 2003; due to the receipt of one time revenues from the drought assistance grant and access fees from Luscar. Some adjustments for interest earnings have yet to be taken into account in these figures. The 2004 depreciation expense, net of deferred grant income, increased by \$392,000 over 2003. The transfer to the Irrigation works Fund for 2004 has not been made yet. The amount will be decided following the meeting with the auditor.

The Board suggested keeping a separate record of any revenue from the Luscar project in the event water users request an accounting. K. Bridges indicated that to date the EID has received \$98,000 for access and \$2,100 for test wells. A review of the statements followed. E. Wilson noted Internet accounting in the budget is formatted differently than in the December year end statement.

2005-02-16 Moved by P. Hemsing that the Board approve the financial statement to December 31, 2004 as presented. Seconded by T. Livingston. CARRIED

4.02 Investment Report

Board members were provided with a report detailing EID investments which included the monies invested in each financial institution, rate of return and term of investment. K. Bridges commented that a comparison was undertaken with other investments on the market and felt the EID portfolio was doing favorably.

In reply to a Board question, it was indicated the Carl Anderson Endowment Fund was not included in this report. 2004 fall payments to the libraries had not exceeded \$200 per library.

2005-02-17 Moved by A. Nielsen that the Board approve the quarterly financial investment report to December 31, 2004. Seconded by T. Livingston. CARRIED

4.03 Accounts Receivable Report

An Accounts Receivable listing was provided for Board review. Any accounts subject to rate enforcement will be dealt with in the next quarter if required.

2005-02-18 Moved by P. Hemsing that the Board accept the quarterly accounts receivable report for the period ending December 31, 2004. Seconded by A. Nielsen. CARRIED

5.0 2005 Budget

5.01 Budget

A new draft of the 2005 budget was reviewed with E. Wilson, indicating some fine tuning of codes since the last edition and changes as per Board suggestions. The 2005 budget is almost identical to last years for the bottom line.

Operations costs are up slightly and mostly due to power costs. Administration has increased the PR budget. A question arose on legal survey and E. Wilson responded advising legal surveys are up to date with some outstanding at the Rolling Hills reservoir. Some discussion followed on screening costs as only \$20,000 is budgeted. It was decided that screening devices would be best incorporated into the projects rather than as a separate budget item. Staff will investigate options and if required bring research projects back to the board for consideration as the District will have to be pro active in this regard.

Some of the major decisions for budget approval today will be: water rate, grazing rate, cost of living, Capital works budget, grazing projects and the Capital purchases/equipment budget.

A lengthy discussion followed on the water strategy proposed by Alberta Environment with its requirement for a 30% efficiency increase from January 1, 2005. A number of issues were touched on as well as any impact they would have on budgeting.

In reviewing the budget figures, the grazing expenses had been increased to \$740,100 due to fertilizer costs. The grazing rate should be determined today.

2005-02-019 Moved by A. Nielsen that the Board set the Grazing Rate at \$11.50 per animal unit for the 2005 season. Seconded by P. Hemsing. CARRIED

The cost of living projected in the budget was 2.5% plus an additional 1% for merit increases. The Board indicated the base percentage should be a flat amount for all staff so as to make the

increase equitable for both higher and lower level incomes. Some suggestions were also put forward as to how the merit increases could be determined.

In returning to grazing issues, a board member indicated a concern brought forward by Duchess Grazing regarding seemingly unduly high treatment expenses for cattle on Duchess regrass projects. Some grazing members questioned if cattle were turned out too early onto effluent applied land and whether clean water was flushed through the pivot. A number of items were discussed. E. Wilson will look into these issues.

The meeting adjourned for lunch from 11:58 a.m. to 12:40 p.m.

The 2005 budget indicates an increase in Capital Projects to \$16.5 m. The Reserve would be dropped by \$1.8 million in 2005. Another major item for board direction is the Capital Purchases. The items listed in the budget total \$2.140 million with net cost at \$1.715 million. Depreciation further reduces this to \$739,600.

Two hoes have already been purchased with Board approval. E. Wilson listed the remaining items. A board member suggested renting the two tractors on the list rather than purchasing as the EID mainly uses the tractors for two to three months of the year. This will be left in capital purchases for now until research is done. Internet towers to improve the service in certain areas were also listed. K. Bridges is discussing costs with IP Plus. Each item will be brought back for individual Board approval as they are purchased.

Considerable discussion followed on the water rate. The draft budget does not include revenue from this source although specialty agreements are still charged. A number of viewpoints were put forward including how other agencies see the waiving of the water rates, 30% efficiencies, what they are and how to promote, charging for the water but providing rebates for improved efficiencies and operations of the system.

2005-02-020 Moved by F. George that the Board establish the water for the 2005 water season at zero (0) in the 2005 Budget due to continuing instability in the farming economy. Seconded by N. Johnson. CARRIED

It was noted water users must be made aware that the water rate will have to be charged in the future.

B. Chrumka requested the directors input on the Chairman's Report to the Water Users which will be published in the upcoming EID Annual Report. The report is presently in draft form. Some ideas presented included: Internet, farm improvements, the Banff Retreat, increases in efficiencies, the RH Campground and possible grand opening, grazing water line and regrass costs, water rates and cost per acre of rehabilitation (EID spending x dollars per acre).

Some discussion followed on funding of campgrounds in general and questioned whether there should be annual leases or longer given the popularity of the Rolling Hills campground and the need to promote irrigation. Crawling Valley recreation area was cited as an example. E. Wilson is to review the subject and provide comments back to the board. Touring CVR was suggested in the annual Board tour along with regrass projects.

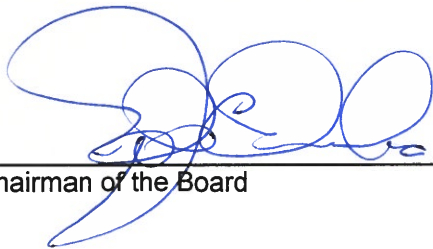
2005 - 02-021 Moved by P. Hemsing that the Board of Directors approve the 2005 Budget of the Eastern Irrigation District as presented. Seconded by T. Livingston. CARRIED

Further discussion dealt with sponsoring an event/item for Alberta's birthday or incorporating this into the Rolling Hills Campground opening, site allotment and how to bid. Possible discussion of these items could be held at the farm meetings in March as the EID will likely advertise the sites in early April.

7.00 Upcoming Events

- 7.01 Red Deer River Watershed Alliance Open House, Feb 24 - Brooks
 - N. Johnson will attend, possibly F. George
- 7.02 AIPA Conference - February 27 to March 1 - Calgary
- 7.03 Tour of Strathmore Tertiary Treatment Plant - March 1, 3:00 p.m.
- 7.04 Regular Board Meeting and Meeting with Auditor - March 3, - 9:00a.m.
- 7.05 AIPA Directors Meeting - Brooks March 8, 10:00 a.m.
- 7.06 Farm Meetings - Tuesday March 8 and Thursday, March 10
 - Patricia (7:30 p.m.) and Rainier (7:30 p.m.)
 - Supper at Patricia prior to meeting.
 - Topics for Presentation:
 - Water Strategy - Highlights from AIPA Conference
 - Board Retreat - Internet Problems
 - Public Relations - Luscar
 - Rehabilitation Program- Rolling Hills Campground
- 7.07 Regular Board Meeting - March 24, 2005
- 7.08 Annual General Meeting March 30, 2005 at the Heritage Inn, Brooks
- 7.09 Closing of Nominations for Directors (Div 1& 5) March 31, 2005

P. Hemsing moved adjournment of the meeting at 1:52 p.m.



Chairman of the Board



General Manager

6.00 Board "In Camera"

The Directors of the Eastern Irrigation District held a meeting on the 3rd day of March, 2005. Those in attendance were:

Mr. Bob Chrumka-Chair [Division 06]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen-Vice-Chair [Division 05]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George-Director [Division 01]	Sandra Hajash	Human Resources
Mr. Tom Livingston-Director [Division 02]		
Mr. Neil Johnson-Director [Division 04]		
Mr. Pat Hemsing- Director [Division 07]		
Mr. Clint Henrickson-Director [Division 03]		

The meeting was called to order at 9:00 a.m.

1.00 Approval of the Agenda

The agenda was reviewed and the following items added:

- add PC Convention attendance, 9.08
- Lake Newell Utility, 5.03
- Surface Rent Review, 9.07
- Info on Strathmore Tertiary Treatment Tour, 9.10
- Bow River Basin Council Fundraising Sponsorship, 9.09

2005-03-22 P. Hemsing moved the Board approve the Agenda for the Thursday, March 3, 2005, Board meeting as presented with additions. Seconded by C. Henrickson CARRIED

2.0 Approval of the Minutes - February 16, 2005

The follow items were noted for correction:

Page 13, 5.0 last paragraph, strike out "with" and insert "plus an additional"

Page 14, motion 2005-02-020. Delete all wording afer the word "economy" in the motion.

2005-03-23 Moved by T. Livingston that the Board approve the minutes of the February 16 2005, meeting as presented with corrections. Seconded by N. Johnson. CARRIED

3.0 Business Arising

3.01 Murray Ranches Proposed Land Trade

In a brief discussion it was noted that an informal response indicates Murray's may leave things as is for now.

5.0 Financial Report

5.01 January 31, 2005 Statement

K. Bridges provided the Board with a review of the financial statements of the District for the period January 31, 2005. As it is early in the year, there is no significant trend with the exception of low recoveries due to the holidays and cold weather shut down. The postal and courier expense is at 42%, however the District prepays postage and mail out of the annual report is expected in March which is a major expense.

Rate enforcement commenced on three situations.

2005-03-024 Moved by P. Hemsing that the Board approve the Financial Report to January 31, 2005 as presented. Seconded by C. Henrickson. CARRIED

5.02 2005 Water Rate By-Laws #846 and 847

The By-laws setting fees and rates were presented for Board approval.

BY-LAW 846 (2005)

A Bylaw Setting Fees for Household Purposes, Rural Water Use Purposes, Water Conveyance Agreements and Interest Penalties on Unpaid

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 WHEREAS:

This bylaw complies with the provisions as are set out in the Irrigation Districts Act,

NOW THEREFORE BE IT ENACTED THAT:

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 this bylaw as Appendix A].
2. The fee for conveyance of water for household purposes for 2005:
 - (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 **\$170.50**, 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**, 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

<u>Category</u>	<u>Description</u>
Country Residential Use (non-pressurized)	refers to rural water use from a pressurized system 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
Country Residential Use (served off pressure system)	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 purpose 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

4. The fee for the conveyance of water for rural water use purposes for 2005 is referenced to a base per acre foot conveyance charge [\$24.26] rounded to the closest \$0.50 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 - non-pressurized	\$25	\$200
Country Residential - served off pressurized system	\$200 plus \$50/acre ft.	\$300
Industrial	\$30	\$250

5. All fees charged for household purposes or for rural water use purposes shall be paid in full by the 1st day of May, 2005 or prior to any water being conveyed to the agreement holder if the agreement was entered into after the 1st day of May, 2005.
6. Where a household purposes agreement or rural water use agreement is not paid for by the 1st day of May, 2005 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 2005 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 [$\$24.26 \times 0.95 = \23.05], rounded to the nearest \$0.50 or \$23.00/acre foot, or
 - (b) the fee assessed for water conveyed for municipal purposes is set at 85% of the cost per acre foot of water consumed [$\$24.26 \times 0.85 = \20.62], 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 [$\$24.26 \times 0.75 = \18.20], 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 [19.56% APR] on all amounts owing the District for all fees assessed under this Bylaw 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 cost per acre foot basis]:

Description:	Amount
Consumptive Use [Average Volume of Water in Acre Feet Delivered to the Farm Gate, past 5 Year Average]	450,000
<hr/>	
Description:	Average
Amortization/Required for Replacement of Irrigation Works \$700 million [1.5%]	\$10,500,000
plus Budgeted Operating Costs [net of Land]	\$4,722,000
minus Funds Received under Alberta IREP	(\$4,305,000)
Net Annual Costs of Operations, etc.	\$10,917,000
<hr/>	
Average Net Annual Costs of Operations	\$10,917,000
Divided by Average Consumptive Use	450,000
Average Cost per Acre Foot of Water Delivery	\$24.26

- 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 [$\$24.26 \times 0.75 = \18.20], being \$18.00 per acre foot [rounded to the nearest \$0.50].
- 2.2 Water Conveyed for Municipal Purposes
The fee assessed for water conveyed for municipal purposes is set at 85% of the cost per acre foot of water consumed [$\$24.26 \times 0.85 = \20.62], 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 [$\$24.26 \times 0.95 = \23.05], 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 \$20.50] for a total of \$170.50.

2005-03-025 Moved by A. Nielsen that the Board approve first and second reading of By-Law #846, 2005 Setting Fees for Household Purposes, Rural Water Use Purposes, Water Conveyance Agreements and Interest Penalties on Unpaid Amounts. Seconded by N.

Johnson. CARRIED

2005-030-26 Moved by T. Livingston that the Board approve third reading of By-Law #846, 2005 Setting Fees for Household Purposes, Rural Water Use Purposes, Water Conveyance Agreements and Interest Penalties on Unpaid Amounts. Seconded by C. Henrickson. CARRIED UNANIMOUSLY

BY-LAW 847 (2005)

A Bylaw 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 WHEREAS:

The District has, via motion **2005-02-021**, approved an operating budget for fiscal 2005 as stipulated in section 117 of the Irrigation Districts Act,

AND WHEREAS:

This bylaw complies with the provisions of the Irrigation Districts Act,

NOW THEREFORE BE IT ENACTED THAT:

1. The rate for all acres of land irrigated under an annual agreement in 2005, excepting those to which a minimum payment or surcharge applies, is established at **\$0.00** per acre.
3. The rate for all acres of land assessed as irrigation acres in 2005, excepting those to which a minimum payment or surcharge applies, is established at **\$0.00** per acre.
4. The rate for all acres of land irrigated under a terminable water agreement in 2005, excepting those to which a minimum payment or surcharge applies, is established at **\$0.00** per acre.
5. The minimum payment in lieu of an irrigation charge for annual agreements, irrigation acres and terminable water agreements in 2005 is established at **\$0.00**.
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 **\$15.00** 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 by the District or postmarked not later than the third Friday of November.
9. A penalty in the amount of **8%** will be applied to all amounts shown on 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.

2005-03-027 Moved by P. Hensing that the Board approve first and second reading of By-Law#847,

2005, 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. Seconded by N. Johnson. CARRIED

- 2005-03-028 Moved by T. Livingston that the Board approve third reading of By-Law #847, 2005, 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. Seconded by C. Henrickson. CARRIED UNANIMOUSLY**

The approved Bylaws will be sent to Irrigation Council.

5.03 Lake Newell Utility Update

The Board were informed the EID will be required to file a return for Lake Newell Utility and four Resolutions are needed to comply with requirements.

- 2005-03-029 Moved by A. Nielsen that the Board approve the following resolutions:**

- 1. BE IT UNANIMOUSLY RESOLVED THAT the financial statements for the last fiscal year end of Lake Newell Utility Inc. as submitted to the sole shareholders are hereby approved and adopted.**
- 2. BE IT UNANIMOUSLY RESOLVED THAT PURSUANT TO Section 163 of the Business Corporations Act the appointment of an auditor for Lake Newell Utility Inc. be dispensed with.**
- 3. BE IT UNANIMOUSLY RESOLVED THAT all acts, contracts, bylaws, proceedings, appointments, elections and payments enacted, made, done, taken and paid by the Directors and Officers of Lake Newell Utility Inc. since the date of the last Annual General meeting and as set out or referred to in the Minutes of Meetings of the Board of Directors, be and the same are hereby approved, sanctioned and confirmed.**
- 4. BE IT UNANIMOUSLY RESOLVED THAT the persons listed below be elected as Directors of Lake Newell Utility Inc., to hold office until the next annual election of Directors or until their successors are duly elected or appointed.**

**ROBERT J. CHRUMKA
PATRICK M. HEMSING
KEVIN L. BRIDGES**

Seconded by N. Johnson.

CARRIED

The County presently have a lawyer working on the possible transfer as was originally anticipated by the Board when they accepted the responsibility of the Utility.

M. Ens, CA, representative of Bevan, Halbert & Gerrard, appointed auditors for the District entered at 9:35 a.m.

4.0 Auditor's Report

M. Ens provided a report on audit proceedings and findings. A review of the audit letter indicated the audit went well and M. Ens noted that more disclosure is required than in the past. The auditor's look at key internal controls but do not delve into every detail. Minor control items that the firm feel require management attention will be detailed in a separate letter. There were \$33,876 in miscellaneous items to be accounted for at year end but were of either a minor nature or adjusting entries from previous years.

The audited statements were then reviewed line by line with Mr. Ens noting highlights. Items the Board requested more detailed information on were the splitting out of "other lease payments" into private grazing leases, irrigated leases and other leases. Under Accounts Receivable and Sundry debts more detailed itemization was requested. The District's financial position is still viewed as very sound.

When reviewing Notes to the Financial Statements, M. Ens noted more information than usual is required pertaining to the Local Authorities Pension. Some Board members displayed a concern on the deficit showing in the fund. Staff are to obtain more information on funding and the investments of the plan.

Upon completion of the review, discussion focused on the transfer of funds to the Irrigation Works Reserve. At year end an excess of \$16,555,098 is showing, with a recommendation to transfer \$15,394,205 to the IWRF, \$51,450 to community pasture development and allotting \$1,435,099 to pay for the District's 25% share of the Province of Alberta cost share projects (IRP).

- 2005-03-030 Moved by A. Nielsen that the following transfers from current years operations be approved:**
a) \$15,394,205.00 to internally restricted funds to be used for future irrigation works additions, and
b) \$51,450.00 to internally restricted funds to be used for community pasture development,

and that approval be granted to use \$1,435,099.00 of internally restricted funds to pay for the District's 25% share of Province of Alberta cost share projects. Seconded by N. Johnson. CARRIED

- 2005-03-031 Moved by T. Livingston that the Board accept the Auditor's Report and that the District's Audited Financial Statements for the period ended December 31, 2004, be approved as presented. Seconded by P. Hemsing. CARRIED**

Prior to exiting M. Ens commended District staff on their cooperation and efficiency during the audit proceedings and K. Bridges responded with the same sentiments for the auditors efforts.

M. Ens exited at 11:04 a.m. and a brief recess was held with G. Romao entering at 11:15 a.m.

7.0 Engineering Status Report

At the commencement of the engineering report, a Board member asked if there was still seepage at the Rolling Hills Reservoir dam. G. Romao indicated there is only significant seepage when the reservoir level is high. A pump has been installed and only operates at these high levels. Water is seeping though the hills adjacent to the smaller dykes, not through the bentonite wall. Some discussion followed. G. Romao then proceeded with his report.

18 Rolling Hills

2.4 km pipeline

- complete except for cleanup and screen cleaner

- EID Crews

26 & 27 Rolling Hills:

4 km and 1 km pipelines

- pipeline and turnouts installed

- structures remain

- E.I.D. Crews

Lower North Branch:

7.3 km lined canal

- earthworks and structures complete
- clean up remains

- E.I.D. Crews

10 Rolling Hills:

pivot line relocation and precast check structure

- check structure remains

- E.I.D. Crews

10 B Springhill:

10 km pipeline

plastic lined surge pond

two cast-in-place structures

- remaining work:
 - steel work on large structures
 - cleanup

- E.I.D. Crews

- E.I.D. Crews & Top Notch

- Robin Hansen Constr.

Long Pump:

1.5 km Weholite pipeline

4 km PVC pipeline

- Weholite installation complete

- PVC pipeline to commence the week of March 7th

- E.I.D. Crews

- E.I.D. Crews

01 Antelope Creek:

1 km lined canal and 2.5 km pipeline

- canal earthwork complete except for cleanup

- pipeline and structures to commence approximately March 14

- EID Crews

Sec. G Springhill

6 km lined canal just north of Duchess

cast-in-place structures

- approximately 4 km liner installed
- armour placement 40%, remainder to be hauled on site before end of February
- cast-in-place structures 80% complete

- Caliber Systems

- Charmar Enterprises

05G and Sec. G Springhill Pipelines:

2 pipeline systems totalling 11 km

1 - 5 km spillway rehabilitation

- spillway channel trimmed and armoured
- gabion chute and culvert on John Ware complete
- 5.5 km pipeline installed
- J. Lawson may be requesting water from another location to serve his parcel
- McKnight pipeline finished next week.
- G. Romao notes two culverts were replaced with one larger at John Ware Spill

- E.I.D. Crews

- E.I.D. Crews

Sec. A and B North Branch

25 km, 2 km, and 1 km pipelines

cast-in-place pipeline inlet structure

- 21 km pipeline installed
- inlet structure excavation underway, form work to start early March

- EID Crews

- Charmar Enterprises

R Tilley and 4H West Bantry

1.5 km and 3 km pipelines
- .2 km pipeline installed

- CanDoo Excavating

There was some discussion on the contractor being slow and the EID assisting with support staff. G. Romao indicated the project should be completed on time.

2004/05 Structures Program

2 precast structures
1 automated gate
1 CSP spillway structure
- one structure installed

- EID Crews

G. Romao exited at 11:35 a.m. and R. Matoba entered.

5.0 Financial

K. Bridges provided the Board with information on a supplier issue with a requirement for an account to be written off.

- 2005-03-032 Moved by P. Hemsing Board approval that the account receivable for Withholding Tax in the Amount of \$11,516.05 pertaining to 2001 and 2002 deductions remitted by a third party supplier be written off as the account is deemed to be uncollectible. Seconded by T. Livingston. CARRIED**

6.0 Lands**6.01 Dryland Lease SE 09-21-14**

The term of this five year dryland lease expired on December 31, 2004 and the lease was tendered for another five year term. Two tenders were submitted with Art Eckert tendering \$20.10 per acre and Martin Cattle Co. Inc. at \$25.10 per acre. Both meet eligibility requirements.

- 2005-03-033 Moved by N. Johnson that the Board accept the high bid from Martin Cattle Company for a five year lease on the on the dryland lease consisting of 132.72 acres located on the SE 09-21-14 at \$25.10 per acre. Seconded by T. Livingston. CARRIED**

Both Martin Cattle Company and Art Eckert to be advised

6.02 Request to Lease 17 acres SW 17-17-16

Mr. Grant Ellefson purchased lands owned by John Juergensen in the Bow City area which is adjacent to this EID parcel which is part of a spillway and is not formally leased but has been used for grazing by adjacent landowners. As some fencing repair is required, Mr. Ellefson would like to formalize use of the parcel.

- 2005-003-034 Moved by T. Livingston that the Board grant an annual lease to Grant Ellefson for the 16.9 acre parcel of land located on SW -17-17-16. Seconded by P. Hemsing . TABLED**

Following discussion it was decided staff should talk to the other adjoining neighbor to see if this impacts his operation.

2005-03-035 Moved by A. Nielsen that motion 2005-03-034 be tabled pending staff obtaining further information on the parcel. Seconded by P. Hemsing. **CARRIED**

6.03 Irrigation Application (Mattheis) SW 32-16-16 W4

E. Wilson reviewed the proposal with the Board and following discussion indicated the District was not favorable to this application at this time. Staff will contact the landowner and review the situation to see if any development is feasible.

R. Matoba exited at 11:52 a.m. and R. Martin entered.

6.04 Report on Ring Neck Pheasant Classic - Kinsmen Sponsored Winter Hunt

R. Martin provided a written report detailing the sites used, hunt activity and hours required to deal with the hunt. All went very well with the Kinsmen and hunters respecting all EID requirements and extending their appreciation to the EID for the access.

Board members were invited to attend the annual PHD meeting in Taber at the Heritage Inn on March 15, 1:00 p.m. Those interested are to contact R. Martin or T. McLean.

In a discussion on the PHD project, T. Livingston advised he was aware of where giant Rye Grass grew in the EID if more seed was required.

R. Martin exited at 11:58 a.m.

9.0 General Manager's Report

9.08 Progressive Conservative Convention - April 7 & 8

Following a brief discussion Board members agreed to sponsor T. Livingston's expenses to attend the convention in Edmonton. The local PC group has passed a motion to pursue on river storage in Alberta.

9.09 Bow River Basin Council Fundraiser

The Bow River Basin Council, on which E. Wilson represents the EID, is sponsoring a fundraiser on Friday, April 29 at the Westin Hotel in Calgary. The EID's sponsorship, which includes a table for 8, is requested.

2005-03-036 Moved by N. Johnson that the Board approve a sponsorship in the amount of \$5,000 to the Bow River Basin Council Fundraiser to be held April 29, 2005 at the Westin Hotel in Calgary. Seconded by C. Henrickson. **CARRIED**

E. Wilson will confirm those attending.

9.06 County of Newell/ EID Annual Supper Meeting

A list of suggested topics was provided by the County which included:

- High Speed Internet access
- Weed control along irrigation canals
- Regional water services
- Separate rate structure for domestic surface irrigation just outside hamlets
- supply of water to subdivisions
- drainage cooperation - canals and streets
- fire truck access to irrigation turnouts
- communication on bridge file work

A suggested date was Monday, March 14th in the evening with the EID hosting. The Board

suggested indicating most items listed are at administrative level and the two Boards/councils do not have to be involved; however, a meeting is advisable so Boardmembers have an opportunity to meet the new councilors. E. Wilson will confirm the date, time and venue with the County and verify attendance with the EID Board.

The meeting adjourned for lunch from 12:15 to 1:00 p.m.

Board "In Camera"

R. Hayes and S. Hajash entered at 1:35 p.m.

8.0 Internet Report

R. Hayes provided a review of problems and solutions to date. Mr. Hayes then proceeded to indicate the location of six proposed new sites and one move to remedy some of the problems being encountered due to poor reception. Those are:

- North Gem
- Bow City
- Countess
- North Duchess and Patricia
- One Tree
- Moving Kitsim Tower
- South Tilley

The budget is \$56,000 for a 100 foot tower and an additional \$18,000 for the 160's. A rough budget is \$372,000 plus the cost to move Kitsim tower. Considerable discussion followed on what is reasonable sign up to justify a tower installation. A Board member noted some water users have indicated they would be responsible for additional costs if the service was available in their area. One Board question was on what will be IP Plus's funding of the extensions. Various ideas were put forward.

C. Henrickson exited at 1:52 p.m.

2005-03-037 Moved by T. Livingston that the Board approve the addition of six towers to the Internet system, subject to ten users being signed up for that area with the project Budget estimated at \$372,000; and the additional cost to move the Kitsim Tower. Seconded by P. Hemsing. CARRIED

R. Hayes and N. Johnson exited at 1:58 p.m.

9.0 General Manager's Report

9.01 Report on Utilities Consumer Advisory Council

K. Bridges provided information on the meeting he attended in Vauxhall on February 17, 2005. A submission provided to Board members indicated the EID suggestions for improving the system along with concerns related at that meeting. About 30 presentations were made to the Council. It appeared there is a general consensus that regulation is needed in the Alberta market as there is not enough competition to go unregulated in the rural sector. The Council reminded those attending they are an advisory board and can only provide suggestions to the Government, not actually make any rulings. It was their intent to review the submissions and respond within 30 days from the public hearing.

An article published in a paper quotes a retired TransAlta employee stating that the system of purchasing the power being presently used by the companies is not cost effective for the consumer but keeps company profits up.

9.02 Offer to Purchase Old Bridge

Mr. Doug McIntosh has submitted an offer of \$4,000 to purchase one of the old EID bridge's which are in storage. It would be used to cross a WID spillway and be used for light traffic. This offer is subject to hauler and engineering approval.

- 2005-03-038** **Moved by P. Hemsing that the Board approve the sale of an old EID bridge to Doug McIntosh for \$4,000. Seconded by T. Livingston. CARRIED**

9.03 Report on Meeting with Crawling Valley Campground Society

Discussion occurred on how to assist the Crawling Valley Campground Society without competing with the private sector campground already established at the site. Following the annual Board tour in spring a more detailed long term plan could be developed. Possibly constructing a break water or other enhancement that would be used by all campers could be considered. There is a Crawling Valley Recreational Campground Society annual meeting on March 20/05 from 2-4 at Bassano Elks Hall for those wishing to attend.

9.04 Request to Renew Membership - Partners for South Saskatchewan River

An individual membership is presently held in E. Wilson's name.

- 2005-03-039** **Moved by P. Hemsing that the Board approve the renewal of an individual membership in the Partners FOR the Saskatchewan River Basin at a cost of \$20. Seconded by T. Livingston. CARRIED**

9.05 Women's Shelter Request for Funding

This organization has sent a letter requesting the EID consider sponsoring a new program they are wishing to have in place for the summer of 2005 which would see two young girls sponsored in a type of mentor program at a budgeted cost of \$7,000. A brief discussion directed staff to send a letter declining the request as it is outside the EID's mandate.

N. Johnson entered at 2:30 p.m.

9.07 Farm Meetings

A brief review of the agenda items for the upcoming farm meetings was held. G. Romao will present a Project Rehabilitation Report while E. Wilson will do the presentation he provided at the AIPA Conference in Calgary. Internet will be undertaken by K. Bridges and R. Hayes. It was noted that the surface rights information has already been obtained from water users over the past few months. In responding to a Board question, it was relayed that Oil & Gas negotiations will start in March primarily with Encana.

9.10 Strathmore Tertiary Treatment Plant Tour

Those attending the Strathmore tour noted it was an interesting tour and the EID had been invited as it is a downstream user and the plan is to convey the effluent to the Bow River. Staff are to find out what dilution rate is for effluent discharged into EID's system at the present time and what Strathmore's will be into the Bow.

9.11 Chamber Update

P. Hemsing reports the Chamber has an offer from a contractor for the purchase of the "log cabin" information building with the intent that it be used for year round operation at that site. Some ideas as to how effective this would be were provided.

9.12 AIPA Conference Review

It was generally agreed that the convention held just days earlier was positive with Calgary being a better venue than Lethbridge however it would be best to only hold every two years. This item was suggested for discussion at the AIPA meeting to be held on March 8 in Brooks.

11.00**Upcoming Events**

- 11.01 AIPA Directors Meeting - Brooks March 8, 10:00 a.m.
- 11.02 Farm Meetings - Tuesday March 8 and Thursday, March 10
 - Patricia (7:30 p.m.) and Rainier (7:30 p.m.)
 - Supper at Patricia prior to meeting.
 - Topics for Presentation:
 - Water Strategy - Highlights from AIPA Conference
 - Board Retreat - Internet Problems
 - Public Relations - Luscar
 - Rehabilitation Program- Rolling Hills Campground
- 11.03 March 14 - EID/County Joint Meeting . Evening
- 11.04 March 15 - PHD Annual Meeting. Taber Heritage Inn at 1:00 p.m.
 - Board members to advise Rick Martin if they wish to attend
- 11.05 March 20 - CVR Annual Meeting, Bassano Elks Hall 2:00 - 4:00 p.m.
- 11.05 March 24 - Regular Board Meeting
- 11.06 March 30 - Annual General Meeting at the Heritage Inn, Brooks 1:30 p.m.
- 11.07 March 31 - Closing of Nominations for Directors (Div 1& 5)
- 11.08 April 29- Bow River Basin Council Fundraiser
 - EID Sponsorship for 8 tickets. E. Wilson to arrange

P. Hemsing moved adjournment of the meeting at 2:50 p.m.



Chairman of the Board of Directors

General Manager

March 23, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 23rd day of March, 2005. Those in attendance were:

Mr. Bob Chrumka	- Chair	[Div. 6]	Mr. Earl Wilson	- General Manager
Mr. Allen Nielsen	- Vice-Chair	[Div. 5]	Mr. Kevin Bridges	- Assist. General Man.
Mr. Floyd George	- Director	[Div. 1]	Sandra Hajash	- Human Resources
Mr. Tom Livingston	- Director	[Div. 2]		
Mr. Neil Johnson	- Director	[Div. 4]		
Mr. Pat Hemsing	- Director	[Div. 7]		
Mr. Clint Henrickson	- Director	[Div. 3]		

The meeting was called to order at 9:00 a.m.

1.0 Approval of the Agenda

Following review of the agenda presented, the following items were added to the agenda:

- 8.01, cancellation of Encana presentation
- 7.03, Rick Volek letter
- 8.04, PHD Annual Report
- 8.05, Delta Water Fowl Meeting
- 8.06, Patricia Solid Waste Transfer Station
- 8.07, Patricia Cemetery
- 8.08, Alta Gas Plant
- 8.09, Offer to Purchase, Drotos Ranching Pt NE 01-18-13W4
- 8.10, Tabled motion 2005-01-034 (EID ROW Pt 17-17-16W4 Old Piper Gravel Pit)
- 9.05, Newell Water Line
- 13.02, Chamber of Commerce Report
- 13.03, EID Policy – Employment Contracts

2005-03-040 C. Henrickson moved the Board approve the Agenda for the Wednesday, March 23, 2005, Board meeting as presented with additions and deletions. Seconded by A. Nielsen CARRIED

2.0 Approval of the Minutes – March 3, 2005

Board members noted the following corrections to the Board Minutes of March 3, 2005:

- Page 23, 9.05 – after wording in last sentence “declining the request”, add “*as it is outside the EID’s mandate*”.
- Page 25, 5.00 – correct motion 2005-03-022 to read “Moved by P. Hemsing Board approval that the account receivable for Withholding Tax in the amount of \$11,516.05 pertaining to 2001 and 2002 deductions remitted by a third party supplier be written off as the account is deemed to be uncollectible. Seconded by T. Livingston. CARRIED”
- Page 17, 2.00 – correct correction for motion 2005-02-020 to read “delete all wording after the word ‘economy’ in the motion”.
- Page 28, 9.11 – delete wording “Tillebrook Park” in the first sentence.
- Page 23, 7.01 – on a question regarding wording in business arising on seepage at Rolling Hills reservoir, Mr. Wilson noted the minutes did have proper wording.
- Page 25, 6.02 – tabled motion 2005-03-034 added to Lands as item 8.10

2005-03-041 Moved by C. Henrickson that the Board approve the minutes of the March 3, 2005, meeting as presented with corrections. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

It was noted that tabled motion 2005-03-034 has been added to the Agenda.

4.0 Review of County Meeting

A review followed on the joint EID/County meeting recently held. Discussion centered on the debate whether to open up the Surface Rights Act. T. Livingston provided his observations of a presentation given at a meeting he attended. The presenter wanted support to open up the act and Mr. Livingston indicated some items presented were incorrect. It would be best to amend the Act rather than "open it up". It appears some Counties will support the "opening up" concept. It was agreed this act has major impacts for the EID. In conclusion it was decided that the EID send a letter to the County with a copy to L. Oberg, MLA, indicating the EID's concern.

5.0 Financial

5.01 Rate Enforcement

Only one water user remains on the rate enforcement schedule and this would be heard at the Court of Queen's Bench May 19, 2005 if required.

5.02 Financial Statements

K. Bridges presented the Board with notes and comments on the financial statements to February 28, 2005, indicating any pertinent information updates on individual items and any significant depart variances.

G. Romao entered at 10:36 a.m.

2005-03-042 Moved by C. Henrickson that the Board approve the Financial Statements to February 28, 2005 as presented. Seconded by P. Hemsing. CARRIED

5.03 LAPP Update

Following a Board request to look into the Local Authorities Pension Plan investments and long range planning, K. Bridges provided an overview of his findings including his discussion with the CEO of the Plan regarding information on Plan deficiency, investments and future viability. The Plan's investments last year were considerably better than previous years and the CEO indicated a 7% return is required to keep the plan stable. No lump sum payment would be required by staff or employer to accomplish funding of the plan however other options would be implemented if required including increasing contribution rates if required.

6.0 Engineering Report

G. Romao provided the Board with an update.

6.01 Project Status

Long Pump:

- install and commission new pumps
- 2 km of pipeline remaining

01 J North Bantry

- install 600 m of 12" diameter PVC

Secondary G Springhill Canal:

- 2 km remaining for armour replacement (all armour is on site)

- install 4 precast structures

Secondar G Springhill Pipeline:

- install 1 km 16" line for Neely's

Lower North Branch:

- install leaf gates on check structures

Secondary B. North Branch:

- Crawling Valley outlet structure 50% complete

R Tilley:

- 1.5 km pipeline
- installation started this week
- Can Doo Excavating

A brief discussion held on accident on 4H West Bantry involving Can Doo crews. No major injury occurred but numerous rescue unit staff responded to the call.

2004/05 Structures:

- one CSP spillway and one gate installation

Various:

- install 18 pipeline flow meters
- 10 automated screen cleaners

Responding to a Board question on the durability of the new weholite pipe used on one project, G. Romao indicated it would have to be monitored over a long term. It is being considered for another project next year.

Lower Bow Slope

A summary of the proposed lift station was provided. The project is to supplement flow to the Lower Bow Slope Canal from Rolling Hills Reservoir and is located east of the Hamlet of Scandia in Section 26-15-15W4.

The project would provide 3,119 irrigated acres on the Lower Bow Slope with reservoir supported water during times of low river flow. These acres are downstream of Kitsim, but storage is limited and the water quality often poor. Estimated cost is \$510,000, including contingencies and engineering. This includes a pump station off the south end of the lake, south of Rolling Hills reservoir. The pump station will discharge into the Lower Bow Slope Canal just as it turns south in the NE ¼ of Section 16. The pump structure would be located approximately 50 metres from the edge of the lake on higher ground, with an inlet channel excavated back into the lake. The flow capacity of 40 cfs would be divided among three 60HP pumps, with three 500mm discharge lines running up to a concrete outlet structure in a new fill section just north of the canal. Each discharge line would have a flow meter. The pump station and outlet structure at Rolling Hills Reservoir would be automated to maintain lake levels and required flow in the Lower Bow Slope Canal.

Discussion followed and it was noted that the three pipelines are cheaper than other options.

2005-03-043 Moved by P. Hemsing that the Board approve the Lower Bow Slope Pumps to be located in Sec 26-15-15W4 at the sound end of Rolling Hills Reservoir pumping via pipelines to the Lower Bow Slope Canal at an estimated cost of \$510,000 funded by the Capital Works Program. Seconded by T. Livingston. CARRIED

G. Romao exited at 10:04 a.m. and a break was taken from 10:04 to 10:12 a.m.
J. Meador entered at 10:12 a.m.

7.0 Operations Report

Start Up Date

The proposed start up date is May 5 to 10 depending on weather conditions. Board members indicated their approval of this timing.

Farm Improvements

7.02.1 Les Douglass (M. Douglass) NE ¼ 21-20-15W4

The proposed farm improvement would see irrigation change from flood to pivot. The current assessment is 69 acres and the pivot area would be 58 acres however Mr. Douglass plans on keeping the full 69 irrigation acres. The pivot is to be low pressure complete with drop tubes and no cold weather shut-off. It must be piped from the pump site to pivot center. Summary indicates:

- 58 acres flood to pivot = \$3,346.00
- 11 acres kept at \$200/acre = \$2200
- pay to water user \$1,146.00

- 2005-03-044 Moved by T. Livingston that the Board approve a Farm Improvement to Les Douglass for the conversion of 58 acres in the NE 19-14-15W4 from flood irrigation to low pressure, drop tubes with no cold weather shut off and with the pivot to be piped from the pump site to the pivot center, with the EID program paying Mr. Douglass \$1,146. Seconded by P. Hemsing. CARRIED**

7.02.2 Fernando Dyck NE 21-20-15W4

This project would see conversion from flood to wheels with new area to be 58 acres from current assessment of 45 acres.

- 45 acres flood to wheels = \$1,125
- assessment can only go to 58 acres without soil testing
- a conversion of 1.3 per acre would also allow for 58 acres
- if extra acres allowed, 13 extra acres will be needed at \$200 per acre for a total of \$2,600
- water user would receive a grant of \$1,125, and owe \$2,600 for capital assets

- 2005-03-045 Moved by P. Hemsing that the Board approve a Farm Improvement to Fernando Dyck for land located in the NE 21-20-15W4, flood to wheels, with an increase from 45 acres to a maximum of 58 acres:**
- Mr. Dyck credited with 45 acres food to wheels = \$1,125.00
 - Mr. Dyck to pay \$200 per acre for the conversion of any extra acres added to the water roll above the original 45 acres.
- Seconded by T. Livingston. CARRIED**

Rick Volek Letter of Commendation to EID Staff

B. Chrumka, Board Chairman read a letter from Mr. Rick Volek commending EID staff naming Jim Meador, Operations Manager, Claus Hansen and crew for their assistance and the installation of a Farm Improvement project on his land.

Farm Environmental Plan

Board members commented on the Farm Environmental Plan and it's oversight in not providing grant incentives to farmers for irrigation improvements to their operations. It was the Baord's wish that the EID send a letter urging that irrigation improvements such as pivots qualify for grants under the Farm Environmental Plans.

8.0 Lands

8.01 Encana Presentation

The Board were advised that Encana had contacted the District to advise they would not be attending today's meeting as was originally planned.

8.02 Request to Purchase Patricia Lot – Lot 5, Block 10 Plan 7910924

K. Bridges has received an offer to purchase a lot owned by the District in the hamlet of Patricia. One assessment valued the property at \$4,000. Much debate on value and subdivision options followed as this property had been advertised for sale in the past with no satisfactory sale having been negotiated. It was directed that the lot be advertised by tender with results returning to the Board for a decision

2005-03-046 Moved by T. Livingston that the District advertise Lot 5, Block 10, Plan 791094, Patricia lot of approximately 1.2 acres for sale by tender, subject to EID approval of bid amount and conditions. Seconded by C. Henrickson. CARRIED

8.10 Tabled Motion 2005-03-034

2005-03-047 Moved by T. Livingston that Tabled motion 2005-03-034 “Moved by T. Livingston that the Board grant an annual lease to Grant Ellefson for the 16.9 acre parcel of land located on the SW 17-17-16 W4. Seconded by P. Hemsing. TABLED” be brought forward for discussion. Seconded by P. Hemsing. CARRIED

Discussion followed and a vote was taken on the motion. Motion 2005-03-034 **DEFEATED**

~~**2005-03-048 Moved by P. Hemsing that the Board approve the issuing of a Private Grazing Lease to Mr. Grant Ellefson for the approximately 16.9 acres located in the SW 17-17-16 W4, terms and fees to be consistent with present EID policy, with the renewal date to be 2008. Seconded by T. Livingston. CARRIED [rescinded by motion 2005-03-051]**~~

8.04 PHD Annual Report

A handout of PHD Annual Report was provided. EID staff attended the Annual Meeting on March 15th in Taber.

8.05 Delta Waterfowl

The Board are invited as individual landowners to attend this meeting. This organization is similar to DU and Mr. David Andrews and Rick Martin are assisting in introducing the program to this region. The EID is providing use of the boardroom. Directors indicated their wish to provide an official entry and T. Livingston and C. Henrickson were designated to attend as EID representatives. Others may advise Rick Martin of their interest.

8.06 Patricia Solid Waste Transfer Station SW 22-20-13 W4 - 2 acres

Newell Regional Solid Waste Management has again expressed an interest in purchasing the same two acres as proposed in 2001. Discussion followed.

2005-03-049 Moved by A. Nielsen that the Board approve the sale of approximately two acres of land located in the SW 22-20-13 W4 to the Newell Regional Solid Waste Management Authority subject to the following conditions:

- Purchaser to be the Newell Regional Solid Waste Management Authority Ltd.
- Vendor is able to obtain the consent of the current tenant to remove the proposed site from the existing lease. A revised lease is contemplated.
- Proposed site size is two acres
- Purchase price is \$500.00 per acre
- Vendor is able to obtain subdivision approval
- Vendor is able to obtain County approval for gates to be located on County lands;
- Purchaser is responsible for all costs associated with this transaction including but not limited to the following:

- a) subdivision application fees, plan endorsement fee and any costs incurred to satisfy subdivision conditions, including a contemplated road approach
- b) costs to prepare a subdivision plan
- c) costs to obtain plan approvals
- d) Land Titles Registration costs
- e) cost to clean out a nearby water supply ditch; create a small dugout area, create a new ditch to supply the dugout and supply/installation of any necessary control gates;

- There will not be a water supply agreement. The water supply will be limited to such amounts as are available from irrigation spill water and natural run-off.

- Closing date of transaction will be 30 days after the final of the conditions is satisfied or such other date as is mutually agreed on.

Seconded by N. Johnson. CARRIED

8.07 Patricia Cemetery Pt NE16-02-20-13 W4

A letter from a Patricia resident requests EID approval for burials at an old cemetery location if residents formed a committee to look after the site. Discussion noted this had come before the Board some time ago and it was referred to the County for their approval. It was a consensus that the EID did not want to become involved in the site and the issue should be again referred to the County authority as it deals with such items at the municipal level. E. Wilson is to respond to the resident and contact the County Administrator to discuss the issue. The request for assistance with a legal survey would also have to be declined as the EID does not have a legal surveyor on staff.

8.08 Alta Gas Plant Location 16-14-20-12 W4

The EID has been approached regarding placement of a Sour Gas Plant on EID owned land located at 16-14-20-12 W4. Some local landowners have stated objections as they would like to see an alternative process used as they believe the technology is more advanced. Much discussion ended in the agreement that the EID would not sign a non-objection but would not be an official objector at a hearing on the application to install a sour gas plant in 16-14-20-12 W4.

Further discussion lead to some questions which should be resolved. Staff will review and provide further information.

8.09 Drotos Ranching offer to Purchase Remnant Portion of NE 01-18-13 W4

The site consists of approximately 4.41 acres adjacent to Tilley canal and EID right of way was taken (legal survey) after the Tilley canal rehabilitation. The parcel was previously severed from the quarter by the canal but now relocation has made the parcel accessible and Mr. Joe Drotos is interested in purchasing it as it is adjacent to his land. However, there is still a producing gas well on the parcel. Discussion was held on market value and actual parcel size after the ROW was accounted for along with some of the complexities of the site.

Further discussion before the vote lead to some questions which should be resolved before a final vote is taken on the issue. Staff will review and provide further information.

10.0 Rolling Hills Campground

10.01 Number of Sites to be leased

The staff suggestion was accepted to lease just under half the sites: 30 of 66.

10.02 Method of Leasing/Rates

A framework for leasing the sites was presented as follows:

- marina: \$1,000
- upper/middle tier: \$1,000
- beach area: \$1,200

Discussion on the campground concluded that the EID would advertise in the next couple of weeks, have a site map available for those applying, state a requirement for a \$100 non refundable deposit but include a box for qualification on the application where if a person only wants a certain area, if all lots were taken in that area by the time they are drawn and they do not want any others, the \$100 deposit can be refunded. A date will be set for the draw and that evening the applicant or their representative have three minutes to choose the lot of their choice. Lots must be paid for at the time of the draw. Only one application per person will be allowed and only annual leases will be issued.

A lunch break was held from 11:35 a.m. to 12:40 p.m. R. Matoba entered at 12:40 p.m.

8.03 Lease of 16.9 acres in the SW 17-17-16 W4 Motion 2005-03-047

Mr. Matoba provided new information to the Board indicating Mr. Piper had contacted him and indicated he would be interested in either leasing or purchasing the land as well.

2005-03-050 Moved by N. Johnson that motion 2005-03-048:

"Moved by P. Hemsing that the Board approve the issuing of a Private Grazing Lease to Mr. Grant Ellefson for the approximately 16.9 acres located in the SW 17-17-16 W4, terms and fees to be consistent with present EID policy, with the renewal date to be 2008. Seconded by T. Livingston. CARRIED"

be reconsidered due to new information being provided. Seconded by C. Henrickson. CARRIED

2005-03-051 Moved by P. Hemsing that the Board rescind motion 2005-03-048:

Moved by P. Hemsing that the Board approve the issuing of a Private Grazing Lease to Mr. Grant Ellefson for the approximately 16.9 acres located in the SW 17-17-16 W4, terms and fees to be consistent with present EID policy, with the renewal date to be 2008. Seconded by T. Livingston. CARRIED"

Seconded by N. Johnson. CARRIED

2005-03-052 Moved by A. Nielsen that the 16.9 acres of land located in the SW 17-17-16 W4 be tendered for lease as a Private Grazing Lease to expire in 2008 with only the two adjacent landowners, Grant Ellefson and Alfred Piper, being eligible to bid; and with the requirement for fencing costs to be cost shared 50/50 with adjacent land owner by the successful bidder. Seconded by N. Johnson. CARRIED

R. Matoba exited and B. Hale entered at 12:49 p.m.

9.0 Grazing

9.01 Request to Transfer Grazing Lease # 7057 – Todd Irwin

Mr. Irwin senior passed away and his son, Todd Irwin, has requested transfer of the lease to him. Todd Irwin does meet qualifications required by EID policy.

2005-03-053 Moved by F. George that the Board approve the transfer of Private Grazing Lease No. 7057 (approximately 276 acres) to Todd Irwin. Seconded by P. Hemsing. CARRIED

9.02 Policy Regarding: Grazing Beyond 5 Months with EID Approval Grazing Beyond Come Home Date Without EID Approval

This item was debated at the recent GAC meeting and the Committee passed motion GA05-03 and GA-05-04 with only one voting against the motions. Mr. Hale noted this situation has only occurred once in the last twelve years.

- 2005-03-054 Moved by A. Nielsen that the Board approve the recommendation of the Grazing Advisory Committee motion GA05-03 and GA05-04 "That the Grazing Lease Manager in conjunction with the individual grazing association board be authorized to allow regrass cattle to stay out until October 15, subject to suitable grass conditions and at the same AUM charged during the regular 5 month period." Seconded by T. Livingston. CARRIED**

Discussion on a penalty for staying out without authorization followed. It was noted that approximately 60 head stayed out longer last year.

- 2005-03-055 Moved by T. Livingston that the Board establish a penalty for cattle remaining out beyond the authorized date at two times the current AUM rate, plus a reduction the following spring of two times the amount of days cattle remained in the fall. Seconded by P. Hemsing. CARRIED**

9.03 Late Entry

A handout provided a detailed formula for late entry for the Board's consideration. Elements such as weight, projected feeding requirements, number of days and associated items, were taken into account in the formula. Late entry for bulls was also discussed. Whether to consider extending the season for two weeks in areas with tame/irrigated pasture was debated. The present policy indicates 40 head for a full five month grazing season, and 70 head for late entry.

- 2005-03-056 Moved by P. Hemsing that the Board approve increasing the carrying capacity from 70 to 75 head for late entry August 1 or later. Seconded by C. Henrickson. CARRIED**

9.04 Report on GAC Meeting

B. Hale highlighted meeting items which included GAC motions GA05-03 and GA05-04 and GA05-05 regarding extending the grazing period two weeks on regrass pastures, rate charge, and late entry along with cattle numbers. Other items covered in the meeting included the WCB coverage requirement for all grazing associations with lease riders, the Duchess pivot and water quality/animal sickness rate. Staff will talk to Lakeside on flushing and testing. Another item was the Canada Food Inspection Agency's new tagging system.

The 2005 turnout dates are May 1st for regrass and May 14 for native pasture. Due to the high cost of operating the Antelope Creek Ranch, there was a request for it to be operated just as the regrass areas are with the expense covered by all associations. When discussing repairs to the Bassano Grazing corrals, the Board suggested the same criteria be used as for other associations for funding "extra" projects.

A. Nielsen questioned whether the EID would consider tendering of a corner parcel in the NW 11-15-15 (approximately 15 to 20 acres) of Newell Grazing land near Scandia which is cut off from lease use. B. Hale will review the site.

9.05 Potential Newell Grazing Water Line

A Board member questioned whether the construction of a grazing water line could be undertaken on land near the Oasis stop on Highway 36. E. Wilson indicated priorities are set in the five year plan but each proposal is brought back individually. At this point the District is likely to stay within the Five Year Plan with the understanding the flexibility to accommodate the line is there if the situation warrants it.

B. Hale exited at 1:50 p.m. and J. Meador entered.

9.06 Firmin Declercq Presentation – Irrigation Expansion Review

F. Declercq entered at 2:00 p.m.

Introductions were held of all in attendance. Mr. Declercq presented a paper listing seven items he wished to address with the EID Board. The major item of contention is the fact that irrigation expansion in Section 33-19-12 W4 was turned down by the Board. Mr. Declercq presented his view of the situation and E. Wilson responded on a number of issues providing the EID's requirements and stand on the expansion. F. Declercq reviewed a history of the purchase of Bar 4 T Ranch and realtor's statements which reportedly stated there was prior approval for a pivot development in Section 33. EID records do not confirm this statement. Some contention on staff statements on irrigation development from the Tilley B Reservoir versus the Bantry canal were also mentioned. Soil testing is also an issue and all the requirements have not been met. Mr. Declercq indicated he is presently having Golder do the testing with Lakeside Research providing the lab work.

Mr. Declercq indicated a Farm Improvement was applied for in 2001 on 05-20-12 W4 and claimed he never did receive a payment/credit for that. J. Meador will look into that statement. Discussion also touched on the easement of the North Bantry canal passing through Mr. Declercq's property and E. Wilson explained the District's ownership via the Irrigation Act. A concern on flooding of Bar 4 T land by run off was also brought forward along with allowing access to oil and gas companies for water hauling. Discussion followed.

Mr. Declercq indicated he had provided compensation rates he has obtained for his oil and gas negotiations as he had understood the EID was accepting input from water users on this topic. In responding to a query by F. Declercq, E. Wilson provided an explanation of transfer of irrigation rights between parcels. In concluding comments B. Chrumka indicated the EID would review all the information provided and respond to the concerns put forward.

F. Declercq exited at 2:42 p.m.

A brief discussion followed and staff will review all the concerns stated.

A break was held from 2:50 to 2:55 p.m.

10.0 Rolling Hills Campground**10.03 Grand Opening**

Numerous items were discussed regarding holding a grand opening of the campground. It was noted that this is also the EID's 70th Anniversary and the Province's 100th birthday. It was suggested that the third weekend in July would be the most suitable. The plan would be to keep the opening water user orientated but the opening would also offer an opportunity for the promotion of irrigation. E. Wilson and K. Bridges are to work out a program for the day providing the formalities intended, food, drinks, free draws, promotional boards and fun activities. Invitations to former board members and others deemed appropriate, including media coverage, were suggested.

11.0 Equipment

The Board were presented with information on the fleet/equipment tenders:

11.01 Trucks

Staff have purchased the following units for the fleet:

- three ¾ T from Martin Chrysler: \$28,389 each
- six ½ T from Martin Chrysler: \$26,312 to \$27,707
- one 2 T from Harwood Ford: \$50,075

11.02 Mowers

Quotes on mowers were received as follows:

Hi Way Service

Schulte (10') based on 2 \$17,500 each

Brooks Farm Centre

Bush Hog (10') based on 2 \$13,850 each

Schulte (10') based on 2 \$16,900 each

Evergreen Implements

\$13,549 each

2005-03-057 Moved by P. Hemsing that the Board approve the purchase from Brooks Farm Centre for two 10 foot Bushog mowers at a cost of \$13,850 each. Seconded by T. Livingston. CARRIED

11.03 Tractors

Quotations were presented for Board considerations. Lengthy discussion followed on merits, resale, the various options, dependability and lease options.

A) Evergreen Implements

- | | | |
|-----|---|----------|
| (1) | 6615
PTO HP 85, Engine 115, 6 cylinder, Turbo charged
Standard transmission | \$55,000 |
| (2) | 6420
PTO HP 90, Engine 110, 4 cylinder, Turbo charged
Standard transmission | \$56,400 |
| (3) | 6420
PTO HP 90, Engine 110, 4 cylinder, Turbo charged
Syncro Plus 12 Forward/4 Reverse transmission
Front Wheel Assist | \$64,500 |
| (4) | 6420
PTO HP 90, Engine 110, 4 cylinder, Turbo charged
Front Wheel Assist
With 16/16 Power Quad with left hand reverse transmission | \$67,850 |

B) Brooks New Holland

- | | | |
|-----|---|----------|
| (1) | TR-NH-TS 115A
PTO 95 HP, Engine 115, 6 cylinder
Turbo charged, 12 x 12 Syncro transmission | \$47,500 |
| (2) | TR-NH-TS 115A
PTO 95 HP, Engine 115, 6 cylinder
Turbo charged, Front Wheel Assist
12 x 12 Syncro transmission | \$58,500 |
| (3) | TR-NH-TS 115A (2004) Used Tractor – 300 hrs
PTO 95 HP, Engine 115, 6 cylinder
Turbo charged, Front Wheel Assist, 16 x 16 Electro Shift
98" bar axle, Instructor seat | \$74,000 |

C) Hi Way Service

- | | | |
|-----|---|----------|
| (1) | Case International
MXM 120, 6 cylinder Turbo, PTO HP 95
17 Forward, 6 Reverse, Semi Power Shift
Front Wheel Assist | \$63,750 |
| (2) | Case International
MXU 110, 4 cylinder Turbo, PTO HP 95
Left Hand Clutchless F/R, 24 x 24, 4 gears in 3 ranges | \$62,250 |

2005-03-058 Moved by P. Hemsing that the Board approve the purchase of two John Deere Model 6420 tractors from Evergreen Implements at a cost of \$67,850 each. Seconded by T. Livingston. CARRIED

12.0 Luscar Coal

A further update on Luscar's plan was provided. It appears more questions arose on capacity and evaporation for the proposed cooling pond. The EID is being contracted to provide accurate estimates for area and storage for potential cooling pond sites. Meetings will continue with Luscar and the Board tour in spring will include the anticipated sites.

13.0 Bow River Council Ice Breaker Gala – April 29 at Westin in Calgary

The Board has approved sponsorship of \$5000 which included a table for eight. E. Wilson and spouse, K. Bridges and spouse will take four spots. As no Board members have indicated to date who can attend, the requirement for additional tickets will be reviewed closer to April 29 to see if additional tickets at \$125/ticket are required.

13.02 Chamber Update

P. Hemsing reported on the recent Chamber meeting with a number of items being discussed. There is a April 1 Citizen of the Year Banquet with tickets costing \$25.00. The Honourable Lyle Oberg is the speaker. If any Board member wishes to go advise E. Wilson. Pat and Marion Hemsing will be attending. Klondike Days in Edmonton will be featuring Brooks. Some interest in promoting irrigation was expressed. The Chamber office will have more information if the EID wishes to promote irrigation. The log building (Tourist Information Booth) was sold to a contractor for \$45,000. The Tourist Information Booth will now be set up at Tillebrook Park with Alberta Parks looking after the site as it had deteriorated under privatization. Parks will look at promoting Dinosaur Park and providing a higher profile.

J. Meador exited at 4:12 p.m.

13.03 Employment Contracts

E. Wilson presented a new policy outlined below to be included in the Personnel Policy Manual should the board find it acceptable.

4.13a Employment Contracts (Personnel Policy Manual)

The Manager may use employment contracts for seasonal or temporary positions when the manager feels it is advantageous to the District.

When the manager wishes to have an existing employee convert to an employment contract:

- the employee must first resign
- the employee must have achieved the 85 factor
- the employment contract can be for no more than three years, where a replacement person is being trained
- where the employee contract is for a seasonal position, the term of the contract shall be annual
- where the employee is now contracting in the same position, the wage shall be

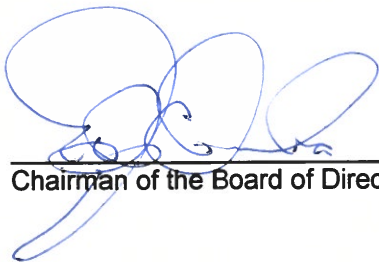
- the employee must first resign
- the employee must have achieved the 85 factor
- the employment contract can be for no more than three years, where a replacement person is being trained
- where the employee contract is for a seasonal position, the term of the contract shall be annual
- where the employee is now contracting in the same position, the wage shall be at the total cost of employment less the employer's pension contribution
- where the contract position is different than the previous job, the wage shall be set in accordance with the position and the employees abilities, to include total cost of employment less pension contribution

2005-03-059 Moved by A. Nielsen that the Board approve a new policy 4.13a for Employment Contracts in the Personnel Policy Manual as presented. Seconded by N. Johnson. CARRIED

It was noted this will not replace the present early retirement policy. That policy may be revamped if required and brought back for Board approval at another meeting.

14.0 Upcoming Events

- ▶ March 30 – Annual General Meeting at the Heritage Inn, Brooks 1:30 p.m.
- unless other business arises Board members will meet for lunch at the Heritage at noon
- ▶ March 31 – Closing of Nominations for Directors (Div. 1 & 5)
- ▶ April 1 – Chamber Banquet – Citizen of the Year
- ▶ April 21 – Election of Director if required
- ▶ April 26 – EID Regular Board Meeting
- ▶ April 29 – Bow River Basin Council Fundraiser, Westin Hotel, Calgary
- EID Sponsorship provides for 8 tickets. E. Wilson to arrange.
- ▶ May 31 – EID Regular Board Meeting



Chairman of the Board of Directors



General Manager

April 26, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 26th day of April, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]		
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 9:07 a.m.

ORGANIZATIONAL MEETING

1.0 Elections, Appointments

1.01 Election of Chairman

Earl Wilson took the chair and called for nominations for Chairman.

2005-04-060 Moved by C. Henrickson that Bob Chrumka be nominated for Chairman. CARRIED

Bob Chrumka accepted the nomination. E. Wilson called a second time for nominations.

2005-04-061 Moved by P. Hemsing that nominations cease. CARRIED

As no further nomination was placed, Bob Chrumka was elected Chairman by acclamation.

1.02 Election of Vice-Chairman

Bob Chrumka called for nominations for Vice-Chairman.

2005-04-062 Moved by F. George that Allen Nielsen be nominated for Vice-Chairman. CARRIED

Allen Nielsen accepted the nomination. B. Chrumka called 2nd and 3rd times for nominations.

2005-04-063 Moved by P. Hemsing that nominations cease. CARRIED

As no further nomination was placed, Allen Nielsen was elected Vice-Chairman by acclamation.

1.03 Appointment of AIPA Directors

Earl Wilson, Bob Chrumka, Floyd George and Clint Henrickson were appointed as EID representatives at the AIPA meetings.

1.04 Appointment of County of Newell Regional Service Committee Representative

George Romao and Neil Johnson were appointed as EID representatives on the County of Newell Regional Service Committee.

1.05 Appointment of Chamber of Commerce Representative

Pat Hemsing, with Clint Henrickson as alternate, was appointed as the EID representative on the Brooks & District Chamber of Commerce Board.

1.06 Appointment of Prairie Conservation Action Committee Representative

Tom Livingston, with Rick Martin as alternate, was appointed as the EID representative on the Prairie Conservation Action Committee.

1.07 Board Member Remunerating

2005-04-064 Moved by A. Nielsen that the per diem rate for the Board of Directors remains at \$325.00 per day. Seconded by P. Hemsing. CARRIED

REGULAR MEETING

1.0 Approval of the Agenda

The following items were added to the agenda:

- 4.02.1 Irrigated Lease #8142
- 13.01 EID Land Acquisition
- 13.02 Conservative Party of Canada – Med. Hat Electoral District Assoc. Fundraiser Banquet
- 13.03 PHD Update
- 13.04 Irrigation Council – Client Satisfaction Survey

2005-04-065 Moved by N. Johnson that the Board adopt the agenda as presented, with additions. Seconded by P. Hemsing. CARRIED

2.0 Approval of the Minutes – March 23, 2005

The following items were noted for correction:

- Page 32, 4.0, delete “Some in high government circles” and replace with “Tom”
- Page 32, 5.03, delete “The Board were somewhat reassured by the fact that it is a legislated requirement for the plan to retire any debt within a fifteen year period.”
- Page 34, 7.02.2, after “assessment can only” add “go”
- Page 36, 8.08, delete wording after “Much discussion ended in the agreement that the EID would not” and replace with “sign a non-objection but would not be an official objector at a hearing on the application to install a sour gas plant in 16-14-20-12W4.
- Page 36, 8.08, delete motion 2005-03-049
- Page 37, 8.08, after “Further discussion” delete “before the vote”; and after “be resolved” delete “before a final vote is taken on the issue.”
- Page 37, 10.02, after “if all lots” add “were”
- Page 39, 9.05, delete last sentence of paragraph
- Page 39, 9.06, delete first paragraph
- Page 39, 9.06, third paragraph, replace “approved” with “applied for”
- Page 40, 11.02, in motion 2005-03-057 replace “inch” with “foot”
- Page 41, 13.02, delete letter “l” after “E. Wilson”

A Board member questioned the status of several matters, which were responded to by staff.

2005-04-066 Moved by C. Henrickson that the minutes of the March 23, 2005 regular Board Meeting be approved as presented with corrections. Seconded by A. Nielsen. CARRIED

3.0 Business Arising from Minutes

Request to purchase land (Drotos Ranching Ltd.)

K. Bridges presented the report. The Board discussed the merits of retaining or selling the parcel and determined that the parcel should be retained. The Board requests that staff advise Drotos Ranching that this parcel is not for sale.

PC Convention Report

T. Livingston noted that a resolution to increase water storage in Alberta was passed unanimously.

EUB Well Spacing & Compliance Processes

T. Livingston also highlighted the EUB's initiative that could reduce the rights of landowners. E. Wilson gave highlights of the Alberta's Conference on the Environment which he attended. 'Natural Gas in Coal' formerly called 'Coalbed Methane' was discussed. The Land Man Licensing Act and the Surface Rights Act were also discussed, noting that it appears that no one wants to open up the Surface Rights Act.

4.0 Financial Report**4.01 March 2005 Financial Statement**

K. Bridges presented the Financial Statement to March 31, 2005, noting the following:

- Total Revenues are tracking slightly below YTD budget and Total Expenses are less than YTD budget resulting in a YTD surplus of \$3.97 million (\$3.6 million prior month) which is below YTD budget and \$2.7 million lower than prior YTD surplus.
- Gross Revenues are slightly below YTD budget and are down from prior YTD by \$2.5 million. Expenses, net of recoveries, are below budget and are up from prior YTD by \$167,600.
- Water revenues are below YTD budget and \$527,000 below the prior YTD income level due to a decline in YTD oil and gas water revenues of \$530,000.
- YTD oil and gas lease revenues are tracking below YTD budget and are \$2.1 million below prior YTD. YTD lease revenues from other sources are slightly above YTD budget and are \$13,000 above prior YTD.
- EID Net is slightly under YTD budget as installation activity levels have moved close to budget predictions.
- Other YTD revenues are exceeding budget and are approximately \$2,200 above prior YTD.

2005-04-067 Moved by C. Henrickson that the Board approve the Financial Statements to March 31, 2005, as presented. Seconded by T. Livingston. CARRIED

4.02 Quarterly Accounts Receivable Report

The Quarterly Accounts Receivable Report was presented and discussed.

- All but a few of the District's accounts receivable are current.
- Each of the 3 property owners included on this year's enforcement return have paid the minimum amount required to stop the proceedings. The Court of Queen's Bench hearing has been cancelled.

4.02.1 Irrigated Lease #8142

- Irrigated Lease #8142 was discussed, noting that the lessee has to the end of this month to make a lease payment. There is some uncertainty regarding the status of the lessee's land holdings so he may not be eligible to qualify for an irrigated lease this year.

2005-04-068 Moved by C. Henrickson that the Board approve the Quarterly Accounts Receivable to March 31, 2005, as presented. Seconded by P. Hemsing. CARRIED

4.03 Investment Report

An investment summary to March 31, 2005 was presented.

- Total investments are \$43,453,480 as at March 31, 2005 compared to \$42,259,637 as at March 31, 2004.
- Kevin noted that opening up a BMO Nesbitt Burns account is currently being looked into.

2005-04-069 Moved by N. Johnson that the Board approve the Investment Report to March 31, 2005, as presented. Seconded by P. Hemsing. CARRIED

[A short break was taken from 10:20 – 10:28. R. Matoba entered the meeting.]

5.0 Lands

R. Matoba presented the following applications, bids, and requests.

5.01 Alternate Parcel Applications

5.01.1 Request to Use Irrigation Acres in an Alternate Parcel – John Miller to Bradley Calvert

The District received a request to approve the use of 80 irrigation acres from John Miller in the S ½ 23-17-17 W4M by Bradley Calvert in the SW 30-17-16 W4M for the 2005 irrigation season.

2005-04-070 Moved by A. Nielsen that the Board approve the transfer of 80 irrigation acres from John Miller in the S ½ 23-17-17 W4M to Bradley Calvert in the SW 30-17-16 W4M for the 2005 irrigation season. Seconded by F. George. CARRIED

5.01.2 Request to Use Irrigation Acres in an Alternate Parcel – Ken Sharpe and Dean Martin to James Buteau

The District received a request to approve the use of 40 irrigation acres from Ken Sharpe in the NE 20-18-16 by James Buteau in the NW 20-18-16 W4M, and 60 irrigation acres from Dean Martin in the SE 24-18-15 W4M by James Buteau in the NW 20-18-16 W4M, for the 2005 irrigation season.

2005-04-071 Moved by T. Livingston that the Board approve the use of 40 irrigation acres from Ken Sharpe in the NE 20-18-16 W4M by James Buteau in the NW 20-18-16 W4M, and the use of 60 irrigation acres from Dean Martin in the SE 24-18-16 W4M by James Buteau in the NW 20-18-16 W4M, for the 2004 irrigation season, subject to Dean Martin obtaining approval from his financial lending institution for the transfer. Seconded by C. Henrickson. CARRIED

5.01.3 Request to Use Irrigation Acres in an Alternate Parcel – Newell Hutterian Brethren to Clearview Hutterian Brethren

The District received a request to approve the use of 80 irrigation acres from the Newell Hutterian Brethren in the E ½ 15-23-18 W4M by the Clearview Hutterian Brethren in the S ½ 23-23-18, for the 2005 irrigation season.

2005-04-072 Moved by F. George that the Board approve the use of 80 irrigation acres from the Newell Hutterian Brethren in the E ½ 15-23-18 W4M by the Clearview Hutterian Brethren in the S ½ 23-23-18, for the 2005 irrigation season. Seconded by P. Hemsing. CARRIED

5.02 Request for Annual Permit to Irrigate

5.02.1 Heinz Dyck SW 04-21-15

The District received a request for an annual permit to irrigate from Heinz Dyck in the SW 04-21-15 to irrigate 8 acres. As it was discussed that this was half yard site and half field, the following motion was put forward. (The land owner has the option of apportioning the 5 acre feet Rural Water Use Agreement under the Country Residential category.)

2005-04-073 Moved by N. Johnson that the Board approve the application from Heinz Dyck to enter into a 5 acre feet permanent yard site agreement to irrigate 8 acres on SW 04-21-15. Seconded by T. Livingston. CARRIED

5.02.2 Leo Wiebe SE 27-21-16

The District received a request for an annual permit to irrigate from Leo Wiebe in the SE 27-21-16 to irrigate 18 acres. As this year's snow pack estimates and resulting river flows are below average, the Board decided to decline this application.

5.03 Result of bids on Grazing Lease SW 17-17-16

Bids for the privilege to enter into a lease agreement from Alfred Piper (\$3,000) and Grant Ellefson (\$525) were discussed, as well as fencing issues.

2005-04-074 Moved by N. Johnson, upon confirmation that Alfred Piper understands the lease terms, that the Board accept his bid of \$3,000 for Grazing Lease SW 17-17-16 to be paid in full by May 15, 2005. Seconded by P. Hemsing. CARRIED

5.04 Request to Transfer Grazing Lease # 7038, Margaret Douglass to Les Douglass

A request was received from Leslie Douglass to transfer Private Grazing Lease # 7038 (Part E ½ 30-24-15 and Part SW 25-24-16; 25 AUM) from Margaret Douglass to Leslie Douglass.

2005-04-075 Moved by C. Henrickson that Private Grazing Lease #7038 be transferred from Margaret Douglass to Leslie Douglass. Seconded by T. Livingston. CARRIED

[R. Matoba exited the meeting at 11:02.]

5.05 Lot in Patricia sale update

K. Bridges presented the status report regarding the sale of Lot 5, Block 10, Plan 7910924 in Patricia.

5.06 Lands South of Office sale update

5.06.1 South Parcel

K. Bridges presented the report. After discussing the advantages of a timely sale or developing the lots under the EID directives, it was decided that staff will be pursuing a discussion with the Town of Brooks first, then with a Realtor who has expressed interest and further investigate the costs to develop.

5.06.2 North Parcel

K. Bridges reviewed the report and noted that discussion is still ongoing with the development company regarding water main and sewer force main easement issues.

5.07 Potential Sour Gas Plant east of Patricia

E. Wilson presented a copy of a letter sent to the EUB. Discussion followed regarding the ENV and EUB's standards being far apart, and for the need for the EUB to raise their standards. He also noted the possibility of another plant with a 99.9% emission free rate being set up within the vicinity.

5.08 Rolling Hills Campground Update

E. Wilson reported that there are 37 applications received to date for the 2005 Seasonal Sites, and that the draw for the 30 camp sites is tonight (April 26).

5.09 Delta Waterfowl Meeting Update

All Board members attended the meeting. After noting that this would take a lot of organizational time, does not fit into the EID's mandate, and would force the District to be a collection and

administrative agency for this group it was decided that the EID would decline the offer to participate in this program. A letter will be sent, along with a copy to the County, of this decision.

[G. Romao and I. Friesen entered the meeting at 11:20 a.m.]

6.0 Engineering

Project Status

G. Romao presented the Project Status report on Long Pump, Secondary G Springhill Pipeline, Secondary B North Branch, 2004/2005 Structures, and various smaller projects. A Board member asked if Can Doo Excavating was done and it was confirmed that they picked up the pace at the end and have completed their work.

Discussion followed regarding whether individual farmers will be asking for screens since they are being installed in other places. E. Wilson presented a new screen concept (reverse septic idea) that had been suggested to him by Chris Gallego of UMA. This set up would involve a length of perforated cone-shaped barrier above the intake, covered with 2 - 3' of screened rock which would act as a filter, with no moving parts. The filtered area would be large, but could operate with just a few inches of head loss passing over it. It could be installed on the bottom or side of the ditch. The Board suggested we try a couple of these new screens in appropriate sites.

6.01.1 4 Bow Slope

I. Friesen presented the synopsis. This system under consideration for rehabilitation starts in the SE 27-17-16 and runs west, south, and south-west approximately 5200 m. It currently supplies 541 acres of which 475 acres are pump and the remaining 66 acres are gravity. 15 cfs is required to supply these acres. Current problems include the continual need to install a rock weir during low flows and then remove during high flows, water seepage, and farm severance.

The first alternative considered involves pipeline using natural pressure, with the inlet located downstream on the Kitsim feeder canal just upstream of the existing 7 Bow Slope inlet. The projected cost is \$1,140,000.

The second and recommended alternative involves using a low pressure lift pump located 800 m downstream of the 7 Bow Slope inlet, pipelining under the 7 Bow Slope canal and running 1600 m west and then following the existing canal alignment. The projected cost would be \$887,000.

Though it was noted that this project is costly in comparison to the amount of land owners benefiting, it was agreed that the canal couldn't be left in its current condition, and that the District would be saving rehabilitation work at the top end. Shortening up the pipeline at the bottom end by leaving an open ditch will be looked into, but this measure may not save a noticeable amount of money.

2005-04-076 Moved by P. Hemsing that the Board approve the rehabilitation of 4 Bow Slope canal with a 4.8 km PVC pipeline and a 15 cfs lift pump station, at an approximate cost of \$887,000. Seconded by C. Henrickson. CARRIED

In result of this project it is recommended that a Infrastructure Savings Grant be approved for River Bow Ranch.

2005-04-077 Moved by N. Johnson that the Board approve an Infrastructure Saving Grant to River Bow Ranch, in the amount of \$1,350 for moving the legal delivery $\frac{3}{4}$ of a mile to the east, thereby saving \$2,700 in pipeline costs. Seconded by P. Hemsing. CARRIED

17 G Springhill

G. Romao presented the synopsis. This system under consideration for rehabilitation involves the lower portion of 17G Springhill, an 18 km canal system located 15 km north of Patricia straddling Townships 21-12, 21-13, 22-12 and 22-13. It serves 2155 acres of irrigation directly, and feeds G. Neely and J. Neely's private lake supplying another 600 acres. Approximately 580 acres are flood irrigated at this time. The main problems with the canal are seepage, capacity and inadequate bank width and height.

The first alternative considered would have the south lateral lined and armoured to serve 1470 acres, with the remainder of the project area supplied by PVC pipeline, at a total projected cost of \$3,100,000.

The second and recommended alternative is a 12.5 km PVC pipeline supplying all but 21 terminable acres in SE36. The existing south lateral canal would be left in place to convey excess spill water and spring run-off, with only minor repairs required. The estimated cost of pipeline and south lateral repairs is \$2,800,000 (\$1016/acre).

Secondary benefits noted in result of this project are: additional pivots being installed, the lake's capacity for receiving run-off and surge flow, sustainable habitat in the spillway, and landowner's satisfaction of current severance situations.

2005-04-078 Moved by T. Livingston that the Board approve the rehabilitation of 17G Springhill canal with 12.5 km PVC pipeline, at an estimated cost of \$2,800,000. Seconded by C. Henrickson. CARRIED

In conjunction with the rehabilitation, it is recommended that John Genovese be approved for the conversion to 1st water of 27 acres of terminable irrigation.

2005-04-079 Moved by P. Hemsing that the Board approve the conversion to 1st water of 27 acres of terminable irrigation in the NE corner of SE 36-21-13, subject to a capital assets charge of \$100 per acre. Seconded by T. Livingston. CARRIED

3 North Branch

G. Romao presented the synopsis. This system currently exists of a ½ mile of 24" PVC pipe and 1 mile of open canal with a design flow of 7.5 cfs, supplying 90 acres of wheels and a 135 acre pivot. The pivot on the north east is pumping out of a slough area. Problems include a fair to poor condition inlet structure, and some seepage areas on the canal below the pipeline.

The proposed project would have a ½ mile of additional pipeline completing the existing pipeline where it is presently an open canal. The estimated cost is \$210,000 (\$933/acre). Benefits anticipated are: water conservation and positive pressure gains, with the confirmation that the existing pipeline has enough capacity to augment the drain supply for term water users downstream.

2005-04-080 Moved by P. Hemsing that the Board approve the rehabilitation of 3 North Branch canal with a 1.6 km PVC pipeline, at an approximate cost of \$210,000. Seconded by F. George. CARRIED

[G. Romao and I. Friesen exited the meeting at 11:50 a.m.]

7.0 Operations**7.02 Snow Pack**

E. Wilson reported that the current snow pack estimate for the Bow River is 20% below average.

7.03 Reservoir Status

E. Wilson reported that we are 22,000 acre feet from full in Tilley B, Cowoki, Rolling Hills, Kitsim, and Lake Newell. Snake Lake is full; Crawling Valley is down a bit.

7.04 Delivery to Farmers

E. Wilson confirmed that the predicted date for water delivery is between May 5th to 10th. J. Meador commented that he had been getting some calls for water recently. With this week's forecast for very cool weather, it is anticipated that water delivery requests from landowners will be rare. It was also agreed upon that no charging of pipelines will occur until the cool weather has passed through. A fax will be sent out to the Board members as information on the exact date of delivery.

8.0 Equipment**8.01 Discussion on Purchasing Process**

The bidding/tendering process for purchasing of equipment was brought forward for discussion. The pros and cons of purchasing 'fleet' vs 'special order', consistent bid sheets, comparison of makes, buying locally or in the city, and disclosing our basic specs without resulting in cutbacks in other areas were discussed. The Board anticipates settling these matters over the summer.

8.02 Quotes on New Grader

Quotes for the purchase of a new grader were presented to the Board. Brandt Tractor Ltd.'s proposed John Deere 872D would have a net price of \$35,000 after allowing \$250,000 for trade in our existing grader (but none are available in Canada as yet); Finning Ltd.'s Caterpillar 14-H has a net price of \$103,334 after allowing \$240,000 for trade in of our existing grader; and Stongco's Volvo has a net price of \$108,000 after allowing \$190,000 for trade in of our existing grader. After considering the options it was recommended that the Board approve the purchase of the Finning Ltd. Caterpillar 14-H.

2005-04-081 Moved by T. Livingston that the quote submitted by Finning Ltd. dated April 8, 2005 for a new Caterpillar 14-H Grader in the trade-in price of \$103,334 be accepted. Seconded by P. Hemsing. CARRIED

8.03 Quotes on New Tandem

Quotes for the purchase of a new tandem gravel truck were presented to the Board. After confirming prices without automatic transmission the following tenders were: Peak Equipment, Brooks - 2006 International 5600 at \$111,461., Peterbilt Lethbridge - 2006 Peterbilt 378 at \$127,600., Great West Kenworth, Calgary - 2006 Kenworth T800B at \$123,500, and Sterling Western Star Trucks AB Ltd., Calgary - 2006 Western Star 4900 SA at \$149,750. After considering the options it was recommended that the Board approve the purchase of the 2006 Kenworth T800B from Great West Kenworth in Calgary.

2005-04-082 Moved by T. Livingston that the quote submitted by Great West Kenworth, Calgary dated March 8, 2005 for a 2006 Kenworth T800B, manual shift in the amount of \$123,500 be accepted. Seconded by P. Hemsing. CARRIED

[A lunch break was held from 12:17 – 1:02 p.m. J. Meador entered the meeting at 1:00 p.m.]

8.04 Quotes on New Generators

Quotes for the purchase of 2 new gensets were presented to the Board. The following tenders were: Academy - 30 KW Lima at \$13,880., 30 KW Marathon at \$12,776.; Brandt Tractor - 40 KW Stanford at \$20,487., 37 KW Kohler at \$16,995.; Cordon Electric - 40 KW Katolight at \$20,664., 30 KW Katolight at \$21,600., 25 KW Simmax at \$20,635., and 18 KW Simmax at \$18,171. After

considering the options it was recommended that the Board approve the purchase of two new generators from Academy at \$13,880 each for the 30 KW Limas.

- 2005-04-083 Moved by F. George that the quote submitted by Academy dated February 28, 2005 for two new 30 KW Lima John Deer 4024T Generators in the amount of \$13,880 each be accepted. Seconded by C. Henrickson. CARRIED**

8.05 Quote on New Brushcutter

A quote from Coneco Equipment for a Promac Brushcutter for \$34,627.58 plus \$11,000 cab and windshield protector was recommended to the Board for purchase. This equipment would be installed on a hi hoe and would save tree cutting and hauling costs.

- 2005-04-084 Moved by P. Hemsing that the quote submitted by Coneco Equipment dated November 2, 2004, for a new Promac Brushcutter in the amount of \$34,627.58 plus \$11,000 for cab and windshield protector be accepted. Seconded by C. Henrickson. CARRIED**

8.06 Sale of Equipment

In regards to the selling of eight ½ ton trucks and two ¾ ton trucks it was agreed that in the present economy it would be safer to go with the guaranteed straight purchase price of \$32,888 quoted from Michener Allen Auctioneering Ltd. than a commissioned deal.

- 2005-04-085 Moved by C. Henrickson that the trucks be sold at Michener Allen Auctioneering Ltd. for a guaranteed price of \$32,888. Seconded by P. Hemsing. CARRIED**

The Board was presented with a list of tenders for the remaining equipment: Annett Auction Services, Brooks Asphalt & Aggregate, Canadian Public Auction, Murray Jorgensen, Michener Allen Auctioneering Ltd., Larry Springer, and Straightline Auto Calgary. Again, it was the consensus to go with guaranteed purchase prices rather than commissioned percentage splits. The Board agreed to accept the highest tender of Murray Jorgensen for 1 genset, his choice.

- 2005-04-086 Moved by P. Hemsing that Murray Jorgensen's bid of \$4,000 for one genset, his choice, be accepted. Seconded by T. Livingston. CARRIED**

It was recommended that Brooks Asphalt & Aggregate's tender for the balance of what they bid on, less one genset be accepted.

- 2005-04-087 Moved by C. Henrickson that the Brooks Asphalt & Aggregate's bid for equipment: 1992 Tractor - \$7,000., 2001 EX330 Hitachi Hi Hoe - \$130,000., 1999 JD 1518 Rotary Cutter - \$7,000., 1999 Perkins Genset - \$2,700., and 1999 Deutz/Simmax Genset - \$2,200., less one genset, be accepted. Seconded by T. Livingston. CARRIED**

The quote from Michener Allen Auctioneering for the purchase of the 230 Hi Hoe was recommended.

- 2005-04-088 Moved by P. Hemsing that the 230 Hi Hoe be auctioned at Michener Allen Auctioneering Ltd. Seconded by N. Johnson. CARRIED**

7.01 Farm Improvements

J. Meador presented the farm improvement applications.

7.01.1 Farm Improvement – N ½ 17-21-15 W4M – Tom Parker

This farm improvement calls for the conversion of 92 acres of flood to pivot in the N ½ 17-21-15, off the Springhill system, with a new pivot area of 235 acres. Current assessment is 100 acres pivot in NE 17-21-15; 22 acres pivot in NW 17-21-15; and 92 acres flood in NW 17-21-15. If all acres are moved under the pivot, 21 additional acres are needed, but the Water User is adamant

that he will not move the 20 flood acres in the SW corner of NW 17-21-15 under the pivot. If the Farm Improvement is passed this way, 41 additional acres will be needed. With only 72 acres of flood to convert to pivot, a conversion of 60% would be needed to make this happen. In the NE 17-21-15 as many acres as can be added without soils has already taken place. If the Farm Improvement is approved as per Water User wishes:

72 acres flood to pivot:	\$4,154.00
20 acres kept outside pivot circle @ \$200/acre:	(-) \$4,000.00
41 acres needed @ \$200/acre:	<u>\$8,200.00</u>
Water User would owe:	\$8,046.00 plus delivery cost

2005-04-089 Moved by A. Nielsen that the farm improvement project of Tom Parker for the conversion of 92 acres of flood to pivot in the N ½ 17-21-15 W4M be approved. The farm improvement grant payable to the water user is \$5,307, and subjects all flood acres being moved under the pivot. Seconded by P. Hemsing. CARRIED

2005-04-090 Moved by P. Hemsing that Tom Parker be granted 21 new acres as a result of 92 acres flood being converted to pivot, with a capital asset charge of \$4,200. Seconded by A. Nielsen. CARRIED

7.01.2 Farm Improvement – E ½ 27-20-15 W4M – H. & D. Torkelson

This farm improvement calls for the conversion of 122 acres of wheels to pivot in the E ½ 27-20-15 using the current delivery site off of 01-14 Springhill. The current assessment in the NE 27-20-15 is 134 acres. The new pivot area is 135 acres, of which 122 acres are in the NW 27-20-15. The pivot crosses into SE 27-20-15 also owned by the applicant so an irrigable unit is needed. An old delivery ditch between the NE & SE quarters will be knocked down to accommodate the pivot. This ditch is a high fill which will remain very high even when pushed out with a cat. The pivot must be piped from pump site to pivot center.

The Water User is unsure of corners at this time. If no corners are given up, no Farm Improvement will be given. If corners are given up:

122 acres wheels to pivot:	\$2,346.00
12 acres sold back to EID @ \$200/acre:	<u>\$2,400.00</u>
Pay to Water User:	\$4,746.00

2005-04-091 Moved by T. Livingston that the farm improvement project of H. & D. Torkelson for the conversion of 122 acres of wheels to pivot in the E ½ 27-20-15 W4M be approved. The farm improvement grant payable to the water user is \$4,746, conditional on the 12 acres in corners being turned back to the EID. Seconded by C. Henrickson. CARRIED

7.01.3 Farm Improvement – NE 20-17-13 W4M – R. & D. Torkelson

This farm improvement calls for the conversion of 125 acres of wheels to pivot in the NE 20-17-13 off the H West Bantry system. The current assessment is 139 acres, with the new pivot area being 125 acres. The pivot must be low pressure complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot center.

The Water User is unsure about what to keep or give up in the corners. If no acres are given up, no Farm Improvement will be given. If corners are given up:

125 acres wheels to pivot:	\$2,404.00
14 acres given up @ \$200/acre:	<u>\$2,800.00</u>
Pay to Water User:	\$5,204.00

2005-04-092 Moved by A. Nielsen that the farm improvement project of R. & D. Torkelson for the conversion of 125 acres of wheels to pivot in the NE 20-17-13 W4M be approved. The farm

improvement grant payable to the water user is \$5,204.00, conditional on the 14 acres in corners being turned back to the EID. Seconded by P. Hemsing. CARRIED

7.01.4 Farm Improvement – E ½ 03-17-13 W4M – A. & B. Wester

This farm improvement calls for the conversion of 171 acres of flood to pivot in the E ½ 03-17-13 off the J system, a lined and armoured canal. Current assessment is 203 acres, with the new pivot area being 171 acres. The pivot must be low pressure complete with drop tubes and no cold weather shut-off; and must be piped from pump site to pivot center. The assessment remains at 203 acres.

171 acres flood to pivot:	\$9,865.00
11 acres kept in the NW & NE corners @ \$200/acre	(-) \$2,200.00
New delivery installed (materials only)	(-) <u>\$2,065.55</u>
Pay to Water User:	\$5,600.00

- 2005-04-093 Moved by P. Hemsing that the farm improvement project of A. & B. Wester for the conversion of 171 acres of flood to pivot in the E ½ 03-17-13 W4M be approved. The farm improvement grant payable to the water user is \$7,665. The charge to the land owner is \$2,065. Seconded by T. Livingston. CARRIED**

[J. Meador exited the meeting at 1:38 p.m.]

9.0 Bassano Dam Land Claim

[1:40 p.m.]

- 2005-04-094 Moved by F. George that the Board resolve into Committee of the Whole to be informed of, review and consider, on a confidential basis, the status of the negotiations and the proposed letter of intent pertaining to a land claim affecting the Bassano Dam and Reservoir.” Seconded by P. Hemsing. CARRIED**

- 2005-04-095 Moved by P. Hemsing that the meeting be reconvened. Seconded by T. Livingston. CARRIED**

[2:00 p.m.]

- 2005-04-096 Moved by T. Livingston that:**

**“WHEREAS the Eastern Irrigation District is involved in negotiations to settle a land claim affecting the Bassano Dam and Reservoir;
AND WHEREAS the negotiators for the Government of Alberta have provided the Eastern Irrigation District, in strict confidence, with a copy of a proposed Letter of Intent, the purpose of which is to establish certain terms and conditions for settling the land claim;
AND WHEREAS the Letter of Intent must be approved by all affected parties, including the Eastern Irrigation District, in order to permit the negotiations to continue;
AND WHEREAS the terms and conditions outlined in the Letter of Intent are acceptable to the Eastern Irrigation District;
AND WHEREAS the *Irrigation Districts Act* and the *Freedom of Information and Privacy Act* prohibit the Eastern Irrigation District from disclosing any part of the negotiations including the Letter of Intent;**

NOW THEREFORE BE IT RESOLVED

That the Letter of Intent dated April 25, 2005 pertaining to settlement of the land claim affecting the Bassano Dam and Reservoir be approved and execution authorized and that

the Letter of Intent and all other documents related to this matter be retained in the Eastern Irrigation District's confidential records." Seconded by P. Hemsing. CARRIED

10.0 Luscar Coal Update

E. Wilson reported on the 2 cooling pond proposals being considered for this project. 1000 acres of 10' deep water is required for cooling. The first alternative would require 2 m of excavating on the east side to attain the 10' deep level. The second alternative lengthens the pond further to the south (1 mile north of Bow City highway) and would not require the excavation. However, this configuration only has 930 acres of 10' deep levels. A simple solution would be to even out the pond bank on the west. Most likely a slightly revised version of the second alternative will be selected.

A warm water area this size would lose 7,000 to 8,000 acre feet of evaporation in the season, but would decrease to 3,000 acre feet of evaporation with cooler water. This is hoped to be accomplished by using parallel canals rerouting the water around the pond, and around and under baffles in the open area.

16,000 acre feet of water would need to be applied for, with Luscar intending to apply for their own license. If this fails, and Luscar looks to the EID for covering the licensing, the District may have to negotiate some form of compensation for any water supplied. An expectation of pumping 5,000 acre feet of water from the cooling pond during the first 3 weeks of May for the EID's use, with the EID replenishing it in June is hoped to be agreed upon. It was also noted that there is a 2.7 m drop to the canal on the north end which is advantageous. The temperature of the water at the pond exit/canal entry and any resulting damages/benefits will need to be determined.

The plant will be located on the SW corner of the pond, which is close to their planned first digging. The closest landowners to this site are 2-3 miles away. The Antelope Creek land owners are forming an association to become interveners and have some influence on Luscar.

[R. Hayes entered the meeting at 2:20 p.m.]

11.0 EID Net

R. Hayes presented the EID Net report.

11.01 Update on Customers

Dial-Up - 740 (635 projected)

Wireless - 501 (465 projected) 237 are rate payers, 199 residential, 41 small office, 11 staff, 13 other business accounts.

The contract with Telus for dial-up is running out next year. It was noted that for dial-up we are using equipment bought in 1998, which was considered 'used' then.

11.02 Update on Tower Placement

Discussion centered on the quality of wireless service being offered and the frequency of tower reception going down. R. Hayes reported that one antenna had bad welds, resulting in water damage and the reception going down. Another instance involved a user's personal program plugging up the system and slowing it down considerably. R. Hayes has spoken with that person and is confident that it has been resolved. Another tower problem was finally diagnosed and was resolved with warranty work to the 4' antennae. Also, individual sector units were replaced with a single unit, thereby eliminating possible cross interference.

The need for the new towers to be up as soon as possible is evident, but a date of the end of June is very optimistic – it could easily be the end of July. There is an 8 week application period with the County, and a 6 week waiting period for the steel. Paper work has been sent to the County, but a final agreement with IP Plus over the cost of the project has not been finalized.

The need to meet with IP Plus and the resulting frustration in not being able to do so has compounded the problem.

11.03 Trade Show Update

This year's trade show was a success as 11 new paid wireless users have been signed up. The general response from the public at the bigger, broad-ranged EID booth was very positive.

[R. Hayes exited the meeting at 2:37 p.m.]

12.0 Utilities Consumer Advisory Council Report

K. Bridges presented the report. Key issues raised by the presenters at the public hearing are: 1) continuing billing errors, 2) poor customer service and accountability, 3) the need to continue the regulated rate option, 4) high utility costs, 5) that power pool pricing model lends itself to manipulation by generators, 6) due to there being very few retailers, there is no real opportunity for small consumers to enter into fixed price contracts. K. Bridges noted that it appears that the Advocate is working on the consumer's behalf.

13.0 Other

13.01 EID Land Acquisition

T. Livingston reported as information that 12,000 acres are in the midst of changing titles in the Emerson Bridge / Matzhwin Creek area and anticipates that the EID may be asked to lease the grass.

13.02 Conservative Party of Canada – Med. Hat Elect. Dist. Assoc. Fundraiser Banquet

It was decided by consensus that the Board would decline this invitation to a Brooks fundraiser for Monte Solberg, M.P. on May 6, 2005.

13.03 PHD Update

E. Wilson noted that Rick Martin and the PHD program won a national environmental award, and is a finalist in the provincial Emerald Awards.

13.04 Irrigation Council – Client Satisfaction Survey

It was decided that E. Wilson will complete and return a joint survey on behalf of the Board.

14.0 Upcoming Events

14.01	Bow River Council Ice Breaker Gala	April 29
14.02	Irrigation Council Tour	May 18
14.03	EID Board Tour	May 25
14.04	EID Board Meeting	May 31
14.05	CWRA Conference	June 14-17
14.06	EID Board Meeting	June 21
14.07	EID Board Meeting	July 19
14.08	EID Board Meeting	August 30

P. Hemsing moved adjournment of the meeting at 3:00 p.m.



Board Chairman

General Manager

May 11, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 11th day of May, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Tom Livingston	Director	[Division 2]	Mrs. Wendy Enns	Executive Assistant
Mr. Neil Johnson	Director	[Division 4]		
Mr. Pat Hemsing	Director	[Division 7]		
Mr. Floyd George	Director	[Division 1]	apologies	
Mr. Clint Henrickson	Director	[Division 3]	apologies	

The meeting was called to order at 10:10 a.m.

[Bob Willard and Les Schmidt of the EUB were in attendance.]

1.0 EUB Presentation

Bob Willard – Advisor, Business Operations & Development, and Les Schmidt – Section Leader, Routine, of the Alberta Energy & Utilities Board were welcomed to the meeting.

EUB Bulletin 2005-08 – a process to gather stakeholder input on proposed changes to the EUB subsurface well spacing regulations and applications process, was the outline for the meeting. Background information and reasoning for the changes were presented. There was a question and answer period, with item # 56 – Surface Facility Applications and item # 65 – Subsurface Spacing Applications being discussed at length. EID business will not be affected in any way by these changes.

[Bob Willard and Les Schmidt exited the meeting at 12:00 noon.]

2.0 Bassano Dam Land Claim

E. Wilson presented four minor revisions to the Bassano Dam Land Claim Letter of Intent – ‘Draft 8’ that were received after the April 26th Board Meeting. In agreement to the changes and in light of the revised date, the following motion was put forward:

2005-05-097 Moved by T. Livingston that:


“WHEREAS the Eastern Irrigation District is involved in negotiations to settle a land claim affecting the Bassano Dam and Reservoir;
AND WHEREAS the negotiators for the Government of Alberta have provided the Eastern Irrigation District, in strict confidence, with a copy of a proposed Letter of Intent, the purpose of which is to establish certain terms and conditions for settling the land claim;
AND WHEREAS the Letter of Intent must be approved by all affected parties, including the Eastern Irrigation District, in order to permit the negotiations to continue;
AND WHEREAS the terms and conditions outlined in the Letter of Intent are acceptable to the Eastern Irrigation District;
AND WHEREAS the *Irrigation Districts Act* and the *Freedom of Information and Privacy Act* prohibit the Eastern Irrigation District from disclosing any part of the negotiations including the Letter of Intent;


NOW THEREFORE BE IT RESOLVED

That the Letter of Intent dated May 6, 2005 pertaining to settlement of the land claim affecting the Bassano Dam and Reservoir be approved and execution authorized and that the Letter of Intent and all other documents related to this matter be retained in the Eastern Irrigation District's confidential records." Seconded by A. Nielsen. CARRIED

E. Wilson will advise Alan Maitland, Chief Provincial Negotiator that the Board has passed a special motion to approve the Letter of Intent dated May 6, 2005.

P. Hemsing moved adjournment of the meeting at 12:10 p.m.



Board Chairman

General Manager

May 31, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 31st day of May, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]	9:15 a.m.	
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 9:00 a.m.

1.0 Approval of Agenda

2005-05-098 Moved by P. Hemsing that the Board adopt the agenda as presented. Seconded by T. Livingston. CARRIED

2.0 Approval of Minutes

2.01 April 26, 2005

The following item was noted for correction:

- Page 54, 9.0, add times for moving in and out of camera

2005-05-099 Moved by C. Henrickson that the Minutes of the April 26, 2005 regular Board Meeting be approved as presented with corrections. Seconded by P. Hemsing. CARRIED

Board members questioned the status of a few matters which were responded to by staff.

2.02 May 11, 2005

The following item was noted for correction:

- Page 57, 1.0, add "EID business will not be affected in any way by these changes."

2005-05-100 Moved by P. Hemsing that the Minutes of the May 11, 2005 special Board Meeting be approved as presented with corrections. Seconded by A. Nielsen. CARRIED

3.0 Financial Report

3.01 April 2005 Financial Statement

Kevin Bridges presented the Financial Statement to April 30, 2005, noting the following:

A decline in Oil & Gas activity has resulted in lower revenues than prior YTD.

- Total Revenues 6% below YTD budget
- Total Expenses 1.5% above YTD budget
- Water Revenues slightly above YTD budget
- Oil & Gas Lease Revenues below YTD budget
- EID Net Revenues above YTD budget
- EID Net Expenses above YTD budget
- Other Revenues exceeding YTD budget
- Expenses, net of recoveries, slightly over budget and up from prior YTD

[9:15 a.m. N. Johnson entered the meeting.]

Discussion followed in regards to the expense of fertilizing grazing leases, and why EID Net construction slows in summer. A Board member request was made to re-name the "Pheasant Habitat" expense line under "Special Projects" in the budget to "Partners in Habitat Development".

2005-05-101 Moved by C. Henrickson that the Board approve the Financial Statements to April 30, 2005, as presented. Seconded by P. Hemsing. CARRIED

3.02 Investment Policy

Security credit ratings were discussed, with the agreement that 'Single A - ' or 'Single A low' meet the investment grade rating for fixed income securities. A Board member questioned if other districts invested and E. Wilson will check into.

2005-05-102 Moved by C. Henrickson that the Board approve the investment policy dated May 30, 2005 as presented. Seconded by A. Nielsen. CARRIED

3.03 Opening an Investment Account

Opening a new account with BMO Nesbitt Burns has been looked into, with the option of paying a management fee and stated fee rate versus a hidden rate in every transaction fee as is now paid. This should be less risk, not more, and retains the EID making final decisions in all investments.

2005-05-103 Moved by A. Nielsen that the Board approve that an account in the name of the Eastern Irrigation District be opened and maintained with each of:

- a) Scotia Capital Inc. ("ScotiaMcLeod"),
- b) RBC Dominion Securities Inc.,
- c) The Chinook Credit Union Ltd.,
- d) ATB Securities Inc., and
- e) BMO Nesbitt Burns Inc. / BMO Nesbitt Burns Ltd.

And That any 2 of the following:

- a) Robert Chrumka, Chairman, Board of Directors,
- b) Allen Nielsen, Vice Chairman, Board of Directors,
- c) Earl Wilson, General Manager, or
- d) Kevin Bridges, Assistant General Manager

be and are hereby authorized on behalf of the Eastern Irrigation District to enter orders, give instructions, sign documents, buy, sell, withdraw assets and trade in bonds, stripped coupons, debentures, guaranteed investments, corporate securities and any other investments and/or securities and/or contracts relating thereto having a minimum investment grade rating as set out in the District's Investment Policy, by exchange or otherwise, for the account and risk of the Eastern Irrigation District and the Eastern Irrigation District hereby ratifies and confirms all and whatsoever that may be done by virtue of this authorization;

And That any withdrawals from the said accounts shall be made payable only to the Eastern Irrigation District;

And That all of the above-listed actions carried out on behalf of the Eastern Irrigation District shall be valid and binding on the Eastern Irrigation District;

And That this authorization shall remain in full force and effect until written notice of revocation thereof shall have been filed by the Eastern Irrigation District with the appropriate branch of ScotiaMcLeod, RBC Dominion Securities Inc., Chinook Credit Union Ltd., ATB Securities Inc. or BMO Nesbitt Burns as the case may require.

Seconded by T. Livingston. CARRIED

[9:45 a.m. G. Romao, I. Friesen and J. Meador entered the meeting.]

4.0 Engineering

4.01 Tilley Canal

[9:50 a.m. R. James entered the meeting.]

In. Friesen presented the synopsis. This canal portion includes the length bordering the Village of Tilley to highway 876 south of the railway tracks, with a required capacity of 175 cfs. This reach of Tilley Canal is a high fill, with some seepage problems affecting the adjacent land. The proposed rehabilitation involves installation of a buried plastic liner, armouring side slopes and replacing all turnouts where required. The alignment will be shifted 1 m north and east, allowing for ease of construction and a wider bank on the town side. It is recommended that this rehabilitation be funded under the capital work's program for an estimated cost of \$874,000.00

Considerable discussion took place in regards to the Village of Tilley's request for additional drains, road extension, and grazing termination. It was agreed that the EID will replace the existing drain culvert at the District's expense, and at cost sharing an additional culvert drain. E. Wilson will contact the adjacent landowner in regards to the road extension.

2005-05-104 Moved by P. Hemsing that the Board approve the rehabilitation of the Tilley canal by rebuilding the banks, installing a buried plastic liner, armouring side slopes and replacing all turnouts where required, at an approximate cost of \$860,000.00 to be funded under the Capital Works Program. Seconded by N. Johnson. CARRIED

4.02 9H West Bantry

G. Romao presented the synopsis. The canal portion proposed for rehabilitation is the second half of 9H West Bantry running through 7-17-13 W4M off the Rolling Hills highway, irrigating 541 acres with about 15 cfs of water. Because of the current vegetation and wildlife habitat the proposal is to install 1000 m of PVC pipeline parallel to the existing ditch through the SE and SW quarters to the last set of deliveries. The pipeline will start 150 m west of the highway to accommodate the landowner in the NE and his request to move his turnout. 500 m of the canal and two of its structures will also be rehabbed as it will continue to be used as a surface drain and spill from the new pipeline. It is recommended that the project be funded under the Capital Works Program at an estimated cost of \$400,000.00.

2005-05-105 Moved by P. Hemsing that the Board approve the rehabilitation of the lower reach of 9H West Bantry canal by installing a PVC pipeline parallel to the existing ditch, moving the landowner's turnout and rebuilding 500 m of the existing canal and two of its structures at an estimated cost of \$400,000.00 to be funded under the Capital Works Program. Seconded by C. Henrickson. CARRIED

4.03 S Tilley

R. James presented the synopsis. Currently 600 acres of gravity irrigation at 30 cfs is being delivered by S Tilley. Problems include seepage, lack of capacity, poor bank width and height; with most control structures also in need of replacement. The recommended rehabilitation is to install a combination self-leveling canal with a PVC pipeline along the existing alignment. The canal will run due east 800 m from the Tilley canal along the existing alignment until the east half of 7-17-12 W4M, then turn south for 400 m.

2005-05-106 Moved by P. Hemsing that the Board approve the rehabilitation of the S Tilley canal with a combination of self-leveling canal and PVC pipeline at an estimated cost of \$530,000.00. Seconded by N. Johnson. CARRIED

4.04 Letter from KWH re Weholite pipe

E. Wilson gave background information on the situation and KWH's proposal was discussed. Board members advised the District needs a proper rebuttal in writing, and our own proposal of some money up front with the balance owing in credit. E. Wilson will work on a reply to KWH.

5.0 Operations**5.01 Water Use to Date**

E. Wilson presented the Canal System Flow Record, noting that this could be a tight year for water supply. If crops are late, more water will be used. Currently 868 farmers are irrigating, with 52 on order.

5.02 Reservoir Status, Snow Pack

E. Wilson presented an overview of levels, noting that irrigation is currently matching river flow and drawing some from reservoirs. The prior week was the first week we drew from reservoirs. Snow pack declines are on average 2-3 weeks earlier than normal.

6.0 Lands**6.02 Oil & Gas****11:00 a.m. Encana Presentation (Drilling next to Lake Newell)**

Encana representatives Laurie Agate, Surface Landman and Dave Rossiter, Reservoir Engineer were in attendance. During the presentation questions were posed from Board members as to the assurance of the type of wells, depth and estimated life span. Board members gave suggestions as to resituating one well site, amalgamating the five sites into 2, locating access roads away from the shoreline, and a mid-October date for activity commencement. Encana inquired as to the estimated date/year when the EID may begin development. After the Encana reps left the meeting, the proposal was discussed further and it was agreed upon that E. Wilson and G. Redelback work out a suitable agreement with Encana to allow them limited access to this area.

[12:00 noon – 1:45 lunch break.]

[1:45 p.m. J. Meador entered the meeting.]

5.0 Operations**5.03 Farm Improvements****5.03.1 Farm Improvement – NW 26-17-17 W4M – David Andrews, Lazy A Farms Ltd.**

This farm improvement calls for the conversion of 94 acres of wheel move irrigation to low pressure pivot as divided in the following motion. Farm improvement grant of 94 acres wheels to pivot at \$19.23/acre is \$1808.00 owing to the water user.

22 extra acres are needed through conversion and moving acres. 12 acres are being transferred, and 10 acres are charged the capital assessment charge of \$200/acre = \$2,000.00 water user owing the District.

2005-05-107 Moved by T. Livingston that the Board approve the farm improvement for David Andrews of Lazy A Farms Ltd. The farm improvement is for converting 40 acres in NW 26-17-17 and 54 acres in NW 23-17-17 of wheel move irrigation to low pressure pivot 62 acres in NW 26-

17-17 and 42 acres in NW 23-17-17. Farm improvement grant owing to water user 94 acres wheels to pivot at \$19.23/acre, payment \$1808.00. Seconded by C. Henrickson. CARRIED

- 2005-05-108 Moved by P. Hemsing that the Board approve the assessment on NW 26-17-17 be increased by 22 acres from 40 to 62. The additional acres come from efficiencies being made from conversion of 94 acres wheels to pivot. 10 acres at a capital asset charge of \$200/acre and 12 acres are being transferred from NW 23-17-17 W4M. Assessment in NW 23-17-17 W4M goes from 90 acres to 78 acres. Seconded by T. Livingston. CARRIED

5.03.2 Farm Improvement – NE 14-14-14 W4M – Cornelis & Marian Van Den Hoek

This farm improvement calls for the conversion of 120 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center, with a flood well being changed to a riser.

120 acres flood to pivot:	\$6,923.00
Riser cost (approximate):	<u>\$1,700.00</u>
Pay to Water User (approximate):	\$5,223.00

10 extra acres are needed at a capital asset charge of \$200/acre = \$2,000.00 water user owing the District.

- 2005-05-109 Moved by A. Nielsen that the Board approve the farm improvement project for Cornelis & Marian Van Den Hoek for the conversion of 120 acres flood to pivot in the NE 14-14-14 W4M. The pivot must be low pressure complete with drop tubes and no cold weather shut-offs. The farm improvement grant payable to the water user is \$6,923.00 less approximately \$1,700.00 riser cost with a balance owing to the water user of approximately \$5,223.00 depending on riser cost. Seconded by T. Livingston. CARRIED

- 2005-05-110 Moved by T. Livingston that the Board approve the increase in assessment from 120 acres to 130 acres on NE 14-14-14 W4M, at the capital asset charge of \$200/acre. The increase in acres being granted is a result of efficiencies made in converting the 120 acres of existing flood irrigation to low pressure pivot. Seconded by C. Henrickson. CARRIED

5.03.3 Farm Improvement – SE 14-14-14 W4M – Cornelis & Marian Van Den Hoek

This farm improvement calls for the conversion of 106 acres flood to wheels, with a flood well being changed to a riser.

106 acres flood to wheels:	\$2,650.00
Riser cost (approximate):	<u>\$1,700.00</u>
Pay to Water User (approximate):	\$ 950.00

10 extra acres are needed at a capital assessment charge of \$200/acre = \$2,000.00 water user owing the District.

- 2005-05-111 Moved by T. Livingston that the Board approve the farm improvement project of Cornelis & Marian Van Den Hoek for the conversion of 106 acres flood to wheels in the SE 14-14-14 W4M. The farm improvement grant payable to the water user is \$2,650 less approximately \$1,700.00 riser cost. Seconded by C. Henrickson. CARRIED

- 2005-05-112 Moved by T. Livingston that the Board approve the increase in assessment from 106 acres to 116, 10 additional acres at \$200/acre. The increase in assessment is being granted as a result of converting 106 acres of flood to wheels. Seconded by C. Henrickson. CARRIED

5.04 Infrastructure Policy

E. Wilson stated the difference between Farm Improvement Grants and Infrastructure Savings Grants before reviewing the letter and request from South Slope Feeders Ltd. It was agreed that

Infrastructure Savings Grants will continue as stated in policy 'at time of construction' as the District does not want to fall into future or retroactive grant problems. It was noted that the water user can apply for the Farm Improvement Grant at any time.

[1:10 p.m. J. Meador exited the meeting, B. Hale entered.]

6.0 Lands

6.01 Grazing Report

6.01.4 Dick Edwards private Grazing Lease

A letter was received from Dick Edwards in regards to fencing a portion of his private grazing lease area. This area is approximately 44 acres of land, being cut off from the rest of the lease by a canal.

2005-05-113 Moved by T. Livingston that the Board approve Dick Edwards the option to fence the north east portion of his private lease or to withdraw that portion from his agreement. Seconded by N. Johnson. CARRIED

6.01.1 Lease Condition Update

B. Hale reported that the grazing leases are going from bad to worse. Several leases have cattle off of tame grass at this point. He still hopes for at least a September 1st return date.

6.01.2 Eyremore Grazing Lease Water Line

This project is recommended as the existing dugouts are not meeting the current demands.

2005-05-114 Moved by C. Henrickson that the Board approve the construction of the Eyremore grazing lease waterline at an estimated cost of \$260,000. Seconded by A. Nielsen. CARRIED

6.01.3 Workers Compensation

B. Hale noted that all Grazing Associations have WCB coverage in place or will have in place, and that they agree with the requirement to do so.

6.03 Grazing Lease Transfer – Leigh & Nicole Cordes to Cornelis & Marian Van Den Hoek

The District received a request to transfer Private Grazing Lease # 7070 in the E ½ 11-14-14 W4M and Pt. SE 14-14-14 W4M, and # 7071 in the NW 13-14-14 W4M from Leigh & Nicole Cordes to Cornelis & Marian Van Den Hoek. The Cordes' have sold their lands to the Van Den Hoek's, with these current owners meeting eligibility requirements.

2005-05-115 Moved by P. Hemsing that the Board approve Private Grazing Leases numbered #7070 and #7071 to be transferred from Leigh and Nicole Cordes to Cornelis and Marian Van Den Hoek. Seconded by T. Livingston. CARRIED

6.04 Transfer of Irrigation Acres – Karl Wiebe to Leo Wiebe

After previously being declined for an annual irrigation agreement, Leo Wiebe has applied for a transfer of irrigation acres. The transfer would involve 15 acres from Karl Wiebe's SW 21-21-16 W4M to Leo Wiebe's SE 27-21-16 W4M. These 15 acres will be irrigated in a more efficient manner in the proposed location. The soil structure is superior and it will be more productive for the irrigator.

2005-05-116 Moved by T. Livingston that the Board approve the transfer of 15 irrigated acres from SW 21-21-16 Karl Wiebe to SE 27-21-16 Leo Wiebe. Seconded by C. Henrickson. CARRIED

6.05 Response to Offer to Sell Patricia Residential Lot

In response to the EID advertising this lot for sale, a bid of \$4,000.00 was received from the County of Newell. As a previous offer for the same price was declined, it was recommended that the EID not accept the County's offer. Preliminary research suggests a higher market value based on the property's potential to be serviced and subdivided into three residential lots.

2005-05-117 Moved by N. Johnson that the Board decline the County of Newell's offer to purchase Patricia Residential Lot, Lot 5, Block 10, Plan 7910924 and that a minimum acceptable price of \$10,000.00 be set. Seconded by T. Livingston. CARRIED

6.06 Industrial Land Development**6.06.1 Sale of Raw Industrial Parcel Located South of EID Office**

Through negotiations between the Town of Brooks and K. Bridges, an agreement has been reached which the Town of Brooks has approved. The EID will contribute up to 65 acres of development land, with the Town servicing, developing and marketing the land. The Town sets the asking and selling prices at its discretion, and at the time a lot sale closes the EID receives the equivalent of \$25,000.00 per gross acre converted to the net area sold. The Town has indicated developing between 15 to 30 acres each year, beginning in 2006. The title will likely be transferred to the Town upon subdivision, with the EID registering a first mortgage to protect its interest. The EID will reserve the right to develop any land not within the agreement and any streets or services installed by the Town will be available for use and inter-connection by the EID. It was recommended that the Board approve this proposal.

2005-05-118 Moved by C. Henrickson that the Board approve the partnership proposal to develop 65 acres of industrial land with the Town of Brooks as outlined in the Assistant General Manager's report dated May 26, 2005. Seconded by A. Nielsen. CARRIED

6.06.2 Vacant, Unserviced Industrial Land Adjacent to Former Carp Facility

This land, west and south of the former carp facility, is vacant land from 1 to 3 acres and is encumbered by 4 pipeline rights-of-way. Due to the development restrictions imposed by the rights-of-way, the District is suggesting a sale price of \$20,000.00 per acre, with the purchaser being responsible for all costs. A tentative agreement has been reached with the purchaser of the former carp facility.

2005-05-119 Moved by C. Henrickson that the Board approve the sale of the industrial land adjacent to the former carp facility for \$20,000.00 per acre to Fairfield Foams Ltd. Seconded by N. Johnson. CARRIED

6.06.3 Business Park Parcel Located North of EID Office

A status report was given by K. Bridges.

1:52 Jacquie Murray Presentation

The Board welcomed Jacquie Murray to the meeting; she then proceeded to give background information on the Town of Brooks proposed fountain centennial project. The committee proposes that the best location would be in the north end of Lake Stafford, near the TransCanada Highway, and would be a floating 60' vertical spray fountain, with lighting.

[2:00 p.m. Bruce Tiegs enters the meeting.]

The centennial committee is not asking for a capital cost donation, but for a \$5,000.00 or more annual donation in perpetuity to help defray the \$11,040.00 per annum electrical expense.

After J. Murray and B. Tiegs left the meeting, the Board discussed the accuracy of Fortis' electrical charge quote, the advantages and disadvantages of donating to the project, and the proposed advertising. It was decided to poll a portion of the water users in each division as this is

their money being spent, and to investigate the energy costs more accurately. A fax vote to Board members with electrical cost details will be sent out in a few days with replies confirming water user polling and Board members' decisions.

[2:25 p.m. R. Hayes entered the meeting.]

7.0 EID Net Report

7.01 Monthly Report

R. Hayes presented the report, noting 724 current dial-up customers and 518 current wireless customers. The combined amount remains overall higher than projected, although wireless numbers are slightly below projections. A 'Refer a Friend' promotion will be introduced giving one month free service for every signed up friend referred. Installations had slowed and were temporarily stopped in the Brooks area while the tower upgrades were completed, but have now resumed. Staggering of the tower antennas and changes to the radio programming were tried and it appeared tower problems had been solved, but problems have again occurred in the last 24 hours.

7.02 Expansion Proposal

R. Hayes suggested not pursuing additional tower installation at this time until problems have been solved. This matter can be revisited at the next Board meeting.

6.0 Lands

6.07 Irrigation Development

E. Wilson noted that a few inquiries as to irrigation development have been received, including the present letter addressed to the Board from Arno Doerksen and Tim Doerksen. He thus presented an overview of available and suitable land in the Gem area for possible irrigation development. Similar land south of Lake Newell was mentioned as well. There was considerable discussion around how the District should approach irrigation development. Discussed were minimum soil requirements and testing, the amount of land and how to put it up for sale, and which land takes priority under certain criteria. The Board gave consent for E. Wilson to develop a proposed plan for irrigation development.

8.0 Other

8.01 Request to waive water rates for Bassano Golf Course

The Board received a request from the Bassano Golf Course to waive its water rates for the 2005 season. As it was noted that the District already charges a less-than-cost delivery rate, it was agreed not to waive water rates at Bassano or any other golf course.

8.02 Request for funding Classroom Agriculture

The Classroom Agriculture program was discussed, noting that this program reaches all grade 4 students in the province. The Board deems that funding another year would be beneficial to the education and promotion of agriculture and irrigation within our schools.

2005-05-120 Moved by T. Livingston that the Board approve the funding for Classroom Agriculture as per the invoice received for \$3,500 for one year. Seconded by C. Henrickson. CARRIED

8.03 Red Deer River Watershed Alliance

The Board agreed that this is a worthwhile alliance to join. E. Wilson will be the District's representative, with Floyd George as alternate. The formation meeting will take place June 15 in Trochu, with the possibility of F. George attending.

8.04 Rolling Hills Reservoir Campground Grand Opening July 17 or 24

E. Wilson updated the Board on the events planned (free beef on bun meal for approximately 400, water sport demo, kid's activity, opening speeches, shuttle parking, etc.) It was agreed that the water users and local residents be the focus of invitations, keeping the afternoon as an informal family type day. It was requested that mail out invitations be sent to all former Board members and that the date be changed to July 24th if at all possible.

8.05 MLA Tour June 21/22

E. Wilson is still planning for a late afternoon information gathering in the boardroom on the 21st, followed by a round of golf and supper, with a morning irrigation tour the next day. Confirmation of schedules and arrangements is needed as yet. Five MLA's and Lyle Oberg are expected to be in attendance.

8.06 Special Areas Water Project Open House June 24

E. Wilson gave an abbreviated review of this project involving the general areas of Hannah and Oyen, along Sounding Creek and Berry Creek tributaries. As this proposed agricultural/recreational project may have some PR ramifications on irrigated agriculture and the EID, it was suggested that attending the open house meeting in Brooks would be prudent.


8.07 EUB Notice of Hearing July 13

E. Wilson informed the Board that this hearing may not come to fruition as it has been heard that a second 0% emission project proposal has been submitted by AltaGas. It would be likely then that the landowners would sign and the hearing be dropped.

9.0 Upcoming Events

9.01	Minister's Visit in Lethbridge	June 6 - no one attending
9.02	AIPA Meeting in Raymond	June 7 - C. Henrickson, possibly A. Nielsen and E. Wilson attending
9.03	Bow River Council Forum	June 8 - E. Wilson attending
9.04	EID Annual Rodeo Pancake Breakfast, 6:30 am	June 10
9.05	Taber Irrigation District Office Grand Opening	June 10- A. Nielsen attending
9.06	CWRA Conference	June 14-17 - E. Wilson, K. Bridges, G. Romao attending
9.07	Red Deer River Watershed Alliance	June 15 - possibly F. George attending
9.08	Board Meeting	June 21 - [has since be changed to June 28]
9.09	MLA Tour	June 21/22
9.10	IRR/CAN Power Grand Opening	June 22
9.11	Rolling Hills Campground Grand Opening	July 17 or 24
9.12	Board Meeting	July 19
9.13	Harvest Gala	September 30 – no one attending

C. Henrickson moved adjournment of the meeting at 3:53 p.m.



Board Chairman



General Manager

June 28, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 28th day of June, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]	9:20 a.m.	
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 9:04 a.m.

1.0 Approval of Agenda

The following items were noted for addition:

- Lands – Gem Community Association offer to purchase or rent land
- Other – Disposal of tractor and mower

2005-06-121 Moved by P. Hemsing that the Board adopt the agenda as presented with additions. Seconded by A. Nielsen. CARRIED

2.0 Approval of Minutes

The following items were noted for correction:

- Page 62, 5.03.1, change “capital assessment cost” to “capital asset charge”.
- Page 63, motion 2005-05-108 change “capital assessment cost” to “capital asset cost”.
- Page 63, 5.03.2, change “capital assessment charge” to “capital asset charge”.

2005-06-122 Moved by C. Henrickson that the Minutes of the May 31, 2005 regular Board Meeting be approved as presented with corrections. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

- Board members questioned the status of a few matters which were responded to by staff.

3.01 KWH

E. Wilson’s letter of response to KWH was circulated.

[9:20 a.m. N. Johnson entered the meeting.]

4.0 Financial Report

4.01 May, 2005 Financial Statements

4.01.1 Overall Financial Statement

Kevin Bridges presented the Financial Statement to May 31, 2005, noting the following:

- Revenues improved and expense slowed over the past 2 months resulting in an overall improvement compared to the earlier part of the year.
- Total Revenues tracking 2% below YTD budget

- Total Expenses tracking 3% over YTD budget
- Gross Revenues below YTD budget
- Water Revenues above YTD budget
- Oil & Gas Revenues tracking below YTD budget
- EIDNet under YTD budget
- Other Revenues exceeding YTD budget

4.01.2 Investments

In response to a question raised at the May 31 board meeting, K. Bridges also noted in his report the investment policies and practices of other districts. Comments were made confirming our present investment practices, as well as a discussion on the pros and cons of pre-buying fuel.

2005-06-123 Moved by P. Hemsing that the Board approve the Financial Statements to May 31, 2005, as presented. Seconded by C. Henrickson. CARRIED

[9:40 a.m. R. Hayes entered the meeting.]

4.02 Authorization to Open PHD Bank Account

The Partners in Habitat Development bank account is presently at RBC Financial, and due to the amount of business conducted through this account it subject to standard bank charges and term deposit interest rates. In order to reduce expenses and streamline management of the account, it was recommended that the account be moved to ATB which offers competitive services. Local PHD management and Pheasants Forever staff in Calgary agree with the recommendation.

**2005-06-124 Moved by T. Livingston that the Eastern Irrigation District open and operate one or more accounts with Alberta Treasury Branches ("ATB") for purposes of the Partners in Habitat Development program; and
That Robert Chrumka, Allen Nielsen, Earl Wilson and Kevin Bridges are designated as signing officers for this account; and,
That any 2 of the signing officers be required to make, sign, draw, accept, negotiate, execute or deliver any cheque, promissory note, draft, acceptance, bill of exchange, order for the payment of money and generally any instrument or document, whether negotiable or not, for the purpose of binding or obligating the Eastern Irrigation District to ATB or as required by ATB or as may relate in any way in connection with the account or any borrowing or advance by way of overdraft or otherwise; and,
That ATB's standard form of banking agreement be approved and execution authorized. Seconded by C. Henrickson. CARRIED**

5.0 EIDNet

5.01 Monthly Report

R. Hayes presented the report and informed the board that the interference problems have been resolved, with the advice of an expert from the U.S manufacturer Alvarion. The main adjustment was in decreasing the upload rate. The portable promotional unit has been taken to various events in the district, with more events to come. A signal cannot be reached through the portable unit in all locations, thus not setting up at some events. The "Refer a Friend" promotion will continue.

5.02 Expansion Proposal

It is now recommended that the expansion plans resume, as signal transmittal problems have been resolved.

2005-06-125 Moved by P. Hemsing that the Board approve the installation of new internet signal towers in North Gem, Countess, Springside, One Tree, and Bantry, and Bow City, at an estimated cost of \$606,000.00 Seconded by T. Livingston. CARRIED

[10:00 a.m. R. Hayes exited the meeting and a short break was taken.]

[10:08 a.m. J. Meador entered the meeting.]

6.0 Operations

6.01 Farm Improvements

J. Meador presented the proposed farm improvements.

6.01.1 Farm Improvement – SE 29-21-14 – Cross Creek Ranching Ltd. (Austin Beasley)

This farm improvement calls for the conversion of 105 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot center. The water user would like any extra conversion acres gained on this quarter transferred to SE 28-21-14 W4M where a pivot is also being installed. The farm improvement grant of 105 acres wheels to pivot is \$2,019.00 owing to the water user.

2005-06-126 Moved by T. Livingston that the Board approve the farm improvement for Cross Creek Ranching Ltd. (Austin Beasley) for the conversion of 105 acres wheels to pivot in the SE 29-21-14 W4M. The pivot must be low pressure complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot point. The farm improvement grant payable to the water user is \$2,019. Seconded by A. Nielsen. CARRIED

6.01.2 Farm Improvement – SE 28-21-14 W4M – Austin Beasley

This farm improvement involves a current assessment of 76 acres, with a new pivot area of 98 acres. A conversion will be made of 65 acres wheels to pivot and 11 acres flood to pivot.

65 acres wheels to pivot:	\$1,250.00
11 acres flood to pivot:	<u>\$ 6,24.00</u>
Pay to Water User:	\$1,874.00

2005-06-127 Moved by C. Henrickson that the Board approve the farm improvement for Austin Beasley for the conversion of 65 acres wheels to pivot and 11 acres flood to pivot in the SE 28-21-14 W4M. The farm improvement grant payable to the water user is \$1,874. Seconded by T. Livingston. CARRIED

The 22 acres needed on this quarter can be added through efficiency gained from the conversion of 105 acres of wheels to pivot in SE 29-21-14 W4M (15 acre efficiency gain) and the conversion of 65 acres wheels to pivot and 11 acres flood to pivot in SE 28-21-14 W4M (10 acre efficiency gain). 22 acres at a capital asset charge of \$200.00/acre = \$4,400.00 Water User owing the District.

2005-06-128 Moved by A. Nielsen that the Board approve the increase in assessment from 76 acres to 98 acres on SE 28-21-14 W4M, at the capital asset charge of \$200/acre. The increase in acres being granted is a result of efficiencies made in converting 65 acres wheels to pivot and 11 acres flood to pivot in the SE 28-21-14 W4M, and 105 acres wheels to pivot in the SE 29-12-14 W4M. Seconded by P. Hemsing. CARRIED

6.01.3 Farm Improvement – NE 18-24-15 W4M – John Douglass

This farm improvement calls for the conversion of 118 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off, with the pivot being piped from pump site to pivot point. The delivery site remains the same off of 01-26 North Branch pipeline. The farm improvement grant of 118 acres flood to pivot is \$6,807.00 owing to the Water User.

- 2005-06-129** Moved by F. George that the Board approve the farm improvement for John Douglass for the conversion of 118 acres flood to pivot in the NE 18-24-15 W4M. The pivot must be low pressure complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot point. The farm improvement grant payable to the water user is \$6,807. Seconded by P. Hemsing. CARRIED

6.01.4 Farm Improvement – SE 22-21-17 W4M – Ray Latimer

This conversion involves 67 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot center. The delivery site remains the same off of 01-26 North Branch pipeline. The farm improvement grant of 67 acres flood to pivot is \$3,865.23 owing to the Water User.

- 2005-06-130** Moved by C. Henrickson that the Board approve the farm improvement for Ray Latimer for the conversion of 67 acres flood to pivot in the SE 22-21-17 W4M. The pivot must be low pressure complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot centre. The farm improvement grant payable to the water user is \$3,865.23. Seconded by P. Hemsing. CARRIED

With the current assessment being 67 acres and the new pivot area being 98 acres in this quarter and 6 acres overlap in SW 22-21-17 W4M, an irrigable unit is needed. The increase in acres was granted in November subject to the pivot going up.

- 2005-06-131** Moved by N. Johnson that the Board approve the registration of an “irrigable unit” on the SE 22-21-17 W4M and the SW 22-21-17 W4M, being lands owned by Ray Latimer. Seconded by C. Henrickson. CARRIED

6.02 Water Use to Date

E. Wilson recapped the water shut-off situation, noting the water was turned off June 7th, and a portion was turned back on (possibly temporarily) June 28th. The system will be kept off to prevent slime, until the demand for water resumes. Reservoirs are at their full limit, with Lake Newell 4” over, and Rock Lake 6” over. Some lowering of reservoirs may take place, as ‘0’ demand is expected until the first week in July. Some discussion took place regarding farmers who are ‘fertigating’, and the operational balance of sending water to some without flooding others out.

7.0 Engineering

7.01 13 East Branch 01-1379

E. Wilson presented the synopsis. This canal portion consists of 1400 m of open canal, starting at East Branch canal and flowing to a natural drain. Located in 16 and 17-20-17 W4M, the canal serves approximately 466 acres of irrigation (3 flood parcels, 1 pivot and 1 wheels). The only changed indicated would be wheels to pivot. As the canal is very small and some seepage is occurring, the proposed rehabilitation would consist of an inlet pond and a pipeline. The pond will be 280 m long to supply the high existing flood delivery in the NE 17-20-17 W4M, supply the pivot in the SE 20-20-17 W4M and will help remove sediment from the water. The deliveries for the SW 21-20-17 W4M and NW 16-20-17 W4M are at the road crossing and will stay there. These parcels are wild flood pasture and the present land owner has no plans to change the systems. The last turnout will be for a new pivot that will replace the wheel lines in the NE 16-20-17 W4M. The cost of the proposed rehabilitation will be approximately \$285,000.00 or \$612/acre, and is recommended to be constructed in the 2005-2006 construction season.

- 2005-06-132** Moved by P. Hemsing that the Board approve the rehabilitation of 13 East Branch canal by constructing an inlet pond and replacing the existing canal with a pipeline at an estimated cost of \$285,000, to be constructed in the 2005-2006 construction season. Seconded by N. Johnson. CARRIED

7.02 Antelope Creek Canal

E. Wilson presented the options being considered for this project. Lining the canal would cost approximately \$840,000.00 to \$850,000.00, and pipelining would be approximately \$1,100,000.00. The pipeline option is not as good a system for the District, but helps some farmers. It was noted that commitments have not been obtained from farmers as to installing pivots, and that this canal may be located in the area of the end of Luscar Coal's 40 year plan. After discussion, it was recommended that commitments be obtained from the affected farmers in regards to pivots, and that E. Wilson and G. Romao bring this project back to the board with more information on questions posed.

7.03 Irrigation Council Letter re IRP Funding

E. Wilson reviewed the proposed IRP funding allocations. He recommended that the district does not waste time with an application, as it is generally indicated that the EID would not be eligible for funding, but write a letter supporting the old formula. The Board was also in favour of taking measures to ensure that the differences in districts' budget situations are explained to government officials Doug Horner and Lyle Oberg.

[10:57 a.m. Robert Matoba entered the meeting.]

[11:06 a.m. Vern Parker entered the meeting.]

11:06 Vern Parker / Curtis Huber Assessment Appeal

Mr. Parker was in attendance to state his appeal of the board's decision made last December for the transfer of 3 irrigation acres from the NE 35-14-14 W4M to SE 08-15-13 W4M to fill in the area under the pivot only. After stating his rebuttal and discussing with the Board a few matters in regards to the extra 5 acres wanted, B. Chrumka thanked Mr. Parker for coming.

[11:32 a.m. Vern Parker exited the meeting]

The Board will stick to policy and uphold their earlier motion. Mr. Parker will be informed as to their decision.

[11:38 a.m. R. Matoba exited the meeting.]

7.0 Engineering**7.04 AIPA**

E. Wilson gave an overview of the AIPA Directors Meeting he attended. One directive was for the districts to write government requesting an extension of the Natural Gas rebate. As information, more irrigation content was requested by Earl and two other districts for the Grade 8 Science Water Unit project which is currently being developed. Finally, in looking into the newly proposed Highways Act, a change has been noticed in regards to bridges over district owned canals (irrigation districts are now 100% responsible). E. Wilson has already written a letter requesting a review of this policy and a request to have the 75% government 25% county cost share re-installed.

[11:42 – 1:04 p.m. Lunch break]

8.0 Lands**8.01 Sound Vibrations Audio Lease**

K. Bridges informed the Board that this lease had expired on May 31, 2005. Noting in his report a rental rate overview of similar spaces it was recommended that the lease be renewed at the

current rate of \$875.00/month but that the District's standard commercial lease agreement be used.

- 2005-06-133 Moved by A. Nielsen that the Board approve the renewal of the Sound Vibrations Audio lease at the current rate of \$875. per month for a 2 year term. Seconded by P. Hemsing. CARRIED**

8.02 County of Newell Gravel Stockpile

R. Matoba noted that the County currently has 2 gravel stockpiles on EID lands: LSD 05-06-18-12 near Tilley and LSD 05-26-17-16 in the Bow City area. The latter will not be needed after this year, but the County is requesting a renewal for the Tilley site.

- 2005-06-134 Moved by P. Hemsing that the Board approve the renewal of Tilley gravel stockpile agreement for LSD 05-06-18-12 for a 5 year term at an annual fee of \$150.00. Seconded by C. Henrickson. CARRIED**

8.03 Antelope Creek Acreage

K. Bridges presented the overview of the acreage sale noting a few matters to be dealt with before closing. The selling price was set, with the agreement that the District will clean up scrap materials on the yard, split the cost of fencing with the purchaser, tie in the cistern to the house, and ensure that the septic system is working.

- 2005-06-135 Moved by C. Henrickson that the Board approve the selling price of \$142,000.00 for the Antelope Creek Acreage being Lot 1, Block 1, Plan 0511752. The District will split the cost of fencing with the purchaser, will tie in the cistern to the house, and ensure that the septic system is working. Seconded by P. Hemsing. CARRIED**

8.04 Regrass Breaking

B. Hale presented the request for improvement work to be done on a 1000 acre portion of the Newell Grazing lease (Pt. 01-17-14 W4M and 02-17-14 W4M). Soil testing indicated poor soils, and the need for nitrates. The quality and cost of paunch was discussed. After discussion on methods, it was agreed that administration make the final decisions on breaking this pasture in strips or in whole as per conditions at that time. Administration will also decide on seeding, and fertilizing with paunch after getting a confirmed price.

- 2005-06-136 Moved by F. George that the Board approve the breaking, seeding and fertilizing as per management's decision of the dryland grazing lease located in the Newell Grazing Association in Pt. 01-17-14 W4M and 02-17-14 W4M. Seconded by T. Livingston. CARRIED**

8.05 Bow City Hutterite Colony Fencing

B. Hale commented that a fencing issue needs to be resolved with this colony. It is hoped to take a cooperative approach in this matter.

[1:42 p.m. B. Hale exited the meeting.]

8.06 Floyd George Request to Trade Land

The Board received a request from F. George to trade his NE 18-24-16 W4M for the District's E ½ 25-23-16 W4M. Well revenues, land isolation, and alternate deals were preliminarily discussed.

[1:45 p.m. F. George exited the meeting.]

The present and past proposals were discussed, with agreement that E. Wilson begin negotiations with F. George on the lines closer to a past proposed deal.

[1:55 p.m. F. George re-entered the meeting.]

8.07 Gem Community Association Request to Purchase or Rent Land

F. George informed the Board of the present 30 year agreement between the EID and the Gem Community Association, noting that the agreement is ending in 2006. The parcel involved is approximately 1.6 acres directly east of the Community Hall. The Gem Community Association has requested to purchase the land or renew the lease, and requested permission to construct a gazebo on the land adjacent to the hall as part of a centennial project.

2005-06-137 Moved by T. Livingston that the Board approve a renewal for a 10 year lease on NW ¼ 09-23-16 W4M for the Gem Community Association, with permission granted to construct a gazebo. Seconded by P. Hemsing. CARRIED

9.0 Other**9.01 Luscar Coal Update**

E. Wilson informed the Board of the larger cooling pond being proposed and the water supply benefits that it will have for the EID. Licensing was discussed, with possible options, as it has not yet been granted to Luscar. It was also noted that land access fees and confidentiality are a current problem between the District and Luscar.

9.02 Bassano Dam Land Claim Update

E. Wilson informed the Board that the land claim is currently in the drafting process, with the hopes that the actual agreement be in place by the end of July, to be passed in fall. There are no concerns to date.

9.03 EnCana Negotiations Update

A discussion was held on the surface rights notice that the District received from EnCana as to whether surface rights were validly reserved by EnCana under the 1935 agreement between the CPR and the EID. After discussing a few options of reply, it was agreed that this matter will be dealt with later in our negotiations with them.

9.04 Rolling Hills Reservoir Campground Grand Opening – July 24th – Update

The planning to date for this event by Kathy Schellenberg and Wendy Enns was reviewed. The estimated number to plan for was increased by the Board from 400 to 500 people. A free beef-on-a-bun meal will be provided, along with sign-unveiling, entertainment, and give-aways. Special invitations and a few other details were worked out.

9.05 Patricia Cemetery

This small parcel of land, currently 1/3 of an acre, is proposed to be expanded to 2-4 acres maximum. The County will be the official owners of the cemetery, once the title has been transferred from the EID.

9.06 PAWM Update

E. Wilson will not be renewing his membership in this association, but obtaining one from the Red Deer River Watershed Alliance (RDRWA).

9.07 Fred Mandeville Letter

A letter regarding waiving the water rates for the past three years was received as information.

9.08 Disposal of Tractor and Mower

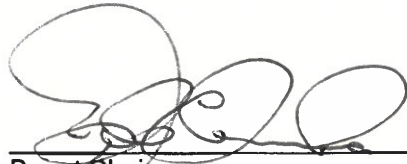
A 1988 Ford Tractor and small mower can now be sold, as the new equipment has arrived. After reviewing bids from Michener Allen Auctioneering Ltd. and Brooks Asphalt, the Board decided to approve the highest guaranteed offer.

2005-06-138 Moved by N. Johnson the Board approve the sale of the tractor and mower to Brooks Asphalt for \$9,500.00. Seconded by C. Henrickson. CARRIED

10.0 Upcoming Events

10.01	Board Meeting	Tuesday, July 19
10.02	Rolling Hills Reservoir Campground Grand Opening	Sunday, July 24
10.03	Board Meeting	Tuesday, August 30

T. Livingston moved adjournment of the meeting at 3:00 p.m.



Board Chairman

General Manager

July 19, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 19th day of July, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]	10:04 a.m.	
Mr. Pat Hemsing	Director	[Division 7]		

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

1.0 Approval of Agenda

2005-07-139 Moved by A. Nielsen that the Board adopt the agenda as presented. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes

2.01 June 28, 2005

The minutes were accepted as circulated.

2005-07-140 Moved by C. Henrickson that the Minutes of the June 28, 2005 regular Board Meeting be approved as presented. Seconded by T. Livingston. CARRIED

3.0 Business Arising

3.01 KWH Pipe Update

As per phone correspondence, E. Wilson has received a counter offer from KWH and recommends accepting it. A written offer will be brought to the Board for approval.

4.0 Financial Report

4.01 June 30th, 2005 Financial Statements

K. Bridges presented the Financial Statement to June 30, 2005, noting the following:

- Total Revenues tracking about 5% below YTD budget
- Total Expenses tracking about 4% below YTD budget
- YTD Surplus below YTD budget, and below past 5 year average
- Water Revenues above YTD budget, but below prior YTD
- Oil & Gas Lease Revenues tracking below YTD budget, and below prior YTD
- EIDNet under YTD budget overall
- Other revenues exceeding YTD budget

2005-07-141 Moved by P. Hemsing that the Board approve the Financial Statements to June 30, 2005, as presented. Seconded by C. Henrickson. CARRIED

4.02 Quarterly Accounts Receivable Report

K. Bridges presented the Quarterly Accounts Receivable Report. Various accounts were discussed.

2005-07-142 Moved by P. Hemsing that the Board approve the Quarterly Accounts Receivable Reports to June 30, 2005, as presented. Seconded by C. Henrickson. CARRIED

4.03 Quarterly Investment Report

K. Bridges reviewed the Investment report, noting the switching of some accounts from RBC Dominion Securities to Chinook Credit Union due to better rates being offered.

2005-07-143 Moved by T. Livingston that the Board approve the Investment Report to June 30, 2005, as presented. Seconded by A. Nielsen. CARRIED

[9:41 a.m. R. Hayes entered the meeting.]

6.0 Operations**6.01 Water Use to Date**

E. Wilson circulated the Canal System Flow Record as of July 19th, noting the next to full levels of various reservoirs. Extreme low use of water is still the case, and what use there is, is spread out and sporadic.

[9:58 a.m. R. Hayes exited the meeting. A short break was taken.]

[10:04 a.m. N. Johnson and G. Romao entered the meeting.]

5.0 EIDNet Report

R. Hayes presented the report, reviewing referral promotions, area community events, door-to-door distribution of marketing materials in industrial and one residential area in Brooks, and mail-outs for Gem and Bow City areas. A back to school promotion will be launched in late August. The number of dial-up and wireless accounts remains above projections. No new towers have been installed as yet. The meeting with IPPlus last Friday was favorable, resulting in fee cancellations, reimbursements and cost sharing in specified areas, with overall savings of approximately \$50,000.00 to the District for the additional towers and the elimination of a minimum monthly usage charge per tower which will save the District \$1,000.00 to \$2,000.00 per month.

7.0 Engineering**7.01 Project Status**

G. Romao reviewed the Rehabilitation Projects Land Assembly Status to date:

Lower Bow Slope	- signed up, project under construction
Pump Station	- complete
04 Bow Slope	- documents being prepared
Tilley Canal	- construction and right-of-way agreements have not been completed, final details and more landowner contact still to be done
9H West Bantry	- documents prepared, ready for signing

17G Springhill	- 4 landowners signed up, all others, remainder of signing underway
03 North Branch	- documents prepared, right-of-way pending final pipeline alignment
13 East Branch	- construction and right of way agreements have not been completed, final details and more landowner contact still to be done
S Tilley	- documents being prepared

7.02 R North Bantry

G. Romao presented the project summary for R North Bantry located approximately 13 km east and 11 km north of Brooks, in the Patricia area. The canal system is in need of rehabilitation due to seepage (extensive sandy soils), severance and general deterioration of canal banks, control structures and turnouts. This system serves 3,873 assessed irrigated acres, on a land base of 6000 acres. There is about 500-1000 acres of irrigation expansion that could occur with conversion of flood fields to pivot. Approximately 40% of the irrigation is currently by sprinkler. Six new pivots are being seriously considered by landowners.

The proposed method of rehabilitation is a 35 km gravity pressure closed PVC pipeline, with a settling pond and screen cleaning system. Turnouts will have static pressures of up to 70 psi, and two thirds of the turnouts will have operating pressures of at least 20 psi at all times.

Two additional works not included in this proposal are:

- Project 01-1387, construction of a surge pond spillway and canal system to feed One Tree Drain (District Capital funds), and
- R1 North Bantry Pipeline (to be submitted for approval next month)

R North Bantry was approved for IRP funding by Irrigation Council in February 2005, at a cost of \$6,863,000.00. The updated cost estimate is \$7,655,000.00 (more pipe length and PVC price increase), and is again recommended to be approved for construction under IRP funding.

2005-07-144 Moved by P. Hemsing that the Board approve the rehabilitation of R North Bantry with a 35 km gravity pressure closed PVC pipeline to be funded under IRP funding at an estimated cost of \$7,655,000.00. Seconded by T. Livingston. CARRIED

7.02.1 Lawson Water Supply

E. Wilson gave a review of this proposal. As the previous supply ditch (Springside/Neely) to the north on Lawson's land has been shut down this year, an alternate route of piping water across One Tree Creek in the south is being proposed. Mr. Lawson will then install additional lines to feed 4 or 5 ponds. Four 10 acre foot livestock water agreements are also suggested as the land will eventually be split into parcels. Discussion took place regarding crossing the creek above or below ground. A Board member recommended getting all four parties to sign an agreement for water supply.

2005-07-145 Moved by T. Livingston that the Board approve the installation of a 6" pipeline off R North Bantry across One Tree Creek in Lawson's sections 12 and 13, 21-13 W4M, and that the landowners receive four 10 acre foot livestock water agreements (1 per parcel). Seconded by F. George. CARRIED

7.02.2 Musgrove Infrastructure Savings Grant

E. Wilson reviewed Norman Musgrove's proposed flood to pivot conversion of 172 acres on NE & NW 30-20-12 W4M and SE & SW 31-20-12 W4M. The conversion will take place at the time of R North Bantry construction, and saves the District over \$30,000.00.

- 2005-07-146** Moved by C. Henrickson that the Board approve the Infrastructure Savings Grant of \$15,000.00 for Norman Musgrove, as he is converting 172 acres flood to pivot at the time of R North Bantry construction, saving the District over \$30,000.00. Seconded by N. Johnson. CARRIED

SW 31-20-12 W4M being EID lands, approximately 3 acres will need to be sold to Mr. Musgrove to make this pivot work efficiently. This part of the grazing lease is currently isolated by the canal. Mr. Musgrove will be responsible for fencing this portion. An Irrigable Unit will later need to be granted.

- 2005-07-147** Moved by C. Henrickson that the District sell approximately 3 acres of SW 31-20-12 W4M to Norman Musgrove at \$750/acre to accommodate his pivot. Seconded by T. Livingston. CARRIED

7.03 North Bantry Surge Pond

G. Romao reviewed this proposal of a surge pond in connection with the R North Bantry pipeline as a way to handle any spill water. The water will be redirected into this surge pond from which it can be released in a controlled operation to supply the One Tree Drainage System so that irrigators along that system can be supplied as required. The surge ponds will have 124 acre feet of storage capacity, equivalent to 12 hours of the North Bantry flow.

The surge pond system will consist of 4 small ponds, with the largest pond being beside the canal and acting as the main operational pond of the group. The inlet into the lake will be controlled with a leaf gate structure that is automated with upstream level control. A 600 mm turnout gate will also be used to maintain pond levels and supply to the drainage system if required. This system will allow minor changes to be controlled or have the surge ponds be used as a supply system if needed. The outlet of the main pond will be a combination structure that has a controlled out fall and an overflow weir. There will also be an overflow spillway over the south end of the pond structure.

The other 3 ponds can be used for storage or can be run through in a supply demand. These ponds are more for erosion control in place of more structures along the canal system. The canal portion below the last pond and to the existing drainage system will be left in the existing channel that is grassed and will need only minor bed protection with armor.

The cost of this system will be approximately \$920,000.00, and is proposed to be approved under the Capital Rehabilitation Program.

- 2005-07-148** Moved by P. Hemsing that the Board approve the construction of 1 large and 3 small surge ponds off the North Bantry Canal, consisting of inlet and outlet structures, earthen dams, and 2900 m of spillway channel at an approximate cost of \$920,000.00 to be funded under the Capital Rehabilitation Program. Seconded by C. Henrickson. CARRIED

7.04 17 G Infrastructure Savings Grant

G. Romao presented the proposed change to Randy Dale's water delivery on SE 01-22-13 W4M. The 26 acre flood field is currently receiving its water from the south-west corner, but Mr. Dale has agreed to change the delivery to a ditch in the north-west corner, saving the District on pipe and turnout costs of approximately \$31,650.00.

- 2005-07-149** Moved by T. Livingston that the Board approve the Infrastructure Savings Grant of \$15,000.00 for R. Dale, as he is giving up his SW legal delivery in SE 01-22-13 W4M saving the District \$31,650.00 in pipe and turnout costs off the 17G Springhill project. Seconded by C. Henrickson. CARRIED

[10:41 a.m. G. Romao exited the meeting.]

8.0 Equipment

8.01 Quotes on New Hoes

E. Wilson presented the quotes, and a discussion took place regarding overall price, warranties, repairs and resale values. It was agreed to go ahead with the rental in 2005 and option to buy in 2006 of the John Deere 230C LC and 330C LC. A Board Member suggested working on a lower combined price since choosing both John Deere quotes.

2005-07-150 Moved by T. Livingston that the Board approve the rental of a John Deere 230C LC 55,000 Class Excavator from Brandt Tractor Ltd., at their quote of \$8,500/month, with 100% of the rental price being applied to the purchase price of \$237,500.00 if opting to purchase in 2006. Seconded by A. Nielsen. CARRIED

2005-07-151 Moved by C. Henrickson that the Board approve the rental of a John Deere 330C LC 70,000 Class Excavator from Brandt Tractor Ltd., at their quote of \$12,000/month, with 100% of the rental price being applied to the purchase price of \$307,250.00 if opting to purchase in 2006. Seconded by T. Livingston. CARRIED

9.0 Bassano Dam Update

E. Wilson gave an overview of the present negotiations, noting a couple recent changes. Discussion took place on what ramifications these changes may have for the District. It is hoped to have the documents in place by fall. There will be a three party agreement between Siksika, the EID, and the Alberta Government, and a four party agreement which includes the Canadian Government. The Board will need to pass a motion and ratify the agreements when complete.

[10:58 a.m. R. Martin and B. Hale entered the meeting.]

10.0 Lands

10.01 Request to have Pheasant Shooting Permit on Irrigated Lease

R. Martin presented a request received from a lessee to grant permission for a shooting license on the land he leases from the EID. His intentions were to release and hunt pheasants on that land. As this land is specifically leased as an irrigated agricultural lease and other concerns were raised such as liability, the Board agreed to not sign a permit for pheasant shooting.

[11:04 a.m. R. Martin exited the meeting.]

10.02 Antelope Creek Residence

K. Bridges reported that an agreement in price has been reached with the purchaser, and a few remaining concerns are being worked on. It is expected that this sale will close on September 1, 2005.

10.03.1 Should We Allow Additional Cattle on Lease August 1

B. Hale reported that as pastures have taken a turn around with the huge amount of precipitation received in late spring, a question of whether to allow additional cattle onto the grazing pastures in August was raised. To ensure a good start for next year's season, the Board decided to not allow additional cattle on grazing pastures August 1. As well, 8 out of 10 grazing associations were not in favor of increasing the number of cattle.

10.03 Grazing

B. Hale commented on a problem with sick cattle in the Rock Lake pivots area. Discussion ensued suggesting the Grazing Associations test the water. Bob also reviewed the present situations of the Eyremore water line, Newell re-grass breaking and outstanding invoices, and the Bow City Hutterite fencing issue.

[11:17 a.m. B. Hale exited the meeting.]

10.04 Letter from Dan Sewall

A letter to the Board from Dan Sewall was received regarding purchasing EID land along the One Tree Creek in the NE 26-20-13 W4M and SE 35-20-13 W4M. His case of having his house, dug out, barn, pump site, pump house and corrals situated on District land was discussed, along with other past similar situations. Amount of right-of-way currently present versus what is actually needed was discussed. In making a decision, it was agreed that the Board did not want to set a precedent, and that each situation is unique. It was requested that E. Wilson bring this matter back to the Board with our required right-of-way, and a recommendation on what can be done.

11.0 Other

11.01 Rolling Hills Reservoir Campground Grand Opening

The content and length of speeches was discussed, along with a few other details.

11.02 Letter from Andy Mitchell

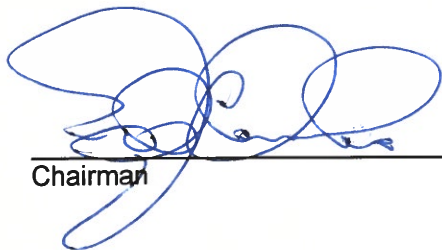
A reply from Andy Mitchell, Minister of Agriculture and Agri-Food was received regarding the District's encouragement to include water saving efficiencies in the Canada-Alberta Farm Stewardship Program. The District was assured that this recommendation will be included in the update process.

12.0 Upcoming Events

- 12.01 Rolling Hills Reservoir Campground Grand Opening
- 12.02 EID Golf Tournament in Rolling Hills
- 12.03 Board Meeting
- 12.04 AIPA Directors Meeting
- 12.05 Board Meeting

July 24
August 19
August 23rd
September 26
September 27

A. Nielsen moved adjournment of the meeting at 11:39 a.m.


Chairman
General Manager

August 23, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 23rd day of August, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]		
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 10:00 a.m.

1.0 Approval of Agenda

After reviewing the agenda, the following items were added:

- 9.06 Irrigation Rehabilitation Program
- 2:00 p.m. Lakeside Industries
- 7.05 North Yard Remediation
- 8.03 Setting Cattle Round Up Date
- 9.07 Proposed Patricia Solid Waste Transfer Station Site

2005-08-152 Moved by C. Henrickson that the Board adopt the agenda as presented with additions. Seconded by A. Nielsen. CARRIED

2.0 Approval of Minutes

2.01 July 19, 2005

The following item was noted for correction:

- Page 79, motion 2005-07-147, after "Norman Musgrove" add "at \$750.00/acre".

2005-08-153 Moved by C. Henrickson that the Minutes of the July 19, 2005 regular Board Meeting be approved with corrections. Seconded by T. Livingston. CARRIED

3.0 Business Arising

A Board member questioned the resulting price of purchasing two hoes from John Deere. E. Wilson replied that the District saved \$10,000.00 in the deal.

4.0 Financial Report

4.01 July 31st, 2005 Financial Statements

K. Bridges presented the Financial Statement to July 31, 2005, noting the following.

- Total Revenues tracking about 4.5% below YTD budget
- Total Expenses tracking about 5.8% under YTD budget
- YTD Surplus of \$8.5 million below YTD budget and approximately average over the past 5 years
- Water Revenues above YTD budget, but below prior YTD
- Oil & Gas Revenues tracking 5.5% below YTD budget, and are below prior YTD
- Lease Revenues from other sources tracking 17% above YTD budget and are above prior YTD
- EIDNet is 15% under YTD budget overall
- Other Revenues exceeding YTD budget, and are above prior YTD

A discussion on twin well sites took place with regards to the number of existing and proposed sites, the compensation amount, and renewing the District's agreement in 2006. As well, concerns were voiced regarding angle drilling, ground water safety, traffic and activity levels, and accuracy of information from drilling companies to landowners. B. Chrumka requested that E. Wilson obtain additional information on this last matter.

2005-08-154 Moved by C. Henrickson that the Board approve the Financial Statements to July 31, 2005, as presented. Seconded by P. Hemsing. CARRIED

[10:40 a.m. G. Romao entered the meeting.]

5.0 Engineering

5.01 Antelope Creek Canal

G. Romao presented the synopsis. The portion of Antelope Creek Canal being considered is the last 10 km, located 25 km southwest of Brooks, and 5 km north of Bow City. This reach serves 1473 acres of irrigation, with almost half being served in the first 5 km, with the remainder in the last third of the canal.

A gravel-on-poly lined canal and five check structure replacements are proposed to address capacity, bank width, seepage and other concerns. The 800 m lateral 08 Antelope Creek can be piped. Three jogs in the canal would be straightened with relocations. Calverts will be shortening and shifting their pivot, and the District will move the canal slightly to solve the problem of pivot encroachment on the canal bank. The estimated cost for this project is \$2,240,000.00.

A short discussion ensued regarding the general increase in project costs and in a broad sense, whether some areas are worthy of rehabilitation.

2005-08-155 Moved by T. Livingston that the Board approve the rehabilitation of Antelope Creek canal by lining the last 10 km with gravel-on-poly, replacing 5 check structures and piping the 800 m lateral 08 Antelope Creek portion, at an estimated cost of \$2,240,000.00 Seconded by P. Hemsing. CARRIED

5.02 Project Update

5.02.1 Rehabilitation Projects Land Assembly Status

G. Romao reviewed the status, noting completed signing and document preparation:

04 Bow Slope	- half signed at this point
Tilley Canal	- construction & right-of-way agreements have not been completed, final details and more landowner contact still to be done
9H West Bantry	- documents prepared, ready for signing
17G Springhill	- awaiting 1 yet to be signed
03 North Branch	- right-of-way pending discussions with County
13 East Branch	- documents prepared, ready for signing
S Tilley	- 1 signed, 1 awaiting
R North Bantry	- document preparation underway

5.02.2 04 Bow Slope

G. Romao presented the turnout changes for this project. The present situation has Wilfley Holdings' delivery for the SE 16-17-16 W4M coming off the 04 Bow Slope system in the NE 16-17-16 W4M and runs down a head ditch into a drain for $\frac{3}{4}$ of a mile where it flows into a pond from which he pumps from. Brummelhuis pumps two pivots off the 02-01 Bow Slope pipeline, one in the SW 16-17-16 W4M and one in the NW 16-17-16 W4M.

It is proposed to pipe Wilfley Holdings' delivery off the 02-01 Bow Slope pipeline and change Brummelhuis' delivery for the NEW 16-17-16 pivot to come off the 04 Bow Slope pipeline. These changes will eliminate the need to run water down the drain for $\frac{3}{4}$ of a mile, and eliminate spill and pond use. The additional cost for these delivery changes is:

\$7,800.00 to up size and pipeline in pivot (NW 16) off 04 Bow Slope
\$10,700.00 to pipe Wilfley Holdings' delivery from the existing 02-01 pipeline,

but the increase in cost can be covered by contingency allowance in the original project estimate.

5.02.3 Tilley Canal

G. Romao reviewed the project, noting the Village of Tilley's request for a 6" turnout on the north side of the canal to irrigate land north of the canal and east of the highway. Since the canal is in such a high fill, a precast back wall with a 6" opening should be installed. The cost for the back wall and installation would be the Village of Tilley's.

Mr. Romao also confirmed the cost sharing arrangement for the three under drains previously requested. The EID has agreed to pay for one, 50/50 cost share the second, and the Village pay the entire cost of the third. The cost for each of the drains is \$7,500.00.

2005-08-156 Moved by P. Hemsing that the Board approve the construction of a precast back wall with a 6" opening to be installed in the Tilley canal north east of the village, with the full cost for the back wall and installation to be paid by the Village of Tilley. Seconded by N. Johnson. CARRIED

5.03 Conversion of Terminable Acres to Irrigation Acres & Approval of Cost Share of Pipeline Extensions

G. Romao presented the conversion proposals for R North Bantry as follows.

5.03.1 Beasley Ranches Ltd. – NW 07-20-12 W4M

The current assessment has 54 "irrigation acres" in the south field and 47 "terminable acres" in the north field. The proposal is to convert the 47 acres to "irrigation acres" and cost share a 10", 636 m pipeline extension (50% x 636 m of 10" PVC = \$7,139.00). As this is not the best quality irrigation and a pivot would be more desirable, the conversion was not granted.

5.03.2 Deschamps – NW 19-20-12 W4M

The current assessment has 103 "terminable acres" under wheel irrigation pumping from the drain to the east. The proposal is to convert these acres to "irrigation acres", and to serve them off the pipeline. The owner's cost share total would be \$6,560.00 for the 10" pipeline and road crossing. It was noted that the creek used as a drain is drying up.

2005-08-157 Moved by N. Johnson that the Board approve the conversion of 103 "terminable acres" to "irrigation acres" at a capital asset charge of \$100/acre on Deschamp's NW 19-20-12 W4M. Seconded by C. Henrickson. CARRIED

2005-08-158 Moved by P. Hemsing that the Board approve the 50% cost-share of 10" pipeline and road crossing at a cost of \$6,560.00 to Deschamps. Seconded by C. Henrickson. CARRIED

5.03.3 T. Irwin – Pt. 9 & 10 -21-12 W4M

The current assessment has 112 "irrigation acres" in the SW 9, and 124 "terminable acres" in the SW 9, NW 9, SE 9 and SE 10. Half is in wheels and half is pumped flood, with all being served off one pump site. The proposal is to convert 124 "terminable acres" to "irrigation acres", register all 4 quarters as an irrigable unit, and serve all off the pipeline at a single location. As this is not the best land arrangement and a pivot would be more desirable, the conversion was not granted.

5.03.4 J. & K. Irwin – NW 32-20-12 W4M

The current assessment has 76 “terminable acres”, currently pumping from the drain to the east. The proposal is to convert these acres to “irrigation acres”, and to serve off a pipeline with the owner’s cost share for the 10” pipeline and road crossing being \$11,016.00.

2005-08-159 Moved by C. Henrickson that the Board approve the conversion of 76 “terminable acres” to “irrigation acres” at a capital asset charge of \$100/acre on J & K Irwin’s NW 32-20-12 W4M. Seconded by T. Livingston. CARRIED

2005-08-160 Moved by C. Henrickson that the Board approve the 50% cost-share of 10” pipeline and road crossing at a cost of \$11,016.00 to J & K Irwin. Seconded by T. Livingston. CARRIED

5.03.5 J. & K. Irwin – NW 29 & SW 32-20-12 W4M

The current assessment has 80 “terminable acres” currently pumping from the drain to the east. The proposal is to convert these acres to “irrigation acres” and register an irrigable unit. No cost sharing is necessary for the pipeline as it is needed for a drain-out.

2005-08-161 Moved by C. Henrickson that the Board approve the conversion of 80 “terminable acres” to “irrigation acres” at a capital asset charge of \$100/acre on J & K Irwin’s NW 29-20-12 W4M and SW 32-20-12 W4M. Seconded by T. Livingston. CARRIED

5.03.6 Baran – NW 13-20-13 W4M

The current assessment has 39 “terminable acres” in two separate fields. The proposal is to convert this area from “terminable acres” to “irrigation acres” and to increase the assessment from 39 to 40 acres.

~~**2005-08-162 Moved by T. Livingston that the Board approve the conversion of 39 “terminable acres” to “irrigation acres” at a capital asset charge of \$100/acre on Baran’s NW 13-20-13 W4M. Seconded by C. Henrickson. CARRIED [rescinded by motion 2005-09-185]**~~

~~**2005-08-163 Moved by T. Livingston that the Board approve the increase in assessment from 39 acres to 40 acres on NW 13-20-13 W4M, at a capital asset charge of \$200/acre. Seconded by C. Henrickson. CARRIED [rescinded by motion 2005-09-185]**~~

5.03.7 N. Owen – SW 18-20-12 W4M

The current assessment has 110 “terminable acres” currently being pumped from the pond to the east. The proposal is to convert these acres to “irrigation acres”, serve off the pipeline, and to cost share the pipeline and road crossing. The owner’s cost share total would be \$10,354.00.

2005-08-164 Moved by A. Nielsen that the Board approve the conversion of 110 “terminable acres” to “irrigation acres” at a capital asset charge of \$100/acre on N. Owen’s SW 18-20-12 W4M. Seconded by P. Hemsing. CARRIED

2005-08-165 Moved by A. Nielsen that the Board approve the 50% cost-share for pipeline and road crossing at a cost of \$10,354.00 to N. Owen. Seconded by P. Hemsing. CARRIED

[11:39 a.m. G. Romao exited the meeting.]

6.0 EIDNet Report

K. Bridges presented the report, noting that the service level is good and not being hampered by network problems. Currently there are 731 dial-up accounts and 565 wireless accounts. The “Refer-a-Friend” promotion has not seen any results as yet. J. Smith will be at the Gem reunion and Earl Taylor Day with the “Hot Spot” booth; and they are planning on following up later with mailings to Gem and Bow City. The new towers are expected to be delivered within the next couple of weeks.

[11:42 a.m. – 12:53 p.m. Lunch Break.]

7.0 Lands

7.01 Bassano Property – Approval of Subdivision & Setting of Asking Price of Parcels

E. Wilson presented 4 options of subdividing the Bassano shop yard property. As this land is surplus to the District's needs and property sales are showing good returns, it is recommended to sell this land. Option 2A was chosen as the best scenario with 3 residential lots and 4 commercial lots, all varying in size.

2005-08-166 Moved by P. Hemsing that the Board approve the subdivision of the Bassano property into 7 parcels as outlined in Option 2A of the General Manager's presentation; and offer Lot 1 to the existing neighbour to the west for \$7,500.00. Seconded by N. Johnson. CARRIED

7.02 Sale of House in Rolling Hills

K. Bridges presented the overview, commenting that the house will need some major repairs in the near future, and definitely needs interior paint. As this house is surplus to the District's needs and a cash investment would bring a better return, it is recommended to be put up for sale.

[1:19 p.m. R. Matoba entered the meeting.]

The merits of painting the interior were discussed; it was decided to leave it as is. After a discussion on the appraisal and market values in Rolling Hills, the asking price of \$115,000.00 was set.

2005-08-167 Moved by P. Hemsing that the Board approve the sale of the Rolling Hills residence, Plan 0111162, Block 8, Lot 2 at an asking price of \$115,000.00 as is. Seconded by A. Nielsen. CARRIED

7.03 4 Irrigable Units to Register

R. Matoba presented the Irrigable Unit proposals.

7.03.1 John & Sandra Genovese – NE 36-21-13 and Frank & Maria Genovese – SE 36-21-13 W4M

The present assessment is 135 irrigation acres in NE 36-21-13 W4M and 48 terminable acres in SE 36-21-13. In conjunction with the rehab of 17G, 27 of the terminable acres in SE 36-21-13 W4M were approved for conversion at the April Directors meeting. These acres will be serviced from the turnout in NE 36-21-13 W4M.

2005-08-168 Moved by P. Hemsing that the Board approve the registration of a new irrigable unit on NE 36-21-13 W4M and SE 36-21-13 W4M, being lands owned by John & Sandra Genovese and Frank & Maria Genovese respectively. Seconded by C. Henrickson. CARRIED

7.03.2 John & Katherine Irwin – NW 29-20-12 and SW 32-20-12 W4M

With the rehab of R North Bantry, both parcels will be serviced from a single turnout off of a pipeline.

2005-08-169 Moved by C. Henrickson that the Board approve the registration of a new irrigable unit on NW 29-20-12 W4M and SW 32-20-12 W4M, being lands owned by John & Katherine Irwin. Seconded by N. Johnson. CARRIED

7.03.3 Herb & Dorothy Torkelson – NE 27-20-15 and SE 27-20-15 W4M

The landowner is installing a pivot which covers parts of both parcels.

- 2005-08-170** Moved by T. Livingston that the Board approve the registration of a new irrigable unit on NE 27-20-15 W4M and SE 27-20-15 W4M, being lands owned by Herb & Dorothy Torkelson. Seconded by P. Hemsing. **CARRIED**
- 7.04 3 Irrigable Units to Discharge**
R. Matoba presented the Irrigable Units to be discharged.
- 7.04.1 Brad Deschamps and Robert Deschamps – SW 30-20-12 W4M**
This irrigable unit was registered in 1973 when the SW 30-20-12 W4M was split into two parcels. It has since been consolidated into one parcel and the irrigable unit is no longer required.
- 2005-08-171** Moved by C. Henrickson that the Board approve the discharge of the irrigable unit on SW 30-20-12 W4M. Seconded by N. Johnson. **CARRIED**
- 7.04.2 Don Owen and Ross Owen – NW 05-21-12 W4M**
This is part of an irrigable unit because the delivery to service a pivot in section 8-21-12 is located within this quarter. With the rehab of R North Bantry, the delivery is being moved to section 8 itself. The irrigable unit notation can be removed from NW 05-21-12 W4M.
- 2005-08-172** Moved by A. Nielsen that the Board approve the discharge of the irrigable unit on NW 05-21-12 W4M. Seconded by T. Livingston. **CARRIED**
- 7.04.3 Barry Humen – SW 34-18-16 and SE 34-18-16 W4M**
An irrigable unit was registered on these parcels in 1999 because there was only a single delivery for both parcels. In 2003, a delivery was provided for each parcel as part of the 04 East Branch pipeline project.
- 2005-08-173** Moved by C. Henrickson that the Board approve the discharge of the irrigable unit on SW 34-18-16 W4M and SE 34-18-16 W4M. Seconded by P. Hemsing. **CARRIED**
- 7.05 North Yard Remediation**
A discussion was held in regards to finding gas residue in a sample on the old north yard. A prospective purchaser of a neighbouring property has verbally requested a copy of the remediation plan or a summary of the work done to remediate the EID's land. The prospective purchaser wishes to provide this information to his mortgage company. The Board recommends waiting for formal correspondence, and replying in kind as to what the District has done as environmental remediation up to this point.

[1:28 p.m. R. Matoba exited the meeting.]

8.0 Operations

- 8.01 2 Farm Improvements**
E. Wilson presented the proposed farm improvements.
- 8.01.1 Greg Dyck – SW 11-20-14 W4M**
This farm improvement calls for the conversion of 110 acres wheels to pivot. The pivot must be low pressure complete with drop tubes and no cold weather shut-offs, with the pivot being piped from pump site to pivot center. This will be an 8-tower machine with towers 6, 7 and 8 shutting off through the alkaline areas. The Water User would like to sell back the unused acres to the District.
- 2005-08-174** Moved by N. Johnson that the Board approve the farm improvement for Greg Dyck for the conversion of 110 acres wheels to pivot in the SW 11-20-14 W4M. The pivot must be low pressure complete with drop tubes and no cold weather shut-offs. The pivot must be

piped from pump site to pivot center. The farm improvement grant payable to the water user is \$2,115.00. Seconded by P. Hemsing. CARRIED

- 2005-08-175 Moved by N. Johnson that the District purchase the extra 3 acres of water rights from Greg Dyck on SW 11-20-14 W4M for \$200/acre (\$600.00 total). Seconded by P. Hemsing. CARRIED

8.01.2 Lester Cattle Co. Ltd. – SE 05 and SW 04-14-13 W4M

This farm improvement calls for the conversion of 159 acres wheels to pivot. The delivery site remains the same off of 19 Rolling Hills pipeline. Two windshield wiper pivots have been installed, irrigating 137 and 26 acres separately. The pivots must be low pressure complete with drop tubes and no cold weather shut-offs, and are piped from pump site to pivot points. Four extra acres are needed. An irrigable unit is already in place on these quarters.

159 acres wheels to pivot:	\$3,058.00
4 acres needed at \$200/acre:	<u>800.00</u>
Pay to the Water User:	\$2,258.00

- 2005-08-176 Moved by P. Hemsing that the Board approve the farm improvement for Lester Cattle Co. Ltd. for the conversion of 159 acres wheels to pivot in the SE 05-14-13 W4M and SW 04-14-13 W4M. The pivots must be low pressure complete with drop tubes and no cold weather shut-offs. The pivots must be piped from pump site to pivot points. The farm improvement grant payable to the water user is \$3,058.00. Seconded by T. Livingston. CARRIED

- 2005-08-177 Moved by P. Hemsing that the Board approve the increase in assessment from 159 acres to 163 acres on SE 05-14-13 W4M and SW 04-14-13 W4M, at the capital asset charge of \$200/acre. The increase in acres being granted is a result of efficiencies made in converting 159 acres wheels to pivot in the SE 05-14-13 W4M and SW 04-14-13 W4M. Seconded by A. Nielsen. CARRIED

8.02 Setting Water Shut Off Date

After discussing October 7 or 14 dates, and with no immediate concerns as to construction starts, the Board approved October 14th as the shut off date for 2005.

- 2005-08-178 Moved by P. Hemsing that the Board set the shut off date for irrigation water at October 14, 2005. Seconded by A. Nielsen. CARRIED

8.03 Setting Cattle Round Up Date

As there is no need for an early round up, the 2005 cattle round up date is confirmed as October 15th.

- 2005-08-179 Moved by C. Henrickson that the Board set the round up date for lease cattle to be out by October 15, 2005. Seconded by T. Livingston. CARRIED

9.0 Other

9.02 Letter from Bertha Farms Ltd.

A letter to the Board of Directors from Bertha Farms Ltd. was received regarding purchasing EID land along the One Tree Creek in SE 35-20-13 W4M. The farm's bins, reservoir, pump site, pump house and corrals are all situated on District land. A letter from Dan Sewall was also received and discussed at the July Directors Meeting.

E. Wilson presented a proposed layout of the excess One Tree Creek right-of-way land that could be sold, as this land was deemed as excess.

2005-08-180 Moved by F. George that the Board approve the sale of excess District right-of-way land, approximately 15 acres, needed to accommodate pre-existing yard site structures on Bertha Farms Ltd.'s SE 35-20-13 and NE 26-20-13 W4M for \$1,000/acre. Seconded by C. Henrickson. CARRIED

2005-08-181 Moved by P. Hemsing that the Board approve the sale of excess District right-of-way land, approximately 5 acres, needed to accommodate pre-existing yard site structures on Dan Sewall's SE 35-20-13 and NE 26-20-13 W4M for \$1,000/acre. Seconded by T. Livingston. CARRIED

9.03 Letter from Harold & Kim Heinrichs re: Interlake

A letter to the General Manager from Harold & Kim Heinrichs was received regarding the Interlake water level and quality. A meeting has been arranged for Monday, September 12th, 7:00 p.m. in the EID board room to discuss the resident's proposed solutions. Several homeowners, County Councilor and Buck for Wildlife representative will be in attendance. E. Wilson asked N. Johnson to be in attendance as well.

9.04 Letters as Information

Letters were received as information from Crawling Valley Recreation Society, a Rolling Hills Reservoir Campground Camper, The Alberta Environmental Farm Plan Company, The Hon. Greg Melchin re: Natural Gas Protection Act, and Luscar Ltd.

[2:00 p.m. Ray Grimson & Garnet Altwasser entered the meeting.]

2:00 p.m. Lakeside Industries

Ray Grimson and Garnet Altwasser of Lakeside Industries were in attendance to discuss the possibility of additional District lands to be used for waste water disposal. Possible land locations, number of pivots, pumping costs, value of nitrogen rich waste water, and pasture versus feed crops were preliminarily discussed. The Board requested that E. Wilson and K. Bridges look into this matter in more detail.

[2:27 p.m. Ray Grimson & Garnet Altwasser exited the meeting.]

[2:42 – 2:46 p.m. A short break was taken, Dennis Roth entered the meeting.]

11.0 Bassano Dam Land Claim Update

2:46 p.m. Presentation by Dennis Roth, Legal Counsel

B. Chrumka welcomed Dennis Roth to the meeting.

Board "In Camera"

[3:48 p.m. Dennis Roth exited the meeting.]

9.05 Rolling Hills Reservoir Campground

Discussion took place regarding the possibility of expanding or developing campgrounds at Rolling Hills Reservoir, Crawling Valley and the west side of Lake Newell as demands for seasonal and daily camping has increased. Daily rates were also discussed. It was suggested that these locations be looked at and possibly surveys taken to decipher public interest.

9.06 Irrigation Rehabilitation Program (IRP) Funding for 2005/2006

This letter was received as information. The EID's share of the additional \$1 million IRP Base Funding is:

Additional Provincial grant:	\$234,604.00
Required additional irrigation district contribution:	\$ 78,201.00

9.07 Proposed Patricia Solid Waste Transfer Station Site

K. Bridges informed the Board as to the location change from SW ¼ 22-20-13 W4M to NW ¼ 15-20-13 W4M, and acreage increase from 2 acres to 1 hectare (2.47 acres) for the Patricia waste transfer site. The previous motion read:

2005-03-049 Moved by A. Nielsen that the Board approve the sale of approximately two acres of land located in the SW 22-20-13 W4 to the Newell Regional Solid Waste Management Authority subject to the following conditions:

- Purchaser to be the Newell Regional Solid Waste Management Authority Ltd.
 - Vendor is able to obtain the consent of the current tenant to remove the proposed site from the existing lease. A revised lease is contemplated.
 - Proposed site size is two acres
 - Purchase price is \$500.00 per acre
 - Vendor is able to obtain subdivision approval
 - Vendor is able to obtain County approval for gates to be located on County lands;
 - Purchaser is responsible for all costs associated with this transaction including but not limited to the following:
 - a) subdivision application fees, plan endorsement fee and any costs incurred to satisfy subdivision conditions, including a contemplated road approach
 - b) costs to prepare a subdivision plan
 - c) costs to obtain plan approvals
 - d) Land Titles Registration costs
 - e) cost to clean out a nearby water supply ditch; create a small dugout area, create a new ditch to supply the dugout and supply/installation of any necessary control gates;
 - There will not be a water supply agreement. The water supply will be limited to such amounts as are available from irrigation spill water and natural run-off.
 - Closing date of transaction will be 30 days after the final of the conditions is satisfied or such other date as is mutually agreed on.
- Seconded by N. Johnson. CARRIED

2005-08-182 Moved by P. Hemsing that the Board amend motion 2005-03-049 (Patricia Solid Waste Transfer Station) to increase the site area to one hectare and to accept the change in location to NW ¼ 15-20-13 W4M. Seconded by N. Johnson. CARRIED

12.0 Upcoming Events

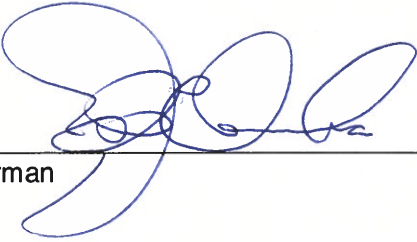
12.01	Crawling Valley Campground Grand Opening, 1:00 p.m.	September 10
12.02	AIPA Directors Meeting, 10:00 a.m. Heritage Inn, Taber (note date change)	September 26
12.03	Board Meeting	September 27

A. Nielsen moved adjournment of the meeting at 4:15 p.m. W. Enns exited the meeting.


9.01 Staffing

Board "In Camera"

10.0 "In Camera"

A large, stylized handwritten signature in blue ink, consisting of several loops and a long horizontal stroke.

Chairman

A handwritten signature in blue ink that reads "Earl Wilson" in a cursive script.

General Manager

September 27, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 27th day of September, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]	9:20 a.m.	
Mr. Pat Hemsing	Director	[Division 7]	9:40 a.m.	

The meeting was called to order at 9:04 a.m.

1.0 Approval of Agenda

The following items were noted for addition:

- 3.03 Business Arising – Angle Drilling
- 7.02 Lands – Grazing Round Up Date

2005-09-183 Moved by C. Henrickson that the Board adopt the agenda as presented with additions. Seconded by A. Nielsen. CARRIED

2.0 Approval of Minutes

2.01 August 23, 2005

The following item was noted for correction:

- F. George had the understanding that motion 2005-08-180 for the sale of land was separate from setting the price for the land. The group interpreted the motion to cover both matters.

Please note:

- The Water Shutdown Date was changed by fax vote on September 20th, from October 14, 2005 to October 7, 2005 due to high precipitation and to avoid the risk of frost damage to the system.

2005-09-184 Moved by C. Henrickson that the Minutes of the August 23, 2005 regular Board Meeting be approved as presented. Seconded by A. Nielsen. CARRIED

3.0 Business Arising

3.01 Conversion from 2nd to 1st Water on NE 13-20-13 W4M - Baran

Further to discussing this conversion at August 23rd's Board Meeting, it is now noted that there are two titles on this parcel of land. The former motions were:

2005-08-162 Moved by T. Livingston that the Board approve the conversion of 39 "terminable acres" to "irrigation acres" at a capital asset charge of \$100/acre on Baran's NW 13-20-13 W4M. Seconded by C. Henrickson. CARRIED

2005-08-163 Moved by T. Livingston that the Board approve the increase in assessment from 39 acres to 40 acres on NW 13-20-13 W4M, at a capital asset charge of \$200/acre. Seconded by C. Henrickson. CARRIED

2005-09-185 Moved by F. George that resolutions numbered 2005-08-162 and 2005-08-163 be rescinded and that the 39 acres on NE 13-20-13 W4M remain as "terminable acres" and that the assessment on this parcel remain at 39 acres due to the fact that there are two land titles

on this parcel and that neither of the titles meets the requirements set out by EID policy to be converted to "irrigation acres". Seconded by C. Henrickson. CARRIED

R. Matoba will contact the landowners.

3.02 Lakeside Effluent Irrigation

E. Wilson presented four proposals that were preliminarily discussed with Lakeside Industries. It was requested that this matter be brought back to the Board with more details as talks progress.

3.03 Angle Drilling

In response to a question from last month's meeting, E. Wilson reported that the EUB policy for vertical drilling on shallow gas is a minimum of 20 m of casing; and Encana's internal policy for angle drilling on shallow gas is a minimum of 50 m of casing. As well, the EUB requires casing in any water bearing areas. Encana's current program north and west of Gem will be cased through any potential water bearing seams into the bedrock.

4.0 Financial Report

4.01 August 31, 2005 Financial Statements

K. Bridges presented the Financial Statement to August 31, 2005, noting the following:

- Total Revenues are tracking about 5.4% below YTD budget, \$2.32 million down from prior YTD
- Total Expenses are tracking about 9% under YTD budget, but \$240,000 up from prior YTD
- YTD Surplus of \$9.3 million, which is \$1.5 million below YTD budget and \$2.6 million below prior YTD. Compared to the past 5 years, the YTD surplus is \$287,000 below the average.
- Water Revenues are 4.6% above YTD budget, but are \$540,000 below prior YTD, primarily due to a decline in YTD oil and gas water revenues of \$539,000
- EIDNet is 9% under YTD budget overall
- Other Revenues are exceeding YTD budget and are approximately \$32,900 above prior YTD

2005-09-186 Moved by T. Livingston that the Board approve the Financial Statements to August 31, 2005, as presented. Seconded by C. Henrickson. CARRIED

Mr. Bridges also noted that the Newell Regional Solid Waste Management Authority Ltd. has abandoned its plans for the Patricia Solid Waste Transfer Station due to opposition from neighbouring landowners; and that the Rolling Hills residence received only a couple of inquiries and is still for sale.

4.02 Request for Reimbursement – Bob Breakell Letter re: Wayne Sinclair

Back up letters and invoices for reimbursement of computer service time were reviewed regarding EIDNet client Wayne Sinclair.

4.02.1 EIDNet Response

This matter has been dealt with and due to some blocked ports, IPPlus and the District will jointly be reimbursing Mr. Sinclair.

[9:55 a.m. – 10:00 a.m. Short Break, G. Romao and I. Friesen entered the meeting]

5.0 Engineering

5.01 Project Construction Status

G. Romao reported the following:

Lower Bow Slope Pump

- lift pump from Rolling Hills Reservoir
- inlet structure and pipeline complete
- mechanical and electrical work remain

- Charmar Enterprises

North Bantry Surge Pond

- surge pond, structures and spillway to supplement One Tree Drain - EID / Contractor
- preparation of dam base underway
- dam construction to be tendered out, closing September 28

5.02 Rehabilitation Projects – Land Assembly Status

G. Romao and I. Friesen reviewed the status of landowner paperwork regarding the various planned projects; most are going ahead without problems. One hold up is on the 04 Bow Slope project with Encana concerning PanCanadian Petroleum land. They are requesting higher payment for right-of-way crossing. Different options are being looked at by the District including the cost of going around this land or expropriation. We will not pay Encana more than we pay our water users.

5.03 One Tree Creek Structures Project Approval

G. Romao presented the synopsis. This project area includes all the irrigation off the One Tree Creek downstream of One Tree reservoir. The reach is 20 km long and supplies 2586 acres of terminable irrigation. The objectives of this project are to provide five cast-in-place weir structures at suitable locations that will make efficient use of the water in One Tree and would justify upgrading the affected irrigated parcels to first water rights. All but one landowner is in agreement with conversion. Three turnout sites are recommended to be left as is. There would also be some potential for future irrigation expansion.

The estimated cost for each structure is \$75,000.00 including engineering and contingencies. The total project cost is estimated at \$425,000.00 which includes an allowance of \$50,000.00 for localized bank remediation.

2005-09-187 Moved by T. Livingston that the Board approve the rehabilitation of One Tree Creek canal by installing five cast-in-place weirs and doing localized bank remediation at a projected cost of \$425,000.00. Seconded by P. Hemsing. CARRIED

2005-09-188 Moved by A. Nielsen that the Board approve the conversion of:

73	“terminable acres” to “irrigation acres” in	S ½ 02-20-14 W4M,
280	“terminable acres” to “irrigation acres” in	35-19-14 W4M,
85	“terminable acres” to “irrigation acres” in	SW 13-20-14 W4M,
63	“terminable acres” to “irrigation acres” in	NW 19-20-13 W4M,
268	“terminable acres” to “irrigation acres” in	W½ 31-20-13 W4M,
90	“terminable acres” to “irrigation acres” in	SW 06-21-13 W4M,
452	“terminable acres” to “irrigation acres” in	32 & N ½ 29-20-13 W4M,
258	“terminable acres” to “irrigation acres” in	N½ 27-20-13 W4M,
994	“terminable acres” to “irrigation acres” in	02-21-13 W4M, and
		35-20-13 W4M, and
		NW 26-20-13 W4M,

at a capital asset charge of \$100/acre. Seconded by P. Hemsing. CARRIED

5.04 R1 North Bantry Project Approval

G. Romao reviewed the project. R1 North Bantry is located 2 km west of Patricia. The first 2 km south of the Patricia Sec. Highway # 544 were pipelined in 1995. The remaining 7 km north of # 544 is proposed for rehabilitation this winter. The project area includes 815 acres of flood irrigation. Currently there is no sprinkle irrigation, and there are no immediate plans for conversion to sprinkler.

The proposed rehabilitation is to install a closed PVC pipeline to counter the problems of seepage, bank height and width, access, and severance of three quarters. The 30” diameter

pipeline would start immediately north of # 544 and follow the existing canal alignment. The estimated cost for this project is \$910,000.00.

2005-09-189 Moved by N. Johnson that the Board approve the rehabilitation of R1 North Bantry by replacing the open canal with a closed 30" PVC pipeline, at an estimated cost of \$910,000.00. Seconded by C. Henrickson. CARRIED

5.05 Lower 7 Bow Slope Rehabilitation Project Approval

G. Romao presented the synopsis. The lower reach of 7 Bow Slope Canal is scheduled for rehabilitation this winter under the 3 Year Rehabilitation Plan. This project begins at the 08-07 split in the NW 21-16-16 W4M. From this point, all of the 08-07 and the rest of 07 Bow Slope is proposed to be pipelined. This portion of canal serves 996 acres, of which 519 acres are flood irrigation and 477 acres are pump irrigation. 32 cfs is required to supply these acres. Problems include lack of capacity due to inadequate bank width and height; and excessive erosion due to poor grade sloping particularly at the end of the system where it spills into the Bow River.

The project recommendation is to replace the canal with a combination of closed and open pipe; the purpose of the open pipe being to accommodate spill from the upstream canal system. The estimated cost of this proposal is \$1,600,000.00. However, an alternative has been proposed to the District which has enough merit to defer accepting this project at this time.

An alternative to this rehabilitation has been proposed by Joe Chomistek, suggesting the possibility of a sale of lands and irrigation rights, saving the District the majority of the project costs. After considerable discussion regarding the proposed project, quality of soils, efficiencies of irrigation, and proposed alternative, it was decided to defer project approval and bring this subject back to the Board. Basic principles, if not a policy on purchasing land or water rights needs to be developed before going ahead.

5.06 03 North Branch Extension

G. Romao reviewed requests from Doug Schaffer, Don Sawatski, and the County of Newell that affect the design of the 03 North Branch pipeline, approved for construction this winter.

Mr. Schaffer, SE 14-21-18 W4M, currently receives drain water from the Bassano lagoons and spill water from North Branch main and 03 North Branch canals for pivot and wheel irrigation. He is requesting to convert 146 "terminable acres" to "irrigation acres", preferably off the pipeline.

Mr. Sawatski, NW & SW 14-21-18 W4M, has no irrigation on these quarters but would like some and has submitted an irrigation development application.

The County would like to build a pumped system to supply water for several existing acreages 1 mile to the south. Both the County and Schaffer require easements through Sawatski to convey the water; the present situation does not meet requirements.

It is feasible to supply Schaffer and Sawatski off the drain, though they would prefer the pipeline. Because of water quality, it is not advisable to supply the acreages with drain water. After discussion on the history of the County's request and the present general proposal, it was requested that G. Romao bring this project back to the Board with detailed infrastructure costs and proposed cost sharing deals.

5.07 17G Springhill Tender Results

Mr. Romao noted that Mini Dig Corp. submitted the low tender of \$959,750.00 which has been accepted for the 17G Springhill project.

5.08 R North Bantry Infrastructure Request, and Savings Grant

5.08.1 County of Newell Turnout Request – NE 13-20-12 W4M – R North Bantry

There is no current assessment. The County of Newell has requested a turnout for the Patricia Rodeo Grounds. It is recommended to serve off the same R North Bantry pipeline that supplies Owen in SW 18, grant a Rural Water Use Purposes Agreement, and request the County pay \$5,615.00 for the pipeline to the turnout.

- 2005-09-190 Moved by C. Henrickson that the Board approve the installation of the turnout for the Patricia Rodeo Grounds in NE 13-20-12 W4M, with the County paying the cost of \$5,615.00 for the pipeline to the turnout. Seconded by A. Nielsen. CARRIED**

5.08.2 G. Musgrove Infrastructure Savings Grant – NE 24-20-13 W4M – R North Bantry

G. Musgrove currently flood irrigates from either side of the canal and wishes to put up a pivot. A resulting reduction in pipeline diameter on R North Bantry saves the District over \$30,000.00. It is recommended to grant \$15,000.00 to Mr. Musgrove through the Infrastructure Savings policy.

- 2005-09-191 Moved by T. Livingston that the Board approve the Infrastructure Savings Grant of \$15,000.00 for G. Musgrove, as he is installing a pivot on NE 24-20-13 W4M, saving the District over \$30,000.00 in pipeline diameter costs on the R North Bantry project. Seconded by P. Hemsing. CARRIED**

[11:20 a.m. J. Meador entered the meeting.]

5.09 Letter from KWH

E. Wilson noted that this is the same settlement offer last reported, but in official letter form.

- 2005-09-192 Moved by P. Hemsing that the Board accept the proposals in the settlement letter from KWH, dated September 6th, 2005. Seconded by C. Henrickson. CARRIED**

[11:22 a.m. G. Romao and I. Friesen exited the meeting.]

6.0 Operations**6.01 Farm Improvements****6.01.1 Lou & P. De Jager – W ½ 05-14-13 W4M**

This farm improvement calls for the conversion of 67 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center. The farm improvement grant of 67 acres wheels to pivot is \$1,288.00 owing to the water user.

- 2005-09-193 Moved by P. Hemsing that the Board approve the farm improvement for L. & P. De Jager for the conversion of 67 acres wheels to pivot in the W ½ 05-14-13 W4M. The farm improvement grant payable to the water user is \$1,288.00. Seconded by C. Henrickson. CARRIED**

The new pivot misses 6 acres of land in the SE corner of the assessment but picks up 7 acres in the NW corner, so 1 acre needs to be added to the Assessment Roll. An Irrigable Unit is already in place. The acre needed can be gained through efficiencies made converting 67 acres wheels to pivot. 1 acre at a capital asset charge of \$200/acre = \$200.00 water user owing the District.

- 2005-09-194 Moved by P. Hemsing that the Board approve the increase in assessment from 67 acres to 68 acres on W ½ 05-14-13 W4M; 1 additional acre at the capital asset charge of \$200/acre. The increase in acres being granted is a result of efficiencies made in converting the 67**

acres of existing wheel irrigation to low pressure pivot. Seconded by C. Henrickson. CARRIED

6.01.2 Daniel Doerksen – NW 05-22-16 W4M

This farm improvement calls for the conversion of 130 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center. The farm improvement grant of 130 acres flood to pivot is \$7,500.00 owing to the water user.

- 2005-09-195 Moved by T. Livingston that the Board approve the farm improvement for Daniel Doerksen for the conversion of 130 acres flood to pivot in the NW 05-22-16 W4M. The farm improvement grant payable to the water user is \$7,500.00. Seconded by F. George. CARRIED**

With the current assessment being 130 acres and the new pivot area being 133 acres, 3 additional acres are needed. These acres can be added through efficiencies gained in converting 130 acre flood to low pressure pivot. 3 acres at a capital asset charge of \$200/acre = \$600.00 water user owing the District.

- 2005-09-196 Moved by F. George that the Board approve the increase in assessment from 130 acres to 133 acres on NW 05-22-16 W4M; 3 additional acres at the capital asset charge of \$200/acre = \$600.00. The increase in acres being granted is a result of efficiencies made in converting the 130 acres of existing flood irrigation to low pressure pivot. Seconded by P. Hemsing. CARRIED**

6.01.3 Rae Latimer – NW 15-21-17 W4M

This farm improvement calls for the conversion of 44 acres wheels and 2 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot point, and is set up to shut off 3 towers through a very wet piece of land.

- 2005-09-197 Moved by F. George that the Board approve the farm improvement for Rae Latimer for the conversion of 44 acres wheels and 2 acres flood to pivot in the NW 15-21-17 W4M. The farm improvement grant payable to the water user is 44 acres wheels to pivot = \$846.12, plus 2 acres flood to pivot = \$115.38, totaling \$961.50. Seconded by A. Nielsen. CARRIED**

With the current assessment being 46 acres and the new pivot area being 55 acres, 9 additional acres are needed. 6 acres can be added through efficiencies gained in converting 46 acres wheels and flood to low pressure pivot; and 3 new acres are added from below Crawling Valley. An irrigable unit is also needed as the pivot crosses into SW 22-21-17 W4M.

- 2005-09-198 Moved by A. Nielsen that the Board approve the increase in assessment from 46 acres to 55 acres on NW 15-21-17 W4M; 9 additional acres at the capital asset charge of \$200/acre = \$1,800.00. The increase in acres being granted is a result of 6 acres gained through efficiencies made in converting the 46 acres of existing wheels and flood irrigation to low pressure pivot, and 3 new acres below Crawling Valley. Seconded by P. Hemsing. CARRIED**

- 2005-09-199 Moved by N. Johnson that the Board approve the registration of an irrigable unit on SW 22-21-17 W4M and NW 15-21-17 W4M, lands being owned by Rae Latimer. Seconded by T. Livingston. CARRIED**

6.01.4 Dan & Marg Loewen and Scott & Janée Loewen – SW 33-20-15 W4M

This farm improvement calls for the conversion of 133 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center. The delivery site remains the same off of 13 Springhill. The landowner has chosen to keep the 13 extra acres in corners.

2005-09-200 Moved by A. Nielsen that the Board approve the farm improvement for D. & M. Loewen and S. & J. Loewen for the conversion of 133 acres flood to pivot in the SW 33-20-15 W4M. The farm improvement grant payable to the water user is \$7,500.00 minus the 13 extra acres being kept at \$200/acre, resulting in a total of \$4,900.00. Seconded by P. Hemsing. CARRIED

6.01.5 Chris & M. Schmidt – NW 33-16-16 W4M

This farm improvement calls for the conversion of 50 acres rough flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center. The water user would like a new delivery site installed off of the pipeline at an approximate cost of \$5,000.00.

2005-09-201 Moved by N. Johnson that the Board approve the farm improvement for C. & M. Schmidt for the conversion of 50 acres flood to pivot in the NW 33-16-16 W4M. The farm improvement grant payable to the water user is \$2,884.00 minus the new delivery site. Seconded by C. Henrickson. CARRIED

With the current assessment being 50 acres and the new pivot area being 67 acres, 17 additional acres are needed.

2005-09-202 Moved by P. Hemsing that the Board approve the increase in assessment from 50 acres to 67 acres on NW 33-16-16 W4M; 17 additional acres at the capital asset charge of \$200/acre = \$3,400.00. The increase in acres being granted is a result of efficiencies made in converting the 50 acres of existing flood irrigation to low pressure pivot. Seconded by C. Henrickson. CARRIED

6.01.6 Norman & N. Wester – NE 34-16-13 W4M

This farm improvement calls for the conversion of 121 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center; the pivot wipers around the existing gas plant. The delivery site remains the same. The landowner has chosen to keep the 11 extra acres in corners.

2005-09-203 Moved by C. Henrickson that the Board approve the farm improvement for N. & N. Wester for the conversion of 121 acres flood to pivot in the NE 34-16-13 W4M. The farm improvement grant payable to the water user is \$6,980.00 minus the 11 extra acres being kept at \$200/acre, resulting in a total of \$4,780.00. Seconded by T. Livingston

6.01.7 Wayne & C. Slenders – SW 10-15-15 W4M

This farm improvement application is to cost share the conversion of an open ditch to a buried pipeline. At the present time water is delivered in the SE corner of the quarter off of 29 Bow Slope pipeline into an open ditch that runs one quarter of a mile north to the pump site. Above ground pipe from pump site west to pivot point is currently being used. Water runs past the pump at all times when the pivot is operating. The water user would like the EID to cost share a buried 10" main-line from the District riser in the SE corner of the quarter to the pivot center. The complete cost of the job, not including gas line crossings is projected at \$16,064.25.

2005-09-204 Moved by A. Nielsen that the Board approve the farm improvement for W. & C. Slenders for the conversion of an open ditch to buried pipeline in the SW 10-15-15 W4M. Seconded by N. Johnson. CARRIED

2005-09-205 Moved by N. Johnson that the District pays \$5,000.00 towards the cost for the pipe, installation, risers, and gas line crossings on W. & C. Slenders' SW 10-15-15 W4M farm improvement. Seconded by P. Hemsing. CARRIED

6.02 Letter from Arno Doerksen

A letter to the Board of Directors was received from Arno Doerksen questioning the EID Farm Improvement policy on incentives given for conversions to pivots in a renter/landowner situation. As clarification, renters versus landowners were discussed amongst the Board. It was re-emphasized that it still must be the landowner applying for the farm improvement grant, but the landowner and renter may have a secondary deal between themselves. In regards to the installation of pivots, the landowner must agree to 3 cfs delivery and give up the corners. Who actually owns the pivot is not of concern to the District.

8.0 General Manager's Report

8.01 Village of Duchess Drainage Meeting

E. Wilson attended a Village Council meeting along with Alberta Transportation and affected landowners in regards to recent floodings in the Village of Duchess. The District's drain picks up spill water from 100 acres of flood irrigation and natural run-off from 2 ½ quarters of sprinkled land and 1 mile of County road before entering the village. A very small amount of Duchess storm water enters the drain, it then crosses the highway through two 18" culverts, and a couple of hundred feet downstream crosses a village road with a 24" culvert in it. The water backed up at the culverts and flooded numerous lots on the south side of the highway.

The existing culverts under the highway are rusted out and need replacing. The District will be requesting that Alberta Transportation replace their current 18" culverts with a 36"; and will also be asking the Village to replace their 24" culvert with a larger one.

8.02 Interlake Landowner's Meeting

E. Wilson and N. Johnson attended a meeting with the landowners surrounding Interlake (north east of the Duchess overpass). Most of the landowners are concerned that this lake goes down too often and results in poor water quality. Run-off from flood irrigation in the area used to provide more water for Interlake. Now that the system is pipelined and sprinkler irrigation is used, the run-off has considerably decreased. Discussion at the meeting centered on who owns the lake and how limited the District's ability is to provide extra water. The surrounding landowners have agreed to come to a consensus on their desired water level, which the District will try to supply when able, but not guarantee. There was also the discussion of landowners possibly requesting and paying for pipelining to the lake. Since the meeting, the existing weir has failed, so replacement is necessary, probably with a fixed weir design.

[12:05 p.m. J. Meador exited the meeting, and a lunch break was taken until 12:45 p.m.]

8.03 Ducks Unlimited License

Alberta Environment has published notice of applications for water licenses from Ducks Unlimited Canada for the Contra Costa Project, Kitsim Project and 41 other existing wetland projects. This is viewed as beneficial if approved.

8.04 Scada Conference

MPE is presenting a paper on the Scada System, used in automation within the EID, at the USDA Conference in Vancouver, Washington on October 26-29, 2005. They have asked that George Romao attend with them at their cost.

2005-09-206 Moved by C. Henrickson that the Board approve George Romao to attend the USDA Conference as MPE's guest in regards to the Scada System, in Vancouver, Washington on October 26-29, 2005. Seconded by P. Hemsing. CARRIED

8.05 Letter from Andrew Braun, Art Paetkau, Abe Berg

A letter to the Board of Directors was received from Andrew Braun, Art Paetkau and Abe Berg in regards to the canal system on SW 19-22-16 W4M, N ½ 19-22-16 W4M, and N ½ 20-22-16

W4M. This piece of canal was lined about 24 years ago; there is a portion of concrete pipe on the upper end and PVC pipe on the bottom end. The District has pipelined everything upstream of this reach and these farmers are requesting that the District extend the pipeline so they could receive the benefit of some pressure (approximately 20 pounds), soil improvement and greater water conservation. This request has been received several times before. As this reach has had some rehabilitation work done on it already, and other areas are deemed higher need, it was decided to not grant their request at this time. However, it was agreed to rate this canal and show it on our 5 year plan. E. Wilson will reply in writing.

8.06 AIPA Meeting

This meeting was postponed to the latter part of October due to late harvest conditions. The new meeting date will be announced later.

8.07 Request for funding Duchess Playground, Brooks Library

These requests for funding were declined as they are outside the EID mandate.

8.08 Premier's Dinner Letter

The EID has been invited to purchase tickets to attend the 2005 Southern Alberta Premier's Dinner at the Lethbridge Lodge on Thursday, October 27th. As presence is felt to be worthwhile at these dinners, three tickets will be purchased for T. Livingston, P. Hemsing, and B. Chrumka or E. Wilson.

8.09 Irrigation Council Workshop

Irrigation Council, along with the Irrigation Secretariat, will be holding a workshop on November 24, 2005 to facilitate the exchange of ideas and information on some current irrigation district related matters. Topics will include how to allocate any additional Irrigation Rehabilitation Program funding that may become available in the future, administrative issues, plus additional topics. It was the consensus that the EID should have a voice at this workshop. It was decided to defer who and how many will attend, until the October 25th Board Meeting, at which time the workshop agenda, time and place will be known.

8.10 County of Newell Letter – Rolling Hills Sewer Effluent

The District was given notice from the County of Newell that they have applied to Alberta Environment to discharge effluent from the Rolling Hills sewer lagoon into the EID canal system west of the lagoon on SW 07-15-13 W4M. As this year's rain has exceeded the normal evaporation capabilities of slowing down the filling rate of the lagoons, the storage cell needs to be discharged and is too high to wait until next season. Before discharging of the storage cell, testing of the effluent is required to ensure that certain parameters specified in the Code of Practice were met. The results of these tests exceeded the allowable parameters of electrical conductivity allowed in the Code of Practice for discharging onto the field. Permission was thus granted from Alberta Environment to use the EID canal for the discharge as an exception this year. Permission from the District to the County is required, with the County then contacting the affected landowners downstream. E. Wilson will reply in writing to the County asking that this be done after the October 7th water shut down date.

9.0 Upcoming Events

9.01	Special Board Meeting re: Encana Negotiations Strategy	Oct. 12 th , 17 th , or 13 th
9.02	Regular Board Meetings	October 25 November 29 December 20
9.03	Irrigation Council Workshop	November 24

[1:19 p.m. B. Hale entered the meeting.]

7.0 Lands

7.02 Grazing

B. Hale was in attendance to discuss extending the community lease round up date due to lush grazing conditions and delayed harvesting. As none of the grazing associations are in opposition, and to give farmers extra time if needed, the following motion was put forward.

2005-09-207 Moved by A. Nielsen that the Board leave to Bob Hale's discretion to extend the community lease round up date up to one week. Seconded by P. Hemsing. CARRIED

[1:27 a.m. Bob Hale exited the meeting; G. Redelback entered at 1:30 p.m.]

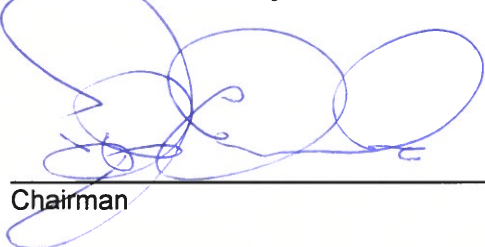
7.01 Encana Negotiations

The Board held a discussion on negotiations.


[2:05 p.m. G. Redelback and W. Enns exited the meeting.]

10.0 In Camera

A. Nielsen moved adjournment of the meeting at 3:00 p.m.



Chairman



General Manager

October 25, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 25th day of October, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]	9:04 a.m.	
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 9:00 a.m.

1.0 Approval of Agenda

The following item was noted for addition:

- 6.01.3 Well access conflicting ditch – F. George

2005-10-208 Moved by C. Henrickson that the Board adopt the agenda as presented with the addition. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes

2.01 September 27, 2005

The following item was noted for correction:

- Page 92, 2.01 add:

“The following item was noted for addition:

- F. George had the understanding that motion 2005-08-180 for the sale of land was separate from setting the price for the land. The group interpreted the motion to cover both matters.”

F. George voiced concerns with using a ‘Draft Motions’ sheet.

2005-10-209 Moved by P. Hemsing that the Minutes of the September 27, 2005 regular Board Meeting be approved as presented with corrections. Seconded by T. Livingston. CARRIED

3.0 Business Arising

There were no matters to revisit.

[9:07 a.m. G. Romao entered the meeting.]

4.0 Engineering Report

4.02 Tender Results

4.02.1 North Bantry Surge Pond

G. Romao presented the Board with the tender results for the North Bantry Surge Pond project.

Engineer's Estimate	\$289,450
Top Notch Construction Ltd.	\$294,150
Caliber Systems Inc.	\$407,800

Top Notch Construction Ltd.'s tender of \$294,150.00 has already been accepted.

4.02.2 One Tree Structures

G. Romao presented the Board with the tender results for the One Tree Structures project.

Engineer's Estimate	\$384,000
Charmar Enterprises (1991) Ltd.	\$524,500
Robin Hansen Construction Ltd.	\$530,100

Concrete and steel costs have risen significantly, affecting the overall price. As well, fuel increases and a flooded construction market may very well be contributing to higher bids. E. Wilson recommended accepting Charmar's bid. Staff will attempt to negotiate some change orders to reduce the overall project cost.

2005-10-210 Moved by P. Hemsing that Charmar Enterprises tender for the One Tree Creek Structures 01-1377 project be accepted at \$524,500. Seconded by C. Henrickson. CARRIED

4.03 PVC Supply & Pricing

E. Wilson reported on the shortage and price increase of PVC pipe due to the hurricanes hitting the Gulf Coast resin suppliers. Most suppliers have walked away from their contracts. Ipex's resin comes from Fort Saskatchewan. Ipex is willing to ship their existing pipe inventory at the original ordered price (which is approximately 50% of our ordered pipe). The balance of the order they will supply at an increased price of 12%. This will amount to about a \$400,000 increase in cost. It is recommended to postpone 7 Bow Slope and R1 North Bantry projects for one year, as these projects have had little or no preliminary changes done. Discussion included if the PVC pipe price would hold or go down, and the option of going back to open ditches. It was noted that concrete costs would still be involved if there was considerable drop in a ditch, and there would be a loss of pressure when not pipelining.

2005-10-211 Moved by C. Henrickson that the Board approve the postponement of 7 Bow Slope and R1 North Bantry rehabilitation projects for a year due to PVC pipe supply shortages and price increases. Seconded by A. Nielsen. CARRIED

4.04 Rehabilitation Projects Construction Status & Land Assembly Status

G. Romao presented the status reports

Rehabilitation Projects Construction Status

S Tilley	- 1.2 km buried liner canal	- EID Crew
	- 2 km pipeline (canal rehab. underway, liner completed Oct.24)	- EID Crew
17 G Springhill	- 15 km pipeline (contractor scheduled to start Nov. 7)	- Mini-Dig
Tilley Canal	- 2 km buried liner canal (excavation started Oct. 18)	- EID Crew
Antelope Creek Canal	- 11 km armour-on-poly canal (construction started Oct. 17)	- EID Crew
North Bantry Surge Pond & Spillway	- Surge pond structures & spillway to supplement One Tree drain (dam construction underway)	- EID Crew & Top Notch Construction

Rehabilitation Projects Land Assembly Status

04 Bow Slope	- almost all signed up
9H West Bantry	- signed up
03 North Branch	- pending discussions on possible extension to County & D. Schaffer
13 East Branch	- signed up

- R North Bantry - document preparation complete, signings underway
- Antelope Creek Canal - partially signed up, one signing pending possible transfer of acres and one may not be willing to sign due to own requests

4.05 R North Bantry

4.05.1 Infrastructure Savings Grant – Clint Henrickson, NW 12-20-13 W4M, R North Bantry
C. Henrickson currently flood irrigates this piece and wishes to put up a pivot, which would allow the District to shorten the alignment of the pipeline. A resulting reduction in pipe and construction costs would save the District over \$33,000. It is recommended to grant \$15,000 to Mr. Henrickson through the Infrastructure Savings policy.

- 2005-10-212 Moved by T. Livingston that the Board approve the Infrastructure Savings Grant of \$15,000 for Clint Henrickson, as he is installing a pivot on NW 12-20-13 W4M, saving the District approximately \$33,000 in pipe and construction costs on the R North Bantry project. Seconded by N. Johnson. CARRIED**

Mr. Henrickson has applied for 35.3 additional acres to be added to his assessment. He currently holds 114 irrigation acres, and is proposing to have 125 acres under the pivot, and 24.3 acres in the corners. The District's policy is to add acres gained by efficiency provided they are under the pivot.

- 2005-10-213 Moved by T. Livingston that the Board approve the increase in assessment from 114 acres to 149.3 acres on C. Henrickson's NW 12-20-13 W4M. NO SECONDER**

- 2005-10-214 Moved by F. George that the Board approve the increase in assessment from 114 acres to 125 acres to be used under the pivot on C. Henrickson's NW 12-20-13 W4M. 11 additional acres at the capital asset charge of \$200/acre = \$2,200. The increase in acres being granted is a result of efficiencies made in converting the 114 acres of existing flood irrigation to low pressure pivot. Seconded by T. Livingston. CARRIED**

4.05.2 Conversion of 2nd Water to 1st – Beasley Ranches, NW 07-20-12, R North Bantry
The current assessment is 54 "irrigable acres" and 47 "terminable acres". The term irrigation received most of its water from spill from NW 12 (C. Henrickson). An application to supply the north field from the R North Bantry pipeline and convert to 1st water was turned down in August. The Beasley's aren't ready to put a pivot on this quarter but would like to keep the 47 acres terminable irrigation. If a pivot goes up in NW 12 their water supply for those 47 acres will greatly reduce. In that event Beasley's would like to supply the north field from the pipeline at their cost. Due to there not being an intent of putting a pivot on this piece, the application for 1st water was not approved.

4.05.3 Conversion of 2nd Water to 1st – Todd Irwin, S ½ 9 and SW 10-21-12, R North Bantry
T. Irwin has 112 "irrigable acres" and 124 "terminable acres" on this system. A request to convert the 124 to 1st water was turned down in August, with a suggestion that Mr. Irwin examine converting the flood irrigation to pivot. Mr. Irwin has since said he is not likely to put a pivot up in the near future. He has instead proposed a partial conversion to wheels and the balance to be flooded. The Board was not willing to convert the flood or allow it to continue, and asked staff to communicate this with Mr. Irwin before it is finalized how much would be converted to 1st water.

[10:05 a.m. J. Meador entered the meeting.]

4.06 North Bantry Canal

G. Romao presented the synopsis. The portion of the North Bantry Canal proposed for rehabilitation is the bottom 2 km, located in Sections 2 & 11-20-13 W4M, 2 km south of Patricia. Problems include bank width and height on the east bank upslope; and bank seepage adversely

affecting land downslope. With installation of R North Bantry pipeline at the end of the canal, this reach will be basically checked up all season, aggravating the seepage losses.

The proposed rehabilitation is for a buried liner canal, constructing a driving bank, and doing some channel modifications to reduce aquatics entering the settlement pond. The estimated cost of the project is \$826,000. Although not specifically identified in the 3 Year Rehabilitation Plan, this reach is an integral part of the R and R1 North Bantry system which are being rehabilitated within the 3 Year Plan.

2005-10-215 Moved by P. Hemsing that the Board approve the rehabilitation of the bottom 2 km of the North Bantry Canal by installing a buried liner and driving bank at an estimated cost of \$826,000. Seconded by C. Henrickson. CARRIED

4.07.1 One Tree Creek Conversion of 2nd Water to 1st – Jack Adams

Approval in September was granted to convert terminable irrigation to 1st water along One Tree Creek in conjunction with installation of five control structures. Jack Adams has two pivots that are pumped from One Tree that were included in the acres to be converted. Mr. Adams would like to be exempted from having to convert to 1st water. His reasons are mostly related to the quality of land and possible changes to the land use. As this piece of land has had existing pivots for quite some time, the application to be exempted from converting to 1st water was not approved.

4.07 3 Year Plan for: Automation, Return Flow Monitoring, Flow Meters on Existing Pipelines, Screening Devices and Structures

G. Romao, J. Meador and the Superintendent have completed a priority list and recommend that this be spread over the next three years. A Board Member questioned the current situation with the automation in Rolling Hills. E. Wilson replied that most problems have been resolved, but some mechanical errors still occur.

2005 / 2006		
Screen Cleaners	Flow Meters on Existing Pipelines	Automation
North Division		
11 G North Bantry	09 North Branch (2)	Upgrade Springhill to new system (6 sites)
C North Bantry	11 North Branch	
12 North Branch	15 North Branch	
	G North Bantry (4)	
	Lower North Bantry (4)	
South Division		
Cowoki Outlet		Return Flow Sites
East Bantry Pumps		
04 Antelope Creek		
17 Bow Slope		
14 Bow Slope		
\$200 – 240,000	\$60 – 70,000	\$260 – 280,000

2006 / 2007		
Screen Cleaners	Flow Meters on Existing Pipelines	Automation
North Division		
01 F Springhill	C North Branch (2)	Sec A Springhill 05A & 06A check
26 North Branch	02 AH North Bantry	
	03 AH North Bantry	
South Division		
Bantry Pumps (west)		RH #2 Spill split
11 Rolling Hills		Bow / Sauki split
04-05C East Branch		Upper Tilley canal
9 Rolling Hills		
03 Main Bantry		
05 Antelope Creek		
\$200 – 240,000	\$20,000	\$200,000

2007 / 2008		
Screen Cleaners	Flow Meters on Existing Pipelines	Automation
North Division		
AF & AG North Bantry		
J North Bantry		
13 Springhill		
14 G North Bantry		
South Division		
01-27 Rolling Hills		Sec A Rolling Hills
11 Bow Slope		H West Bantry
22 Bow Slope		West Bantry Tail Out to J
02 Bow Slope		
06 Bow Slope		Upgrade West Bantry & Cowoki splits
Scott Canal		
\$250 – 300,00		\$230,000

2005-10-216 Moved by F. George that the Board approve the 3 Year Plan for Automation, Return Flow Monitoring, Flow Meters on Existing Pipelines, Screening Devices and Structures. Seconded by P. Hemsing. CARRIED

4.08 Draft Policy for Purchase of Water Rights & Reduction of Infrastructure

E. Wilson noted that most parcels that would be considered under the policy would have less than 80 acres, likely 50 to 60. Therefore, total compensation would be approximately \$750/acre and the District would likely save approximately the same amount. Discussion took place regarding the benefits of this policy, the size and quality of parcels which would be considered, and the amounts to be paid. As well, it was noted that domestics will likely still need to be provided. On a related note, a Board Member suggested to have a special meeting to review all the District's current policies; this will be considered in the future.

2005-10-217 Moved by T. Livingston that the Board approve the "Policy for the Purchase of Water Rights & Reduction of Infrastructure" as follows:

Where the water user is willing to sell the water rights, and the present irrigation is not efficient because of topography, soil type, etc, and where the District can save some

infrastructure, we will consider purchasing the irrigation rights. The District would pay \$500/acre for the water rights and 50% of the saved infrastructure up to \$15,000 per irrigation parcel.

Seconded by N. Johnson. CARRIED

[10:30 a.m. G. Romao exited the meeting and a short break was taken.]

[10:34 a.m. R. Matoba entered the meeting.]

5.0 Operations

5.01 8 Farm Improvements

It was noted by a Board Member that the price for landowners to buy up corners should at some point begin to align with the new Purchasing of Water Rights policy.

5.01.1 Steven Anderson – SE 31-15-15 W4M

Current assessment is 151 acres. This farm improvement calls for the conversion of 134 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center. The Landowner has chosen to keep the 17 extra acres in corners at a cost of \$200/acre. In addition, a new oversized (2200) pump-well is needed at a cost of \$3,200.

134 acres flood to pivot:	\$7,500
17 acres at \$200/acre:	- \$3,400
Pump-well:	- <u>\$3,200</u>
Pay to Landowner:	\$ 900

2005-10-218 Moved by A. Nielsen that the Board approve the farm improvement for Steve Anderson for the conversion of 134 acres flood to pivot in the SE 31-15-15 W4M. The farm improvement grant payable to the water user is \$7,500 minus the 17 extra acres being kept at \$200/acre, minus the pump-well resulting in a total of \$900. Seconded by N. Johnson. CARRIED

5.01.2 D. & D. Eckert – NE 15-21-14 W4M

This farm improvement calls for the conversion of 89 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery to pivot center. The delivery site remains the same off of 03-21 Springhill pipeline. The acres to complete this pivot were awarded through conversion and moving acres as part of last year's new water applications. The farm improvement grant payable to the Water User is \$5,134.

2005-10-219 Moved by C. Henrickson that the Board approve the farm improvement for D. & D. Eckert for the conversion of 89 acres flood to pivot in the NE 15-21-14 W4M. The farm improvement grant payable to the water user is \$5,134. Seconded by P. Hemsing. CARRIED

5.01.3 Ted Enns – NW 32-21-16 W4M

Current assessment is 149 acres. This farm improvement calls for the conversion of 133 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery site to pivot center. The delivery site remains the same off of Secondary C North Branch. The Landowner wishes to keep the 16 extra acres in corners at \$200/acre. The farm improvement grant payable to the Landowner is \$7,500 minus \$3,200 = \$4,300.

2005-10-220 Moved by P. Hemsing that the Board approve the farm improvement for Ted Enns for the conversion of 133 acres flood to pivot in the NW 32-21-16 W4M. The farm improvement

grant payable to the Landowner is \$7,500 minus the 16 extra acres being kept at \$200/acre, resulting in a total of \$4,300. Seconded by T. Livingston. CARRIED

5.01.4 Ted Enns – NE 32-21-16 W4M

Current assessment is 143 acres. This farm improvement calls for the conversion of 133 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery site to pivot center. The Landowner paid for the installation of a tee when this pipeline was installed, and is now requesting the EID proceed to install the pipe and turnout to bring water to the center of the quarter. The Landowner also wishes to keep the 10 extra acres in corners at \$200/acre.

133 acres flood to pivot:	\$7,500
10 acres at \$200/acre:	- \$2,000
Supply & install approx. 200m of 10" PVC to pivot center:	
\$22/m	- \$4,400
10" riser	- \$1,500
GST	- \$ 413
Total	- \$6,313 (not including gas lines)
Landowner owing the District:	- \$ 813

2005-10-221 Moved by T. Livingston that the Board approve the farm improvement for Ted Enns for the conversion of 133 acres flood to pivot in the NE 32-21-16 W4M. The farm improvement grant payable to the water user is \$7,500, minus \$6,313 for pipe and riser, and minus the 10 extra acres being kept at \$200/acre, resulting in the Landowner owing the District \$813. Seconded by N. Johnson. CARRIED

5.01.5 Ted Enns – SW 11 & NW 02-21-16 W4M

Current assessment is 158 acres. This farm improvement calls for the conversion of 142 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery site to pivot center. A flood well needs to be changed to a riser. The irrigation unit is already in place. The Landowner wishes to keep the 16 extra acres in corners at \$200/acre.

142 acres flood to pivot:	\$8,007
16 acres at \$200/acre:	- \$3,200
Change flood well to riser:	- \$1,700
Pay to Landowner:	\$3,107

2005-10-222 Moved by N. Johnson that the Board approve the farm improvement for Ted Enns for the conversion of 142 acres flood to pivot in the SW 11 & NW 02-21-16 W4M. The farm improvement grant payable to the Landowner is \$8,007, minus \$1,700 for change of flood well to riser, and minus the 16 extra acres being kept at \$200/acre, resulting in a total of \$3,107. Seconded by C. Henrickson. CARRIED

5.01.6 Leila Hiebert – SW 05-22-16 W4M

Current assessment is 146 acres. This farm improvement calls for the conversion of 133 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery site to pivot center. The delivery site remains the same off of 06 C North Branch. The Water User wishes to keep the 13 extra acres outside of the pivot circle at \$200/acre. The farm improvement grant payable to the Water User is \$7,500 minus \$2,600 = \$4,900.

2005-10-223 Moved by P. Hemsing that the Board approve the farm improvement for Leila Hiebert for the conversion of 133 acres flood to pivot in the SW 05-22-16 W4M. The farm improvement grant payable to the water user is \$7,500 minus the 13 extra acres being kept at \$200/acre, resulting in \$4,900. Seconded by C. Henrickson. CARRIED

5.01.7 Richard Hiebert – SE 05-22-16 W4M

Current assessment is 151 acres. This farm improvement calls for the conversion of 134 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery site to pivot center. The delivery site remains the same off of 06 C North Branch. The Water User wishes to keep the 17 extra acres not under the pivot at \$200/acre. The farm improvement grant payable to the Water User is \$7,500 minus \$3,400 = \$4,100.

- 2005-10-224 Moved by A. Nielsen that the Board approve the farm improvement for Richard Hiebert for the conversion of 134 acres flood to pivot in the SE 05-22-16 W4M. The farm improvement grant payable to the water user is \$7,500 minus the 17 extra acres being kept at \$200/acre, resulting in \$4,100. Seconded by F. George. CARRIED**

5.01.8 J. & R. Miller – NE 24-17-14 W4M

This farm improvement calls for the conversion of 79 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from delivery site to pivot center. Acres were awarded to this piece of land at a 2004 Board Meeting for conversion and new water acres, but drop tubes have not been installed until now. The farm improvement grant payable to the Water User is \$4,557.

- 2005-10-225 Moved by P. Hemsing that the Board approve the farm improvement for J. & R. Miller for the conversion of 79 acres flood to pivot in the NE 24-17-14 W4M. The farm improvement grant payable to the water user is \$4,557. Seconded by T. Livingston. CARRIED**

[10:42 a.m. J. Meador exited the meeting.]

6.0 Lands**6.02 Irrigated Leases****6.02.1 Request for Annual Lease – Jim Aleman – NW 15-15-13 W4M**

The pivot on NW 15-15-13 W4M encroaches on the 12 Mile Coulee right-of-way. The previous owners, Frank & Margarete Kern were issued an irrigated lease on an annual basis (calculated to be 10 acres). The current owner, Jim Aleman wishes to enter into a lease for 2006. In the previous rate review for several of the irrigated farm leases in the Rolling Hills area, the rate was set at \$40/acre plus water rates and taxes.

- 2005-10-226 Moved by P. Hemsing that the Board approve an annual irrigated lease of 10 acres of EID land located in the NW 15-15-13 W4M to Jim Aleman at the rate of \$40/acre plus water rates and taxes. Seconded by A. Nielsen. CARRIED**

6.02.2 20 Year Lease Terminations – Lloyd Colbens , Peter Mousset

The Lloyd Colbens and Peter Mousset 20 Year Irrigated Leases are up at the end of this year. Mr. Mousset would like the District to put it up for sale with him having the right to match. Mr. Colbens died earlier this year and the estate is not settled. E. Wilson introduced discussion on purchasing of equipment and setting the minimum sale price for the land, if it is to be sold. It was agreed that E. Wilson is to contact the current lease holders with their options of extending or giving up their lease, or purchase to match; and to get appraisals for land and mainlines.

- 2005-10-227 Moved by A. Nielsen that the Board approve the purchase of the mainlines on Irrigated Leases #8142 and #8136 at 50% of today's installed cost if the current lease holders are giving up the lease. Seconded by N. Johnson. CARRIED**

6.03 Transfer of Irrigation Acres

6.03.1 Lathom Hutterian Brethren

Lathom Hutterian Brethren have applied to transfer 88 irrigation acres from Pt. Sec. 13-20-17 W4M and 22 plus 10 acres from Pt. Sec. 23-20-17 W4M, to SW 22-19-17 W4M. The 88 and 22 acres are recommended for transfer as they are non-irrigable acres. The 10 acres are not recommended for transfer as the pivot can get through. The land targeted for transfer, SW 22-19-17 W4M, is a dry parcel with soils testing to be 100% irrigable. It is planned to be irrigated with a standard quarter section pivot with no overhang on the last tower and no end gun. The Colony plans on using their private 10" pipeline off the East Branch Canal to service the pivot.

- 2005-10-228 Moved by A. Nielsen that the Board approve the transfer of 88 irrigation acres from Pt. Sec. 13-20-17 W4M and 22 irrigation acres from Pt. Sec. 23-20-17 W4M, to SW 22-19-17 W4M, all owned by Lathom Hutterian Brethren. Seconded by C. Henrickson. CARRIED**

6.03.2 River Bow Ranch to 1184989 Alberta Ltd.

Barry Flemming has applied to transfer 16 irrigation acres from NW 15-17-16 W4M (Riverbow Ranch Ltd.) to Pt. Sec. 06 & 07-17-15 W4M (1184989 Alberta Ltd.) to extend an existing pivot. The 16 irrigation acres in NW 15-17-16 W4M have not been used by Riverbow Ranch since they took ownership of this parcel. If the transfer is approved, these acres need not be considered in the upcoming rehab of 4 Bow Slope. A letter of consent from the financial institution has been received, and the District's administration recommends the transfer.

- 2005-10-229 Moved by N. Johnson that the Board approve the transfer of 16 irrigation acres from NW 15-17-16 W4M Riverbow Ranch Ltd. to Pt. Sec. 06 and 07-17-15 W4M 1184989 Alberta Ltd. Seconded by A. Nielsen. CARRIED**

6.03.3 Bow City Hutterian Brethren

Bow City Hutterian Brethren would like to transfer 376 acres from Sections 16 & 17-17-17 W4M to Section 27-17-17 W4M. They have applied to Alberta Environment to get a license direct from the river. This switch would potentially allow the District to shorten the canal by a couple of kilometers. The Colony has requested the District determine how much Infrastructure Savings Grant they may be eligible for. The Board gave direction for the Manager to present to the Colony what the EID will offer in ways of an Infrastructure Savings Grant and Transfer of Irrigation Acres based on the Colony receiving approval for a separate water license from Alberta Environment.

6.04 Transfer of Grazing Lease # 7029 – Bob Brodie to Jake Veenstra

The Lessee, Bob Brodie, has sold the only parcel of land (SW 09-18-14 W4M) on which he had water rights. As such, he is no longer eligible to be a lease holder. He has requested that Lease # 7029 (E ½ 32-17-14, W ½ NE 05-18-14, S ½ 33-17-14, & NE 33-17-14 W4M) be transferred to Jake & Joanne Veenstra. They are the registered owners of the parcel of land referred to above and meet the eligibility requirements.

- 2005-10-230 Moved by C. Henrickson that the Board approve the transfer of Private Grazing Lease #7029 on E ½ 32-17-14 W4M, W ½ NE 05-18-14 W4M, S ½ 33-17-14 W4M, and NE 33-17-14 W4M from Bob Brodie to Jake and Joanne Veenstra. Seconded by T. Livingston. CARRIED**

6.05 6 Irrigable Units

R. Matoba presented the One Tree Creek Irrigable Units. The installation of 5 structures was approved at the previous Board meeting. This will enable the conversion of approximately 2500 acres from "terminable irrigation" to "irrigation acres". The conversion for 6 landowners involves multiple parcels serviced from one delivery point, thus needing the registration of irrigable units.

2005-10-231 Moved by T. Livingston that the Board approve the registration of new irrigable units on:

**NW, NE, SW & SE 35-19-14 W4M, being lands owned by North Creek Ranches Ltd.;
SW & SE 02-20-14 W4M, being lands owned by Robert and Tonia Smith;
SW & NW 31-20-13 W4M, being lands owned by John A. Adams;
NE & NW 29-20-13 and SE, SW & NE 32-20-13 W4M, being lands owned by
Springside Hutterian Brethren;
NW & NE 27-20-13 W4M, being lands owned by Joseph and Sandra Bandura; and
NW 26-20-13 W4M; NW, NE, SW & SE 35-20-13 W4M; and NW, NE, SW & SE 02-21-
13 W4M, being lands owned by Bertha Farms Ltd.**

Seconded by C. Henrickson. CARRIED

[11:10 a.m. R. Matoba exited the meeting.]

4.0 Engineering Report

4.01 Financial Overview

E. Wilson presented the Financial Overview. Due to decreased Oil & Gas and Water revenues, and increased fuel and pipe costs the District is facing a deficit in this year's budget. Two projects will be postponed for a year because of pipe supply and design issues, and two additional projects are being constructed. The projected revenue is 2.4 million below budget and capital projects are estimated to be \$850,000 over budget resulting in a projected reduction in reserve of 5.0 million. The needed funds for the remaining projects will be withdrawn from the Reserve account.

7.0 Financial Report

7.01 September 30, 2005 Financial Statements

K. Bridges presented the Financial Statement to September 30, 2005, noting the following:

- Total Revenues are tracking about 7% below YTD budget (5.4% below prior month)
- Total Expenses are tracking about 5% under YTD budget (9% under prior month)
- YTD Surplus of \$9.8 million (\$9.3 million prior month), which is \$2.25 million below YTD budget and \$3.0 million lower than prior YTD Surplus
- Compared to the past 5 years at this time, the 2005 YTD Surplus is \$900,000 below the average
- Total Revenues are down from prior YTD by \$2.46 million (down \$2.32 million prior month)
- Expenses, net of recoveries, are up from prior YTD by \$540,000 (up \$240,000 prior month)
- Water Revenues are 25% below YTD budget and are \$577,000 below prior YTD (\$540,000 below prior month), primarily due to a decline in YTD Oil & Gas Water Revenues of \$576,000 (\$539,000 prior month)
- YTD Oil & Gas Lease Revenues are tracking 6.5% below YTD budget and are \$2.07 million below prior YTD (\$2.06 million below prior month)
- YTD Lease Revenues from other sources are tracking 13% above YTD budget and are \$20,000 above prior YTD (\$18,400 above prior month)
- EIDNet Deficit is 20% under YTD budget overall
- Other Revenues are exceeding YTD budget but are approx. \$57,000 below prior YTD (\$32,900 above prior month)

2005-10-232 Moved by C. Henrickson that the Board approve the Financial Statements to August 31, 2005, as presented. Seconded by P. Hemsing. CARRIED

7.02 3rd Quarter Investment Report

K. Bridges reviewed the Investment Report to September 30, 2005, noting that one investment does not comply with the Investment Policy due to it exceeding 50% of the value of the portfolio investments held there. It was recommended that it be left as is to determine whether the professional portfolio management advice can add value to the District's investment practices.

2005-10-233 Moved by P. Hemsing that the Board approve the non-compliance of the investment noted in the Report Summary, that it would continue to be held at BMO Nesbitt Burns; and approve the Investment Report Summary to September 30, 2005, as presented. Seconded by N. Johnson. CARRIED

7.03 3rd Quarter Accounts Receivable

K. Bridges presented the Quarterly Accounts Receivable Report. Various accounts and recovery actions were noted.

2005-10-234 Moved by T. Livingston that the Board approve the Quarterly Accounts Receivable Reports to September 30, 2005, as presented. Seconded by C. Henrickson. CARRIED

7.04 Quotes on Health & Dental Insurance for Directors

After reviewing the options presented, it was the consensus that a group plan will not be pursued. However, K. Bridges was asked to investigate if some Blue Cross coverage can be purchased on an individual basis.

8.0 EIDNet Report

K. Bridges presented R. Hayes report noting that although difficulties are being resolved, they've been having more problems arise than anticipated. Most problems are slow downs and dropped connections. The slow downs are apparently being caused by file sharing. Lifting bandwidth restrictions seems to be a short-term solution to this. The problem with dropped connections is a smaller one, although it is being checked out by IPPlus and Alvarion so that it does not become a larger problem. The current state of new towers was also reported on, noting that Bantry, Bow City and Cassils towers are near operational. Bridge box installation was reviewed, and IPPlus has been doing some service work to resolve a few problems. Dial-up accounts remain above the projected figures, and Wireless accounts are slightly under.

[12:02 p.m. Lunch break.]

[1:12 p.m. The meeting resumed, with G. Redelback, and legal counsel Dennis Roth & Ian Smith exited the meeting and C. Henrickson was excused from the balance of the meeting.]

6.0 Lands**6.01 Oil & Gas Negotiations – 1:00 p.m.****6.01.1 Presentation by Dennis Roth**

Dennis Roth presented the Board with his opinion and legal viewpoint on the matter.

6.01.2 Response to EnCana Offer

A plan of response to EnCana's offer was decided upon.

[3:08 p.m. G. Redelback, Dennis Roth, Ian Smith exited the meeting and C. Henrickson was excused from the balance of the meeting.]

9.0 Equipment Report**9.01 Sale of 1996 Mack Gravel Truck**

E. Wilson presented the tenders for the purchase of the 1996 Mack Gravel Truck. He recommended selling at 8% straight commission with either of the public auctions in Calgary; at the first sale available.

Company	Description	Selling \$	Commission	Net Price
Albert Snyders Holdings	Straight cash purchase			\$ 7,177
Canadian Public Auction	Straight cash purchase Straight commission		8%	\$26,621
Michener Allen Auction.	Guaranteed price Straight commission	\$30,250	14% 8%	\$26,015

2005-10-235 Moved by P. Hemsing that the Board approve the sale of the 1996 Mack Tandem Gravel Truck to Canadian Public Auction or Michener Allen Auctioneering in Calgary, whichever has the next sale, for 8% straight commission. Seconded by N. Johnson. CARRIED

6.0 Lands

6.01.3 Well access conflicting ditch – F. George

F. George brought up a problem in which oil & gas heavy trucks are driving along a lined ditch bank as they cannot make the turn onto the designated access road. This appears to be due to gates, fencing and a culvert being removed. It was requested that J. Meador look into this matter.

10.0 Other

10.01 County of Newell West Nile Control Program

A letter to the Board of Directors was received from Steve Wylie, Agricultural Fieldman for the County of Newell No. 4. The County is preparing to expand their West Nile Monitoring & Control Program for the 2006 season. As EID lands are identified in the 5 km buffer zones of rural communities, the County is requesting funding from the District to help supplement their Provincial Government grant. The Board did not approve this request.

10.02 Moratorium on Licenses on the Bow River

E. Wilson presented the Board with a fax he received from AIPA regarding the Draft Water Management Plan for the South Saskatchewan River. After a short discussion, it was approved that E. Wilson work on getting the wording changed in the District's water license to allow for the District to supply water for a broader range of uses. The EID would be better off supplying water for other needs than having to sell part of its license.

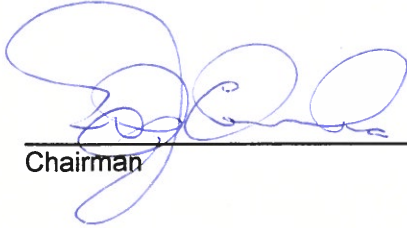
11.0 Upcoming Events

- | | | |
|-------|--|----------------|
| 11.01 | Southern Alberta Premier's Dinner in Lethbridge | October 27 |
| | • T. Livingston, P. Hemsing will attend and A. Nielsen will replace E. Wilson / B. Chrumka | |
| 11.02 | Irrigation Council Workshop in Lethbridge | November 24 |
| | • B. Chrumka, A. Nielsen and P. Hemsing have agreed to attend | |
| 11.03 | EID Staff Christmas Party | November 26 |
| 11.04 | Regular Board Meeting | November 29 |
| 11.05 | CRWUA Conference in Las Vegas | December 14-16 |
| | • F. George, P. Hemsing, N. Johnson, A. Nielsen will attend | |

11.06 Regular Board Meeting

December 20

N. Johnson moved adjournment of the meeting at 3:45 p.m.


Chairman
General Manager

November 28 & December 1, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 28th day of November and the 1st of December, 2005. Those in attendance on November 28th were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager	
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager	
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant	1:20 p.m.
Mr. Tom Livingston	Director	[Division 2]			
Mr. Clint Henrickson	Director	[Division 3]			
Mr. Neil Johnson	Director	[Division 4]			
Mr. Pat Hemsing	Director	[Division 7]			

The meeting was called to order at 1:00 p.m.

1.0 Approval of Agenda

The agenda order was changed noting latter items will be dealt with at the continued meeting on Thursday; and the following item was noted for addition for today's meeting:

- 4.06 Board Retreat

2005-11-236 Moved by P. Hemsing that the Board adopt the agenda as presented with changes. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes

2.01 October 25, 2005

The following items were noted for correction:

- Page 102, 2.01, delete rest of paragraph following "F. George voiced concerns with using a 'Draft Motions' sheet."
- Page 107, motion 2005-10-217, replace "purchasing the acres" with "purchasing the irrigation rights".
- Page 108, 5.01.4 Ted Enns, replace "NW 32-21-16 W4M" with "NE 32-21-16 W4M".
- Page 112, following 6.0, add "[3:08 p.m. G. Redelback, Dennis Roth, Ian Smith exited the meeting and C. Henrickson was excused from the balance of the meeting.]".

2005-11-237 Moved by C. Henrickson that the Minutes of the October 25, 2005 regular Board Meeting be approved with corrections. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

There were no items to revisit.

4.0 General Manager's Report

4.01 Request to endorse Nomination of Tom Livingston to Alberta's Agricultural Hall of Fame

A letter addressed to the Board of Directors from David Andrews, Clint Henrickson, Arno Doerksen and Larry Helland regarding this nomination was circulated. It was unanimously agreed for the District to be a corporate sponsor of this nomination.

2005-11-238 Moved by C. Henrickson that the District be a corporate sponsor of T. Livingston's nomination to the Alberta Agricultural Hall of Fame. Seconded by N. Johnson. CARRIED

4.02 South Saskatchewan River Draft Management Plan

E. Wilson gave a condensed overview of the comprehensive plan received by the Directors. As the water management of these rivers has a direct impact on the EID, it was felt that a clear survey opinion be submitted. This item was tabled to the December 1st meeting for more discussion.

4.03 AIPA November Directors Meeting

E. Wilson reported on the AIPA Directors Meeting that he attended November 10th. The educational video will be completed by February, 2006. No financial partners have been secured to date and the project is a little over budget. There was discussion on AIPA's response to Irrigation Council's decision on how to allocate the 3 million dollar increase in IRP funding. A motion was passed directing Irrigation Council to use the allocation formula for all funding.

4.04 AIPA Draft 2006 Budget

The Board discussed AIPA's suggested Budget increase of 1 or 3 cents per acre. The consensus was to pay the same rate per acre as in 2005 if possible, definitely not the 3 cent increase that puts money into AIPA's reserves.

[1:20 p.m. W. Enns entered the meeting.]

4.05 Northwest Irrigation Operators 2006 Conference – February 14-16, 2006 in Boise, Idaho

It is requested that Board Members be able to indicate whether they wish to attend this conference or not, by the December 20th Board Meeting.

4.06 Board Retreat

A retreat is expected to be necessary to discuss revenues, water rate, capital program, etc. once oil and gas negotiations are firmed up. It is suggested to be in late January or early February, in Calgary or Medicine Hat, etc.

[1:30 p.m. Bruce Beasley and G. Romao entered the meeting.]

1:30 p.m. Bruce Beasley – Conversion of 2nd Water to 1st Appeal

Mr. Beasley was welcomed into the meeting to appeal the conversion application decision of last month. He presented his concerns and the Board explained their reasoning. A discussion followed regarding various options.

[2:12 p.m. Bruce Beasley exited the meeting.]

E. Wilson is to respond in writing with a proposal that would address both the District's efficiencies policy and Mr. Beasley's access to water needs.

5.0 Engineering Report**5.01 Rehabilitation Project Construction Status**

G. Romao presented the Construction Status to date.

R North Bantry	- 35 km pipeline (installation to start Nov. 28)	- EID Crew
North Bantry Canal	- 2 km lined canal (approx. .5 km of liner installed)	- Top Notch Con.
13 East Branch	- 200 m lined canal (construction in December) - 1.5 km pipeline (50% complete)	- EID Crew

S Tilley	- 1.2 km buried liner canal - 2 km pipeline (canal liner installed, armour & structures underway, pipeline installed)	- EID Crew - EID Crew
Lower Bow Slope Pump	- construction complete, some instrument programming in spring	- Charmar Ent.
17 G Springhill	- 15 km pipeline (2.5 km pipeline installed)	- Mini-Dig
Tilley Canal	- 2 km buried liner canal (liner installed, armour underway, structures in December)	- EID Crew
Antelope Creek Canal	- 8 km armour-on-poly canal (earthworks & liner complete by month end)	- EID Crew
North Bantry Surge Pond & Spillway	- surge pond structures and spillway to supplement One Tree Drain - dam earthworks complete - armour, structures and spillway remain	- Top Notch Con. - EID Crew
9H West Bantry	- .2 km lined canal, 1.5 km pipeline (pipeline installed, canal construction underway)	- EID Crew

5.02 Rehabilitation Projects Land Assembly Status

Mr. Romao reviewed the Land Assembly Status to date.

04 Bow Slope	- all consent given, waiting for 2 official signings
03 North Branch	- pending discussions on possible extension to County & D. Schaffer
R North Bantry	- approximately 25 landowners, 4 yet to sign (excluding acreage owners)
Antelope Creek Canal	- all consent given, waiting for 1 official signing

5.03 13 East Branch Infrastructure Savings

Aleta Steinbach presently floods the NW 16 and the SW 21-20-17 W4M. The combined amount of acres that are flooded in these two parcels of land is 210. Aleta would like to put these acres under a pivot. This significantly reduces the flow and pipe size required to supply these acres. The total cost savings to the EID is \$18,370. It is recommended that the landowner receive half the cost savings, which is \$9,185.

2005-11-239 Moved by F. George that the Board approve the Infrastructure Savings Grant of \$9,185 for Aleta Steinbach, as she is installing a pivot on SW 21-20-17 W4M, saving the District \$18,370 in pipeline diameter costs on the 13 East Branch project. Seconded by C. Henrickson. CARRIED

5.04 IRP Annual Rolling 3 Year Plan – for the years 2006/07 to 2008/09

Mr. Romao presented the EID's IRP 3 Year Plan for the construction years 2006/2007 to 2008/2009. Projects were selected from the EID Canal Rehabilitation 3 Year Plan. Completed projects and continuing projects are listed in the report, with new projects as follows:

New Year 1 Projects	- 16 Springhill and 02-16 Springhill - G North Bantry (Lower)
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New Year 2 Projects - 9 and 10 East Branch
 - Secondary B Springhill
 - 22 Bow Slope
 - 07-08A Springhill
 - AH North Bantry

New Year 3 Projects - Kitsim Feeder Canal
 - Kitsim Bypass Canal

It was noted that rehabilitation projects for the first year are estimated to be \$7,140,000; for the second year - \$7,125,000; and for the third year - \$6,350,000.

2005-11-240 Moved by C. Henrickson that the Board approve the IRP Annual Rolling Three-Year Plan. Seconded by P. Hemsing. CARRIED

5.05 Request to keep water on NW corner of NW 12-20-13 W4M – C. Henrickson

Due to severance and a separate land title, C. Henrickson has requested to keep water on 5 ½ acres in the northwest corner of NW 12-20-13 W4M. An Irrigable Unit is not in place.

[2:34 p.m. C. Henrickson exited the meeting.]

As granting this request would be against the District's Farm Improvement Policy, this request was not approved.

[2:40 p.m. G. Romao exited the meeting and a short break was taken.]

[2:45 p.m. R. Matoba and C. Henrickson entered the meeting.]

6.0 Lands

6.01 2006 Irrigation Applications

R. Matoba presented the overview of the applications for increases in irrigation acres that were received for 2006. Included were the evaluations of the applications based on the District's present policies. All applicants will be responded to in writing, with the refused applicants being notified of their right to appeal to the Irrigation Council. Based on the criteria and the information presented, the following decisions were made:

6.01.1 Jake Veenstra – SW 09-18-14 W4M

2005-11-241 Moved by A. Nielsen that the Board approve the Jake Veenstra irrigation application to increase the assessment on SW 09-18-14 W4M from 82 to 122 acres on the condition that soils are irrigable. Seconded by P. Hemsing. CARRIED

6.01.2 Clearview Hutterian Brethren – S 23-23-18 W4M

This application was not approved because they have already been granted 160 acres of new water rights after the expansion vote, the maximum allowed by our policy.

6.01.3 Fred Klassen – NE 22-22-17 W4M

2005-11-242 Moved by T. Livingston that the Board approve the Fred Klassen irrigation application to increase the assessment on NE 22-22-17 W4M from 0 to 133 acres on the conditions that he moves available acres under the pivot and that soils are irrigable. Seconded by P. Hemsing. CARRIED

6.01.4 Sage Farms Ltd. – W 03, 04, E 05-25-16 W4M

2005-11-243 Moved by T. Livingston that Sage Farms Ltd. be granted up to 160 acres in the W ½ 03-25-16 W4M or Sec. 04-25-16 W4M or E ½ 05-25-16 W4M. The delivery location would need to be approved by District staff, and Sage Farms would need to enter into a Remote Delivery Agreement. Soil classification must be at least class 4, and a low pressure pivot must be installed by November 1, 2006. Seconded by P. Hemsing. **CARRIED**

6.01.5 Cross Coulee Ranching – N 28, S 33, SW 34-21-14 W4M

This application was not approved because it requires water from the Springhill system which is fed directly from the river and we are not allowed new acres in this portion of the District.

6.01.6 Austin Beasley – SE 28-21-14 W4M

This application was not approved because it requires water from the Springhill system which is fed directly from the river and we are not allowed new acres in this portion of the District.

6.01.7 Isaak Wall – NE 15-16-16 W4M

This application was not approved because it requires water from the Bow Slope system which is fed directly from the river and we are not allowed new acres in this portion of the District.

[3:10 p.m. K. Bridges, R. Matoba and W. Enns exited the meeting.]

3:30 p.m. the Board recessed until Thursday, December 1st, 9:00 a.m.

Those in attendance on December 1st were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]		
Mr. Pat Hemsing	Director	[Division 7]		

9:12 a.m.

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

1.0 Approval of Agenda

The agenda order was rearranged, and the following items were added:

- 6.04 Don Peterson – Irrigated Lease
- 4.04 AIPA Draft 2006 Budget (revisited)
- 4.08 Meeting with Ministers Horner & Oberg
- 4.09 Oberg Open House
- 4.10 Email from Don Bruce
- 4.02 South Saskatchewan River Draft Management Plan (revisited)

7.0 Financial Report**7.01 October 31, 2005 Financial Statements**

K. Bridges presented the Financial Statements to October 31, 2005, noting the following:

- Due to a decline in oil and gas activities throughout 2005 (wet weather and perhaps other reasons), the District's revenues from oil and gas activities (water sales, initial consideration, seismic, pipeline, land spreading and administration fees) are each below budget and prior YTD.
- Total expenses are tracking about 7.5% under YTD budget.
- YTD surplus is \$10.8 million (\$9.8 million prior month).

It was also noted that the 2005 interim audit work began on November 21st and we expect it to conclude by December 9th. The year end audit will begin on January 23, 2006. Mark Ens is no longer conducting audits. Mr. Daryl Halbert, CA, will be conducting the 2005 year end audit for us. Mr. Bridges distributed the accountant's report on auditing standards, auditor's responsibilities, auditor independence and auditor engagement letter, and asked the Board if they would like to meet with Mr. Halbert prior to the audit being complete. A half hour slot in December's Regular Board Meeting will be set up.

2005-12-244 Moved by P. Hemsing that the Board approve the Financial Statements to October 31, 2005, as presented. Seconded by C. Henrickson. CARRIED

[9:25 a.m. J. Meador entered the meeting.]

8.0 Operations

8.01 5 Farm Improvements

8.01.1 Charles & W. Hansen – NW 07-19-13 W4M

Current assessment is 142 acres. This farm improvement calls for the conversion of 132 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot point. The Landowner wishes to keep the 10 extra acres in corners and pivot wedge at \$200/acre. The farm improvement grant payable to the Landowner is \$2,500 minus \$2,000 = \$500.

2005-12-245 Moved by P. Hemsing that the Board approve the farm improvement for Charles & W. Hansen for the conversion of 132 acres wheels to pivot in the NW 07-19-13 W4M. The farm improvement grant payable to the Water User is \$2,500 minus the 10 extra acres being kept at \$200/acre, resulting in a total of \$500. Seconded by N. Johnson. CARRIED

8.01.2 Charles & W. Hansen – S ½ 07-19-13 W4M

Current assessment is 183 acres; new corner arm pivot area is 174 acres. This farm improvement calls for the conversion of 174 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot point. The delivery site remains the same off of 01 G North Bantry. An Irrigable Unite will be needed. The Landowner wishes to keep the 9 extra acres in corners at \$200/acre. The farm improvement grant payable to the Landowner is \$3,346 minus \$1,800 = \$1,546.

2005-12-246 Moved by T. Livingston that the Board approve the farm improvement for Charles & W. Hansen for the conversion of 174 acres wheels to pivot in the S ½ 07-19-13 W4M. The farm improvement grant payable to the Water User is \$3,346 minus the extra 9 acres being kept at \$200/acre, resulting in a total of \$1,546. Seconded by P. Hemsing. CARRIED

2005-12-247 Moved by P. Hemsing that the Board approve the registration of an irrigable unit on SW 07-19-13 W4M and SE 07-19-13 W4M, lands being owned by Charles & W. Hansen. Seconded by T. Livingston. CARRIED

8.01.3 Fred Klassen – E ½ 35-22-17 W4M

Current assessment is 39 acres flood in the NE 35-22-17 W4M, and 91 acres wheels in SE 35-22-17 W4M. This farm improvement calls for the conversion of 91 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center, with the delivery site remaining the same. All acres in SE 35-22-17 W4M are under the pivot. An Irrigable Unit will be needed. The farm improvement grant payable to the Landowner is \$1,750.

2005-12-248 Moved by F. George that the Board approve the farm improvement for Fred Klassen for the conversion of 91 acres wheels to pivot in the SE 35-22-17 W4M. The farm improvement grant payable to the Water User is \$1,750. Seconded by T. Livingston. CARRIED

2005-12-249 Moved by T. Livingston that the Board approve the registration of an irrigable unit on NE 35-22-17 W4M and SE 35-22-17 W4M, lands being owned by Fred Klassen. Seconded by A. Nielsen. CARRIED

8.01.4 Henry & Betty Neufeld – NW 10-23-16 W4M

Current assessment is 103 acres; new pivot area is 103 acres. This farm improvement calls for the conversion of 103 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-offs. All acres must be moved under the pivot; and it is set up to shut off 3 towers through very wet areas. As acres are lost in these wet areas, the assessment will be kept at 103 acres. The pivot must be piped from pump site to pivot point, with the delivery site remaining the same off of 02-14 North Branch pipeline. The farm improvement grant payable to the Landowner is \$1,981.

2005-12-250 Moved by T. Livingston that the Board approve the farm improvement for Henry & Betty Neufeld for the conversion of 103 acres wheels to pivot in the NW 10-23-16 W4M. The farm improvement grant payable to the Water User is \$1,981. Seconded by N. Johnson. CARRIED

8.01.5 Cliff & Melanie Walde – SE 06-23-16 W4M

Current assessment is 150 acres; new pivot area is 131 acres. This farm improvement calls for the conversion of 131 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. The pivot must be piped from pump site to pivot center, with the delivery site remaining the same off of 11 North Branch. The Landowner wishes to keep the 19 extra acres in corners at \$200/acre. The farm improvement grant payable to the Landowner is \$7,500 minus \$3,800 = \$3,700.

2005-12-251 Moved by A. Nielsen that the Board approve the farm improvement for Clifford & Melanie Walde for the conversion of 131 acres flood to pivot in the SE 06-23-16 W4M. The farm improvement grant payable to the Water User is \$7,500 minus the 19 extra acres being kept at \$200/acre, resulting in a total of \$3,700. Seconded by F. George. CARRIED

[9:37 a.m. R. Matoba entered the meeting, and J. Meador exited.]

6.0 Lands**6.02 Irrigated Leases # 8136 and # 8142**

R. Matoba presented the appraisals of Irrigated Lease # 8136 on E ½ 19-15-13 W4M, Lessee – Estate of Lloyd Colbens, and Irrigated Lease # 8142 on W ½ 19-15-13 W4M, Lessee – Peter Mousset. These leases expire December 31, 2005. A letter has been sent to the lessees informing them of their options to either: a) extend the lease 10 years; b) terminate the lease; or c) terminate the Lease and have the District put the land up for sale for a minimum price with

them having the right to match the high bidder. A minimum price that the Board is willing to accept must be set for both leases.

6.02.1 Set minimum price for sale of land

After review and discussion of the appraisals conducted by Tru Appraisals Ltd., the following motions were passed.

2005-12-252 Moved by P. Hemsing that the Board approve the minimum price for the sale of Irrigated Lease # 8136 at "\$345,000 plus \$16,000 for the underground mainline. Seconded by C. Henrickson. CARRIED

2005-12-253 Moved by C. Henrickson that the Board approve the minimum price for the sale of Irrigated Lease # 8142 at \$260,000 plus \$14,500 for the underground mainline. Seconded by T. Livingston. CARRIED

6.03 Transfer of Irrigation Acres

6.03.1 OH Ranch – 542 acres

OH Ranch has applied to transfer 542 acres from parts of Sec. 10, 11, 14 & 15-20-16 W4M to Pt. Sec's 30 & 31-20-16 W4M. They wish to transfer these water rights to a location closer to their base of operations which is located in NW 31-20-16 W4M. The Springhill canal cuts off the land with the water rights from the main land base, in particular vehicular access. The water rights have been used sparingly, in fact not at all in recent years.

A small pivot in 11 was sold and has not been replaced. A larger pivot in 10 and 15 is idle and OH is proposing to move it to the parcels where they wish to transfer the irrigation. It can be extended to make it a full section pivot. The remaining acres of the 542 outside the pivot would be used for flood irrigation to the north for the time being, but could be considered for conversion to sprinkler. Both parcels are served from the river, but where the irrigation is now is below Snake Lake so there is some support. The other lands are upstream of Snake Lake.

It was decided to refuse the application at this time as next years rehabilitation of Secondary A Springhill will have an impact on the proposed move. OH Ranch is invited to reapply next year when more information is available.

6.03.2 Bob Strach – 10 acres from SW 25-18-15 to Lathom Hutterian Brethren SW 22-19-17

The owner of some of the lands in SW 25-18-15 W4M, Bob Strach, recently subdivided 10 acres out for light industrial purposes. One of the EID's conditions for consenting to the registration of the subdivision, was that the irrigation acres must be removed from the proposed subdivision. Mr. Strach wishes to sell the irrigation acres to Lathom Hutterian Brethren, who are wishing to transfer them to SW 22-19-17 W4M.

2005-12-254 Moved by N. Johnson that the Board approve the transfer of 10 irrigated acres from SW 25-18-15 W4M Bob Strach to SW 22-19-17 W4M Lathom Hutterian Brethren. Seconded by P. Hemsing. CARRIED

6.04 Don Peterson – Irrigated Lease

Don Peterson has requested to formalize the use of a 9.8 acre sliver of Right-of-way land under his windshield pivot on SE 01-17-14 W4M. Mr. Peterson already retains the water rights for this land.

2005-12-255 Moved by T. Livingston that the Board approve the lease or sale of approximately 9 acres in SE 01-17-14 W4M to Don Peterson Farms Ltd., at his discretion, for \$25/acre lease or \$750/acre purchase. Seconded by F. George. CARRIED

[10:24 a.m. R. Matoba exited the meeting, and a short break was taken.]

[10:30 a.m. B. Hale entered the meeting.]

6.05 Grazing

6.05.1 Request from Bassano Grazing Association to finance corals

B. Hale presented a letter received from the Bassano Grazing Association requesting assistance in paying for corral improvements. The Association suggested two proposals: a) to pay for materials (\$10,614.05), and finance labour (\$9,720.00); or b) to finance both materials and labour (\$20,334.05).

2005-12-256 Moved by P. Hemsing that the Board approve the financing of \$20,334.05 for the Bassano Grazing Association at 5% interest, fixed rate, for 10 years. Seconded by T. Livingston. CARRIED

Mr. Hale also noted a "Capturing Feed Grain & Forage Opportunities" conference to be held next week in Red Deer. Board members agreed that it was of value to Grazing Associations and Directors to attend.

2005-12-257 Moved by N. Johnson that the Board approve 2 members from each Grazing Association and any EID Board Members to attend the "Capturing Feed Grain & Forage Opportunities 2005" conference in Red Deer, December 6 & 7. Seconded by C. Henrickson. CARRIED

[10:42 a.m. B. Hale exited the meeting.]

6.06 Oil & Gas

6.06.1 EnCana Negotiations

A discussion was held regarding oil and gas negotiations to date. B. Chrumka and A. Nielsen will sit in on Monday's meeting as observers.

4.0 General Manager's Report

E. Wilson addressed the Board in some matters not previously covered in his report.

4.04 AIPA Draft 2006 Budget (revisited)

E. Wilson brought up the AIPA's funding increase request again to clarify the Board's intent. Discussion was held regarding the benefits and costs of belonging to the AIPA. It was decided to vote for the lower increase (1 cent per acre), to keep our membership with the AIPA, and to nominate P. Hemsing from the floor for Member at Large.

[11:48 a.m. Lunch break.]

[12:45 p.m. Meeting resumed.]

4.08 Meeting with Ministers Horner & Oberg – December 6, 4:00 – 4:45 p.m.

A meeting in Edmonton with the The Hon. Doug Horner, Minister of Agriculture, and The Hon. Dr. Lyle Oberg, Minister of Infrastructure and Transportation was requested by the District. The intent of the meeting is to familiarize the ministers with the EID's increased efficiencies, farm improvement policy, infrastructure rehabilitation and current water rate. E. Wilson, B. Chrumka and A. Nielsen will attend.

4.09 Oberg Open House – December 9, 2:00 – 4:00 p.m.

Dr. Lyle Oberg is hosting an Open House at the Heritage in Brooks on December 9th as a "Come-and-Go", as well as to make a special announcement. E. Wilson, K. Bridges, C. Henrickson, T. Livingston, P. Hemsing and F. George will attend along with their wives.

4.10 Email from Don Bruce re Leisure Centre Project

The Manager and Chairman both received an update email from Don Bruce, Vice Chair of the Leisure Centre Project Campaign Team, which was shared with the Board. After a short discussion, the Board decided to offer a piece of land for the purpose of building a new arena. A letter will be sent to both the fundraising committee and the City of Brooks.

2005-12-258 Moved by T. Livingston that the Board make available to the City of Brooks a piece of land for the purpose of building a stand-alone arena. Seconded by A. Nielsen. CARRIED

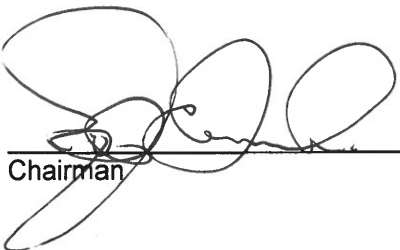
4.02 South Saskatchewan River Draft Management Plan – Survey (revisited)

Mr. Wilson presented the Board with a completed survey, and the Board gave additional input. The survey will be updated and submitted.

9.0 Upcoming Events

- | | | |
|------|---|----------------------|
| 9.01 | Meeting with Ministers Horner & Oberg – Edmonton, 4:00 – 4:45 p.m. | December 6 |
| | • E. Wilson, B. Chrumka & A. Nielsen will attend | |
| 9.02 | Oberg Open House – Heritage in Brooks, 2:00 – 4:00 p.m. | December 9 |
| | • E. Wilson, K. Bridges, C. Henrickson, T. Livingston, P. Hemsing and F. George will attend along with their wives. | |
| 9.03 | CRWUA Conference in Las Vegas | December 14-16, 2005 |
| | • F. George, P. Hemsing, N. Johnson & A. Nielsen will be attending | |
| 9.04 | AIPA Annual Meeting in Picture Butte | December 16 |
| | • C. Henrickson, T. Livingston & B. Chrumka will be attending | |
| 9.05 | Regular Board Meeting | December 20 |
| 9.06 | January Board Meeting | January 24, 2006 |
| 9.07 | Northwest Irrigation Operators 2006 Conference | February 14-16 |

C. Henrickson moved adjournment of the meeting at 1:30 p.m.


Chairman
General Manager

December 20, 2005 Directors Meeting

The Directors of the Eastern Irrigation District held a meeting on the 20th day of December, 2005. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant General Manager
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2] apologies		
Mr. Clint Henrickson	Director	[Division 3]		
Mr. Neil Johnson	Director	[Division 4]		
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 9:07 a.m.

1.0 Approval of Agenda

There were no items noted for addition.

2005-12-259 Moved by P. Hemsing that the Board adopt the agenda as presented. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes

2.01 November 28 & December 1, 2005

The following items were noted for correction:

- Page 115, 2.01, last bullet, after Ian Smith substitute "exited the meeting and C. Henrickson was excused from the balance of the meeting."
- Page 115, 4.01, replace last sentence with "It was unanimously agreed for the District to be a corporate sponsor of this nomination."
- Page 118, 6.01.2, add "because they have already been granted 160 acres of new water rights after the expansion vote, the maximum allowed by our policy."
- Page 119, 6.01.5, add "because it requires water from the Springhill system which is fed directly from the river and we are not allowed new acres in this portion of the District."
- Page 119, 6.01.6, add "because it requires water from the Springhill system which is fed directly from the river and we are not allowed new acres in this portion of the District."
- Page 119, 6.01.7, add "because it requires water from the Bow Slope system which is fed directly from the river and we are not allowed new acres in this portion of the District."
- Page 122, motion 2005-12-252, replace "\$361,000" with "\$345,000 plus \$16,000 for the underground mainline".
- Page 122, motion 2005-12-253, replace "274,500" with "\$260,000 plus \$14,500 for the underground mainline".

A short discussion was held regarding corporate sponsorship for T. Livingston's nomination to the Alberta Agricultural Hall of Fame. It is anticipated that in the New Year the District will be requested to write a letter of support.

2005-12-260 Moved by C. Henrickson that the Minutes of the November 28 & December 1, 2005 regular Board Meeting be approved with corrections. Seconded by A. Nielsen. CARRIED

3.0 Business Arising

There were no items to revisit.

4.0 Report on CRWUA Conference

N. Johnson, F. George, P. Hemsing and A. Nielsen gave a verbal report on the Colorado River Water Users Association Conference they attended in Las Vegas last week. Presentations on water conservation, government lobbying, dam and canal projects, reclamation, etc. were informative as the irrigation districts in that region face similar issues as ours, but earlier and on a larger scale. Although the conference was disorganized, the sessions proved worthwhile.

5.0 By-Law 848 (2005) Setting the Date for the Election of Directors, Divisions 03 and 06

By-Law 848 (2005) was presented to the Board for the 2006 Election of Directors for Division 03 (Clint Henrickson), and Division 06 (Bob Chrumka), establishing the date for nominations of Directors ceasing on Thursday, March 30, 2006, with an election date if necessary on Friday, April 21, 2006. Third reading of this by-law must occur by January 20, 2006 in order to comply with Section 53 of the Irrigation Districts Act. The Annual Meeting has been tentatively scheduled for Wednesday, March 29, 2006.

Eastern Irrigation District

BY-LAW 848 (2005)

Fixing the Date and Times for the 2006 Election of Directors

[Irrigation Districts Act, Part 3, Elections and General Petitions, c.I-11, RSA]

[Local Authorities Elections Act, C.L-21, RSA]

WHEREAS, Section 53 of the Irrigation Districts Act [c. I-11, 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 03, or Division 06, then such election shall be held on Friday, April 21, 2006.
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 of the following areas:

Division 03

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	Sec. 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 06

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 Thursday, March 30, 2006 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 each of the two weeks preceding the day of the election in each of The Bassano Times, The Brooks Bulletin and The Brooks & County Chronicle.

The within By-Law 848 (2005) is duly passed by the Board of Directors of the Eastern Irrigation District in accordance with Section 177 (5) of the Irrigation Districts Act as evidenced by the following readings of the said By-Law:

This By-Law was read and approved the	1 st time	this 20 th day of December, 2005.
This By-Law was read and approved the	2 nd time	this 20 th day of December, 2005.

2005-12-261 Moved by P. Hemsing that the Board read and approve By-Law 848 (2005) the first time this 20th day of December, 2005. Seconded by A. Nielsen. CARRIED

2005-12-262 Moved by N. Johnson that the Board read and approve By-Law 848 (2005) the second time this 20th day of December, 2005. Seconded by C. Henrickson. CARRIED

6.0 Financial Report

6.01 November 30, 2005 Financial Statements

- Due to the overall decline in oil and gas activities throughout 2005 (unusually wet weather and perhaps other reasons), the District's revenues from oil and gas related sources (water, initial entry, seismic, pipeline, etc.) are each below YTD budget and prior YTD.
- Total net expenses are tracking about 10% under YTD budget. Each of the departments is under YTD budget.
- YTD surplus is \$12.5 million.
- The 2005 interim audit work will wrap up before Christmas. Audit work will begin again in late January and will be completed by the end of February 2006.
- A Board member suggested that the District's use of the EIDNet could be charged back as a recovery in the internet accounting.

2005-12-263 Moved by C. Henrickson that the Board approve the Financial Statements to November 30, 2005, as presented. Seconded by N. Johnson.

[9:58 a.m. Daryl Halbert, CA, entered the meeting.]

10:00 a.m. Meeting with the Auditor

K. Bridges and B. Chrumka introduced and welcomed Mr. Halbert to the meeting. The auditor had been invited to the Board Meeting to discuss the audit, relevant accounting and auditing changes; and to receive any input the Board Members may wish to offer. Mr. Halbert gave a general review of the audit process and standards, and the auditor's independence and responsibilities. A few areas in the budgeting/accounting process were highlighted, namely fair value for non-monetary transactions, asset retirement and "professional skepticism". A short time of questions and answers followed.

[10:20 a.m. Daryl Halbert exited the meeting and a short break was taken.]

[10:24 a.m. R. Hayes and G. Romao entered the meeting.]

7.0 EIDNet Report

R. Hayes updated the Board on some current service issues. The anticipated results from the installation of bridge boxes on the towers was initially accomplished, although better quality switches were later installed to reduce outages. Unfortunately, random outages and slow downs are still occurring. Although overall performance has been increased by the limiting of file sharing software, the outages and slow downs have not been resolved, and the causes are particularly difficult to pinpoint. Various solutions are being tried. B. Chrumka requested that due to the amount of problems EIDNet has been having, that alternative avenues be investigated regarding new suppliers.

[10:44 a.m. R. Hayes exited the meeting.]

8.0 Engineering Report

8.01 Rehabilitation Projects Construction Status

G. Romao presented the Construction Status to date.

R North Bantry	- 35 km pipeline (5 km installed by Christmas)	- EID Crew
North Bantry Canal	- 2 km lined canal (expect all liner installed before Christmas)	- Top Notch
	- turnout structures to start in January	- EID Crew

13 East Branch	- .2 km lined canal (canal construction underway) - 1.5 km pipeline (pipeline complete)	- EID Crew
S Tilley	- 1.2 km buried liner canal - 2 km pipeline (2 structures remaining)	- EID Crew - EID Crew
17 G Springhill	- 15 km pipeline (6 km pipeline installed) - .2 km lined canal (liner and armour installed)	- Mini-Dig - EID Crew
North Bantry Surge Pond & Spillway	- surge pond structures and spillway to supplement One Tree drain - dam earthworks complete - armour, structures and spillway remain	- Top Notch Con. - EID Crew
9H West Bantry	- .2 km lined canal - 1.5 km pipeline (2 structures remain)	- EID Crew
Tilley Canal	- 2 km lined canal (armour complete, structures complete by December 20)	- EID Crew
Antelope Creek Canal	- 8 km armour-on-poly canal - liner and armour complete - structures to start in New Year	- EID Crew - EID Crew
One Tree Creek	- 5 cast-in-place check structures (construction to start in January)	- Charmar Ent. - EID Crew

Mr. Romao noted that for the One Tree Creek structures project, design modifications and redistribution of work between Charmar Enterprises and the EID were made that reduce the project cost estimate by almost \$200,000. It is determined that the District can do some of this project at a lower cost than the tender company. This was done to lower the higher than anticipated tender amount.

8.02 Rehabilitation Projects Land Assembly Status

Mr. Romao reviewed the Land Assembly Status to date.

04 Bow Slope	- government application submitted for right-of-way, have verbal consent
03 North Branch	- J. & M. Hironaka and D. & J. Sawatsky pending discussions on possible extension to County & D. Schaffer
R North Bantry	- approximately 25 landowners, waiting for County of Newell's final signature, 5 acreage owners' domestic line approvals and J. Tamura's construction agreement

8.03 2005/2006 Structures Program

G. Romao proposed the program, consisting of three structures west of Tilley: two new structures in the Summit Drain and one structure replacement in J Canal, for an overall price of \$160,000.

From the NE 12-17-14 W4M to the SW 24-16-14 the Summit Drain supplies 815 acres of terminable water rights (all pumped). Presently there are several rock weirs through this stretch of drain to maintain a water level to sufficiently supply these areas. It is proposed to install two precast check structures complete with leaf gates to ensure a constant water level. It is also proposed with the installation of these structures that the terminable water rights be converted to first water rights. The cost to supply and install both these structures is \$126,000.

The J West Bantry check structure in the SW 11-17-13 W4M is in need of replacement. The concrete on this structure is crumbling and the re-bar is showing. The cost to supply and install this structure is \$34,000.

B. Chrumka relayed an opinion from some of the irrigators in this area who thought this was an unnecessary project at this time. Administration noted that although the rehab of the existing rock weirs could be delayed a few more years, they are not as efficient as a concrete structure. A durable and efficient control structure is required to provide the reliable delivery of 1st water rights.

2005-12-264 Moved by P. Hemsing that the Board approve the 2005/2006 Structures Program at a total cost of \$160,000. Seconded by C. Henrickson. CARRIED

[11:04 a.m. G. Romao exited the meeting.]

[11:07 a.m. J. Meador entered the meeting.]

9.0 Operations

9.01 Farm Improvement – Art Paetkau – NE 19-22-16 W4M

Current assessment is 122 acres. This farm improvement calls for the conversion of 114 acres wheels and 8 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-offs. At the present time the landowner is running above ground aluminum pipe from the NW 20-22-16 W4M across an undeveloped road allowance to the wheels in NE 12-22-16 W4M. He is going to do the same thing with the pivot so he only needs one pump. The pivot must be piped from pump site to pivot center, with the legal delivery remaining in the SW corner of NE 19-22-16 W4M in case the ditch is piped. Drain crossings will be needed with the landowner paying for the pipe. Lengths will need to be determined when the pivot is up. 6 extra acres are needed.

2005-12-265 Moved by C. Henrickson that the Board approve the farm improvement for Art Paetkau for the conversion of 114 acres wheels to pivot and 8 acres flood to pivot in the NE 19-22-16 W4M. The farm improvement grant payable to the Water User is \$2,653.50 minus the pipe for drain crossings. Seconded by F. George. CARRIED

2005-12-266 Moved by C. Henrickson that the Board approve the increase in assessment from 122 acres to 128 acres on NE 19-22-16 W4M; 6 additional acres at the capital asset charge of \$200/acre = \$1,200. The increase in acres being granted is a result of efficiencies made in converting 114 acres wheels and 8 acres flood to low pressure pivot. Seconded by P. Hemsing. CARRIED

[11:12 a.m. J. Meador exited the meeting.]

10.0 Equipment Report

10.01 Results of Sale of Tandem Truck

E. Wilson reported a positive result in choosing to sell the 1996 Mack Tandem Truck at 8% commission. The District netted \$27,099. at the Canadian Public Auction Ltd. in Calgary on December 13, 2005.

10.02 2006 Vehicle Sales

Mr. Wilson proposed the sale of the following vehicles in 2006; a motion will be required next year.

Unit # 44	1 ton 1990 GMC	375,000 km
Unit # 45	1 ton 1990 GMC	380,000 km
Unit # 103	¾ ton 1994 GMC	230,000 km

Unit # 108	½ ton ext. cab 1995 GMC	205,000 km
Unit # 127	¾ ton 1996 Chev	212,000 km
Unit # 142	½ ton 1998 Dodge	208,000 km
Unit # 162	½ ton 2001 Dodge	204,000 km
Unit # 164	½ ton 2001 Dodge	177,000 km

Criteria for selling trucks was discussed, based on a combination of year, kilometers and condition.

10.03 2006 Vehicle Purchases

Mr. Wilson also proposed to purchase in 2006:

one	4x4	1-ton truck
two	4x4	¾-ton trucks
five	4x4	½-ton trucks
one	4x4	extended-cab ½-ton truck

It was noted that the current 4x4 1-ton truck will not be sold, but moved from the electrical department to the PHD program. As well, the extended-cab truck for Jim Meador is necessary for administration paperwork and frequent passengers.

2005-12-267 Moved by C. Henrickson that the Board approve the purchase of one 4x4 1-ton truck, two 4x4 ¾-ton trucks, five 4x4 ½-ton trucks and one 4x4 extended-cab ½-ton truck in 2006. Seconded by P. Hemsing. CARRIED

10.04 Draft Equipment Disposal Policy

E. Wilson proposed the following policy for the disposal of heavy equipment and trucks:

Heavy Equipment	<ul style="list-style-type: none"> - obtain trade-in price from dealers and decide whether to accept or sell privately - if selling privately, advertise for bids and get quotes from auction companies at the same time; decide whether to sell by auction or accept one of the bids
Trucks	<ul style="list-style-type: none"> - 1 ton and smaller - sell by auction (preferably a local auction)

A Board member requested that both the year and number of hours used be noted on the heavy equipment when listing for sale. A short discussion on bid processes was held.

2005-12-268 Moved by C. Henrickson that the Board approve the Equipment Disposal Policy as amended. Seconded by A. Nielsen. CARRIED

[11:35 a.m. Lunch break.]

[12:38 p.m. R. Matoba and B. Hale entered the meeting; F. George was absent.]

11.0 Lands

11.01 Irrigated Leases # 8136 and # 8142

R. Matoba and E. Wilson updated the Board as to the replies from the current lease holders. One lessee has indicated definite interest in purchasing the lease; another has concerns with the mainline purchase offer. It was requested that the District's offer to purchase the underground mainline be further explained to Mrs. Colben to ensure better understanding of that transaction and of the asking price for the sale of the land.

[12:45 p.m. F. George entered the meeting and R. Matoba exited.]

11.02 Grazing Report

11.02.5 2005 Grazing Report & Comments

B. Hale gave a verbal report on the 2005 grazing season. 14,386 cattle were pastured on community leases in 2005. The balancing of the number of cows and the forage and soil conditions were commented on for several leases, with note of the Rock Lake pivots and apparent related cattle sickness. Adding minerals early on, positioning dugouts in pivot corners, and installing separate watering devices to keep the cattle out of any standing water was suggested by Board members.

40 miles of fencing were completed. Mr. Hale has requested that a letter be sent out from our oil and gas department to all area oil and gas operators, not just the division heads, regarding the EID Oil & Gas Policy related to EID lands, ex. gates, Texas gates, dust control, etc. Corral repairs in Finnigan and Bassano areas were highlighted, along with water lines in Bassano and Newell areas that are scheduled to be completed in 2006.

11.02.1 Number of 2006 Applications

Mr. Hale noted that for 2006, 13,944 cattle are being applied for turnout on community leases. This is 442 lower than in 2005. Listing is 14,386.

11.02.2 Setting Cattle Numbers for 2006

A total number of 14,000 head was recommended by Mr. Hale, with the suggestion to review this number in spring when moisture levels can be determined more accurately. All but one grazing association preferred increasing the member total from 40 to a maximum of 45 for 2006. The Board supported leaving the number at 40 for now, with a review of this in April.

11.02.3 Irrigated Pasture Fertilizer Costs & Options

For the Kitsim pivot pasture, ponch, compost and fertilizer were discussed, with compost determined to be the most cost efficient and still with satisfactory results. Buying ready made compost, or processing on site was also discussed.

11.02.4 GAC Meeting

Mr. Hale concluded his report with a summary of the GAC meeting held last week. In addition to some matters listed above, the problem of unpaid bills was discussed. The Board encouraged the Associations to stick to policy in their billing. Two community lease members have not been paid compensation for loss of calves due to oil and gas activity. B. Chrumka has requested that this matter be updated at the January Board Meeting.

Mr. Hale has made the associations aware of a Trichomoniasis outbreak across the river from our south pastures. The lease presidents had discussed various proactive control measures. Applicant eligibility was reviewed. In regards to the 'new' versus 'full member' policy, it was suggested by a Board member that this be looked at more closely in the policy discussions at the Board Retreat in hopes of making a clearer definition. Application rejections were listed, and it was emphasized to take all matters into consideration when making a decision. Lastly, Mr. Hale and E. Wilson anticipate a meeting with a representative of the Antelope Creek Ranch in late January or early February to negotiate a lower grazing rate and more flexibility in grazing numbers.

[1:41 p.m. B. Hale exited the meeting.]

[1:45 p.m. T. MacLean and R. Martin entered the meeting.]

11.03 Partners in Habitat Development 2005 Year End Report

T. MacLean gave a summary of the PHD program for 2005. 51,437 trees and shrubs were planted in 27 projects, 4 of which were in conjunction with the County of Newell's Rural Conservation Technician. Five additional projects involved designing and ordering trees and shrubs for the landowners who planted and maintained the trees themselves. Plastic mulch and drip tape has proved to be very successful.

Spring replacements on previous PHD sites included 5000 trees and shrubs. Extreme rainfall, grass competition and quality of stock were the main causes of seedling demise – an overall survival rate of 79% was experienced for 2005. 920 shrubs potted by PHD staff and irrigated in summer by the Crop Diversification Centre – South were used as fall replacements. A total of 13.3 kms of fencing was installed to protect new plantings. Four winter wildlife food plots were left standing for the winter, along with 12 wildlife feed barrels.

Plans for 2006 include planting just over 51,000 trees and shrubs on 33 different project sites. Seven fencing projects are lined up, with more anticipated. As well, one possible wetland may be developed. A power point on several projects was shown, and a DVD of the PHD program was made available.

In discussion regarding the PHD's policy to pursue PHD projects with private landowners before EID owned land, E. Wilson suggested that this be rethought in light of potential development land. It was also noted that this could be done outside of the PHD program.

11.04 Public Access Summary Report

R. Martin District staff and the County of Newell Special Constable conducted periodic patrols of District lands for access violations. Assistance from Dinosaur Park and Fish & Wildlife staff also helped enforce public access rules. Infractions included a couple of incidences of individuals camping in undesignated areas, abandoned vehicles, dirt bike activity and apparent artifact diggers. Overall there were few problems this year. The wet summer likely was a factor in reducing some of the camping activities over previous years and the fact that people are becoming more aware of the EID's access policies.

Periodic hunter checks were conducted during the antelope and bird game seasons with no vehicles found violating the access guidelines. During the November deer season daily patrols were conducted on the designated route areas, the Rosemary Community Pasture and a couple of days on the Patricia Community Pasture. A total of 345 vehicles (22% increase from last year) were observed on District lands during this time with only 7 found violating the District's access guidelines, for a compliance rate of 98%.

[2:17 p.m. T. MacLean and R. Martin exited the meeting.]

11.05 Newalta Request to Purchase Land

K. Bridges presented the request from Newalta expressing an interest in purchasing land for the purposes of constructing and operating a Class 2 landfill. The landfill is intended to manage solid wastes generated by the petroleum industry (not municipal wastes), acting as a disposal site for contaminated soils. Newalta intends to accept wastes from its Brooks, Taber and Hayes operations; and it may accept wastes from other petroleum-related generators. A discussion of the summary conducted by G. Redelback, B. Hale and K. Bridges on the locations proposed by Newalta resulted in the Board agreeing to look at a couple of potential sites only if a very attractive minimum price was on the table.

[2:35 p.m. A short break was taken.]

[2:40 p.m. G. Redelback entered the meeting.]

11.06 EnCana Negotiations

Mr. Wilson handed out a table of EnCana's third and fourth offers of the proposed 5 year agreement. The Board members present gave their opinion regarding the latest offer and preference of action. E. Wilson will speak to T. Livingston to obtain his opinion.

[3:12 p.m. G. Redelback exited the meeting.]

12.0 General Manager's Report**12.01 Meeting with Ministers Horner & Oberg – December 6th**

B. Chrumka, A. Nielsen and E. Wilson met with Ministers Horner and Oberg, along with Len Ring and Barry Mahr on December 6th in Edmonton. The meeting went well, with the explanation and discussion of the EID's systems, programs, high speed internet and '\$0' water rate.

12.02 Meeting with Ministers Boutilier & Oberg – December 13th

B. Chrumka, T. Livingston and E. Wilson met with Ministers Boutilier and Oberg, along with Peter Watson on December 13th in Edmonton. Again, this meeting was thought to be successful, with conversation centering on the Water for Life Strategy, the 30% conservation targets and the need for storage.

12.03 AIPA Manager's Meeting – December 9

E. Wilson attended the AIPA Manager's Committee meeting on December 9th in Lethbridge. It included a presentation from Alberta Economic Development on the study they are undertaking on the value of water. The water council will be asking each sector to address how they can conserve water, keep up economic growth and plan for storage.

12.04 AIPA Annual Meeting – December 16

B. Chrumka, C. Henrickson, T. Livingston and E. Wilson attended the AIPA Annual Meeting in Picture Butte. Mr. Wilson reviewed the election results, and noted that although most districts were initially in favour of the higher budget, the lower budget was passed. It was felt that additional money can be requested from districts if special projects are necessary later in the year.

12.05 Paul Seaton's Request to Purchase Land, Water-ski Slalom Course

Paul Seaton has requested to purchase a small piece of land that he currently leases so he has permanent access to some of his other land. He has also requested that the EID consider closing a portion of the north end of Greenwald Inlet so a private commercial water-ski slalom course could be set up. After discussion, the Board felt that adequate access is already available to Mr. Seaton; and that due to wildlife, residents and a developer they were not interested in allowing the water-ski course.

12.06 County of Newell's Request to Cost Share Ground Water Study

The County of Newell has asked the EID to consider cost sharing with them \$17,500 of a \$70,000 PFRA ground water study for the area. The Board declined the cost sharing option, but would like to offer GIS mapping services.

12.07 Staff Changes

Mr. Wilson pointed out two vacant positions, one due to an inner office transfer and another due to retirement. Both positions will be re-evaluated in light of other positions before filling.

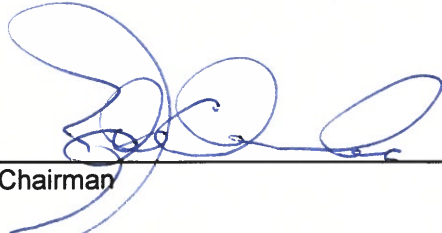
12.08 Northwest Operator's Conference – Boise, Idaho

Mr. Wilson passed on recommendations of this conference exceeding that of the CRWUA's. Some Board members are considering attending and will confirm at next months meeting.

13.0 Upcoming Events

13.01	January Board Meeting	January 24, 2006
13.02	Board Retreat	(week following)
13.03	Northwest Irrigation Operators 2006 Conference	February 14-16

C. Henrickson moved adjournment of the meeting at 3:46 p.m.



Chairman

General Manager