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January 17, 2006 (Special) Directors Meeting

The Directors of the Eastern Irrigation District held a special meeting on the 17th day of January, 2006. 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 Gen. Man.	(12:40)
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant	(12:35)
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 10:30 a.m.

1.0 Approval of the Agenda

There were no items noted for addition.

2006-01-001 Moved by P. Hemsing that the Board adopt the agenda as presented. Seconded by N. Johnson. CARRIED

2.0 General Manager's Contract Review

The Board of Directors and E. Wilson discussed the General Manager's contract.

[10:50 a.m. E. Wilson exited the meeting.]

[11:40 a.m. – 12:30 p.m. Lunch break.]

4.0 Delegation from Gem, Rosemary and Patricia re: EnCana Negotiations

Mr. Wilson updated the Board on the recent developments in the EnCana negotiations.

[W. Enns, K. Bridges and G. Redelback entered the meeting at 12:35, 12:40 and 12:45 p.m. respectively.]

A table of proposed compensation rates was distributed to the Board, with discussion following.

[1:00 p.m. Bruce Beasley, Leonard Parker and Richard Hiebert entered the meeting.]

B. Chrumka welcomed Mr. Beasley (representing Patricia), Mr. Parker (representing Rosemary) and Mr. Hiebert (representing Gem) to the meeting, and introduced the Board of Directors and Administration. The delegation presented their position in requesting the Board delay final signing of the EnCana Area Operating Agreement. The impact of a signed agreement, similarities and differences between the District and private landowner negotiations, and compensation points were discussed.

[2:55 p.m. B. Beasley, L. Parker and R. Hiebert exited the meeting.]

[2:55 p.m. – 3:05 p.m. A short break was taken.]

The Board gave comment as to the discussion with the delegation, and offered direction to the District Administration.

[3:27 p.m. G. Redelback exited the meeting.]

3.0 Third Reading of Election By-Law 848

At the December 20, 2005 Board meeting, the 1st and 2nd readings of By-Law 848 (2005) were conducted establishing the date for nominations of Directors for Divisions 3 and 6 ceasing on Thursday, March 30, 2006, and the date for the election of Directors for Divisions 3 and 6 as at Friday, April 21, 2006.

2006-01-002 Moved by A. Nielsen that By-Law 848 (2005), being a by-law to set the date and time when the right to file nominations expires and to set the election date, be read the third time and finally passed. Seconded by F. George. CARRIED

5.0 Bassano Dam Land Claim Update

Mr. Wilson informed the Board of a 'flood and seepage easement' compensation clause that could be included in the life of the Bassano Dam Land Claim Agreement, or a separate deal negotiated outside of the claim. These options were discussed, with the agreement to bring this item back to the next meeting.

6.0 Northwest Irrigation Operators Conference – Feb. 14-16, Boise, Idaho

N. Johnson, F. George, C. Henrickson and possibly P. Hemsing have agreed to attend this conference.

7.0 Future Board Meetings

E. Wilson gave suitable dates for the next several meetings. He also suggested to move the January 24th Board Meeting to the 30th. Discussion was held regarding making a Board Member policy for a meal allowance instead of handling receipts.

2006-01-003 Moved by N. Johnson that the Board approve a meal allowance of \$10 for breakfast, \$20 for lunch and \$30 for dinner when Board Members are traveling. Seconded by F. George. CARRIED

- 7.01 Regular Board Meeting - Monday, January 30th (moved from the 24th)
- 7.02 Special Board Meeting - Friday, February 10th
- 7.03 Regular Board Meeting - Tuesday, February 28th
- 7.04 Special Board Meeting - Thursday, March 2nd
- 7.05 Farmer Meeting(s) - March ?
- 7.06 Annual Meeting - Wednesday, March 29th (tentative)

[4:05 p.m. E. Wilson, K. Bridges and W. Enns exited the meeting.]

4:00 p.m. Board In-Camera

C. Henrickson moved adjournment of the meeting at 5:00 p.m.

Chairman

General Manager

January 30, 2006 Directors Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 30th day of January, 2006. Those in attendance were:

Mr. Bob Chrumka	Chair	[Division 6]	Mr. Earl Wilson	General Manager (9:15 a.m.)
Mr. Allen Nielsen	Vice-Chair	[Division 5]	Mr. Kevin Bridges	Assistant Gen. Man. (9:15 a.m.)
Mr. Floyd George	Director	[Division 1]	Mrs. Wendy Enns	Executive Assistant (9:15 a.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 9:00 a.m.

9:00 a.m. In-Camera

The Directors held an in-camera session before the regular meeting.

[9:15 a.m. E. Wilson, K. Bridges and W. Enns entered the meeting.]

1.0 Approval of Agenda

The following items were noted for addition:

- 3.0 Business Arising
- 8.08 Luscar
- 8.09 Newalta
- 8.10 Cattle Reimbursement
- 8.11 Water Start Up Date
- 8.12 Bow River Basin

2006-01-004 Moved by P. Hemsing that the Board adopt the agenda as presented with additions. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes**2.01 December 20, 2005**

The minutes were accepted as circulated.

2006-01-005 Moved by A. Nielsen that the Minutes of the December 20, 2005 regular Board Meeting be approved as presented. Seconded by T. Livingston. CARRIED

2.02 January 17, 2006

The minutes were accepted as circulated.

2006-01-006 Moved by T. Livingston that the Minutes of the January 17, 2006 special Board Meeting be approved as presented. Seconded by C. Henrickson. CARRIED

3.0 Business Arising**3.01 Jack Adams – Capital Asset Payment**

Jack Adams has requested to extend his capital asset payment for irrigation acres on W ½ 31-20-13 W4M longer than 10 years. This request was not granted.

4.0 Financial Report

4.01 December 31, 2005 Financial Statements

K. Bridges presented the Financial Statements to December 31, 2005, noting that the numbers reported are to be viewed as preliminary. Year end entries will be finalized once all invoices are received, as well as amortization/depreciation, deferred grant revenue and capital asset amounts are calculated. The following points were highlighted and a few questions from the Board were discussed.

- Due to the overall decline in oil and gas activities throughout 2005, the District's revenues in total will finish the year below budget and below prior YTD.
- Total net expenses, on a preliminary basis, are about 11% under budget. Each of the departments is under budget.
- YTD surplus, on a preliminary basis, is \$12.4 million.
- The 2005 audit work resumed on January 25th.

2006-01-007 Moved by C. Henrickson that the Board approve the Financial Statements to December 31, 2005, as presented. Seconded by P. Hemsing. CARRIED

4.02 4th Quarter Investment Report

K. Bridges presented the 4th Quarter Investment Report, as summarized below:

- The market value of the District's investments at December 31, 2005 is \$1.8 million more than at December 31, 2004. The increase is the result of investment earnings plus new investment purchases less some investments being cashed to meet capital construction funding requirements.

Various reinvestments were noted and discussed. A Board member gave suggestion to a favorable investment plan with the UFA. Mr. Bridges will look into this.

2006-01-008 Moved by P. Hemsing that the Board approve the 4th Quarter Investment Report Summary to December 31, 2005, as presented. Seconded by A. Nielsen. CARRIED

5.0 EIDNet

Mr. Bridges also presented the EIDNet report on behalf of R. Hayes.

There are 683 current Dial-Up accounts and 680 Wireless accounts, with a total of 1363. This exceeds the projected number at this time of 1225. Emails and letters have been sent out to all customers outlining the problems with random connection drops in all areas of the District. The Alvarion technician is scheduled for the week of February 6th to help diagnose and fix the problem. In the meantime, staff is trying other approaches to address connectivity and slow down problems. New radio equipment is being tested to aid higher density areas; and a new first hand system of addressing first site visits will be in place to reduce wait time for basic support service calls.

Existing and proposed towers were discussed. As well, it was emphasized that new customers would only be signed up as informed to the present situation. Mr. Bridges added that other internet providers were having similar problems. B. Chrumka noted appreciation for the recent update on internet difficulties and requested that more updates be forthcoming when needed.

6.0 Equipment

6.01 Results of Bids on Trucks

E. Wilson summarized the table of quotes on ½ and ¾ ton trucks, noting that Martin Chrysler was the successful bidder. A few trucks were ordered from the factory, as standard cab trucks are getting harder to find on the lot.

[9:50 a.m. – 10:00 a.m. A short break was taken.]

[10:00 a.m. G. Romao entered the meeting.]

7.0 Engineering

7.01 Rehabilitation Projects – Construction Status & Structures

G. Romao presented the status reports as follows. A short discussion was held on screen cleaners, with other project questions being answered as well.

Canal Earthworks

Antelope Creek	- 8.0 km	13 East Branch	- .2 km
Tilley Canal	- 2.0 km	17G Springhill	- .2 km
S Tilley	- 1.2 km	Lower North Bantry	- 2.0 km
9H West Bantry	- .2 km		

All canal earthworks are complete except for placing armour at Lower North Bantry canal.

Pipelines

Completed:	S Tilley	- 2.0 km
	9H West Bantry	- 1.5 km
	13 East Branch	- 1.5 km
Underway:	R North Bantry	- 18 km installed, 19 km to go
	17G Springhill	- 11 km installed, 4 km to go
Remaining:	4 Bow Slope	- 6.0 km
	03 North Branch	- 2.8 km

Structures

5 Cast-in-place Structures: - on One Tree Creek
- site preparation started this week

Precast Structures: - 27 out of 48 structures have been installed

Other Capital Works Activities:

- Flow Meters: - install 23 flow meters on new and existing pipelines
- Screen Cleaners: - 9 screen cleaners will be retro-fitted on existing pipeline inlets and 3 screen cleaners are being installed on new pipelines
- Gabion Chutes - on North Bantry pond spillway

7.02 Springhill Drop Modification

Mr. Romao noted that the canal deliveries in NE 30 and NW 29-20-17 W4M are difficult to supply at low flows in the Springhill canal. It is proposed to raise the weir height of the existing drop structure to ensure a high enough water level at all times. E. Wilson noted that this canal was originally designed with expansion in mind. As well, the turnout for NW 29 is in need of repairs. The estimated cost for these two items is \$16,000. It is recommended to add this to the 2005/06 Capital Structures Program.

2006-01-009 Moved by N. Johnson that the Board approve the rehabilitation of the Springhill weir and turnout for NW 29-20-17 W4M at a total cost of \$16,000, to be added to the 2005/06 Capital Structures Program. Seconded by A. Nielsen. CARRIED

7.03 Farm Turnout Policy Discussion

Mr. Romao requested to review the policy for serving abandoned turnout sites during canal rehabilitation. An example on 03-02D Springhill was presented. Discussion followed with the agreement that only active turnouts be accommodated.

7.04 03 North Branch Extension

Mr. Romao summarized that the County of Newell and Doug Schaffer are both requesting an extension of the 03 North Branch pipeline that is scheduled for construction this spring. The proposed extension would supply Mr. Schaffer's pivot in SE 14-21-18 W4M, allowing him to go to "irrigation acres" and eliminate the need to pump from the drain; and would also supply a dugout to be expanded by the County, from which water would be pumped to acreages to the south. The cost of this extension is estimated at \$61,000.

2006-01-010 Moved by P. Hemsing that the Board approve the 03 North Branch pipeline extension to SE 14-21-18 W4M, at a cost of \$61,000, to be cost shared equally by Doug Schaffer, the County of Newell and the EID; and that Doug Schaffer's "terminable acres" be converted to "irrigation acres". Seconded by N. Johnson. CARRIED

[10:50 a.m. G. Romao exited the meeting.]

8.0 Lands**8.08 Luscar Update**

E. Wilson briefed the Board on the situation to date. Land dealings with the District have not been started as yet.

[10:52 a.m. B. Hale entered the meeting.]

B. Chrumka requested that the Luscar land dealings be added to the future Board planning meeting.

8.09 Newalta Request to Purchase Land

K. Bridges reported that nothing has transpired since his telephone conversation with them after December's Board Meeting.

8.01 Request to use EID land to host Sheepdog Trial Competition

B. Hale summarized the letter he received from Ian & Jo Ann Zoerb requesting permission to use EID lands to host a Sheepdog Trial Competition. About a ¼ section of sloped prairie grass with no cactus is required; and they have listed event specifications that they would be responsible for. A probable event date would be in late summer or early fall; and it was noted that a land use agreement will need to be in place.

2006-01-011 Moved by F. George that the Board approve the use of EID land at the Silver Sage, Kinbrook Island, Rolling Hills Reservoir Campground or Crawling Valley for a Sheepdog competition, with the stipulation of no random camping allowed. Seconded by A. Nielsen. CARRIED

8.10 Cattle Reimbursement

As a follow up to the Grazing year end report, Mr. Hale stated that one of the two owners has received payment for loss of a calf due to oil and gas activity. The other owner has not received payment as yet.

[11:08 a.m. B. Hale exited the meeting.]

8.03 Grazing Lease Transfers - # 7068 and # 7219

Grazing Lease # 7068 – SE 11-14-13 W4M, Pt. NE 02-14-13 W4M (200 acres)

Grazing Lease # 7219 – Pt. Sec. 01 & 02-14-13 W4M (390 acres)

The current lessee, Joel Cordes, is selling his farmland to Dallas Maldaner of Rolling Hills. Mr. Cordes wishes to transfer the two leases to the buyer.

2006-01-012 Moved by T. Livingston that the Board approve Private Grazing Leases numbered 7068 and 7219 to be transferred from Joel Cordes to Dallas Maldaner. Seconded by P. Hemsing. CARRIED

8.04 Irrigable Units – Discharge & Registrations

A structure is to be installed in the Summit Drain. The terminable irrigation in SW & NW 25-16-14 W4M will be converted. There is a 380 acre pivot which covers the irrigation assessment in the 4 parcels with the delivery point being off of the drain. The 2 east parcels were made into an irrigable unit previously because they had first water with only one turnout available (off of 10 H West Bantry). This irrigable unit needs to be discharged and a new one registered on all 4 parcels.

2006-01-013 Moved by P. Hemsing that the Board approve the discharge of the irrigable unit on SE 25-16-14 W4M and NE 25-16-14 W4M. Seconded by C. Henrickson. CARRIED

2006-01-014 Moved by T. Livingston that the Board approve the registration of “irrigable units” on:

- SE 09-21-12, SW 09-21-12 and NW 09-21-12 W4M, lands being owned by Todd Irwin;
- Parts of SE 12-17-14, NE 01-17-14 and NE 01-17-14 W4M, lands being owned by D. Peterson Farms Ltd.
- SE 25-16-14, NE 25-16-14, and Pts. SW 25-16-14 & NW 25-16-14 W4M, lands being owned by Keith Benson and Mark Benson.

Seconded by P. Hemsing. CARRIED

[11:10 a.m. R. Martin entered the meeting.]

[11:12 a.m. R. Matoba entered the meeting.]

8.02 Request to use EID land for Ringneck Classic Pheasant Shoot

R. Martin highlighted the letter he received from the Kinsmen Club of Brooks requesting permission to use EID land for their 5th Annual Ringneck Classic pheasant hunting derby on February 24 & 25, 2006. Mr. Martin and F. George reported that the event went very well last year and that there were no concerns.

2006-01-015 Moved by F. George that the Board approve a one day winter pheasant hunt sponsored by the Brooks Kinsmen Club, 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 \$5,000,000 liability insurance and have a release signed by those participating. Seconded by N. Johnson. CARRIED

[11:16 a.m. R. Martin exited the meeting.]

8.05 Irrigation Application – Stephen Murray – SW 29-14-12 W4M

R. Matoba reported that previously, at the November 25, 2004 Board meeting, Stephen Murray applied for 100+ irrigation development acres with the intention of installing a pivot which would encroach on EID lands (Twelve Mile Coulee). The Board favoured development contained wholly within Mr. Murray’s own lands. Mr. Murray was granted 22 additional acres (through conversion

efficiency) which would enable him to install a smaller 84 acre pivot contained within his own lands.

Mr. Murray feels that it is not worthwhile to go with a small pivot. He is prepared to install a pivot with a corner arm in order to stay within his lands. He would be able to cover about 108 acres with this kind of pivot. The soils have been found to be irrigable.

2006-01-016 Moved by C. Henrickson that the Board approve the Stephen Murray irrigation application to increase the assessment on SW 29-14-12 W4M from 62 to 108 acres on the condition that the pivot does not extend onto District right-of-way land. Seconded by P. Hemsing. CARRIED

[11:22 a.m. R. Matoba exited the meeting.]

8.06 Lake Newell Utility Inc. Annual Return

K. Bridges presented the Lake Newell Utility Inc. report and proposed resolutions. In response to a question, administration advised that, pursuant to a Utility Operating Agreement, Condominium Corporations numbered 9411173 and 9411176 have responsibility for the prudent and safe management, administration and operation of the utility equipment owned by Lake Newell Utility Inc. The condominium corporations have agreed to indemnify and save harmless Lake Newell Utility Inc. and to maintain in force a public liability insurance policy of at least \$2,000,000 per occurrence. Lake Newell Utility Inc. is a named insured on this policy. The sale and transfer of ownership of Lake Newell Utility Inc. to the County of Newell is expected to be completed during the spring of 2006.

2006-01-017 Moved by C. Henrickson 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 shareholder 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**

Seconded by F. George. CARRIED UNANIMOUSLY

8.07 Bassano Dam Land Claim

E. Wilson briefed the Board on the proposed settlement to date, noting that a seepage easement clause is presently being worked on. The Board re-confirmed their position on this proviso.

8.11 Water Start-Up Date

F. George suggested that the Board start thinking about an early start-up date for water this spring. A few comments followed, with the overall understanding that conditions and supply will be clearer in the months ahead. In response to a question on the present snow pack, Mr. Wilson relayed that it is low, but that historically the next couple months bring heavy precipitation.

10.0 Upcoming Events**10.05 Farmers Meeting**

A preliminary discussion on location, topics and dates was held.

[11:45 a.m. – 12:45 p.m. Lunch break.]

8.0 Lands**8.12 Bow River Basin Council**

E. Wilson reported that as a follow up to the BRBC "2005 Report on the State of the Bow River Basin", Junior High School and public sessions are being held in related areas. For Brooks, Thursday, April 27th is being proposed; and the Eastern Irrigation District has been asked to be the official local coordinator.

[12:47 p.m. G. Redelback entered the meeting.]

The BRBC has also slated Friday, June 16th for their Gala at the Eau Claire Sheraton in Calgary. The District has been asked to give a donation or be an official sponsor. The discussion and motion on financial support was deferred to after the Oil & Gas Report.

Mr. Wilson also informed the Board that he will probably be attending the "Water, Science & Politics" conference in Calgary, March 27th & 28th.

8.05 Oil & Gas Report

G. Redelback presented his year end 2005 Oil & Gas Report, noting the numbers on new and twinned wells, pipelines and seismic activity. A table of payouts for Grazing Associations, EID Right-of-ways and Private Leases was attached.

8.05.1 Draft EID/EnCana Area Operating Agreement

Administration and the Board of Directors discussed and made a few minor revisions to the draft EID/EnCana agreement, noting that when completed, it will be used as a basis for other oil & gas company negotiations. E. Wilson gave suggestion that area landowners put a clause in their individual agreements requesting that oil & gas companies move their lines at their cost if the landowner's personal irrigation development requires it. Mr. Wilson also suggested that the landspreading rate be set at the February 28th regular Board Meeting, with Directors polling their constituents prior to that.

[1:50 p.m. B. Hale entered the meeting.]

Mr. Wilson noted that supply of drilling water also needs to be discussed at the upcoming Farmers Meeting. Right-of-ways and gates were discussed at length, with the following motion being passed. Mr. Wilson added that this draft, with revisions, will be copied to the District's lawyer for legal advice.

2006-01-018 Moved by T. Livingston that Texas gates be installed on District property, only by permission of the EID. Seconded by C. Henrickson. CARRIED

[2:53 p.m. G. Redelback and B. Hale exited the meeting.]

8.12 Bow River Basin (continued)

In regards to the District being asked to give a donation or be an official sponsor of the upcoming BRBC Gala, the following motion was passed.

2006-01-019 Moved by T. Livingston that the Board donate \$5,000 as sponsor of the Bow River Basin Gala in Calgary on June 16, 2006. Seconded by C. Henrickson. CARRIED

[2:57 p.m. – 3:06 p.m. A short break was taken.]

[3:06 p.m. J. Meador, D. Lindsay and G. Romao entered the meeting.]

9.0 Budget – 2006

E. Wilson presented the Draft 2006 Budget, based on a "\$0" Water Rate. Administration and the Board of Directors reviewed the budget at length, with E. Wilson noting that the final approval will be handled at the February 8th special Board Meeting. Mr. Wilson also noted several rates and fees to be set at that time.

[4:08 p.m. J. Meador, D. Lindsay and G. Romao exited the meeting, and Curtis Huber and son entered.]

4:10 p.m. – Tender Opening – Irrigated Leases # 8136 and # 8142

E. Wilson opened the tenders received (one each) for Irrigated Leases # 8136 and # 8142 in attendance of Mr. Curtis Huber and son, the Board of Directors, Mr. Bridges and Mrs. Enns.

- Irrigated Lease # 8136 - \$346,500. – tendered by Vern Parker
- Irrigated Lease # 8142 - \$301,700. – tendered by Vern Parker

A motion to accept or refuse these bids, with the current lease holders having 4 days after bid acceptance to match, will be put forward at the February 8th special Board Meeting.

[4:16 p.m. Curtis Huber and son exited the meeting, and J. Meador, D. Lindsay and G. Romao entered.]

9.0 Budget – 2006 (continued)

Various budget lines were discussed, along with the concept of Campground expansion at existing and new sites. It was suggested to add 10-15 more sites at the Rolling Hills Reservoir Campground and to preliminarily inspect the Crawling Valley Reservoir for possible development.

10.0 Upcoming Events

- | | | |
|-------|------------------------|---|
| 10.01 | Special Board Meeting | - changed from Feb. 10 th to <u>Wednesday, February 8th</u> |
| 10.02 | NWIO Conference | - February 14 th – 17 th , Boise, Idaho |
| 10.03 | Regular Board Meeting | - Tuesday, February 28 th |
| 10.04 | Special Board Meeting | - Thursday, March 2 nd |
| 10.05 | Farmers Meeting | - Tues., March 7 th , in the afternoon at the Heritage Inn, Brooks |
| 10.06 | Annual General Meeting | - Wednesday, March 29 th (tentative) |

P. Hemsing moved adjournment of the meeting at 4:55 p.m.

Chairman

General Manager

February 8, 2006 (Special) Directors Meeting

The Directors of the Eastern Irrigation District held a special meeting on the 8th day of February, 2006. 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 Gen. Man.
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.

1.0 Approval of the Agenda

The following items were noted for addition:

- 4.0 Alberta Society for Pension Reform Statement of Claim
- 5.0 AIPA Update

2006-02-020 Moved by P. Hemsing that the Board adopt the agenda as presented with additions. Seconded by C. Henrickson. CARRIED

2.0 Approval of the Minutes

2.01 March 30, 2005 Annual General Meeting

The minutes were accepted as circulated.

2006-02-021 Moved by C. Henrickson that the Minutes of the March 30, 2005 Annual General Meeting be approved as presented. Seconded by P. Hemsing. CARRIED

2.02 January 30, 2006

The following items were noted for correction:

- Page 7, Motion 2006-01-015, replace "proof of liability" with "proof of \$5,000,000 liability insurance".
- Page 9, 8.05.1, replace "supply of water" with "supply of drilling water".

2006-02-022 Moved by C. Henrickson that the Minutes of the January 30, 2006 Regular Board Meeting be approved as presented with corrections. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

3.01 Spring Information Meetings

The topics, date and location were revisited, with the agreement that two meetings be held instead of one; with one in the north area and one in the south area of the District. The date is tentatively planned for Tuesday, March 7th; afternoon and evening time periods.

4.0 Irrigated Leases – # 8136 and # 8142

E. Wilson reviewed the tenders for the irrigated leases opened on January 30th, noting the District's minimum prices set for these lands as below. The mainline for lease # 8142 has been purchased by the EID and will be sold with the land.

- Lease # 8136 – Minimum price set as: \$345,000
- Lease # 8142 – Minimum price set as: \$260,000 plus \$14,500 for the underground mainline

It was recommended that the Board accept Vern Parker's bids, with the current lease holders having four days after notification to match. K. Bridges will reply to the lease holders in writing.

2006-02-023 Moved by A. Nielson that Vern Parker's bid of \$346,500 for Irrigated Lease # 8136 be accepted. Seconded by N. Johnson. CARRIED

2006-02-024 Moved by A. Nielson that Vern Parker's bid of \$301,700 for Irrigated Lease # 8142 be accepted. Seconded by N. Johnson. CARRIED

5.0 Alberta Society for Pension Reform Statement of Claim

Mr. Wilson and Mr. Bridges informed the Board that the Eastern Irrigation District has been served a Statement of Claim, along with approximately 450 other districts, municipalities, school boards, etc. by a Non-profit Society representing a group of pensioners. E. Wilson assured the Board that the District's insurance company has been notified and that they will file a Statement of Defense on the District's behalf. It is expected, given the number of defendants, that the defense will be coordinated, perhaps by Alberta Government lawyers.

6.0 AIPA Update

F. George, E. Wilson and B. Chrumka reported on the last AIPA meeting they attended. A proposed AIPA environmental study and grant was discussed, with the Board giving input on the appropriate process and partners that should be involved; Bob will notify Harold Unruh.

[10:03 – 10:12 a.m. A short break was taken, and J. Meador and D. Lindsay entered the meeting.]

7.0 2006 Budget

Mr. Wilson presented the revised 2006 Budget based on a "\$0" Water Rate, noting that several other rates need to be set before approving the budget as a whole. After lengthy discussion, the following rates were proposed.

7.01 AUM Grazing Rate

It was agreed that to cover the District's costs, an AUM rate of \$12 be set for 2006.

7.02 Water Rate

A "\$0" Water Rate is once again proposed for 2006.

7.03 Rate charged for Household Purposes and Rural Water Use Purposes

The Board agreed that a 5% increase would be reasonable.

7.04 Conveyance of Other Licenses

The Board also agreed that a 5% increase would be reasonable.

7.05 Rate charged for Dirt for the County of Newell and Oil & Gas Companies

It was proposed to keep the rate for the County at .40/m³ and to raise the rate for the Oil & Gas Companies to \$2.00/m³.

7.06 Rate for Landspreading

It was agreed to amend this rate from \$500/shallow well and \$800/deep well to \$600/shallow well and \$900/deep well.

7.07 Cost of Living Increase

The cost of living increase and staffing needs were discussed in depth and in light of the current employment market.

7.08 Capital Purchases

The capital items currently listed in the budget for purchase were supported.

7.09 PHD Contribution

The PHD contribution for 2006 is set at \$50,000.

7.10 Tree Planting on District Land

This budget line was added in for 2006 and given an allowance of \$50,000.

7.11 Seismic Fee

This was discussed briefly; an amount will be proposed in consultation with G. Redelback.

In summary, overall budget concerns or comments were taken and it was decided to bring the revised budget back to the next meeting for final approval.

8.0 Employees Driving Personal Vehicles

Mr. Wilson introduced discussion on this topic by mentioning which administration or staff personnel drive their own vehicles for work related business. It has been calculated that it is more economical for the District to provide company vehicles for those who use them frequently, and to pay employees a mileage rate who use their own vehicles on an infrequent basis. Before making a motion that would affect the broad span of employees, it was suggested that E. Wilson take a closer look at the savings and expenses involved and bring the discussion back to the Board.

9.0 InterPipeline – Request to Purchase Land

E. Wilson informed the Board that InterPipeline, which owns a small piece of land on NW-11-20-12 W4M from a sale many years ago, wants to purchase an additional half an acre to do an expansion on their plant. As land dealings with oil and gas companies now are on a lease basis, it was supported to offer a lease and not a sale of the land.

[J. Meador and D. Lindsay exited the meeting.]

A. Nielsen moved adjournment of the meeting at 11:42 a.m.

Chairman

General Manager

February 28, 2006 Regular Directors Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 28th day of February, 2006. 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 Gen. Man.
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 9:04 a.m.

1.0 Approval of the Agenda

The following item was noted for addition:

- 10.06 City of Brooks Arena

2006-02-025 Moved by C. Henrickson that the Board adopt the agenda as presented with additions. Seconded by T. Livingston. CARRIED

2.0 Approval of the Minutes

The following item was noted for correction:

- Page 12, 6.0 AIPA Update, add "Bob will notify Harold Unruh." to the end of the paragraph.

2006-02-026 Moved by C. Henrickson that the Minutes of the February 8, 2006 Special Board Meeting be approved as presented with the correction. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

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

4.0 Northwest Irrigation Operators Conference - Report

C. Henrickson presented a written report on the conference he, N. Johnson, F. George and P. Hemsing attended in Boise, Idaho, February 14th – 16th. Several key items were discussed, including American districts losing control to small irrigators and domestics, and current and future water rights and trade.

5.0 Financial Report**5.01 December 31st, 2005 Financial Statements**

These finalized statements were received as information.

5.02 4th Quarter 2005 Accounts Receivable Report

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

2006-02-027 Moved by N. Johnson that the Board approve the 4th Quarter 2005 Accounts Receivable Report, as presented. Seconded by T. Livingston. CARRIED

5.03 January 31, 2006 Financial Statements

K. Bridges presented the financial statements to January 31st, noting that the budget amounts included are for 2005, therefore no 2006 budget comparatives are available in the report.

- Gross YTD revenues equal \$2.46 million. Expenses, net of recoveries, equal \$391,000 resulting in a YTD surplus of \$2.07 million.

2006-02-028 Moved by C. Henrickson that the Board approve the Financial Statements to January 31, 2006, as presented. Seconded by P. Hemsing. CARRIED

5.04 2006 Budget Approval

E. Wilson reported on the adjustments from the last budget presented. He responded as well to various inquiries regarding the Rolling Hills Reservoir Campground, Lake Newell Injection Plant and the old EID shop and yard.

2006-02-029 Moved by P. Hemsing that the Board of Directors approve the 2006 Budget of the Eastern Irrigation District as presented. Seconded by T. Livingston. CARRIED

5.05 Rates and Fees

5.05.1 By-Law 849 (2006) 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.

E. Wilson presented the proposed by-law, suggesting to change the 20% discount on point (7) to 0% as this applies to the water rate, which is at "\$0". The Board was in agreement with the change.

Eastern Irrigation District

BY-LAW 849 (2006)

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 **2006-02-029**, approved an operating budget for fiscal 2006 as stipulated in section 117 of the Irrigation Districts Act,

AND WHEREAS, this by-law 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 2006, excepting those to which a minimum payment or surcharge applies, is established at **\$0.00** per acre.
2. The rate for all acres of land assessed as irrigation acres in 2006, 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 irrigated under a terminable water agreement in 2006, excepting those to which a minimum payment or surcharge applies, is established at **\$0.00** per acre.

4. The minimum payment in lieu of an irrigation charge for annual agreements, irrigation acres and terminable water agreements in 2006 is established at **\$0.00**.
5. 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.
6. 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.
7. A discount in the amount of **0%** 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.
8. 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.

The within **By-Law 849 (2006)** 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:

- 2006-02-030** Moved by A. Nielsen that the Board read and approve **By-Law #849 (2006)** the first time this 28th day of February, 2006. Seconded by P. Hemsing. **CARRIED**
- 2006-02-031** Moved by A. Nielsen that the Board read and approve **By-Law #849 (2006)** the second time this 28th day of February, 2006. Seconded by P. Hemsing. **CARRIED**
- 2006-02-032** Moved by T. Livingston that with all Directors being present, the Board give third reading to **By-Law #849** this 28th day of February. Seconded by C. Henrickson. **CARRIED UNANIMOUSLY**
- 2006-02-033** Moved by P. Hemsing that **By-Law #849 (2006)**, being a by-law to set the Rates for Annual Agreements, Irrigation Rates, Terminable Water Agreement Rates, Minimum Payment in Lieu of Irrigation Charge, Surcharges, Discounts and Penalties on Unpaid Amounts, be read the third time and finally passed. Seconded by T. Livingston. **CARRIED**

The approved by-law will be sent to Irrigation Council.

5.05.2 By-Law 850 (2006) Setting Fees for Household Purposes, Rural Water Use Purposes, Water Conveyance Agreements and Interest Penalties on Unpaid Amounts

E. Wilson presented the proposed by-law, with K. Bridges suggesting to take the first line and amount out of the appendix table as it is redundant. T. Livingston suggested adding "acre feet" when specifying "other licenses" amounts. The Board was in agreement with the changes, the amended by-law is as follows:

Eastern Irrigation District
BY-LAW 850 (2006)
 Setting Fees for Household Purposes, Rural Water Use Purposes, Water Conveyance Agreements
 and Interest Penalties on Unpaid Amounts
[Irrigation Districts Act, Section 115]

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

AND WHEREAS this by-law 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 by-law as Appendix A].
2. The fee for conveyance of water for household purposes for 2006:
 - (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 **\$179.00**, or
 - (c) for any single parcel of land or single-lot country residential subdivision that is subject to a household purposes agreement and receives water through a pressurized water conveyance system, is established at **\$315.00**, 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 **\$105.00** 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>
Farmyard Water Use	refers to rural water use by an irrigator on a parcel of land with irrigation acres, where the annual water requirement, in addition to water supplied for household purposes, is limited to and does not exceed 5 acre feet
Livestock Watering Use	refers to rural water use on a parcel of land for the purpose of watering livestock, where the annual volume of water required does not exceed 20 acre feet
Agri-Business Use	refers to rural water use on a parcel of land for any agriculturally related and/or connected commercial activity, where the annual volume of water required does not exceed 20 acre feet
Country Residential Use	refers to rural water use on any parcel of land that is not classified by the District (non-pressurized) 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 refers to rural water use from a pressurized system on any parcel of land that is (served off pressure system) 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 2006 is referenced to a base per acre foot conveyance charge **[\$25.48]** 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>
Farmyard Water Use	\$0.00	\$0.00
Livestock Watering	\$15.75	\$157.50
Agri-Business	\$26.25	\$157.50
Country Residential – non-pressurized	\$26.25	\$210.00
Country Residential – served off pressurized system	\$210 plus \$52.50/acre ft.	\$315.00
Industrial	\$31.50	\$262.50

5. All fees charged for household purposes or for rural water use purposes shall be paid in full by the 1st day of May, 2006 or prior to any water being conveyed to the agreement holder if the agreement was entered into after the 1st day of May, 2006.
6. Where a household purposes agreement or rural water use agreement is not paid for by the 1st day of May, 2006 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 2006 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 [$\$25.48 \times 0.95 = \24.21], rounded to the nearest \$0.50 or **\$24.00**/acre foot, or
 - (b) the fee assessed for water conveyed for municipal purposes is set at 85% of the cost per acre foot of water consumed [$\$25.48 \times 0.85 = \21.66], rounded to the nearest \$0.50 or **\$21.50** 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 [$\$25.48 \times 0.75 = \19.10], rounded to the nearest \$0.50 or **\$19.00** 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. A 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 by-law that are in arrears for one month or longer, unless existing agreements contain specific penalty provision 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]:

<u>Description</u>	<u>Average</u>
Amortization/Required for Replacement of Irrigation Works \$735 million [1.5%]	\$11,025,000
plus Budgeted Operating Costs [net of land]	\$4,865,000
minus Funds Received under Alberta IREP	(\$4,680,000)
Net Annual Costs of Operations, etc.	\$11,210,000
<hr/>	
Average Net Annual Costs of Operations	\$11,210,000
Divided by Consumptive Use (18"/acre + 11,000 acre feet other licenses)	440,000
Average Cost per Acre Foot of Water Delivery	\$25.48

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 [$\$25.48 \times 0.75 = \19.11], being **\$19.00** per acre foot [rounded to the nearest \$0.50].
- 2.2 Water Conveyed for Municipal Purposes
The fee assessed for water conveyed for municipal purposes is set at 85% of the cost per acre foot of water consumed [$\$25.48 \times 0.85 = \21.66], being **\$21.50** 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 [$\$25.48 \times 0.95 = \24.21], being **\$24.00** 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 \$157.50 plus the cost of water for 1 acre foot at 85% of the actual per acre foot [or \$21.50] for a total of **\$179.00**.

The within **By-Law 850 (2006)** 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.

- 2006-02-034** Moved by P. Hemsing that the Board read and approve **By-Law #850 (2006)** the first time this 28th day of February, 2006. Seconded by T. Livingston. **CARRIED**
- 2006-02-035** Moved by N. Johnson that the Board read and approve **By-Law #850 (2006)** the second time this 28th day of February, 2006. Seconded by C. Henrickson. **CARRIED**
- 2006-02-036** Moved by P. Hemsing that with all Directors being present, the Board give third reading to **By-Law #850** this 28th day of February. Seconded by T. Livingston. **CARRIED UNANIMOUSLY**
- 2006-02-037** Moved by C. Henrickson that **By-Law #850 (2006)**, being a by-law to set Fees for Household Purposes, Rural Water Use Purposes, Water Conveyance Agreements and Interest Penalties on Unpaid Amounts, be read the third time and finally passed. Seconded by A. Nielsen. **CARRIED**

The approved by-law will be sent to Irrigation Council.

5.05.3 By-Law 851 (2006) Setting a Capital Assets Charge for Parcels Approved for Increased/Added Irrigation Acres

An increase to the capital assets charge had been made earlier by motion on November 18, 2003. The following by-law is in accordance with that motion.

Eastern Irrigation District
BY-LAW 851 (2006)

Setting a Capital Assets Charge for Parcels Approved for Increased/Added Irrigation Acres
[Irrigation Districts Act, Sections 125 and 177 (2)(d), (2)(j)]

WHEREAS, the Irrigation Districts Act [c. I-11, RSA 2000] authorizes the District to establish a capital assets charge respecting parcels that have irrigation acres added to the assessment roll,

NOW THEREFORE BE IT ENACTED THAT

Capital Assets Charge

- 1.0 The capital assets charge for each irrigation acre added to the assessment roll commencing from the 18th day of November 2003 shall be:
- 1.01 For terminable acres on the assessment roll on the 18th day of November 2003 that are converted to acres to be irrigated, the capital assets charge shall be **\$100.00** per acre,
- 1.02 For acres not on the assessment roll on the 18th day of November 2003, the capital assets charge shall be **\$200.00** per acre,
- 1.03 In addition to the applicable capital assets charge set out in 1.01 or 1.02 above, the applicant shall pay the sum total of all of the costs required for the installation of any and all irrigation works required to provide for the diversion of water for irrigation purposes from the irrigation works of the District to the parcel of land or irrigable unit where irrigation acres are to be converted from terminable acres or added to the assessment roll.

- 1.04 The whole of each parcel in which the new irrigation acres are located is charged with the payment to the District of the amount equal to the total capital assets charge imposed on that parcel.

Payment of Capital Assets Charge

- 2.0 In each instance where new irrigation acres are approved to be added to the assessment roll of the District, the District is to be paid for the capital assets charge in the following manner:
- 2.01 In each instance where additional irrigation works are required to provide for the diversion of water for irrigation purposes from the irrigation works of the District the parcel of land or irrigable unit where irrigation acres are to be added to the assessment roll, the full and total amount, including all labour, material, plant and/or any other costs of that service shall be due and payable to the District upon receipt of an invoice for the same, and
- 2.02 In each instance where the capital assets charge is equal to or less than One Thousand Dollars [\$1,000.00], the capital assets charge must be paid in full in advance of the irrigation acres being added to the assessment roll, or
- 2.03 In each instance where the capital assets charge is greater than One Thousand Dollars [\$1,000.00], the capital assets charge may be repaid in ten [10] equal installments with interest of five percent [5%] per annum [.04167% per month], accrued annually being added to the unpaid balance as of the 1st day of January each year until such amounts are paid in full, the first payment of which will be due and payable prior to the 31st day of December in the year in which the irrigation acres are added to the assessment roll.

Previous By-Laws Replaced

- 3.0 This by-law supersedes and replaces all previous by-laws for capital assets charges and is effective for all irrigation acres added to the assessment roll of the District from the 18th day of November 2003.
- 3.01 By-Law 831 (2001) is hereby repealed.

Definitions

- 4.0 Any terms used in this by-law shall have the meaning defined in the Irrigation Districts Act.

2006-02-038 Moved by C. Henrickson that the Board read and approve By-Law #851 (2006) the first time this 28th day of February, 2006. Seconded by A. Nielsen. CARRIED

2006-02-039 Moved by N. Johnson that the Board read and approve By-Law #851 (2006) the second time this 28th day of February, 2006. Seconded by C. Henrickson. CARRIED

2006-02-040 Moved by T. Livingston that with all Directors being present, the Board give third reading to By-Law #851 this 28th day of February. Seconded by P. Hensing. DEFEATED

B. Chrumka noted that the third reading of By-Law 851 (2006) will be on the agenda for the March 2nd Special Board Meeting.

[10:07 a.m. – 10:15 a.m. A short break was taken.]

6.0 Planning – Irrigation Development on EID Land (When, How Much, Method)

A lengthy discussion was held regarding irrigation development. Points discussed were: water availability and storage, soil quality, general location, private or District land, expansion costs and sharing, and the selection process and time span. The Board has directed administration to draft

a preliminary expansion plan involving additional soil testing where needed, development costs and a selection process.

11:00 a.m. Arno Doerksen – Presentation re Irrigation Development on EID Land

B. Chrumka welcomed a group of landowners from Gem into the meeting, in attendance were: Arno Doerksen, Carl Scheibner, John Douglass, Russell Douglass, Glen Scheibner, Reed Crapo and Tim Doerksen. A. Doerksen circulated and expounded on a six point summary promoting irrigation expansion in the area of Gem. After discussion, with several matters being raised, B. Chrumka requested written suggestions from the group to be circulated and discussed at the upcoming Spring Information Meeting in Gem. The group was thanked for their input on this matter.

[11:43 a.m. Gem landowners exited the meeting.]

[11:45 a.m. R. Hayes entered the meeting.]

7.0 EIDNet Report

R. Hayes presented the EIDNet report. A combination of overloading and interference between towers has been diagnosed by Alvarion's field engineer. Timing clocks will need to be installed on all the District's towers, as well as other IPPlus towers in southern Alberta, as they are all interfering with each other. 5.8 ghz radios will replace some of the 900 mhz sectors in heavier populated areas. Alvarion has assigned engineers specifically to the District's network to ensure remediation is done correctly and with room for expansion. An engineer's report with a timeline, equipment and costs for the additional changes needed to finish the repairs to the network is expected shortly. It was the request of B. Chrumka to IPPlus to have the new radios and timing clocks functioning before March 29th's Annual Meeting.

[12:00 noon – 12:55 p.m. Lunch break.]

[12:55 p.m. Kathy Ramer entered the meeting.]

12:55 p.m. Kathy Ramer – Presentation re Old EID Engineer's House

Mr. Chrumka welcomed Kathy Ramer to the meeting. Kathy gave a background of her interest in the Eastern Irrigation District, and her thoughts on the historical importance of the old engineer's house in Evergreen Park.

[12:59 p.m. K. Bridges rejoined the meeting.]

Mrs. Ramer summarized her research and ground work, and put forth a public and commercial concept for sustaining this building as an historical site. A number of groups have been approached to contribute to the purchase, restoration and operation of this house, and she was now requesting the District's financial support. A short discussion took place following the presentation, and Mr. Chrumka thanked Mrs. Ramer for her enthusiastic presentation.

[1:37 p.m. Kathy Ramer exited the meeting.]

E. Wilson will respond to Kathy Ramer's request indicating interest in supporting this venture to some degree, and requesting that a society be put in place. Administration is to confirm the year and amount that this property was previously sold for by the EID.

[1:58 p.m. G. Romao entered the meeting.]

8.0 Engineering

8.01 2005/2006 Rehabilitation Projects – Construction Status

Mr. Romao presented the status to date.

Rehabilitation Projects Construction Status

Canal Earthworks - all canal earthworks complete except for clean up

Pipelines:

- Completed:	- S Tilley	2 km
	- 9H West Bantry	1.5 km
	- 13 East Branch	1.5 km
- Underway:	- R North Bantry	27.5 km installed, 9.5 km to go
	- 17 G Springhill	13.5 km installed, 1.5 km to go
- Remaining:	- 4 Bow Slope	6 km, to start end of February
	- 03 North Branch	2.8 km, to start mid-March

Other Work: - North Bantry Surge Pond, spillway construction underway

Structures

5 Cast-in-place Structures on One Tree Creek

- three structures poured and two have been backfilled

Precast Structures:

- Remaining Structures:		
	- 17 G Springhills	3 by contractor
	- R North Bantry	1
	- 13 East Branch	3
	- Structure Program	4
	- North Bantry Surge Pond	4

8.01.1 Letter from Don & Jackie Sawatsky

Mr. Romao circulated a letter to the Board of Directors from Don & Jackie Sawatsky regarding a flood claim on the area in connection with the pipeline construction proposal on W ½ 14-21-18 W4M. As the drain and ditch in reference does not belong to the EID, Mr. Romao will respond in writing to this flood claim, indicating no monetary payment will be given, and asking for right-of-way permission for the pipeline construction project on their land.

8.02 Beasley Ranching Ltd., NW 07-20-12, R North Bantry re Terminable to Irrigation Acres

A faxed plan from Bruce Beasley regarding irrigation improvements on NW 07-20-12 W4M was reviewed by the Board. Mr. Wilson will request an improved plan, as the submitted one is not acceptable.

8.03 Cost Sharing Agreement

E. Wilson informed the Board that the IRP Grant to all districts will be approximately 20 million, which does not include the extra 2 million that 2005 had. It is likely that the District will receive another 10% as well when the budget is approved.

[2:18 p.m. G. Romao exited the meeting, and J. Meador entered.]

9.0 Operations**9.01 Farm Improvements**

J. Meador presented the summaries on four farm improvements.

9.01.1 John Penner Jr. – NW & SW 05-23-16 W4M

Current assessment is 64 acres; new pivot area is 64 acres. This farm improvement calls for the conversion of 52 acres wheels and 12 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. There is already an irrigable unit in place. As well, the Water User would like a riser installed off of 12

North Branch pipeline at pivot point at a cost of approximately \$5,000. The farm improvement grant payable to the Water User is:

52 acres wheels to pivot	+ \$1,000
12 acres flood to pivot	+ \$ 692
(riser cost & installation)	- \$5,000

Resulting in the Landowner owing the District approximately \$3,308.

2006-02-041 Moved by T. Livingston that the Board approve the farm improvement for John Penner Jr. for the conversion of 52 acres wheels and 12 acres flood to pivot in the NW & SW 05-23-16 W4M. The farm improvement grant payable to the Water User is \$1,000 for 52 acres wheels to pivot and \$692 for 12 acres flood to pivot totaling \$1,692, minus approximately \$5,000 for riser installation. Seconded by A. Nielsen. CARRIED

9.01.2 Scott Miller – SE 18-21-17 W4M

Current assessment is 122 acres; new pivot area is 130 acres. This farm improvement calls for the conversion of 122 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 delivery site remains the same. The farm improvement grant payable to the Water User is \$2,346.

2006-02-042 Moved by A. Nielsen that the Board approve the farm improvement for Scott Miller for the conversion of 122 acres wheels to pivot in the SE 18-21-17 W4M. The farm improvement grant payable to the Water User is \$2,346. Seconded by C. Henrickson. CARRIED

With the current assessment being 122 acres and the new pivot area being 130 acres, 8 additional acres are needed.

2006-02-043 Moved by P. Hemsing that the Board approve the increase in assessment from 122 acres to a maximum of 130 acres on SE 18-21-17 W4M; a maximum of 8 additional acres at the capital asset charge of \$200/acre = \$1,600. The increase in acres being granted is a result of efficiencies made in converting 122 acres wheels to low pressure pivot. Seconded by A. Nielsen. CARRIED

9.01.3 Grant Ellefson – NE 18-17-16 W4M & SE 19-17-16 W4M

Current assessment is 71 acres in NE 18-17-16 and 26 acres in SE 19-17-16 on south side of drain; new pivot area is 83 acres. This farm improvement calls for the conversion of 83 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery point to pivot center; with the flood well needing to be changed to a riser. All acres in the NE 18-17-16 will be moved under the pivot leaving 14 acres in the SE 19-17-16 not under the pivot. An irrigable unit is needed. As well, 4 drain crossings will be needed with the length of the crossings and cost to be determined when the pivot can be moved. The farm improvement grant payable to the Water User is \$4,788 minus \$1,200 for changing the flood well to a riser = \$3,588.

2006-02-044 Moved by T. Livingston that the Board approve the farm improvement for Grant Ellefson for the conversion of 83 acres total flood to pivot in the NE 18-17-16 W4M and SE 19-17-16 W4M, subject to the landowner selling the irrigation rights on the acres north of the proposed pivot. If the Water User does not sell the water rights, he will be deducted \$2,800 from the grant. The farm improvement grant payable to the Water User is \$4,788 minus \$1,200 for changing the flood well to a riser = \$3,588. Seconded by P. Hemsing. CARRIED

2006-02-045 Moved by P. Hemsing that the Board approve the registration of an irrigable unit on NE 18-17-16 W4M and SE 19-17-16 W4M, lands being owned by Grant Ellefson. Seconded by C. Henrickson. CARRIED

9.01.4 Jake Veenstra – SW 09-18-14 W4M

Current assessment is 82 acres, new pivot area is 107 acres. This farm improvement call for the conversion of 82 acres flood to low pressure linear pivot. Mr. Veenstra wishes to extend his existing linear pivot on SW 10 & SE 09-18-14 to include this portion of SW 09-18-14; an irrigable unit will be needed. The farm improvement grant payable to the Water User is \$4,730.

2006-02-046 Moved by T. Livingston that the Board approve the farm improvement for Jake Veenstra for the conversion of 82 acres flood to linear pivot in the SW 09-18-14 W4M. The farm improvement grant payable to the Water User is \$4,730. Seconded by P. Hemsing. CARRIED

With the current assessment being 82 acres and the new pivot area being 107 acres, 25 additional acres are needed.

2006-02-047 Moved by P. Hemsing that the Board approve the increase in assessment from 82 acres to 107 acres on SW 09-18-14 W4M; 25 additional acres at the capital asset charge of \$200/acre = \$5,000. The increase in acres being granted is a result of efficiencies made in converting 82 acres flood to low pressure linear pivot. Seconded by T. Livingston. CARRIED

2006-02-048 Moved by C. Henrickson that the Board approve the registration of an irrigable unit on SE & SW 09-18-14 W4M, lands being owned by Jake Veenstra. Seconded by A. Nielsen. CARRIED

9.02 Letter from Eva Berg – NW 25-20-14 W4M

The Board of Directors received a letter from Eva Berg requesting permission to install a culvert in the John Ware spillway to aid in cattle and vehicle access. As this approach would result in flooding upstream during high run-off, it is suggested that coarse gravel be installed instead at the landowner's expense. Mr. Meador will contact Eva Berg with this option.

9.03 Snow Pack

Mr. Wilson reported that the snow packs affecting the Bow River are currently 20% below average, but noted that the majority of precipitation occurs in the next few months.

[2:50 p.m. – 2:58 p.m. J. Meador exited the meeting, and a short break was taken.]

[2:58 p.m. R. Matoba entered the meeting.]

10.0 Lands**10.01 Sale of EID Irrigated Leases # 8136 and # 8142 Update**

K. Bridges gave a brief update as to the status of the sale of these leases. Both former lessees advised that they would not be submitting a matching offer, and Vern Parker has been advised that both of his offers to purchase have been accepted. The sales are conditional on financing, with an anticipated closing date of March 31, 2006.

10.02 5 Year Rate Review on 7 Irrigated Leases

R. Matoba presented information on the 7 Irrigated Leases requiring new five year rate reviews. After discussion on each lease, the following motions were made.

2006-02-049 Moved by T. Livingston that the Board approve the five year rental rate for Irrigated Lease # 8250 on NE 28-14-13 W4M at \$40/acre on 130 wetted acres plus \$5/acre on 20 dry acres, plus water and taxes for the years 2006 through 2010. Seconded by P. Hemsing. CARRIED

-
- 2006-02-050 Moved by A. Nielsen that the Board approve the five year rental rate for Irrigated Lease # 8251 on SE 29-14-13 W4M at \$40/acre on 135 wetted acres plus \$5/acre on 10 dry acres, plus water and taxes for the years 2006 through 2010. Seconded by T. Livingston. CARRIED
- 2006-02-051 Moved by N. Johnson that the Board approve the five year rental rate for Irrigated Lease # 8226 on NE 12-15-14 W4M at \$52/acre, plus water and taxes for the years 2006 through 2010. Seconded by P. Hemsing. CARRIED
- 2006-02-052 Moved by T. Livingston that the Board approve the five year rental rate for Irrigated Lease # 8271 on Pt. SE 11 & Pt. S ½ 12-15-13 W4M at \$30/acre on 272 wetted acres plus \$5/acre on 38 dry acres, plus water and taxes for the years 2006 through 2010. Seconded by P. Hemsing. CARRIED
- 2006-02-053 Moved by C. Henrickson that the Board approve the five year rental rate of \$57/acre wetted acres and \$5/acre dry acres for:
- Irrigated Lease # 8266 on NE 32-15-15 W4M, 134 wetted acres and 23 dry acres,
 - Irrigated Lease # 8267 on SE 32-15-15 W4M, 134 wetted acres and 24 dry acres,
- plus water and taxes for the years 2006 through 2010. Seconded by P. Hemsing. CARRIED
- 2006-02-054 Moved by T. Livingston that the Board approve the five year rental rate for Irrigated Lease # 8268 on Pt. 36-23-16 & Pt. 31-23-15 W4M at \$35/acre, plus water and taxes for the years 2006 through 2010. Seconded by P. Hemsing. CARRIED

[3:26 p.m. R. Matoba exited the meeting.]

10.03 Ringneck Classic Pheasant Shoot – Report on Event

E. Wilson reported that the event went well, there were no issues to report.

10.04 Letter from the Village of Tilley

Mr. Wilson summarized the letter he received from the Village of Tilley regarding a request to purchase approximately 10 acres of District land adjacent to the village. Previous correspondence was reviewed and it was decided to present this as a topic at the upcoming Spring Information Meeting in Tilley on March 8th.

10.05 Rolling Hills Reservoir Campground

K. Bridges stated his recommendations regarding the 2006 Camping Fees for the Rolling Hills Reservoir Campground. Discussion followed regarding adding additional camp sites. Campground advertising will be done in late March or early April.

- 2006-02-055 Moved by P. Hemsing that the rates at the Rolling Hills Reservoir Campground for the 2006 camping season be set at \$20/night on all daily sites, \$1,200/season for the Marina & Upper Tier seasonal sites and \$1,300/season for the Waterfront seasonal sites. Seconded by N. Johnson. CARRIED

- 2006-02-056 Moved by T. Livingston that approximately 25 additional campsites be installed and that the campground development be finished off as per discussion. Seconded by P. Hemsing. CARRIED

10.06 City of Brooks Arena

The Board discussed the apparent direction that the new arena and related facilities plan is taking, and the District's intended level of commitment at this point. T. Livingston has been requested to attend a service club meeting. B. Chrumka noted that a formal proposal needs to be brought to the Board before any specific commitment is indicated.

11.0 Other**11.01 Drainage Work – County of Newell**

A discussion took place regarding the drainage work that is required of the County, and whether the District should become involved to a greater degree. Mr. Wilson noted that the District's policy to do this work at cost for the County is sufficient, and that there is no desire to take over the County's responsibilities regarding drainage.

11.02 Set Date for Annual General Meeting & Next Board Meetings

Annual General Meeting - confirmed for Wednesday, March 29th, 1:30 p.m.
 Future Board Meetings - set for Tuesday, March 21st, 9:00 a.m.
 - set for Wednesday, March 29th, 10:00 a.m.
 - set for Tuesday, April 25th, 9:00 a.m.
 - set for Tuesday, May 30th, 9:00 a.m.

11.03 Spring Information Meeting Topics

The four main topics to be advertised for the Spring Information Meetings are:

- Oil & Gas Negotiations
- EID Rehabilitation Plans
- Province of Alberta Water Strategy
- High Speed Wireless Internet

11.04 River Watch

Mr. Wilson highlighted a brochure on the River Watch field trips being offered to schools in southern Alberta.

12.0 Upcoming Events

12.01 Special Board Meeting - Thursday, March 2nd, 9:00 a.m.
 12.02 Spring Information Meetings - Board Members to meet at noon at the Heritage, Wed. Mar. 8th,
 prior to Gem meeting at 2:00 p.m.
 - Board Members to meet at 5:30 p.m. at Egan's, Wed. Mar. 8th,
 prior to Tilley meeting at 7:00 p.m.
 12.03 Regular Board Meeting - Tuesday, March 21st, 9:00 a.m.
 12.04 Special Board Meeting - Wednesday, March 29th, 10:00 a.m.
 12.05 Annual General Meeting - Wednesday, March 29th, 1:30 p.m., Heritage Inn, Brooks
 12.06 Regular Board Meeting - Tuesday, April 25th, 9:00 a.m.
 12.07 Regular Board Meeting - Tuesday, May 30th, 9:00 a.m.

P. Hemsing moved adjournment of the meeting at 4:07 p.m.

 Chairman

 General Manager

March 2, 2006 Special Directors Meeting

The Directors of the Eastern Irrigation District held a special meeting on the 2nd day of March, 2006. 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 Gen. Man.
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 8:56 a.m.

[8:56 a.m. G. Romao and B. Hale entered the meeting.]

1.0 Approval of the Agenda

The following items were noted for addition:

- 3.01 Setting Grazing Numbers for 2006
- 3.02 Capital Assets By-Law # 851
- 3.03 City of Brooks Arena
- 3.04 Water, Science & Politics Conference

2006-03-057 Moved by P. Hemsing that the Board adopt the agenda as presented with additions. Seconded by C. Henrickson. CARRIED

3.0 Other**3.01 Setting Grazing Numbers for 2006**

After a discussion on the Community Grazing Leases finding that the leases are in more than adequate conditions, and that the large majority of associations are in agreement, the Board moved to raise the cattle numbers from 40 to 45 cow/calf pairs per full member for the 2006 season. B. Hale is to contact the grazing associations of this change.

2006-03-058 Moved by P. Hemsing that the number of cattle allowed on the community leases per grazing association member be set at 45 cow/calf pairs. Seconded by A. Nielsen. CARRIED

[9:05 a.m. B. Hale exited the meeting.]

3.02 By-Law 851 (2006) Setting a Capital Assets Charge for Parcels Approved for Increased/ Added Irrigation Acres

The Capital Assets By-Law was given first and second readings at the February 28th regular Board meeting. The motion for the third reading was defeated as follows:

2006-02-040 Moved by T. Livingston that with all Directors being present, the Board give third reading to By-Law #851 this 28th day of February. Seconded by P. Hemsing. DEFEATED

Discussion ensued regarding the amount being charged, the original motion made in November 18, 2003, and a suggestion to advertise by-laws to the public in advance. With the commencement date being amended from November 18, 2003 to March 2, 2006 the following by-law was given third reading and finally passed.

Eastern Irrigation District
BY-LAW 851 (2006)
 Setting a Capital Assets Charge for Parcels Approved for Increased/Added Irrigation Acres
[Irrigation Districts Act, Sections 125 and 177 (2)(d), (2)(j)]

WHEREAS, the Irrigation Districts Act [c. I-11, RSA 2000] authorizes the District to establish a capital assets charge respecting parcels that have irrigation acres added to the assessment roll,

NOW THEREFORE BE IT ENACTED THAT

Capital Assets Charge

- 2.0 The capital assets charge for each irrigation acre added to the assessment roll commencing from the 2nd day of March 2006 shall be:
- 1.01 For terminable acres on the assessment roll on the 2nd day of March 2006 that are converted to acres to be irrigated, the capital assets charge shall be **\$100.00** per acre,
- 1.02 For acres not on the assessment roll on the 2nd day of March 2006, the capital assets charge shall be **\$200.00** per acre,
- 1.03 In addition to the applicable capital assets charge set out in 1.01 or 1.02 above, the applicant shall pay the sum total of all of the costs required for the installation of any and all irrigation works required to provide for the diversion of water for irrigation purposes from the irrigation works of the District to the parcel of land or irrigable unit where irrigation acres are to be converted from terminable acres or added to the assessment roll.
- 1.04 The whole of each parcel in which the new irrigation acres are located is charged with the payment to the District of the amount equal to the total capital assets charge imposed on that parcel.

Payment of Capital Assets Charge

- 2.0 In each instance where new irrigation acres are approved to be added to the assessment roll of the District, the District is to be paid for the capital assets charge in the following manner:
- 2.04 In each instance where additional irrigation works are required to provide for the diversion of water for irrigation purposes from the irrigation works of the District the parcel of land or irrigable unit where irrigation acres are to be added to the assessment roll, the full and total amount, including all labour, material, plant and/or any other costs of that service shall be due and payable to the District upon receipt of an invoice for the same, and
- 2.05 In each instance where the capital assets charge is equal to or less than One Thousand Dollars [\$1,000.00], the capital assets charge must be paid in full in advance of the irrigation acres being added to the assessment roll, or
- 2.06 In each instance where the capital assets charge is greater than One Thousand Dollars [\$1,000.00], the capital assets charge may be repaid in ten [10] equal installments with interest of five percent [5%] per annum [.04167% per month], accrued annually being added to the unpaid balance as of the 1st day of January each year until such amounts are paid in full, the first payment of which will be due and payable prior to the 31st day of December in the year in which the irrigation acres are added to the assessment roll.

Previous By-Laws Replaced

- 3.0 This by-law supersedes and replaces all previous by-laws and resolutions for capital assets charges and is effective for all irrigation acres added to the assessment roll of the District from the 2nd day of March 2006.
- 3.01 By-Law 831 (2001) is hereby repealed.

Definitions

- 4.0 Any terms used in this by-law shall have the meaning defined in the Irrigation Districts Act.

2006-03-059 Moved by T. Livingston that By-Law #851 (2006), being a by-law to set the Capital Assets Charge for Parcels Approved for Increased/Added Irrigation Acres, be amended prior to third reading by substituting “2nd of March 2006” for “18th of November 2003” and that By-Law #851 be read the third time and finally passed. Seconded by P. Hemsing. CARRIED Opposed – F. George

The approved by-law will be sent to Irrigation Council.

[9:17 a.m. Daryl Halbert entered the meeting.]

2.0 Auditor’s Report

B. Chrumka welcomed Daryl Halbert to the meeting, with K. Bridges distributing copies of the auditor’s letters to the Board. Mr. Halbert reviewed the financial statements with the Board and answered various questions. It was noted that adjusted errors were negligible, and that there was nothing of significant controversy. Anything in question was resolved between Mr. Halbert and Mr. Bridges. Mr. Halbert also noted that the balance sheet is consistent with Mr. Wilson’s comments in the Annual Report.

In relation to capital works, it was noted that in 2005 the District deliberately lowered the reserves with rehabilitation projects, but the balance declined quicker than anticipated due to the lower than normal oil and gas revenues. It is Administration’s recommendation to transfer \$11,631,276 from current year operations to be used for future irrigation works additions and for the District’s share of Alberta cost share projects. It is also Administration’s recommendation to transfer \$20,100 from current year operations to be used for future pasture development.

In regards to investments, both Mr. Halbert and K. Bridges confirmed that the District’s policy is very conservative, similar to municipal guidelines, and that it is tracked thoroughly on a monthly basis. A few investments will be coming due, which will be discussed at a later date.

Mr. Halbert thanked Administration and staff for their excellent work, and for being very cooperative, prompt and well prepared for the audit. The Board returned thanks to Mr. Halbert for his thorough audit and confirmed his attendance at the Annual General Meeting at the end of the month.

2006-03-060 Moved by P. Hemsing that approval be granted to transfer \$11,631,276 from current year operations to internally restricted funds to be used for future irrigation works additions and for the District’s share of Province of Alberta cost share projects. Seconded by A. Nielsen. CARRIED

2006-03-061 Moved by C. Henrickson that approval be granted to transfer \$20,100 from current year operations to internally restricted funds to be used for future pasture development. Seconded by N. Johnson. CARRIED

2006-03-062 Moved by T. Livingston that the auditor's report be accepted and that the District's audited financial statements for the period ended December 31, 2005 be approved as presented. Seconded by A. Nielsen. CARRIED

[10:10 a.m. – 10:18 a.m. Mr. Halbert exited the meeting and a short break was taken.]

[10:18 a.m. J. Meador entered the meeting.]

3.03 City of Brooks Arena

B. Chrumka has received a request from the New Arena Fundraising Committee to meet with the Board in mid-March to discuss the committee's overall plan and anticipated land requirement. Mr. Chrumka will confirm a meeting for Monday, March 13 in the EID Boardroom at 7:00 p.m.

3.04 Water: Science & Politics Conference – March 25 – 28, Calgary

ASPB is hosting: "Water: Science & Politics" at the Fairmont Palliser in Calgary at the end of the month. Three people will be registered to attend the Monday and Tuesday portion of the conference.

4.0 Planning & Policy Review

4.01 Luscar Coal

Options of land transaction, management and reclamation; and water conveyance, licensing and storage were preliminarily discussed by the Board. E. Wilson will be meeting with Luscar Friday, March 3 in the EID board room. The meeting is open to any Directors wishing to attend.

[11:37 a.m. – 12:30 p.m. Lunch break.]

[12:30 p.m. J. Meador entered the meeting.]

In continuance of the Luscar discussion, stranded infrastructure and water rights were brought up by Mr. Wilson. As well, Directors requested that the Board be notified regarding future meetings.

[12:36 p.m. G. Romao entered the meeting.]

4.02 Review of Water related Policies

As the "*Water Delivery and Operations Regulations*" was last mailed out to irrigators in April of 1999, it was agreed to update and send out to all irrigators again this year. A draft of the changes will be presented to the Board for approval. It is requested that this mailing be announced at the Annual General Meeting, for irrigators to expect it in April.

4.03 Domestic Supply

E. Wilson and G. Romao informed the Board of difficulties accommodating additional domestic turnouts once rehab construction is underway. Deadlines, payment and locations were discussed and the Board requested that a policy be drafted to dictate a firm deadline on domestic delivery requests, so as to avoid a cost deficit and construction delay in rehabilitation projects.

4.04 Target for Irrigation Reserve

E. Wilson asked the Board if they had a targeted number for reserves for the next few years; noting the current budget leaves the reserve at approximately 40 million. This target amount was supported by the Directors.

4.01.1 Capital Works

19 million has been budgeted for rehabilitation this year.

4.01.2 Method of Doing Work

In discussion of the current construction business, it was pointed out that in a booming economy less tendering and more project management would likely be the most efficient use of rehab funds.

A. Nielsen moved adjournment of the meeting at 1:56 p.m.

Chairman

General Manager

March 20, 2006 Regular Directors Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 20th day of March, 2006. 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]	9:50 a.m.	
Mr. Pat Hemsing	Director	[Division 7]		

The meeting was called to order at 9:12 a.m.

1.0 Approval of the Agenda

There were no items noted for addition.

2006-03-063 Moved by C. Henrickson that the Board adopt the agenda as presented. Seconded by P. Hemsing. CARRIED

2.0 Approval of the Minutes**2.01 February 28, 2006 Minutes**

The following item was noted for correction:

- Page 25, 9.02, replace "Canal" with "spillway"; and move "at the landowner's expense" to the end of the second last sentence.

2006-03-064 Moved by T. Livingston that the Minutes of the February 28, 2006 regular Board Meeting be approved as presented with corrections. Seconded by C. Henrickson. CARRIED

2.02 March 2, 2006 Minutes

The minutes were accepted as circulated.

2006-03-065 Moved by P. Hemsing that the Minutes of the March 2, 2006 special Board Meeting be approved as presented. Seconded by C. Henrickson. CARRIED

3.0 Business Arising**3.01 Village of Tilley Request to Purchase Land**

As this subject did not get discussed at the Spring Information Meeting in Tilley, administration is to investigate the price of land sales surrounding other villages and towns, and to approach the Village of Tilley to see what they are offering.

4.0 Report on Meeting with Dr. Oberg, User Groups & City of Brooks re Arena

On March 18th B. Chrumka and K. Bridges met with Dr. Oberg, the User Groups, the City of Brooks and the County of Newell regarding plans for the new arena. A 10 acre site on the north side of the road across from Silver Sage Arena was proposed. The District is open to additional land being leased adjacent to Silver Sage Arena to accommodate the Rodeo Grounds; this was well received by the project planners. The District favors a centralized area for all related associations, with one land lease involved. Administration is to draft a letter to the Kinsmen, cc

Silver Sage Agricultural Society, regarding making land available to move the rodeo grounds, and suggesting amalgamation of related user groups under the Agricultural Society umbrella.

5.0 Financial

5.01 February 28, 2006 Financial Statements

K. Bridges presented the Financial Statements to February 28, 2006, noting the following:

- YTD operations in total are within 1% of YTD budget.
- YTD surplus is \$3.4 million which is 99% of YTD budget.
- YTD total revenues are tracking about 3% below the YTD budget.
- YTD total net expenses are tracking about 32% below YTD budget. All departments are on or under budget. Equipment Pool recoveries are significantly ahead of YTD budget which accounts for the majority of the YTD net expense budget variance.

Two property owners have outstanding accounts and will be subject to rate enforcement proceedings. One of these accounts has been paid in full, and the other will continue with the enforcement process. The sale of Irrigated Leases #8136 and #8142 is expected to close on March 31st. Newalta Corporation has advised that landfill locations in the easterly portion of the District are too distant from their operations and consequently they have no further interest in District lands. Two individuals have made inquiries regarding a small parcel of land near the corner of Industrial Road and Canal Street; right-of-ways and property lines are being looked into. As supplemental information to K. Ramer’s presentation on February 28th, the old EID Engineer’s House sold for \$145,000 on April 1, 1996.

2006-03-066 Moved by C. Henrickson that the Board approve the Financial Statements to February 28, 2006, as presented. Seconded by P. Hemsing. CARRIED

[9:50 a.m. N. Johnson joined the meeting.]

[9:55 – 10:05 a.m. A short break was taken, and G. Romao entered the meeting.]

10.0 Upcoming Events

10.01 ASPB “Water: Science & Politics” – March 27th & 28th

It was confirmed that B. Chrumka and P. Hemsing will attend the conference on Monday 27th, C. Henrickson and F. George will attend on Tuesday 28th, with K. Bridges also attending both days. W. Enns will notify the conference of alternates Clint and Floyd.

6.0 Engineering

6.01 Project Status

G. Romao presented the construction status to date.

Canal Earthworks

All canal earthworks complete except for clean up.

Pipelines

Completed:	S Tilley	- 2 km
	9H West Bantry	- 1.5 km
	13 East Branch	- 1.5 km
Underway:	R North Bantry	- 34.5 km installed, 2.5 km to go
	17G Springhill	- 1 km pipeline & canal crossing under Sec. 876 remaining
	4 Bow Slope	- 4 km installed, 2 km to go
	03 North Branch	- 2.8 km, installation started March 16 th

Structures

5 cast-in-place structures on One Tree Creek: - concrete work complete, back-filling has been done on 4 of the 5 structures

Precast Structures:

Remaining Structures:

R North Bantry	- 1
Structures Program	- 1
North Bantry Surge Pond	- 4
4 Bow Slope	- 2

Other Work

North Bantry Surge Pond	- spillway construction underway
Screen Cleaners	- 13 have been ordered, delivery to start in April
Pipeline Flow Meters	- access wells and tapping tees have been installed at 20 of the 23 sites; meters will be installed as soon as they arrive, around March 20 th
Canal Automation	- 6 sites on Springhill and East Branch scheduled for upgrades, installation to start in early April
4 Bow Slope Pump Station	- electrical work to start last week in March, pump delivery and mechanical in April

[10:10 a.m. G. Romao exited the meeting and J. Meador entered.]

7.0 Lands

B. Chrumka informed the Board of updated Environmental Farm Plan cost-share funding. He noted that he left pamphlets in the foyer and requested J. Meador to distribute these to landowners when in discussion of District Farm Improvements.

7.01 Farm Improvement – Ken & D. Link – NE & SE 15-16-16 W4M

Current assessment is 130 acres; new pivot area is 136 acres. This farm improvement calls for the conversion of 70 acres wheels and 60 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, delivery site remains the same. An irrigable unit will be needed. The farm improvement grant payable to the Water User is \$1,346 (70 acres wheels to pivot) + \$3,461 (60 acres flood to pivot) = \$4,807.

2006-03-067 Moved by P. Hemsing that the Board approve the farm improvement for Ken & D. Link for the conversion of 70 acres wheels and 60 acres flood to pivot in the NE & SE 15-16-16 W4M. The farm improvement grant payable to the Water User is \$1,346 (70 acres wheels to pivot) plus \$3,461 (60 acres flood to pivot), for a total of \$4,807. Seconded by A. Nielsen. CARRIED

With the current assessment being 130 acres and the new pivot area being 136 acres, 6 additional acres are needed.

2006-03-068 Moved by P. Hemsing that the Board approve the increase in assessment from 130 acres to 136 acres on NE & SE 15-16-16 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 70 acres wheels and 60 acres flood to low pressure pivot. Seconded by T. Livingston. CARRIED

2006-03-069 Moved by A. Nielsen that the Board approve the registration of an irrigable unit on NE 15-16-16 W4M and SE 15-16-16 W4M, lands being owned by Ken & D. Link. Seconded by C. Henrickson. CARRIED

[10:24 a.m. J. Meador and E. Wilson exited the meeting.]

7.02 Silver Sage Agricultural Society Lease Review

The Silver Sage Agricultural Society currently holds two leases in the NW ¼ 20-18-14 W4M for the purpose of an agricultural society. The main lease of approximately 20.7 acres is for a 30 year term, expiring May 31, 2026, and is up for a 5 year rent review. A second lease is for an additional 14.7 acres, expiring May 31, 2006.

[10:27 a.m. R. Matoba entered the meeting.]

2006-03-070 Moved by T. Livingston that the Board renew the 20.7 acre lease for the Silver Sage Agricultural Society at a five year rental rate of \$60/acre commencing June 1, 2006 through May 31, 2011. Seconded by N. Johnson. CARRIED

A. Nielsen requested that his vote be recorded as OPPOSED.

2006-03-071 Moved by C. Henrickson that the Board renew the 14.7 acre lease for the Silver Sage Agricultural Society for a one year term for a rate of \$60/acre commencing June 1, 2006 through May 31, 2007. Seconded by T. Livingston. CARRIED

A. Nielsen requested that his vote be recorded as OPPOSED.

7.03 Brooks Motorcycle Club Lease Review

The Brooks Motorcycle Club currently leases approximately 31 acres in the SW ¼ 29-18-14 W4M for the purpose of a motocross training area. A series of agreements, predominantly for 2 year terms, has been in effect since May 1, 1993. In 2004, the lease area was increased from approximately 14.5 to 31 acres to include the pit area and parking lot. This lease expires on April 30, 2006. In light of the discussions that are presently underway regarding potential neighbouring uses, K. Bridges will notify the Club in writing indicating that their lease land may be affected by the new arena master plan. He will also indicate, though, that the District would try and accommodate their needs in another area if possible.

2006-03-072 Moved by A. Nielsen that the Board renew the lease for the Brooks Motorcycle Club on SW 29-18-14 W4M on an annual basis for the greater of \$500/year or 20% of gate admission receipts per year. Seconded by C. Henrickson. CARRIED

7.04 Newalta Update

This update was included in this meeting's Financial Statements.

7.05 Irrigable Unit – Doug & Carol Schaffer - W ½ SE 14-21-18 W4M and E ½ SE 14-21-18 W4M

As part of the extension to 03 North Branch pipeline near Bassano, Schaffer's quarter section pivot in SE 14-21-18 W4M will be serviced from a turnout off of the pipeline. The terminable irrigation assessment is being converted to irrigation acres. Since there are two titles for the quarter section, an irrigable unit resolution must be registered on each of the titles.

2006-03-073 Moved by F. George that the Board approve the registration of an irrigable unit on W ½ SE 14-21-18 W4M and E ½ SE 14-21-18 W4M, lands being owned by Doug and Carol Schaffer. Seconded by C. Henrickson. CARRIED

7.06 Alternate Parcel Irrigation Applications

R. Matoba presented the following Alternate Parcel Irrigation Applications, all previously approved in 2005.

7.06.1 Clearview Hutterian Brethren

The District received a request to approve the use of 80 irrigation acres from the Newell Hutterian Brethren in the NE 15-23-18 W4M by the Clearview Hutterian Brethren for use in the S ½ 23-23-18 W4M, for the 2006 irrigation season.

2006-03-074 Moved by C. Henrickson that the Board approve the use of 80 irrigation acres from the Newell Hutterian Brethren in the NE 15-23-18 W4M by the Clearview Hutterian Brethren in the S ½ 23-23-18, for the 2006 irrigation season. Seconded by P. Hemsing. CARRIED

7.06.2 Brad 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 Brad Calvert in the SW 30-17-16 W4M, for the 2006 irrigation season.

2006-03-075 Moved by C. Henrickson that the Board approve the use of 80 irrigation acres from John Miller in the S ½ 23-17-17 W4M by Brad Calvert in the SW 30-17-16 W4M for the 2006 irrigation season. Seconded by P. Hemsing. CARRIED

7.06.3 Leo Wiebe

The District received a request to approve the use of 15 irrigation acres from Karl Wiebe in the SW 21-21-16 W4M by Leo Wiebe for use in the SE 27-21-16 W4M, for the 2006 irrigation season.

2006-03-076 Moved by C. Henrickson that the Board approve the use of 15 irrigation acres from Karl Wiebe in the SW 21-21-16 W4M by Leo Wiebe in the SE 27-21-16 W4M for the 2006 irrigation season. Seconded by P. Hemsing. CARRIED

7.06.4 Jamie Buteau

R. Matoba informed the Board that Mr. Buteau is unavailable until the end of March or early April. In the event that he does submit an application, it is expeditious to approve the alternate parcel so an agreement can be in place prior to the irrigation season. As per last years irrigation season, the District was requested to approve the use of 40 irrigation acres from Ken Sharpe in the NE 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.

2006-03-077 Moved by N. Johnson that the Board approve the use of 40 irrigation acres from Ken Sharpe in the NE 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 2006 irrigation season, subject to Mr. Buteau confirming this arrangement by mid-April. Seconded by C. Henrickson. CARRIED

[10:44 a.m. R. Matoba exited the meeting.]

[10:54 a.m. E. Wilson rejoined the meeting.]

9.0 Other**9.01 Crawling Valley Campground**

F. George informed the Board of a boat launch fee that the Crawling Valley Campground is charging for the use of the boat launch and reservoir.

7.07 PHD Annual Report

The Southern Alberta Partners in Habitat Development 2005 Annual Report was received as information. There were a total of 42,392 trees and shrubs planted by PHD staff in multi-row shelterbelts or on pivot corners in conjunction with 27 landowners, 4 projects of which were designed by the County of Newell's Rural Technician. There were also 5,904 spring and fall

replacements planted on previous year's sites. In addition, 3,141 trees and shrubs were planted and maintained by 5 additional landowners that received assistance from the PHD in the design and ordering of the trees and shrubs. A total of 13.3 km of fencing was installed to protect 15 new planting sites from livestock access. One service was put in off of a canal in order to irrigate new plantings. Ten sites were irrigated by drip tape, supplied by the PHD program. The PHD continues to work cooperatively with District's engineering department to conserve existing habitat during canal rehabilitation efforts. There was 1 project of 8 acres seeded to Giant Wild Rye, and 4 winter wildlife food plots developed in 2005. The PHD also set up 9 winter wildlife feed barrels and assisted 4 additional landowners with feeding stations near important wintering areas.

8.0 EIDNet Report

E. Wilson reported on a meeting that he, K. Bridges and R. Hayes had with IPPlus the previous Thursday. A draft proposal was presented to the District which would include a detailed engineering report costing \$125,000 and the licensing of a new frequency. IPPlus has agreed to fund the study. The District will wait for the engineering report and total cost before making any further decisions. EIDNet will not be on the agenda for the Annual General Meeting.

9.0 Other

9.02 EnCana Negotiations

E. Wilson reported that the Area Operating Agreement is near to being signed. There will be a meeting with EnCana representatives scheduled for this coming Friday, or Monday of next week.

9.03 Luscar

A short discussion was held on Luscar land dealings with the Bow City area, and in regards to the Antelope Creek area being informed they were beyond the affected area.

10.0 Upcoming Events

- | | | |
|-------|--|---------------------------------------|
| 10.01 | ASPB "Water: Science & Politics", Calgary | - March 27 & 28 |
| | - K. Bridges, B. Chrumka & P. Hemsing, C. Henrickson & F. George attending | |
| 10.02 | Special Board Meeting | - Wed., March 29, 10:00 or 11:00 a.m. |
| 10.03 | Annual General Meeting, Heritage | - Wed., March 29, 1:30 p.m. |
| 10.04 | CWRA "Climate Change & Water Management", Edm. | - April 2 – 5 th |
| | - E. Wilson attending | |
| 10.05 | Regular Board Meeting | - Tuesday, April 25 |
| 10.06 | Regular Board Meeting | - Tuesday, May 30 |

P. Hemsing moved adjournment of the meeting at 11:22 a.m.

Chairman

General Manager

March 29, 2006 Special Directors Meeting

The Directors of the Eastern Irrigation District held a special meeting on the 29th day of March, 2006. 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 10:32 a.m.

1.0 Area Operating Agreement with EnCana

[10:37 a.m. G. Redelback entered the meeting.]

E. Wilson reviewed a few outstanding issues to be resolved in the negotiations, including width of access roads to gas wells, compensation rates and cancellation of leases. Discussion followed on how these issues may affect the District and the overall agreement.

2006-03-078 T. Livingston moved that the District require 15 m right-of-ways on all new gas well leases. Seconded by C. Henrickson. DEFEATED

N. Johnson requested that his vote be recorded as OPPOSED.

[11:12 a.m. G. Redelback exited the meeting.]

2.0 Environmental Farm Plan

B. Chrumka informed the Board that pkgs are available and will be brought to the Annual General Meeting to make available to landowners.

3.0 Equipment**3.01 Request for Sale of Equipment**

E. Wilson distributed the submitted tenders for the sale of the 2003 JD 330LC hi-hoe and the 2002 Kobelco 250LC hi-hoe, from Canadian Public Auction and Michener Allen Auctioneering Ltd. Option A from Canadian Public Auction was recommended.

2006-03-079 Moved by P. Hemsing that the Canadian Public Auction – Option A out-right purchase of \$120,000 for the 2003 JD 330LC and \$70,000 for the 2002 Kobelco 250LC be accepted. Seconded by N. Johnson. CARRIED

[11:18 a.m. D. Lindsay entered the meeting.]

3.02 Request for Purchase of Equipment

E. Wilson and D. Lindsay presented the options for the purchase of a small size multi-use tractor, to replace the existing tractor used at the Rolling Hills Reservoir Campground, and to be made available for other purposes. The John Deere with cab was recommended. The old tractor will be offered for sale locally. It was suggested to obtain bids for the new tractor from local and wider area dealers.

2006-03-080 Moved by T. Livingston that a John Deere 40 hp tractor with cab for approximately \$50,000 be purchased. Seconded by P. Hemsing. CARRIED.

[11:26 a.m. D. Lindsay exited the meeting.]

4.0 Princess Lake

C. Henrickson reported on a drainage complaint related to Princess Lake which was discussed briefly.

5.0 Report on ASPB conference “Water: Science & Politics”

K. Bridges, B. Chrumka, C. Henrickson and P. Hemsing gave an overview of the conference they attended in Calgary March 27th and 28th. Irrigation district attendance to the conference was deemed worthwhile so as to represent an agricultural view on water usage.

P. Hemsing moved adjournment of the meeting at 11:22 a.m.

Chairman

General Manager

April 5, 2006 Special Directors Meeting

The Directors of the Eastern Irrigation District held a special meeting on the 5th day of April, 2006. 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]	Mr. Gary Redelback	Surface Lease Manager
Mr. Tom Livingston	Director	[Division 2]	Mrs. Tanis Jensen	Land Administrator
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 7:00 p.m.

1.0 Area Operating Agreement with EnCana

E. Wilson explained the Area Operating Agreement that resulted from the negotiations with EnCana. Mr. Wilson and G. Redelback responded to various questions raised by Board members.

2006-04-081 Moved by F. George that the EID not charge the conveyance fee for water unless the water is actually conveyed by the EID. NO SECONDER

C. Henrickson recommended that a provision be included in the fencing specifications to require that the fencing wire be double wrapped around the post at the end of a length of wire. Administration will make this change to the fencing specifications.

E. Wilson advised that the Area Operating Agreement meets or exceeds the targets established by the Board for this negotiation and recommended that the Agreement be approved. Mr. Wilson noted that the document presented to the Board represents the memorandum of agreement. This document is presently being converted into a legal agreement by the EID's solicitor and, when completed, will be forwarded to EnCana's solicitor. It's likely that some wording will change as a result of the solicitors' work.

2006-04-082 Moved by P. Hemsing that the Area Operating Agreement between the EID and EnCana Corporation, dated April 3, 2006, be approved. Seconded by T. Livingston. CARRIED

F. George requested that his vote be recorded as OPPOSED.

2.0 Gas Line Incident

In response to a question, E. Wilson advised that a natural gas pipeline belonging to the Dinosaur Gas Co-op was ruptured in the vicinity of an EID construction site south of Patricia. No injuries resulted. It's not yet clear what caused the rupture because the pipeline was not hit.

3.0 Director Per Diem Rate and Corporate Mileage Rate:

E. Wilson noted that these rates have traditionally been reviewed and set by the Board at the annual organizational meeting. Mr. Wilson recommended, beginning in 2007, that these rates be set as part of the budget approval. The Board concurred with this recommendation. The Board decided to deal with these matters at this meeting for 2006.

2006-04-083 Moved by Allen Nielsen that the 2006 per diem rate for Board members remain at \$325.00 per day. Seconded by P. Hemsing. CARRIED

Administration was requested to determine whether remuneration paid to a Board member could be paid to a corporation rather than to the Board member personally.

E. Wilson advised, with respect to the mileage rate, that the Government of Alberta had recently advised that its current mileage rate is \$0.46 per kilometer. Mr. Wilson also noted that the price of gasoline increased recently and is now almost \$1.00 per litre.

2006-04-084 Moved by Tom Livingston that the mileage rate paid by the EID to an employee who casually uses a private vehicle for EID business purposes be set at \$0.50 per kilometer and that administration prepare a bylaw to authorize the same mileage rate to be paid to directors and that this bylaw be presented at an upcoming meeting for the Board's consideration. Seconded by N. Johnson. CARRIED

4.0 Policy to Govern the Supply of Personal Vehicles for EID Business Purposes

E. Wilson presented a policy proposal to allow EID employees, except for water district supervisors, to supply a vehicle for EID business purposes as a substitute for the employee using an EID owned vehicle. Water district supervisors will be exempted from this policy because they must drive through muddy and other poor conditions in order to properly perform their jobs. Such conditions may result in higher vehicle operating costs and it would be too problematic to fairly make provision for such costs in the uniform mileage rate.

The General Manager will have the discretion to establish the reimbursement rate which will typically be the same rate as approved by the Board (\$0.50 / km). There may be cases where a flat monthly rate will be paid or a combination of a base rate plus a mileage rate, dependent upon individual circumstances.

Mr. Wilson noted that this is a growing practice in many companies.

The policy will contain requirements pertaining to insurance; mileage logs and claims; the type, age, appearance and reliability of the vehicle; provision of a substitute vehicle; and signage, as examples.

Mr. Wilson estimates that the proposed policy will appeal to a relatively small number of employees due to the requirement for most employees having a company vehicle to drive a relatively high number of kilometers in a year; to drive in poor conditions; to carry tools, equipment or fuel tanks; or for the vehicle to be adapted for specialized tasks.

F. George recommended that administration look into how the private sector deals with trips from home to work and from work to home to ensure compliance with tax laws and fairness to all employees. F. George suggested that return trip mileage between the employee's home and work be deducted, on a daily basis, from the employee's overall mileage claim.

Another suggestion was to always pay for the first trip of the day as though it originated at the EID's office.

The Board authorized implementation of the policy as described by Mr. Wilson.

5.0 Staff Wages

N. Johnson informed the Board that the local labour market is very tight and will likely become even more competitive wage-wise as companies attempt to hire staff for the upcoming construction season. Mr. Johnson noted that some employers are increasing wage rates as a mechanism to entice employees away from other companies. Mr. Johnson recommended that administration research and stay current with changes in local wage rates to ensure that the

EID's rates remain competitive. It was noted that this is one way to avoid unnecessarily losing staff.

The Board asked E. Wilson to obtain information on local wage rates and to bring a report to the Board at its next meeting.

N. Johnson moved adjournment of the meeting at 8:35 p.m.

Chairman

General Manager

April 27, 2006 Organizational & Regular Meetings

The Directors of the Eastern Irrigation District held an organizational meeting and regular meeting on the 27th day of April, 2006. 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 9:00 a.m.

ORGANIZATIONAL MEETING

1.0 Elections

1.01 Election of Chairman

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

2006-04-085 Moved by C. Henrickson that Bob Chrumka be nominated for Chairman.

Mr. Chrumka accepted the nomination. Mr. Wilson called a second and third time for nominations. No further nominations were received.

2006-04-086 Moved by T. Livingston 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 took the chair and called for nominations for Vice Chairman.

2006-04-087 Moved by F. George that Allen Nielsen be nominated for Vice-Chairman.

Mr. Nielsen accepted the nomination. Mr. Chrumka called a second and third time for nominations. No further nominations were received.

2006-04-088 Moved by T. Livingston that nominations cease. CARRIED

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

2.0 Appointments

Mr. Wilson informed the Board that for this year, representatives are needed for AIPA, the Chamber of Commerce and the Prairie Conservation Action Committee.

2.01 Appointment of AIPA Directors (4)

E. Wilson, B. Chrumka, C. Henrickson and F. George were appointed as EID representatives at the AIPA meetings, with K. Bridges, A. Nielsen, N. Johnson, P. Hemsing and T. Livingston as alternates.

2.02 Appointment of Chamber of Commerce Director (1)

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

2.03 Appointment of Prairie Conservation Action Committee Representative (1)

T. Livingston was appointed as the EID representative on the Prairie Conservation Action Committee, with P. Hemsing as alternate.

REGULAR MEETING**1.0 Approval of Agenda**

The following items were noted for addition:

- 9.08 'Use of Private Vehicle for EID Business Purposes' Policy
- 10.01 Mini Dig Corp.

2006-04-089 Moved by P. Hemsing that the Board adopt the agenda as presented with additions. Seconded by A. Nielsen. CARRIED

2.0 Approval of Minutes**2.01 March 20, 2006**

The following items were noted for correction:

- Page 34, 5.01, at the end of the paragraph replace "2996" with "1996".
- Page 36, 7.02, motions 2006-03-070 and 2006-03-071 replace "OPPOSED – A. Nielsen" with "A. Nielsen requested that his vote be recorded as OPPOSED."

2006-04-090 Moved by P. Hemsing that the Minutes of the March 20, 2006 regular Board Meeting be approved as presented with corrections. Seconded by C. Henrickson. CARRIED

2.02 March 29, 2006

The following items were noted for correction:

- Page 39, 1.0, replace the request and recorded votes with "N. Johnson requested that his vote be recorded as OPPOSED."
- Page 40, 5.0, replace "A. Nielsen" with "P. Hemsing".

2006-04-091 Moved by P. Hemsing that the Minutes of the March 29, 2006 special Board Meeting be approved as presented with corrections. Seconded by C. Henrickson. CARRIED

2.03 April 5, 2006

The following item was noted for correction:

- Page 41, 1.0, replace the request and recorded votes with "F. George requested that his vote be recorded as OPPOSED."

2006-04-092 Moved by T. Livingston that the Minutes of the April 5, 2006 special 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.

4.0 Financial

4.01 March 31, 2006 Financial Statements

K. Bridges presented the Financial Statements to March 31, 2006, noting the following overall:

- YTD total revenues are tracking about 6% (\$343,000) below the YTD budget.
- YTD total net expenses are tracking about 32% (\$379,300) below YTD budget. All departments are under budget. Equipment Pool recoveries are significantly ahead of YTD budget which accounts for approximately half of the YTD net expense budget variance.

The following item was noted for correction:

- Page 6, 4) Capital Variance Analysis, replace "hand held flow recorder" to "PDA (hand held data recorder)".

Rate Enforcement procedures were discussed. As well, it was noted that one of the District's commercial rental properties will be vacated at the end of May. This property will be advertised for rent shortly.

2006-04-093 Moved by C. Henrickson that the Board approve the Financial Statements to March 31, 2006, as presented with the correction. Seconded by P. Hemsing. CARRIED

4.02 1st Quarter Investment Report

K. Bridges presented the 1st Quarter Investment Report.

2006-04-094 Moved by P. Hemsing that the Board approve the 1st Quarter Investment Report as presented. Seconded by C. Henrickson. CARRIED

4.03 1st Quarter Accounts Receivable Report

K. Bridges presented the 1st Quarter Accounts Receivable Report. Various accounts were discussed.

[9:40 a.m. B. Hale entered the meeting.]

2006-04-095 Moved by P. Hemsing that the Board approve the 1st Quarter Accounts Receivable Report as presented. Seconded by N. Johnson. CARRIED

[9:42 a.m. R. Matoba entered the meeting.]

4.04 By-Law Establishing the Rate of Remuneration and Expenses for Directors

Mr. Bridges presented the proposed by-law. He noted that a thorough answer to whether or not the District can pay a director's remuneration to another person or company could not be attained until after tax season. Third reading of the by-law was postponed to the next Board Meeting.

Eastern Irrigation District
BY-LAW 852 (2006)
 By-Law Establishing the Rate of Remuneration and Expenses for Directors
 [Irrigation Districts Act, Section 177]

WHEREAS the Irrigation Districts Act requires a district to enact a by-law to establish the rate of remuneration and expenses to be paid to members of the board of directors,

NOW THEREFORE the Board of Directors of the Eastern Irrigation District hereby enacts as follows:

1. The rate of remuneration to be paid to a member of the Board for attendance at a meeting of the Board or other meeting of the District for which attendance has been authorized shall be:
 \$325.00 per full day, or
 \$162.50 if the meeting lasts less than 4 hours.

2. The expenses to be paid to a member of the Board shall be:

Mileage:

Fifty (\$0.50) cents per kilometer as reimbursement for the use of a personal vehicle to attend a meeting of the Board or other meeting of the District for which attendance has been authorized.

Meals:

For reimbursement of meal expenses while attending a meeting of the Board or other meeting of the District for which attendance has been authorized:

- the amount actually spent by the Board member as shown on the receipt for the meal, or
- a flat rate reimbursement (no receipt required) of:
 - o \$10.00 for breakfast
 - o \$20.00 for lunch, and
 - o \$30.00 for dinner.
- a meal reimbursement claim shall not be submitted where the District has paid for the member of the Board's meal as part of the meeting registration or otherwise.

Other Expenses:

Reimbursement for all other expenses, including but not limited to accommodation, travel, parking and registration, shall be in the amount of the expense actually incurred as shown on the receipt for the expense.

3. The member of the Board may, at the member's discretion, direct the Eastern Irrigation District, in writing, to pay the member's remuneration or expenses to another person or company.
4. Claims for remuneration and expense reimbursement will normally be submitted to the Eastern Irrigation District on a quarter year basis for the periods ended March 31st, June 30th, September 30th and December 31st.
5. By-law 845 (2004) is hereby repealed.

2006-04-096 Moved by T. Livingston that the Board read and approve By-Law #852 (2006) the first time this 27th day of April, 2006. Seconded by P. Hemsing. CARRIED

2006-04-097 Moved by T. Livingston that the Board read and approve By-Law #852 (2006) the second time this 27th day of April, 2006. Seconded by P. Hemsing. CARRIED

B. Chrumka noted that the third reading of By-Law 852 (2006) will be on the agenda for the May 30th Regular Board Meeting.

6.0 Lands**6.01 Transfer of Irrigation Acres – John & Teena Ketchmark SW 10-17-16 W4M to Jamie & Joann Buteau SE 26-18-16 W4M**

The applicants wish to transfer 138 irrigation acres from SW 10-17-16 W4M to SE 26-18-16 W4M. Mr. Buteau would like to set up a 133 acre pivot on SE 26-18-16 W4M and put the remaining 5+ acres to supplement in NW 20-18-16 W4M. He has previously entered into an Infrastructure Agreement to upsize the pipeline on NW 20-18-16 W4M when 18 East Branch was installed. The conditions of that agreement have been met and would facilitate this transfer.

2006-04-098 Moved by N. Johnson that the Board approve the transfer of 138 irrigated acres from SW 10-17-16 W4M John & Teena Ketchmark to SE 26-18-16 W4M Jamie & Joann Buteau, subject to soils. Seconded by C. Henrickson. CARRIED

[9:56 a.m. R. Matoba exited the meeting.]

6.02 Update on Grazing Numbers & Turn-Out Dates

B. Hale reported on final Grazing Association cattle numbers and dates. 14,996 cow/calf pairs have been approved for the 2006 season. Although an increase of 5 head per member was granted, it only resulted in approximately 500 more cattle overall than last year. The turn-out date for regrass is no earlier than May 1st; and the turn-out date for native pasture is the weekend of May 13th/14th.

A few other grazing matters were discussed, and then W. Enns read a letter to the District dated April 21, 2006 from Joel Nicholson, Technical Committee Chair of the Antelope Creek Ranch that declined our request to lower grazing rates. Eyremore Grazing Association will be contacted at once with regards to the rates being charged.

[10:25 – 10:32 a.m. A short break was taken, with B. Hale exiting the meeting.]

6.03 Sale of House in Rolling Hills

K. Bridges confirmed that the EID received an offer to purchase for this property in the amount of \$107,000 with a completion date of June 1, 2006. Removal of miscellaneous items, repairing two toilets and septic tank emptying will need to be done. Directors had previously been faxed regarding this offer.

2006-04-099 Moved by P. Hemsing that the acceptance of the offer to purchase, dated April 7, 2006 and submitted by Ron Nelson, in the amount of \$107,000 for Lot 2, Block 8, Plan 0111162, Rolling Hills, be ratified. Seconded by N. Johnson. CARRIED

6.04 Request for Land Donation – Proposed Pathway along Highway #873

B. Chrumka and K. Bridges had been approached by Clayton Johnson inquiring if the Board would be willing to hear a presentation regarding a pathway along Secondary Highway #873 and associated land donation request. It was determined that more information is required, especially in regards to private landowners affected, before the District can confirm or decline the willingness to entertain a request for a donation of land.

6.05 Set Prices for Lot Sales in Bassano

The subdivision process, including registration of the subdivision plan and creation of new titles, has been completed for the 2 residential and 3 industrial lots in Bassano. These lots will be marketed and offered for sale by the EID as opposed to being listed with a realtor.

2006-04-100 Moved by F. George that the Board approve the recommendations for lot pricing as outlined in K. Bridges report dated April 26, 2006. Seconded by A. Nielsen. CARRIED

7.0 Equipment - Sale of 40 hp Ford Tractor and 9 Light Trucks

E. Wilson reviewed the sale of the tractor and trucks, recommending that they be sold at Annett Auction Service in Brooks. The auction will charge 10% commission.

2006-04-101 Moved by P. Hemsing that the Board approve the sale of the 40 hp Ford Tractor and 9 Light Trucks at Annett Auction Service in late May. Seconded by N. Johnson. CARRIED

8.0 EIDNet Report

E. Wilson and K. Bridges noted that there are no updates to report, only that a meeting with IPPlus is scheduled for May 8th in Calgary. A short discussion on competitors and the ramifications for the District's future plans was held.

9.0 General Manager's Report

E. Wilson presented the General Manager's Report.

9.01 IRP Budget

The provincial budget included 24 million for the IRP program. The cost share agreements that were sent out and signed were based on a 20 million dollar program. The Minister and Irrigation Council have given no indication on how the additional 4 million will be divided; if by formula, this would grant the District approximately 1.0 million more.

9.02 Irrigation Council Tour

The tour is planned for Thursday, May 18th on R North Bantry, G North Bantry and 16 Springhill areas. Tour information and details will be faxed out to Directors when ready.

9.03 Luscar Update

Luscar Coal is in the final stages of setting up the 4 company ownership, 2 company operating agreement for the Bow City power project. The final application to the EUB will not be made until September because it will include the details of this company. Mr. Wilson has been asked to attend a meeting with Alberta Environment to acquire a useable water license. Negotiations have begun with private landowners affected by the plant site and adjacent lands.

9.04 Staff Changes

Mr. Wilson reported on a few staff changes within the last month. Dave Hughes has been hired as the new WDS for S2 (Kitsim – Bow City), Margo Jarvis Redelback has been hired as the new PHD Technician, Dwayne Turnbull has resigned, and Ivan Friesen has been promoted to Engineering Manager.

9.05 AIPA Report

B. Chrumka, A. Nielsen, C. Henrickson and E. Wilson attended the AIPA Directors Meeting in Glenwood on April 10th. Mr. Wilson summarized that there was considerable debate on whether or not to proceed with a large river modeling project combined with a dispute resolution tool. The project has received over \$400,000 in grants from the federal government and the Israel / Alberta Research Initiative. Most of the larger districts did not feel it was a good idea, and that if it were to be done, Alberta Environment should play a major role in it; the project was not approved. The project has already spent \$50,000 (without districts' approval) which caused concern in terms of whether these expenses would be covered by grant funding and the fact that this money was spent before approval by directors.

Other discussion was held, and Mr. Wilson announced that the June 19th AIPA meeting will be hosted by the EID, and a tour of the Rolling Hills Reservoir Campground has been requested.

[11:20 a.m. J. Meador entered the meeting.]

9.06 State of the Basin Open House

Mr. Wilson reported that the meetings with BRBC Council Members and Grade 8 students at St. Joseph's Collegiate and Brooks Junior High School went well. A public meeting was also held that evening at the Heritage Inn. These meetings were a public forum on the state of the Bow River and with no proposed solutions.

9.07 Bassano Dam Land Claim

Mr. Wilson commented that the settlement is making progress.

In relation to other water issues, the General Manager noted that the County, Brooks, Bassano, Rosemary and Tilley are forming a regional water authority. Also noted, was that the IJC will be holding more meetings in regards to the Milk River and St. Mary River and U.S. demand.

9.08 Use of Private Vehicle for EID Business Purposes

A policy for the Use of Private Vehicles for EID Business Purposes was presented to the Board for approval.

2006-04-102 Moved by T. Livingston that the Board approve the Use of Private Vehicle for EID Business Purposes policy as outlined. Seconded by N. Johnson. CARRIED

10.0 Other**10.01 Mini Dig Corp.**

C. Henrickson commented on the work being done by Mini Dig Corp. and inquired if the project would be completed in time. E. Wilson responded with a review of the situation and how it is being handled. It is believed that the project will be completed on time, however the District may have to step in if necessary.

5.0 Operations Report**5.01 Reservoir Status**

Mr. Wilson reported that the District's reservoirs are above their normal levels for this time of the year and that they are currently flushing and filling Kitsim, Rolling Hills, Snake Lake and Lake Newell Reservoirs.

5.02 Water Delivery Day

Both E. Wilson and J. Meador believe the demand for water will be low at first, and that a delivery date of May 10th is timely. New pipelines will be charged the last week in April. Mr. Meador commented that algae growth will be an increased problem this year as some has survived the mild winter.

5.03 Farm Improvements**5.03.1 Farm Improvement – Cam Morris – SW 08-20-12 W4M**

Current assessment is 103 acres; new pivot area is 106 acres. This farm improvement calls for the conversion of 103 acres flood to pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot center, the flood well needs to be changed to a riser. The farm improvement grant payable to the Water User is \$5,942, less \$1,200 to change the flood well to a riser = \$4,742.

2006-04-103 Moved by P. Hemsing that the Board approve the farm improvement for Cam Morris for the conversion of 103 acres flood to pivot in the SW 08-20-12 W4M. The farm improvement grant payable to the Water User is \$5,942, less \$1,200 to change the flood well to riser = \$4,742. Seconded by A. Nielsen. CARRIED

With the current assessment being 103 acres and the new pivot area being 106 acres, 3 additional acres are needed.

- 2006-04-104 Moved by P. Hensing that the Board approve the increase in assessment from 103 acres to 106 acres, 3 additional acres at \$200/acre. The increase in assessment is being granted as a result of converting 103 acres of flood to pivot. Seconded by C. Henrickson. CARRIED**

5.03.2 Farm Improvement – L. & S. Pickett – SE 23 & NE 14-22-17 W4M

Current assessment is 128 acres (116 acres in SE 23-22-17 W4M and 12 acres in NE 14-22-17 W4M) and total new assessment is 128 acres under the pivot. This farm improvement calls for the conversion of 128 acres flood to pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot center, with the delivery remaining the same. An Irrigable Unit is already in place. The farm improvement grant payable to the Water User is \$7,384.

- 2006-04-105 Moved by F. George that the Board approve the farm improvement for L. & S. Pickett for the conversion of 128 acres flood to pivot in the SE 23-22-17 W4M & NE 14-22-17 W4M. The farm improvement grant payable to the Water User is \$7,384. Seconded by C. Henrickson. CARRIED**

5.03.3 Farm Improvement – Ben Tateson – W ½ 12 & Pt. E ½ 12-17-14 W4M

Current assessment of 426 acres will remain the same with corners being moved to gain the extra acres for the new pivot area of 73 acres. This farm improvement calls for the conversion of 51 acres flood to pivot and 22 acres wheels to pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from pump site to pivot center. An Irrigable Unit is already in place. The Water User would like to hire the EID to move his pump sites and this will be done on an hourly rate. The farm improvement grant payable to the Water User is \$2,942 (51 acres flood to pivot) plus \$423 (22 acres wheels to pivot) = \$3,365.

- 2006-04-106 Moved by T. Livingston that the Board approve the farm improvement for Ben Tateson for the conversion of 51 acres flood to pivot and 22 acres wheels to pivot in the W ½ 12 & Pt. E ½ 12-17-14 W4M. The farm improvement grant payable to the Water User is \$2,942 (51 acres flood to pivot) plus \$423 (22 acres wheels to pivot) = \$3,365. Seconded by C. Henrickson. CARRIED**

[11:55 a.m. J. Meador exited the meeting.]

11.0 Upcoming Events

B. Chrumka requested that Board Meetings be scheduled for the 4th Tuesday of every month, with 2 weeks notice to reschedule.

- | | | |
|-------|-------------------------------------|---|
| 11.01 | 2006 Alberta Environment Conference | - May 3 & 4 (Edmonton), Earl & Kevin attending |
| 11.02 | Pheasants Forever Dinner | - Wed., May 10 th (Brooks Clays & Feathers Club House), C. Henrickson, A. Nielsen, and two more attending. |
| 11.03 | Irrigation Council Tour | - Thursday, May 18 th |
| 11.04 | Regular Board Meeting | - Tuesday, May 30 th , 9:00 a.m. |
| 11.05 | BRBC Icebreaker Gala | - Friday, June 16 th (Telus Convention Centre, Calgary), E. & L. Wilson, K. & M. Bridges, N. & P. Johnson, and F. & S. George attending. |

- 11.06 AIPA Directors Meeting - Monday, June 19th (EID Boardroom, with tour of the Rolling Hills Reservoir Campground to follow.)
- 11.07 Regular Board Meeting - Tuesday, May 30
- 11.08 Regular Board Meeting - Tuesday, June 27th

[12:00 – 12:45 p.m. Lunch break, K. Bridges and W. Enns exited the meeting.]

12.0 In-Camera

P. Hemsing moved adjournment of the meeting at 1:30 p.m.

Chairman

General Manager

May 30, 2006 Regular Directors Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 30th day of May, 2006. 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]	9:03 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 added to the agenda:

- 8.05 Random Camping at Crawling Valley Reservoir

2006-05-107 Moved by A. Nielsen that the Board adopt the agenda as presented with additions. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes

The following item was noted for correction:

- Page 49, 9.05, AIPA Report, add to the end of the first paragraph "and the fact that this money was spent before approval by directors."

2006-05-108 Moved by C. Henrickson that the Minutes of the April 27, 2006 regular Board Meeting be approved as presented with corrections. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

Mr. Bridges reviewed his findings regarding payment of board member remuneration to a corporation.

[9:03 a.m. N. Johnson joined the meeting.]

The Board agreed that although this clause may not be exercised by directors at this time, it would be beneficial to include the clause in the by-law. A short discussion on cell phone expenses resulted in the matter being referred to a later date.

Eastern Irrigation District
BY-LAW 852 (2006)
 By-Law Establishing the Rate of Remuneration and Expenses for Directors
 [Irrigation Districts Act, Section 177]

WHEREAS the Irrigation Districts Act requires a district to enact a by-law to establish the rate of remuneration and expenses to be paid to members of the board of directors,

NOW THEREFORE the Board of Directors of the Eastern Irrigation District hereby enacts as follows:

1. The rate of remuneration to be paid to a member of the Board for attendance at a meeting of the Board or other meeting of the District for which attendance has been authorized shall be:
\$325.00 per full day, or
\$162.50 if the meeting lasts less than 4 hours.
2. The expenses to be paid to a member of the Board shall be:

Mileage:
Fifty (\$0.50) cents per kilometer as reimbursement for the use of a personal vehicle to attend a meeting of the Board or other meeting of the District for which attendance has been authorized.

Meals:
For reimbursement of meal expenses while attending a meeting of the Board or other meeting of the District for which attendance has been authorized:
 - the amount actually spent by the Board member as shown on the receipt for the meal, or
 - a flat rate reimbursement (no receipt required) of:
 - o \$10.00 for breakfast
 - o \$20.00 for lunch, and
 - o \$30.00 for dinner.
 - a meal reimbursement claim shall not be submitted where the District has paid for the member of the Board's meal as part of the meeting registration or otherwise.
Other Expenses:
Reimbursement for all other expenses, including but not limited to accommodation, travel, parking and registration, shall be in the amount of the expense actually incurred as shown on the receipt for the expense.
3. The member of the Board may, at the member's discretion, direct the Eastern Irrigation District, in writing, to pay the member's remuneration or expenses to another person or company.
4. Claims for remuneration and expense reimbursement will normally be submitted to the Eastern Irrigation District on a quarter year basis for the periods ended March 31st, June 30th, September 30th and December 31st.
5. By-law 845 (2004) is hereby repealed.

2006-05-109 Moved by A. Nielsen that By-Law #852 (2006), being a by-law to establish the rate of remuneration and expenses for directors, be read the third time and finally passed. Seconded by C. Henrickson. CARRIED

4.0 Financial Report

K. Bridges presented the Financial Statements to April 30, 2006, noting the following overall:

- YTD potential transfer to the IWF is \$5.7 million.
- YTD total revenues are tracking about 5% (\$387,000) below the YTD budget.
- YTD total net expenses are tracking about 17% (\$311,000) below YTD budget.
- Overall, the District is within \$76,000 (1%) of YTD budget.
- All departmental expenses, except EIDNet, are under YTD budget.

2006-05-110 Moved by C. Henrickson that the Board approve the Financial Statements to April 30, 2006, as presented. Seconded by P. Helsing. CARRIED

5.0 Operations Report

5.02 Water Use Report & Reservoir Status

E. Wilson reviewed the overall reservoir status and water use, noting that almost all reservoirs are full to maximum, and current farmers irrigating had dropped from 160 to 30. He also noted that the snow pack reserve in the mountains is good.

[9:22 a.m. J. Meador entered the meeting.]

5.01 Farm Improvement – South Slope Feeders SE 01-16-16 W4M

Current assessment is 140 acres; new pivot area is 132 acres. This farm improvement calls for the conversion of 132 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. Conversions on this quarter and the extra 8 acres will be moved to 11-17-16 W4M as per a previous agreement with the EID Board. The farm improvement grant payable to the Water User is \$7,500.

2006-05-111 Moved by F. George that the Board approve the farm improvement for South Slope Feeders for the conversion of 132 acres flood to pivot in the SE 01-16-16 W4M. The farm improvement grant payable to the Water User is \$7,500. Seconded by C. Henrickson. CARRIED

[9:34 a.m. I. Friesen, R. Gagley, J. Kabut entered the meeting.]

6.0 Engineering Report

Mr. Wilson presented the Engineering Report to date.

6.01 2005 / 2006 Project Status

All projects are running water, though there is lots of clean up, seeding and fencing to be done. The 17 G project has been resolved with the District negotiating and taking over the rest of the project from Mini Dig. With over a dozen leaks on R North Bantry, it has taken over 3 weeks to repair and charge the system. The cause of the pipe splitting from end to end remains evasive; point loading or a poor batch of pipe are possibilities, other possibilities have been ruled out. The failed pipe will continue to be given chemical and stress tests at the manufacturer's lab for cause of cracking.

6.02 IRP Grant

The IRP budget was approved at \$24 million; the original cost share agreements were based on \$20 million. Recommendations from the districts are requested in spending \$1 million to meet the Water For Life principles in the southern Alberta irrigation area. A workshop is planned for June 9th in Lethbridge, with a request that each district send up to 2 people. B. Chrumka and A. Nielsen will attend, as Mr. Wilson has a BRBC meeting that day in Calgary.

6.03 2006 / 2007 Proposed Projects

While designing the upcoming year's projects, some of the projects have expanded significantly for good reason, and the costs of construction are up at least 15%. Some of these projects will need to be delayed a year.

<u>IRP Project</u>	<u>Lined Canal</u>	<u>Pipeline</u>	<u>Budget Estimate</u>
G North Bantry		15 km	\$6,100,000
16 Springhill	8 km	19 km	\$3,500,000
11 East Branch		18 km	\$4,000,000

07 & 08 - 7 Bow Slope		5 km	\$1,000,000
A Springhill	13 km		\$4,000,000
02, 03 & 04 – 12 Sec A	2 km	3 km	\$1,000,000
R1 North Bantry		6 km	\$1,000,000
03 – 02 D Springhill		4 km	\$1,000,000
Springhill Check Structure			\$500,000
Screening, Metering & Automation			<u>\$750,000</u>
			\$22,850,000

E. Wilson recommended delaying 10 – 20 km of pipeline and \$3 - \$4 million dollars to meet budget and time constraints. 16 Springhill is the recommended project to be delayed, due to drainage complications, the size of the project, etc.

6.04 Proposed Changes to the 3 Year Plan

The 3 Year Plan will be redone based on more current costs and the knowledge of Luscar's plans.

6.05 G North Bantry

This project includes G North Bantry and all its laterals north of the Patricia Highway. It is 21.1 km long, serves 3,110 acres, and is fairly flat. The current system has a lot of seepage and farm severance, the banks are not drivable and the structures are nearing the end of their life. Three alternatives were presented, two consisting of lined canals and some pipelining, the third and lowest estimate involved pipelining the entire system. It is recommended that this rehabilitation be funded by the 2006/2007 IRP program.

2006-05-112 Moved by P. Hemsing that the Board approve the rehabilitation of G North Bantry by pipelining the entire system, plus a pipeline spillway at the top end at an estimated cost of \$6,075,000 to be funded by the 2006/2007 IRP program. Seconded by T. Livingston. CARRIED

6.06 11 East Branch

This project includes a combination of what is left on the 'A' North Branch canal and all of 11 East Branch canal. 1759 acres pump, 108 acres gravity and 152 acres terminable pump make up the 2019 acres currently supplied. 'A' North Branch is hampered by low utilization in the first 7 kms, a 4 km stretch of gravel causing significant water loss, and poor access. 11 East Branch mostly supplies a drain for irrigation. There is a lack of capacity, and new and additional control structures are needed to limit the amount of water spilled. The recommended alignment is to combine 'A' North Branch and 11 East Branch into one PVC pipeline system at an estimated cost of \$3,925,000.

2006-05-113 Moved by C. Henrickson that the Board approve the rehabilitation of 11 East Branch by combining it with A North Branch into one PVC pipeline system, at an estimated cost of \$3,925,000. Seconded by P. Hemsing. CARRIED

6.06.1 11 East Branch – Tracy Hall Cost-Sharing

Tracy Hall presently pumps both the NE 19-21-17 (78 acres) and SE 19-21-17 W4M (74 acres) out of a drainage system. The upsizing costs from Mr. Hall's last delivery to his new proposed pivot centers in the S ½ 30-21-17 W4M is \$39,500. It is recommended that the District cost-share this infrastructure on a 50/50 basis.

Mr. Hall would like to convert these 152 acres of terminable wheel irrigation to 174 acres of "1st water" pivot irrigation. Mr. Hall will be charged a capital assets charge of \$100/acre for the existing 152 "terminable" acres to be converted to "1st water" acres (152 x \$100 = \$15,200). An additional 22 acres of "1st water" rights are needed, at a cost to the Water User of \$200/acre (22 x \$200 = \$4,400).

2006-05-114 Moved by T. Livingston that the Board approve the 50% cost-share of upsizing the pipe on 11 East Branch at a cost of \$19,750 to Tracy Hall; and that his 152 "terminable acres" be converted to "irrigation acres" at a cost of \$100/acre (152 acres x \$100 = \$15,200). Seconded by P. Hemsing. CARRIED

2006-05-115 Moved by P. Hemsing that the Board approve the increase in assessment from 152 acres (on NE & SE 19-21-17 W4M) to 174 acres (on Sec. 19-21-17 W4M) at a capital asset charge to Tracy Hall of \$200/acre (22 acres x \$200 = \$4,400). The increase in acres being granted is a result of efficiencies made in converting 152 acres wheels to low pressure pivot. Seconded by A. Nielsen. CARRIED

6.07 02 & 03 – 12 Secondary 'A' Rolling Hills

This project is located 5 kms northeast of Rolling Hills and consists of both pipeline construction and canal rehabilitation. 8 quarters (288 acres flood and 703 acres pumped) are served. Proposed rehabilitation consists of parallel and level bank canal, and pipeline. 2000 m of canal needs to be rebuilt, and over 2500 m of PVC pipe needs to be installed, at an estimated cost of \$1,000,000.

2006-05-116 Moved by N. Johnson that the Board approve the rehabilitation of 02 & 03 – 12 Secondary A Rolling Hills using a combination of open canal and PVC pipeline at an estimated cost of \$1,000,000. Seconded by P. Hemsing. CARRIED

[10:29 – 10:39 a.m. A short break was taken, and J. Meador, I. Friesen, R. Gagley and J. Kabut exited the meeting.]

7.0 Equipment Report

7.01 Purchase of 2006 Gravel Truck

Mr. Wilson presented the gravel truck quotes. Concerns were raised regarding asking for bids/quotes and not approving the lowest price on comparable equipment.

2006-05-117 Moved by F. George that the Board approve the purchase of a 2006 gravel truck from Great West Kenworth - Lethbridge for \$138,910. Seconded by A. Nielsen. DEFEATED

2006-05-118 Moved by T. Livingston that the Board approve the purchase of a 2006 gravel truck from Freightliner of Lethbridge for \$133,462. Seconded by C. Henrickson.

2006-05-119 Moved by A. Nielsen that motion 2006-05-118 be tabled pending staff providing further information on the various makes. Seconded by P. Hemsing. CARRIED

7.02 Results of Sale of ½ Tons and Tractor

E. Wilson reported that the 8 half tons and 40 hp Ford tractor sold this past month for a gross combined amount of \$20,100. A Board member commented on the readiness of ½ tons being sold and advised that all toolboxes be emptied and vehicles washed, etc.

8.0 Lands**8.01 Property – Sales & Rentals****8.01.1 Flex It Fitness and Star Tech Automotive**

K. Bridges updated the Board on lease requests of the new Flex It Fitness owner, noting that the annual renewal comes due at the end of the year. The Board affirmed that they do not want to approve leases longer than one year until the environmental assessment is completed. In regards to the parking lot, the District will take on the responsibility of repairing the holes.

2006-05-120 Moved by T. Livingston that the Board approve entering into a one year lease with the owners of Flex It Fitness and Star Tech Automotive according to the recommendations contained in K. Bridges report dated May 25, 2006. Seconded by C. Henrickson. CARRIED

8.01.2 Old Shop & Yard Property – Letter re Contamination

A letter to the District from Maclean Wiedemann lawyers representing John Broersen and John Duenk was reviewed. E. Wilson read a draft letter of response, which was supported by the Board.

8.01.3 Change in Tenants – Sound Vibes (Old Christian Mechanical Building

In the Financial Statements, Mr. Bridges informed the Board that The Board Shop has entered a one year lease agreement, June 1, 2006 through May 31, 2007 for this building.

8.01.4 Proposed Sale of Triangularly Shaped Parcel of Land in Industrial Park

Mr. Bridges presented background information on the proposed parcel of land showing interest for purchase. This land is located at the intersection of Industrial Road and Canal Street. A minimum price was not set, though an average amount expected was discussed, as well as the estimated land development costs to the buyer. As two private parties are showing interest, it was deemed equitable to advertise the land for sale by tender.

2006-05-121 Moved by T. Livingston that the triangularly shaped parcel of land located at the intersection of Industrial Road and Canal Street, Brooks, as described in K. Bridges report dated May 26, 2006 be advertised for sale by tender, tenders to be reviewed by the Board, highest or any tenders not necessarily accepted. Seconded by C. Henrickson. CARRIED

8.01.5 Pathway Land Donation Request – Additional Information

K. Bridges confirmed that he spoke with Clayton Johnson stating that the Board would need additional information on the proposed project. No indication was received as to Mr. Johnson's preliminary plans.

8.01.6 Village of Tilley Request to Purchase Land – Set Price

Mr. Bridges presented background information on similar village land purchases, supporting the Village of Tilley's offer price of \$4,500/acre. It was noted that the current parcel has 10 irrigation acres listed on the assessment roll, which would be removed prior to the sale. As well, the WDS acreage boundary needs to be redrawn to account for sewer lines, garage, internet tower, and the possibility of lots in the back. It was supported by the Board to not advertise, but sell this land directly to the Village of Tilley.

2006-05-122 Moved by P. Helsing that the Board approve the selling price for land adjacent to the Village of Tilley at \$4,500/acre; with the sale of land to be negotiated directly with the Village of Tilley. Seconded by N. Johnson. CARRIED

[11:26 a.m. R. Matoba entered the meeting.]

8.02 5 Year Rate Reviews on Irrigated Leases – Letters of Appeal re #8268, #8266 & #8267

Letters received from Russell & Pam Douglass and Stuart Kanegawa regarding rate increase appeals on #8268, and #8266 & #8267 respectively were presented to the Board. In discussion it was stated that the increase was not based on agricultural rates of production, but due to the fact that the value of “first right of refusal” has been added to the lessee’s agreement. R. Matoba is to respond in writing that the \$5.00 to \$6.00 increase per acre will be upheld.

[11:33 a.m. – 12:44 p.m. Lunch break; R. Matoba exited the meeting.]

8.01.1 Flex It Fitness (revisited)

Mr. Bridges added a further item in regards to the Flex It Fitness Lease in that the tenant is asking if the District would pay for, partially pay for, or finance upgrades to the heating and cooling system. The Board requested K. Bridges to confirm the necessity of heating and cooling duct work and to obtain an estimate before the District considers cost-sharing or financing the improvements.

[12:54 p.m. L. Cook and B. Hale entered the meeting.]

7.01 Purchase of 2006 Gravel Truck (revisited)

Mr. Cook was in attendance to respond to a few questions of the Board.

[12:58 p.m. G. Redelback entered the meeting.]

2006-05-123 Moved by C. Henrickson that motion 2006-05-118 “Moved by T. Livingston that the Board approve the purchase of a 2006 gravel truck from Freightliner of Lethbridge for \$133,462. Seconded by C. Henrickson.” be lifted from the table. Seconded by P. Hemsing.

2006-05-118 Moved by T. Livingston that the Board approve the purchase of a 2006 gravel truck from Freightliner of Lethbridge for \$133,462. Seconded by C. Henrickson. CARRIED

[1:05 p.m. L. Cook exited the meeting.]

8.03 Grazing Report

B. Hale was in attendance to present the Grazing Report to the Board.

8.03.1 Transfer of Private Grazing Lease #7182

Mr. Hale summarized the points of C. & D. Mindorff’s letter to the District regarding their imminent residency. B. Hale to respond to the Mindorff’s in writing in that the transfer of the grazing lease will be officially approved upon District’s policy proof of residency.

2006-05-124 Moved by T. Livingston that the Board approve the transfer of Private Grazing Lease #7182 subject to the Lessee becoming a resident of the EID. Seconded by P. Hemsing. CARRIED

8.03.2 2006 Reseeding Project Proposal

Location: This area is on the eastern boundary of the EID, on the north side of the # 1 Highway.

Township 16 Range 11		Township 17 Range 11	
Parts of Sections 13 & 24	= 568 acres	Section 1	= 585 acres
Section 25	= 586 acres	Part of Section 2	= 250 acres
Section 36	= 600 acres		

Total Acres: 2,589 acres, less wellsite & row, = **2,400 acres**

Costs:	Grass Seed	\$50,000
	Tractor & machinery rental for breaking	\$43,750
	- cultivating 3 passes, heavy harrowing & seeding	
	- (\$87.50/hr x 500 hours)	
	Cultivator Rental	\$ 9,600
	Fuel (14 gal/hr x 500 hrs = 7000 gal x .80¢/litre)	\$25,000
	Labour	\$ 9,000
	Custom Seeding	<u>\$62,500</u>

Total Cost = **\$199,850**

This project cost is consistent with the last 3 years – approximately \$200,000.

2006-05-125 Moved by T. Livingston that the Board approve the 2006 reseeding project of 2,400 acres total, located along the eastern EID boundary between the # 1 Highway and Tide Lake, at an estimated cost of \$199,850. Seconded by N. Johnson. CARRIED

8.03.3 EID Private Grazing Leases – G.W. Murray

In response to an inquiry passed on by one of the Directors at the last meeting, Mr. Hale reported on the number of leases and meeting eligibility requirements of the various Murray private grazing leases.

8.03.4 Bassano Grazing Lease Water Lines Proposal

A pipeline and 4 dugouts are currently in place on the Bassano Grazing Lease. This project consists of digging 4 additional dugouts and adding three 4" pipeline extensions off the existing line to fill the dugouts, at an estimated cost of \$243,000. As the main pipeline will be shared with one of the Hutterite Colonies, used only a couple times a year, and for District utilization, it was suggested by the Board that a portable diesel pump be purchased and used for filling the dugouts.

2005-05-126 Moved by A. Nielsen that the Board approve the Bassano Grazing Lease water lines and dugouts project at an estimated cost of \$243,000. Seconded by P. Hemsing. CARRIED

8.05 Random Camping at Crawling Valley Reservoir

F. George reported that there were several random campers around Crawling Valley Reservoir. In discussion, it was noted that although the District owns the right-of-way around the reservoir, in the affected area private land borders it to the east, with District land to the west. Patrolling by District staff may need to be increased, with the possibility of involving services of the County Special Constable if this proves to be a problem.

8.04 Oil & Gas Report

G. Redelback presented the Oil & Gas Report, noting that the new compensation rates are being used for all oil and gas companies. Official agreements with other companies, though, have not been entered into as yet. It is speculated that 2006 and 2007 are going to be quite active drilling periods for both EnCana and Esso.

10.0 General Manager's Report

10.03 EnCana Update

On the same note, E. Wilson reported on a meeting with EnCana May 17th in Calgary. A new lawyer has taken over for EnCana, appropriate changes to the agreement were made, and the final draft is currently being reviewed by both parties, with no changes to the intent of the negotiations.

T. Livingston suggested to insist on compost instead of straw when crimping is required. It was also suggested to look into making a stockpile supply for oil & gas land reclaiming projects.

[1:46 – 1:51 p.m. A short break was taken, G. Redelback and B. Hale exited the meeting, R. Hayes entered.]

9.0 EIDNet Report

9.01 Air Card Information

R. Hayes reported on plan costs for competitor's "air cards" in comparison to the District's rates and downloading capabilities. This current competitor's service is viewed as being an expensive alternative, and not for the average internet user.

9.02 Plan Detailing Requirements

E. Wilson summarized the service improvement, expansion recommendations and cost-sharing details received from IPPlus. The Board gave direction for administration to go ahead with the changing out, adding and interspersing of different radios and frequencies, at an approximate cost to the District of \$140,000. This work is anticipated to be completed sometime in July; with expansions onto the new towers expected to follow.

10.0 General Manager's Report

10.01 2006 Alberta Environment Conference

Mr. Wilson reported on the 2006 Alberta Environment Conference that he and K. Bridges attended May 3rd & 4th in Edmonton. The conference did prove worthwhile.

10.02 Luscar Coal Update

E. Wilson met with Luscar representatives in Edmonton on May 4th to discuss their and the District's water licenses, with a future meeting planned for June 8th. Water conveyance, operation of the cooling pond, use of the reservoir and control of water licenses needs to be finalized.

10.04 Meeting with Peter Watson

Mr. Wilson met with Peter Watson, Deputy Minister of Environment on May 24th. Watershed Planning Advisory Councils; Water For Life Strategy; and Bow River moratorium, Luscar & EID licenses were discussed.

10.05 Meeting with Monte Solberg

E. Wilson also met with Monte Solberg, Member of Parliament, regarding the eligible funding amount for conversion from flood to pivot. Mr. Solberg will bring it up with the Minister and try to have it raised. Mr. Wilson will send a letter of invitation to Chuck Strahl, Federal Minister of Agriculture and Agri-Food to host the Minister for a tour of irrigated agriculture and the District's overall land base.

10.06 Department of Fisheries & Oceans

Concerns have been raised by new DFO staff in regards to canal rehabilitation, pipelining and screens. The PFRA is working to explain the irrigation districts standpoint to the DFO.

10.07 County of Newell – West Nile Program

The County of Newell is once again requesting funding and labour support for their West Nile monitoring and control program. As this request is understood to be outside the EID's mandate, E. Wilson is to respond in writing, declining the County's request.

10.08 Rolling Hills Fire Department – Buy or Lease Shop

A letter to the Board from the Rolling Hills Fire Department is requesting to lease or buy part or all of the District's Rolling Hills shop. Administration is to acquire more information from the Fire

Department as to what is required and investigate the feasibility of sharing shop space with the District.

10.09 Alberta Beef Producers

An Alberta Beef Producers letter was also presented in regards to the Classroom Agriculture Program, of which the District is a part. The letter stated their reduction in funding, and need for increased organizational help. T. Livingston will attend the next Alberta Beef Producers meeting in Edmonton to find out exactly what support is needed.

10.10 Staff Changes

Bill Kazimir has been hired to run gravel truck; David Hughes, our newest WDS has resigned with Duce Currie hired to replace him; and Darla Wiebe has been hired to fill in the supervisory position at the dam for the summer.

10.11 Christmas Party

Bookings and a deposit have been made for staff to attend a dinner theatre in Calgary as the District's Christmas Party on December 9th.

10.12 Siksika Land Claim

D. Roth has conveyed that the last meeting went well and that they are getting closer to the end of details on the agreement. Approval by the three parties: Band, Cabinet and EID Board is anticipated for early fall.

11.0 Upcoming Events

- 11.01 EID Staff Rodeo Breakfast - Friday, June 9th, beginning at 6:30 a.m., EID shop
- 11.02 Irrigation Council Workshop - Friday, June 9th, Lethbridge (B. Chrumka & A. Nielsen attending)
- 11.03 BRBC Ice Breaker Gala - Friday, June 16th, Telus Convention Center – Calgary
(E. & L. Wilson, K. & M. Bridges, N. & P. Johnson, F. & S. George attending)
- 11.04 AIPA Directors Meeting - Monday, June 19th, EID Boardroom, with tour of the Rolling Hills Reservoir Campground to follow
- 11.05 Regular Board Meeting - Tuesday, June 27th

C. Henrickson moved adjournment at 2:48 p.m.

In-Camera

Chairman

General Manager

June 27, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 27th day of June, 2006. 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]	9:08 a.m.	
Mr. Pat Hemsing	Director	[Division 7]		

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

1.0 Approval of Agenda

The following items were added to the agenda:

- 6.04 Landowner Contribution for Extra Turn-Outs
- 7.06 Letter from Maclean Wiedeman Lawyers, June 19, 2006
- 9.06 Classroom Agriculture Program
- 9.07 Rolling Hills Reservoir Campground
- 9.08 Grazing

2006-06-127 Moved by P. Hemsing that the Board adopt the agenda as presented with additions. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes**2.01 May 30, 2006**

The minutes were accepted as circulated.

[9:08 a.m. N. Johnson joined the meeting.]

2006-06-128 Moved by A. Nielsen that the Minutes of the May 30, 2006 regular Board Meeting be approved as presented. Seconded by T. Livingston. CARRIED

3.0 Business Arising

There were no matters raised.

4.0 Financial**4.01 May 31, 2006 Financial Statements**

K. Bridges presented the Financial Statements to May 31, 2006, noting the following overall:

- YTD potential Transfer to the IWF is \$7.18 million.
- YTD total revenues are tracking about 2% (\$183,000) above the YTD budget.
- YTD total net expenses are tracking about 12% (\$330,000) below YTD budget.
- Overall, the District is within \$112,000 (1.5%) of YTD budget.
- All departmental expenses, except Maintenance and EIDNet, are under YTD budget.

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

2006-06-129 Moved by C. Henrickson that the Board approve the Financial Statements to May 31, 2006, as presented. Seconded by P. Hemsing. CARRIED

[9:32 a.m. J. Meador entered the meeting.]

5.0 Operations

5.01 Farm Improvement – John Schreiner – SW 29-15-15 W4M

Current assessment is 142 acres; new pivot area is 133 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-off. The pivot must be piped from pump site to pivot center. The Landowner wishes to keep the 9 extra corner acres at \$200/acre. The farm improvement grant payable to the Landowner is \$7,500 minus \$1,800 = \$5,700.

2006-06-130 Moved by A. Nielsen that the Board approve the farm improvement for John Schreiner for the conversion of 142 acres flood to pivot in the SW 29-15-15 W4M. The farm improvement grant payable to the Water User is \$7,500 minus 9 extra acres kept at \$200/acre = \$5,700. Seconded by P. Hemsing. CARRIED

[9:42 a.m. I. Friesen and R. Gagley entered the meeting.]

6.0 Engineering

6.01 03 – 02D Springhill

This rehabilitation project is situated about 5 kms south of Duchess at the crossing of the Duchess/Patricia highways. The original canal crosses both of these highways while running through sections 17, 9, and 10 of Township 20 Range 14; providing for 604 irrigable acres, 200 of which are flood. The failing control structures are a major problem, causing erosion and damage to the canal banks; it is proposed to install a pipeline. This project consists of installing nearly 4000 m of PVC pipe and is recommended to be funded under the Capital Works Program at an estimated cost of \$822,148.

2006-06-131 Moved by T. Livingston that the Board approve the rehabilitation of 03-02D Springhill by installing approximately 4000m of PVC pipe, at an estimated cost of \$822,148, to be funded under the Capital Works Program. Seconded by P. Hemsing. CARRIED

6.02 07 Bow Slope (Lower)

It was noted that this project was postponed in 2005. Rehabilitation of this system is proposed to start at the 08-07 split in the NW 21-16-16 W4M, from this point pipelining all of 08-07 and the rest of 07 Bow Slope. This portion of canal serves 996 acres: 519 acres flood and 477 acres pump irrigation. A lack of capacity is caused by inadequate bank width and height. As well, there are stretches of canal that lack adequate grade control structures allowing excessive erosion, particularly at the tail end of the system where it spills into the Bow River. It is proposed to install a closed pipeline in the NW 21-16-16 W4M and run in a south, south west direction where it will end in the SE 17-16-16 W4M. The open pipeline will also start in the NW 21-16-16 W4M and run due west to the Bow River. The purpose of this open pipeline is to accommodate the spill from the upstream canal system. The cost of this project is \$1,835,000 and is recommended to be funded under the Capital Works Program.

2006-06-132 Moved by P. Hemsing that the Board approve the rehabilitation of 07 Bow Slope (Lower) using a combination of closed and open pipelines, at an estimated cost of \$1,835,000, to be funded under the Capital Works Program. Seconded by C. Henrickson. CARRIED

6.02.1 Infrastructure Savings Grant – Doug Dafoe – Sec. 20-16-16 W4M

Presently 5 turnouts are used to irrigate 204 acres (30 rough flood, 174 wheel irrigation) in Sec. 20-16-16 W4M. Mr. Dafoe has proposed to move all the acres under a 236 acre pivot; 32 additional acres are required. This proposal saves the EID 5 cfs in the pipeline which reduces the size of the pipe, eliminates a lateral and reduces the overall mainline length, saving the District \$104,000 in pipe alone. The Infrastructure Savings Grant to the landowner is 3 quarters at \$15,000/quarter = \$45,000. 32 additional acres are needed at \$200/acre = \$6,400 being charged to the landowner. An irrigable unit will need to be registered.

2006-06-133 Moved by N. Johnson that the Board approve the Infrastructure Savings Grant of \$45,000 (3 quarters at \$15,000/quarter) for Doug Dafoe, as he is converting 30 acres rough flood and 174 acres wheels to low pressure pivot at the time of 07 Bow Slope (Lower) rehabilitation, saving the District over \$104,000. Seconded by P. Hemsing. CARRIED

2006-06-134 Moved by N. Johnson that the Board approve the increase in assessment from 204 acres to 236 acres on Sec. 20-16-16 W4M; 32 additional acres at the capital asset charge of \$200/acre = \$6,400. The increase in acres being granted is a result of efficiencies made in converting 30 acres rough flood and 174 acres wheels to low pressure pivot. Seconded by P. Hemsing. CARRIED

[9:55 a.m. R. Matoba entered the meeting.]

6.03 G North Bantry Infrastructure Savings Grants

E. Wilson presented a map of the proposed options of Infrastructure Savings Grants on the G North Bantry project. Several landowners pivot proposals were discussed, with the following being approved.

2006-06-135 Moved by A. Nielsen that the Board approve the following Infrastructure Savings Grants of:

- **\$9,000 for Musgrove Enterprises, NE 08-20-13 W4M, for relocating the delivery to the NW corner of the quarter;**
 - **\$15,000 for Pete Conacher, SE 16-20-13 W4M, for converting to a pivot with the delivery on Lateral 18-G;**
 - **\$30,000 for Francis Hargrave, NW & NE 18-20-13 W4M, for converting from flood to 2 quarter section pivots, – OR – \$15,000 for converting from flood to 1 pivot;**
- at the time of the G North Bantry rehabilitation, saving the District between \$78,000 and \$108,000. Seconded by P. Hemsing. CARRIED**

2006-06-136 Moved by C. Henrickson that the Board approve the Infrastructure Savings Grant of:

- **\$38,000 for Deschamps Brothers, Sec. 21-20-13 W4M, for a 260 acre pivot east of the existing canal (transfer 52 acres of flood), – OR – \$34,500 for a 260 acre pivot without transferring 52 acres of flood, subject to soils,**

at the time of the G North Bantry rehabilitation, saving the District between \$69,000 and \$76,000. Seconded by T. Livingston. CARRIED

6.04 Landowner Contributions for Extra Turn-Outs

E. Wilson and I. Friesen summarized the present system of providing extra turn-outs for landowners. As the fee charged is far below the actual cost of installation, it is felt that too many extra turn-outs are being requested. As well, landowners need to give adequate notice for these requests.

2006-06-137 Moved by N. Johnson that the Board approve rates for Extra Turn-Outs at:

- **\$3,500 for a 10" turn-out**
- **\$2,500 for a 6" turn-out**
- **\$2,000 for a 4" turn-out**

Seconded by P. Hemsing. CARRIED

[10:22 a.m. J. Meador, I. Friesen, R. Gagley exited the meeting.]

7.0 Lands

7.01 Request to Transfer Water Rights – Robert McKnight

R. Matoba reviewed R. McKnight's request to transfer 11 "terminable acres" from Pt. NE 10-21-14 W4M and 131 "irrigation acres" from NW 02-21-14 W4M, to Sec. 33-20-13 W4M. The terminable water rights are not transferable and are not being used at the present time. It has been the District's practice to cancel terminable agreements if the water rights are unused. The 131 irrigation acres are surface irrigation, somewhere between class A and class B, serviced directly from the river. The landowner would like to put a pivot in Sec. 33-20-13 W4M. A 30% increase in acres due to efficiency would enable a circle of 170 acres. The soils have been classified and would accommodate a pivot of that size, mainly in the SW quarter. This parcel would be serviced below Lake Newell, with a delivery point a quarter mile upstream on Springside Colony lands. Structures were installed in One Tree Creek this past winter. One structure is just downstream of the Colony's pumpsite and the next one is downstream too far to check back to McKnight's land. A registrable easement must be provided by the applicant.

2006-06-138 Moved by T. Livingston that the Board approve the transfer of 131 irrigated acres from NW 02-21-14 W4M to Sec. 33-20-13 W4M, both lands being owned by Robert McKnight. The 11 terminable acres in Pt. NE 10-21-14 W4M will be cancelled. Seconded by C. Henrickson. CARRIED

7.02 Request to Transfer Private Grazing Lease #7105 Don Stock to Nelson Weaver

Mr. Matoba also presented D. Stock's request to transfer Private Grazing lease #7105 to Nelson Weaver. Mr. Weaver has been renting the farmland for the past two years and has now bought the land. Mr. Weaver is presently a member of the Bantry Grazing Association. His numbers will be adjusted accordingly next spring. There is no objection with this transfer. R. Matoba will inform N. Weaver of the time remaining on the lease agreement.

2006-06-139 Moved by P. Hemsing that the Board approve Private Grazing Lease # 7105 to be transferred from Don Stock to Nelson Weaver. Seconded by C. Henrickson. CARRIED

[10:31 a.m. R. Matoba exited the meeting.]

7.03 Industrial Land – Set Minimum Price

K. Bridges requested that the Board set a minimum price for the industrial lot to enable any qualifying offers to be accepted in a timely manner. The minimum price is to be kept private until close of tenders, July 6, 2006.

2006-06-140 Moved by P. Hemsing that the Board approve the minimum price for the sale of the triangularly shaped industrial parcel of land at the corner of Industrial Road and Canal Street at \$60,000. Seconded by T. Livingston. CARRIED

7.04 Flex It Fitness

Mr. Bridges reported that this matter had been resolved last week.

7.05 EID Area Development and Operating Agreement

E. Wilson presented the final, as of June 16th, copy of the EID Area Development and Operation Agreement and Schedules, noting that only a few words have been changed and the intent remains unchanged. Schedule 'G' – Ground Disturbance Agreement, and Schedule 'J' Principles to Access and Confidentiality have not been finalized as yet. It is anticipated that signing of the agreement will take place within the next two weeks. C. Henrickson requested that Schedule 'I' Fence and Gate Specification drawings display fencing wire wrapped around end fence posts twice.

7.06 Letter from Maclean Wiedemann Lawyers – June 19, 2006

Mr. Wilson distributed a letter received from MacLean Wiedemann Lawyers on behalf of John Broersen and John Duenk. As the EID's original letter adequately explained the EID's position, no response will be issued to this letter.

8.0 General Manager's Report**8.01 AIPA**

Administration and most Directors attended the recent AIPA meeting, hosted at the EID. E. Wilson and B. Chrumka summarized that no significant matters were raised, the AIPA video is still in progress, and there were no updated financials to review.

8.02 IRP Funding

E. Wilson highlighted the funding amounts to be distributed. Support was given to lobby for the extra \$1 million in funding to be allocated to all districts for practical water saving devices such as screening equipment and flow meters, and not on any further studies.

8.03 Luscar

Mr. Wilson explained the proposed water licensing for Luscar. Two licenses will be needed, one with restrictions and the other as a main license. The Board then discussed options and gave direction on how to possibly administrate and convey Luscar's water.

8.04 Walleye Unlimited

A letter was received from Walleye Unlimited of Alberta requesting corporate sponsorship for their "Fishing Day" event at Crawling Valley Reservoir August 19, 2006. This event is in conjunction with the Boy's and Girl's Club of Calgary and will be aired on Fishing Alberta Television. The Board moved to donate \$2,500 as a corporate sponsor, and to enquire as to the type of recognition for the EID. E. Wilson will contact Walleye Unlimited in writing.

2006-06-141 Moved by F. George that the Board contribute \$2,500 as a corporate sponsor to Walleye Unlimited of Alberta for a televised production at Crawling Valley, which will include meaningful EID recognition. Seconded by T. Livingston. CARRIED

9.0 Other**9.01 Rolling Hills Canal**

P. Hemsing noted that the portion of the Rolling Hills Canal which passes his yard has considerable seepage problems. He feels that it is getting worse and suggests weeping tiles or drains to offset the problem. As complaints of high water are common this spring due to the extreme rainfall last year and wet spring this year, it was deemed that this problem should be monitored.

9.02 Downey Brome

Mr. Hemsing also brought up the matter of the noxious weed Downey Brome (*Bromus tectorum*) spreading in the area, asking if the EID could do more in controlling the weed. E. Wilson advised that the District is doing some controlling, and has notified the City where it has been found within city limits. Mr. Wilson does not recommend enlarging the issue as District land itself is not totally clean.

9.03 Alberta Agriculture Hall of Fame

In a letter received from the Alberta Agriculture Hall of Fame Selection Committee, T. Livingston was thanked for his significant contributions to agriculture in Alberta, but was regrettably not one of the candidates recommended for induction at this time.

9.04 Harvest Gala

The 9th Annual Harvest Gala "Agriculture & Food – Well Done!" event will be held in Calgary, Friday, October 13, 2006. The Board moved that tickets for a table for 10 be purchased. Director and Administration attendance to this event will be decided closer to the date.

2006-06-142 Moved by T. Livingston that the Board approve the purchase of a table for 10 at the Annual Harvest Gala in Calgary, October 13th at a cost of \$1,250. Seconded by P. Hemsing. CARRIED

9.05 Staff BBQ

Mr. Hemsing suggested that a summer Staff BBQ be added to the staff functions, noting that some companies do monthly staff events. As the Annual Golf Tournament is slated for August and many staff take holidays in July or August, it was decided not to go ahead with the BBQ.

9.06 Classroom Agriculture Program

T. Livingston attended the Classroom Agriculture Program meeting in Edmonton this month. The main consensus was that they wanted to keep this program going. The pressing area of need is more so with volunteers and resources than funding. It was mentioned that a short video on irrigation farming would be most welcome. A suitable irrigation video is to be offered to CAP for inclusion with their classroom materials. Videos are to be reviewed at the July board meeting before being forwarded.

9.07 Rolling Hills Reservoir Campground

Mr. Hemsing requested that a reservation system be made possible for the Rolling Hills Reservoir Campground. Discussion followed regarding seasonal, daily and group campsites. Direction was given that daily camping will continue to be on a first-come, first-served basis (no reservations). However, reservations may now be placed for the 2 group camping areas. Mr. Bridges will develop a reservations system.

9.08 Grazing

With concerns of a greater fire hazard due to tall grass, A. Nielsen enquired whether the Grazing Associations would be extending the season or adding additional cattle. The consensus of the Board was that there was probably no more interest in additional cattle, but that an extended season may be an option.

10.0 Upcoming Events

- | | | |
|-------|-----------------------------|---|
| 10.01 | Regular Board Meeting | - Tuesday, July 25 th |
| 10.02 | Walley UnLtd. "Fishing Day" | - Saturday, August 19 th , Crawling Valley Reservoir |
| 10.03 | Regular Board Meeting | - Tuesday, August 22 nd |
| 10.04 | Harvest Gala | - Friday, October 13 th , Calgary |

P. Hemsing moved adjournment of the meeting at 12:15 p.m.

 Chairman

 General Manager

July 25, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 25th day of July, 2006. 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 8:57 a.m.

1.0 Approval of Agenda

The following items were added to the agenda:

- 9.03 Grazing Take-Out Date
- 9.04 Fire Hazard & Gates
- 10.04 Land Development
- 10.05 Brooks & District Health Foundation – Request for Donation

2006-07-143 Moved by P. Hemsing that the Board adopt the Agenda as presented with additions. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes

The following item was noted for correction:

- Page 67, 9.01, Rolling Hills Canal, delete “flooding part of his yard”.

2006-07-144 Moved by C. Henrickson that the Minutes of the May 30, 2006 regular Board Meeting be approved as presented with the correction. Seconded by P. Hemsing. CARRIED

3.0 Business Arising

K. Bridges confirmed and reviewed the group campsite reservation process implemented for the Rolling Hills Reservoir Campground. E. Wilson will review the suitable irrigation videos for contribution to the Classroom Agriculture Program and contact the producers for editing. N. Johnson passed on a comment regarding 9 dead trees at the campground. A. Nielsen requested pruning to be done at the campground and EID office grounds.

4.0 Financial**4.01 June 30, 2006 Financial Statements**

K. Bridges presented the Financial Statements to June 30, 2006, noting the following overall:

- YTD potential Transfer to the IWF is \$8.44 million.
- YTD total revenues are tracking about 5% (\$570,000) above the YTD budget.
- YTD total net expenses are tracking about 4% (\$152,000) below YTD budget.
- Overall, the District is within 9% (\$723,000) of YTD budget.

2006-07-145 Moved by C. Henrickson that the Board approve the Financial Statements to June 30, 2006, as presented. Seconded by P. Hemsing. CARRIED

4.02 2nd Quarter Accounts Receivable Report

Mr. Bridges presented the Accounts Receivable Report ending June 30, 2006. Discussion was held regarding the number of private grazing leases in arrears.

- 2006-07-146 Moved by T. Livingston that cattle on Private Grazing Leases be considered in trespass if the fees have not been paid by April 30th. Seconded by P. Hemsing. CARRIED**

It was requested that K. Bridges contact the lease holders in writing that their leases will be canceled if payment is not received by the end of August. Mr. Bridges confirmed that this was his course of action last year.

- 2006-07-147 Moved by P. Hemsing that the Board approve the 2nd Quarter Accounts Receivable Report as presented. Seconded by C. Henrickson. CARRIED**

4.03 2nd Quarter Investment Report

Mr. Bridges presented the Investment Report as at June 30, 2006.

- 2006-07-148 Moved by N. Johnson that the Board approve the 2nd Quarter Investment Report as presented. Seconded by A. Nielsen. CARRIED**

4.04 Investment Policy

K. Bridges reviewed the current Investment Policy and recommended changes to the corporate security limits to enable preferred investment opportunities at this time.

- 2006-07-149 Moved by T. Livingston that the Board approve changes to the current policy limits for corporate securities as follows:**

- **“25% of the total portfolio to a maximum of \$10,000,000” be changed to “45% of the total portfolio to a maximum of \$17,500,000”**
- **“50% of the value of the portfolio allocated to any individual advisor” be deleted**
- **“20% of the total portfolio to a maximum of \$5,000,000 exposure to any individual corporate issue” be changed to “a maximum of \$5,000,000 exposure to any individual corporate issuer”**

Seconded by N. Johnson. CARRIED

[10:05 - 10:13 a.m. A short break was taken and R. Hayes entered the meeting.]

7.0 EIDNet**7.01 EIDNet Report**

Mr. Bridges and Mr. Hayes reviewed the past and current state of internet service, along with completed and planned remediation.

[10:25 a.m. Neil Garnett entered the meeting.]

10:25 a.m. Presentation from IPPlus

B. Chrumka welcomed Neil Garnett of IPPlus to the meeting. Mr. Garnett distributed progress reports to the Board. A number of questions from the Board were responded to by Mr. Garnett. A number of problems including frequency interference and terrain miscalculations along with staffing shortages, equipment and tower delays, scheduling and communication problems contributed to the current state of internet service.

B. Chrumka requested that R. Hayes and Neil Garnett work out scheduling 900 frequency change-overs immediately following the presentation to the Board. It was strongly emphasized that change-over work be done per area so as to have areas improved as a whole. A copy of

IPPlus's Engineering Report has been requested by the Board; N. Garnett replied that he can forward a copy of the interim report. 5.3 frequency equipment on order by IPPlus was to be shipped to them July 28th. Mr. Garnett ensured that change-overs in the Tilley area will be completed this week; with Kitsim area and then Bow City area targeted for improvements to take about 10 days total. K. Bridges requested that Mr. Garnett provide the District with firm completion dates, time lines, restoration of the 900 frequency service, that any scheduling problems be brought to their attention, and that communication between IPPlus and the District be improved. B. Chrumka asked that Mr. Bridges put his requests in writing to IPPlus.

[11:19 a.m. N. Garnett and R. Hayes exited the meeting.]

[11:42 - 12:53 a.m. Lunch break]

5.0 Lands

5.01 K300 Financial Corporation's Mortgage

K. Bridges presented the background information and recommendations on the K300 Financial Corporation's Mortgage, noting that it is due to be renewed August 31, 2006.

2006-07-150 Moved by T. Livingston that the Board approve renewal of the K300 Financial Corporation Mortgage as follows:

- 2 year term, commencing September 1, 2006 and ending August 31, 2008;
 - fixed interest rate of 8.75%
 - that the mortgage agreement be prepared by the EID's solicitor and that K300 Financial be required to reimburse the EID for that expense,
- Seconded by F. George. CARRIED**

5.02 Industrial Land Sales

Mr. Bridges informed the Board of accepted offers to purchase:

- \$63,000 for the 2.66 acre triangular parcel of land in the Brooks south industrial area
- \$69,400 for the larger industrial lots (10 & 11) in Bassano
- \$16,500 for the smaller industrial lot (13) in Bassano
- \$37,500 for 2 residential lots in Bassano (conditional on sale of purchaser's house)

K. Bridges also clarified information regarding a land request for a proposed Brooks Motor Sports Park, and separately, the status of the land offered for donation for the Brooks Arena.

5.03 Potential Land Trade – Les Douglass – SE 18-24-16 W4M for NW 20-24-15 W4M

E. Wilson presented information received from Les Douglass proposing a land trade of whole quarters SE 18-24-16 W4M for NW 20-24-15 W4M. Variables involving location, boundaries, oil and gas lease compensation, soil quality and trade options were discussed by the Board. A tour to inspect the lands was slated for the afternoon of the following day.

2006-07-151 Moved by F. George that Mr. Wilson and available Directors inspect the lands involved in the proposed land trade to obtain further information. Seconded by N. Johnson. CARRIED

6.0 Operations

6.01 Water Use

Mr. Wilson reported that as of today's meeting water use has already peaked and is down slightly. Available water from the river is down to 1500 cfs being diverted, with 500 cfs spill; this amount is expected to decline in the near future. Although river levels are low, District reservoirs are at 90% and the District does not foresee any problems meeting irrigator demand.

6.02 Farm Improvement – D. Zawadzki – NW 36-21-14 W4M

Current assessment is 85 acres; new pivot area is 96 acres. This farm improvement calls for the conversion of 38 acres wheels and 47 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, with the delivery site remaining the same in the NE corner of the quarter. The farm improvement grant payable to the Water User is \$731 (38 acres wheels to pivot) plus \$2,711 (47 acres flood to pivot) = \$3,442.

- 2006-07-153 Moved by T. Livingston that the Board approve the farm improvement for D. Zawadzki for the conversion of 38 acres wheels and 47 acres flood to pivot in the NW 36-21-13 W4M. The farm improvement grant payable to the Water User is \$3,442. Seconded by A. Nielsen. CARRIED**

With the current assessment being 85 acres and the new pivot area being 96 acres, 11 additional acres are needed.

- 2006-07-154 Moved by T. Livingston that the Board approve the increase in assessment from 85 acres to 96 acres on NW 36-21-13 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 38 acres wheels and 47 acres flood to low pressure pivot. Seconded by A. Nielsen. CARRIED**

6.03 Farm Improvement – M. & L. Berg – SW 30-22-16 W4M

Current assessment is 144 acres; new corner arm pivot area is 140 acres. This farm improvement calls for the conversion of 140 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 point, with the delivery site remaining the same off of 11 North Branch pipeline. The Landowner wishes to keep the 4 extra acres at \$200/acre. The farm improvement grant payable to the Water User is \$2,500 (140 acres wheels to pivot) minus \$800 (4 extra acres) = \$1,700.

- 2006-07-152 Moved by A. Nielsen that the Board approve the farm improvement for M. & L. Berg for the conversion of 140 acres wheels to pivot in the SW 30-22-16 W4M. The farm improvement grant payable to the Water User is \$2,500 minus 4 extra acres kept at \$200/acre = \$1,700. Seconded by C. Henrickson. CARRIED**

8.0 Equipment Report**8.01 Quotes on New Hi Hoes – 55,000 lb & 70,000 lb Class Excavators**

Mr. Wilson presented the quotes received on 55,000 lb and 70,000 lb class excavators commenting on the equipment and service levels for each brand.

- 2006-07-155 Moved by A. Nielsen that the Board approve the rental and option to purchase of a John Deere 240DLC 55,000 lb Excavator for \$225,000 and a 350LC 70,000 lb Excavator for \$299,750 from Brandt Tractor Ltd. Seconded by T. Livingston. CARRIED**

[1:40 p.m. B. Hale entered the meeting.]

9.0 Grazing**9.01 Black Henbane Weed**

B. Hale informed the Board of a problem with Black Henbane (*Hyoscyamus niger*) having spread in and near an oil lease in the Gem Community Grazing Lease north east of Gem. The area has been cleaned up satisfactorily with the oil company having the weed picked and dirt hauled away. It was speculated that this dirt was hauled in from the Strathmore area.

9.02 Rye – Combine or Not

Mr. Hale requested direction in removing the rye cover crop from two reseeded areas in the Newell Grazing Lease. It is estimated for the Scandia regrass field to have 20+ bushels/acre and the Lake Newell field to have 40 bushels/acre. A bid for combining has been received from Gary Redekop at \$18/acre for the approximate 2300 acres. The Board advised that having trucks haul the grain straight from the field would be desirable over stockpiling.

2006-07-156 Moved by F. George that the rye cover crop in the Newell Grazing Lease be combined at a cost of \$18/acre by Gary Redekop; with the grain to be sold for the best price at the earliest convenience. Seconded by N. Johnson. CARRIED

9.03 Grazing Take-Out Date

Due to exceptional grass growth this season and to maximize benefits and minimize fire hazards, the Board approved an extended Take-Out Date for Community Grazing Leases.

2006-07-157 Moved by T. Livingston that the Take-Out Date for Community Grazing Leases be extended to October 30, 2006, weather permitting. Seconded by A. Nielsen. CARRIED

9.04 Fire Hazard & Gates

Mr. Hale expressed concerns with oil and gas operators' understanding of current fire hazards and use of gates. As these issues impact many cattle owners using the community grazing leases it was felt that a direct meeting be held between Mr. Hale, Gary Redelback and company representatives to review policy. B. Chrumka requested that Mr. Hale inform him once a meeting is arranged.

[2:05 p.m. B. Hale exited the meeting.]

10.0 Other**10.01 IRP Funding**

The General Manager reported that the \$1 million IRP funding in conjunction with the Water for Life Strategy is being recommended by the advising committee to be distributed as follows:

- \$300,000 on a water supply study
- \$400,000 divided up by existing formula and given to districts for water measurement
- \$250,000 divided up by existing formula and given to districts to meet Water for Life objectives
- \$ 50,000 on a aquatic weed study

10.02 Lakeside Effluent

Mr. Wilson reported that Ray Grimson of Lakeside Industries is now expressing interest to lease additional District land rather than purchasing other land as a means of disposing of effluent via irrigation. A formal offer has not been received from Lakeside.

10.03 Rolling Hills Fire Department – Request to Lease Portion of EID Shop

The Rolling Hills Fire Department has asked if the District would consider leasing or selling all or a portion of the District's Rolling Hill's Shop to the Fire Department. Mr. Wilson presented an option to the Board involving the installation of a partial dividing wall and 3 additional overhead doors. He will request a formal proposal from the Fire Department.

10.04 Land Development

T. Livingston requested that administration and the Board proceed with the land development process, creating a concrete proposal and investigating specific land locations appropriate for irrigation development. E. Wilson confirmed that some of the preliminary work has been done and that a Board tour of land would give administration direction for this proposal. A tour was slated for the afternoon of the following day with all available Directors and the General Manager.

10.05 Brooks & District Health Foundation – Request for Donation

Mr. Wilson presented a letter he received from the Brooks & District Health Foundation asking for the Eastern Irrigation District to be a cornerstone donor of \$10,000 to go towards a C.T. Scanner for the Brooks Health Centre.

2006-07-158 Moved by T. Livingston that the Board approve a donation of \$10,000 to the Brooks & District Health Foundation to go towards the purchase of a C.T. Scanner. Seconded by A. Nielsen. CARRIED

11.0 Upcoming Events

- 11.01 EID Golf Tournament - Friday, August 18th, Bassano
- 11.02 Walleye UnLtd. "Fishing Day" - Saturday, August 19th, Crawling Valley Reservoir
- 11.03 Regular Board Meeting - Tuesday, August 22nd
- 11.04 Harvest Gala - Friday, October 13th, Calgary

A. Nielsen moved adjournment of the meeting at 2:36 p.m.

Chairman

General Manager

August 22, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 22nd day of August, 2006. 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]	9:09	Mrs. Wendy Enns	Executive Assistant
Mr. Tom Livingston	Director	[Division 2]			
Mr. Clint Henrickson	Director	[Division 3]			
Mr. Neil Johnson	Director	[Division 4]	9:05		
Mr. Pat Hemsing	Director	[Division 7]			

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

1.0 Approval of Agenda

The following items were added to the agenda:

- 3.02 Potential Land Trade – Les Douglass
- 3.03 IPPlus Engineering Report
- 3.04 Results of Purchase of Hoes
- 3.05 EID and Oil & Gas Meeting re Gates, Fencing
- 3.06 Rolling Hills Fire Department
- 3.07 Potential Land Development – Soil Tests
- 6.03 Bow City Waterline
- 6.04 Patricia Grazing Lease – Fences & Gates
- 6.05 Grass Fire in Rolling Hills Lease
- 7.03 IRP Additional Funding
- 9.02 Purchasing of Trucks
- 9.03 Environmental Farm Plan
- 9.04 Enerplus Licenses in Rosemary Area

2006-08-159 Moved by C. Henrickson that the Board adopt the Agenda as presented with additions. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes – July 25, 2006

The minutes were accepted as circulated.

2006-08-160 Moved by T. Livingston that the Minutes of the July 25, 2006 regular Board Meeting be approved as presented. Seconded by C. Henrickson. CARRIED

3.0 Business Arising

B. Chrumka requested updates on the following items.

3.02 Potential Land Trade – Les Douglass

E. Wilson reported that negotiations have not begun as both he and the landowner have been away at differing times this past month.

3.03 IPPlus Engineering Report

K. Bridges replied that the engineering report has not been received to date. IPPlus states that it has to be adjusted due to recent interference.

3.04 Results of Purchase of Hoes

Mr. Wilson reported that purchasing both 55,000 & 70,000 lb Class Excavators from Brandt Tractor Ltd. resulted in approximately \$10,000 worth of extended warranty and service for the District.

3.05 EID and Oil & Gas Meeting re Gates, Fencing

E. Wilson replied that Bob Hale, Gary Redelback and himself are in the process of scheduling the meetings.

3.06 Rolling Hills Fire Department

Mr. Wilson has not received any reply from the fire department as to their decision on the shop.

3.07 Potential Land Development – Soil Tests

Mr. Wilson informed the Board that soil tests have been ordered, but are not complete.

3.01 Report on Meeting with Fred Mandeville

A meeting with Fred Mandeville, several Directors, and the General Manager, was held on July 13th to discuss Mr. Mandeville's appeal to the District for surface lease revenue sharing. It was suggested to discuss Mr. Mandeville's concepts at the next Board Retreat.

4.0 Financial Report**4.01 July 31, 2006 Financial Statements**

K. Bridges presented the Financial Statements to July 31, 2006, noting the following overall:

- YTD potential Transfer to the IWF is \$9.42 million.
- YTD total revenues are tracking 6.5% (\$817,000) above the YTD budget.
- YTD total net expenses are tracking 7.4% (\$303,800) below YTD budget.
- Overall, the District is within 6% (\$545,300) of YTD budget.

Mr. Wilson informed the Board that Maintenance is expected to be over budget this year as major structures are aging and more repairs to gates and hoists are required, we are starting to get more small leaks on older pipelines because of corrosion on bolts, and regular maintenance from the previous year being too wet needs to be caught up. As other areas are expected to be under budget, this is not anticipated to be a problem at year end.

2006-08-161 Moved by C. Henrickson that the Board approve the Financial Statements to July 31, 2006, as presented. Seconded by P. Helsing. CARRIED

5.0 Operations**5.01 Water Use**

E. Wilson presented the water use data, noting that District reservoirs are at or near winter levels at this time. As of last Thursday, 212 farmers were irrigating, and 9 had placed orders. It was also brought to the Directors attention that the water level gauges at the Bassano Dam were recently recalibrated incorrectly by Water Survey Canada and had to be redone. As all river level measurements are recorded, the data is misleading at that time, although the District immediately complied with the measurements to ensure they were within the license perimeters. A retraction of the deviation was noted in the records.

5.02 Water Shut Down Date

After discussing October 6th or 13th dates, and with no immediate concerns as to construction starts, the Board approved October 13th as the shut off date for 2006.

2006-08-162 Moved by F. George that the Board set the Shut Down date for irrigation water at October 13, 2006. Seconded by C. Henrickson. CARRIED

5.03 Farm Improvement – Vern Parker – Pt. NW & Pt. NE 19-15-13 W4M

Mr. Parker would like to convert his terminable acres to irrigation acres and then apply for a farm improvement grant to put up a pivot. It is recommended to convert 113 acres at a cost of \$11,300, and not the 2 pivot corners and yard.

Current assessment is 119 acres; new pivot area is 85 acres. This farm improvement call for the conversion of 50 acres wheels and 35 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut off. The farm improvement grant payable to the Water User is \$961 (50 acres wheels to pivot) plus \$2,019 (35 acres flood to pivot) = \$2,980. An Irrigable Unit will be needed.

2006-08-163 Moved by A. Nielsen that the Board approve the conversion of 113 terminable acres in the NW & Pt. NE 19-15-13 W4M – Vern Parker, to irrigation acres at a charge of \$100/acre = \$11,300 to be paid by the landowner.

2006-08-164 Moved by C. Henrickson that the Board approve the farm improvement for Vern Parker for the conversion of 50 acres wheels and 35 acres flood to pivot in the Pt. NW & Pt. NE 19-15-13 W4M. The farm improvement grant payable to the Water User is \$2,980. Seconded by P. Hemsing. CARRIED

2006-08-165 Moved by C. Henrickson that the Board approve the registration of an Irrigable Unit on the NW 19-15-13 W4M and the NE 19-15-13 W4M, being lands owned by Vern Parker. Seconded by P. Hemsing. CARRIED

6.0 Lands**6.01 Results of Combining Rye**

E. Wilson presented a bid from Lakeside Feeders for the purchase of the cover rye crop at the Newell Grazing Lease. There is an estimated 55,000 bushels harvested (the highest to date). After the bid closing date, Mr. Wilson and B. Hale are to accept the bid from the highest bidder, on the condition that it be removed without delay.

6.02 Transfer of Private Grazing Lease # 7109 Stephen Murray to Patti Murray

A Transfer of Lease Application has been received for Private Grazing Lease # 7109 in Pt. W 24-14-13 W4M. This lease contains 313 acres more or less, and is a 15 year agreement due for renewal in 2008. It is requested that the lease be transferred from Stephen E. Murray to Patti L. Murray. As the transferee meets the District's requirements, Mr. Wilson recommended to approve this transfer.

2006-08-166 Moved by P. Hemsing that Private Grazing Lease #7109 be transferred from Stephen Murray to Patti Murray. Seconded by T. Livingston. CARRIED

6.03 Bow City Waterline

A. Nielsen inquired whether the District is involved in installing a waterline for the Bow City Community Park. Mr. Wilson replied that Alberta Transportation is installing the waterline as part of the newly constructed bridge agreement, and that the County of Newell is covering the water license.

6.04 Patricia Grazing Lease – Fences & Gates

C. Henrickson presented information on the state of fencing and gates on the east boundary of the Patricia Grazing Lease. It is requested by the Board that the condition and maintenance of gates and perimeter fencing be addressed at the next Grazing Association Meeting, as well as at the upcoming EID and Oil & Gas Meeting. E. Wilson stated that B. Hale is currently assigning and recording ownership of Texas and steel gates throughout the District to assist in future regulation.

10:15 a.m. Presentation by Jake & Arno Doerksen re Access on EID ROW by Water Haulers

Mr. Chrumka welcomed Jake Doerksen and Arno Doerksen to the meeting. J. Doerksen presented background of ownership and perceived boundary lines on NW 34-22-16 W4M. He and his son requested clarification on the right-of-way boundary versus the actual fence line; and whether the ROW could be shrunk. In addition, an increase of water haulers and has resulted in a lack of water supply for his cattle at times, and confusion as to who's land they are accessing. Doerksens are requesting that matters be clarified and settled in anticipation of a land transfer down the road.

[10:44 a.m. B. Hale entered the meeting.]

[10:49 a.m. J. Doerksen and A. Doerksen exited the meeting.]

The Board requested that the General Manager gather information on similar ROW situations for the next Board Meeting. As well, an improved access to water for oil and gas water haulers is to be developed, with the possibility of relocating this access to the south quarter section. Other access for water sites throughout the District may also need to be developed or improved.

6.04 Patricia Grazing Lease – Fences & Gates (revisited)

Mr. Hale confirmed that the state of many gates and perimeter fences are in disrepair. He added that multiple gates within a short distance could perhaps be reduced to a collective one, thus decreasing maintenance and the chances of gates being left open. The possibility of installing locks on gates was discussed; and it was directed that District owned gates be repaired before the upcoming meetings.

6.05 Grass Fire in the Rolling Hills Lease

Board members questioned Mr. Hale and Mr. Wilson about the grass fire August 21st. The fire originated south of the District, perhaps from a vehicle traveling on a gravel road. Approximately 15 sections of land outside and 20 sections inside the District burnt. Although response was from three fire departments, the District and the County, the remoteness of the fire played a huge part in its extent. Corrals and approximately 10 miles of fence were damaged, as well as a District owned pick up. Evidently, cattle in that area escaped; Mr. Hale was assisting in relocating them the following morning. Teaching grass fire fighting techniques, grading down to below the sod and suggesting that more oil and gas water trucks be equipped with spraying devices were all suggested to better fight grass fires in remote areas.

[11:16 a.m. B. Hale exited the meeting.]

7.0 Engineering Report**7.01 Secondary A Springhill**

The length of Secondary A Springhill being looked at starts in the NW 28-20-17 W4M by Sundial Feeders and ends in the NE 02-21-17 W4M at 08 A Springhill split. This canal serves 6,113 acres of irrigation. A major problem associated with this canal is its lack of access through much of its length. Excessive erosion of the canal bed and side slopes occurs in numerous locations through this canal, mainly because the area is so sandy and cattle beaten. The abundance of this sandy material is allowing seepage along the length of the system.

The system was originally built following the natural contours of the area, circling a large hill. This forces the rehabilitation to follow the existing alignment with the exception of small relocations to attempt to straighten the system. Two options looked at followed the existing alignment were earth covered liner and armour covered liner. Both options were similar in cost, however enough usable material for the earth covered liner option is not available. The proposed system will be rehabilitated with armour covered liner at a total cost of \$3,500,000. It is recommended that this rehabilitation be funded under the Capital Works program.

2006-08-167 Moved by P. Hemsing that the Board approve the rehabilitation of Secondary A Springhill canal at a total cost of \$3,500,000, to funded by the Capital Works program. Seconded by C. Henrickson. CARRIED

7.02 Project Status

<u>Project</u>	<u>Detailed Design</u>	<u>Right-of-Way</u>
03-02D	√	- 2 landowners yet to sign
12 Sec A Rolling Hills	√	- All signed up
11 East Branch	√	- Half signed - One landowner changed his mind, going to install a pivot, needs soils and acres; District saves \$80,000
7 Bow Slope	√	- No landowners signed as yet - Agreement ready
R1 North Bantry	√	- Half signed
G North Bantry	Alignment & Profiles Completed	- No agreements as yet

7.03 IRP Additional Funding

Mr. Wilson reported the final amounts for the EID allocated from the IRP's \$3 million in additional funding as below:

<u>Grant Category</u>	<u>Provincial Grant</u>	<u>Irrigation District Contribution</u>
Second Base Grant	\$233,996	\$ 77,999
Special Grant for Water Measurement Infrastructure	\$ 93,598	\$ 0
Special Grant for Projects Related to the Water for Life Strategy	\$ 58,499	\$ 19,500

It was noted that the funding for a few projects may be redirected to use these funds.

[11:28 a.m. R. Hayes entered the meeting.]

9.0 Other

9.02 Purchasing of Trucks

A. Nielsen suggested that the District purchase ½ and ¾ ton trucks in fall, rather than winter, to ensure adequate supply.

8.0 EIDNet Report

R. Hayes presented the EIDNet Report, noting that 663 Dial-Up and 693 Wireless customers are currently connected. He added that there have been 82 cancellations and 10 temporary disconnects so far; yet over 100 people on a waiting list for installations. Mr. Hayes reviewed the

timeline for repairs and the actual work accomplished, stating that some headway in service improvement is being made, albeit at a slower than hoped for pace. A quicker recognition and response to problems is still needed from IPPlus. It was reiterated that IPPlus's Engineering Report has not been received. Another complication of a competing provider causing channel interference was settled with that company agreeing to just use 2 channels in the Brooks area. Administration and staff continue to investigate the District's options.

[11:39 a.m. R. Hayes exited the meeting.]

9.0 Other (cont'd)

9.01 Brooks & District Health Foundation Media Kick Off Event re Fundraising for CT Scanner

The Chairman and General Manager were invited to present their donation at a media kick off event August 31st at the Hospital, but will be declining the photo opportunity. The contribution cheque will be forwarded as per the General Manager's letter.

9.03 Environmental Farm Plan

Mr. Chrumka informed the Board that the committee to decide funding for the Environmental Farm Plan has turned down the District's request to include the purchase of low pressure pivots. As the preliminary response to this request was positive, the Chairman and the General Manager will try again when they meet with Federal MP Monte Solberg.

9.04 Enerplus Licenses in Rosemary Area

T. Livingston gave information regarding Enerplus dealings and licenses in the Rosemary area regarding slant-hole wells, noting that the EUB apparently canceled 3 licenses in favour of the landowners. Mr. Wilson added that the District examines slant-hole drilling carefully, and has refused to sign some when they don't make sense.

10.0 Upcoming Events

- | | | |
|-------|--|--|
| 10.01 | Monte Solberg Meeting | - Tuesday, August 29, at the EID office
- B. Chrumka & A. Nielsen attending |
| 10.02 | AIPA Rosenberg Forum BBQ | - Friday, September 8, Kananaskis Guest Ranch
- T. Livingston & E. Wilson attending |
| 10.03 | Antelope Creek Ranch 20 th Ann. | - Monday, September 11, Antelope Creek Ranch
- A. Nielsen, T. Livingston, P. Hemsing, F. George,
R. Martin & B. Hale attending |
| 10.04 | Regular Board Meeting | - Tuesday, September 26 |
| 10.05 | Harvest Gala | - Friday, October 13, Calgary |
| 10.06 | Regular Board Meeting | - Tuesday, October 24 |

P. Hemsing moved adjournment of the meeting at 11:55 a.m.

Chairman

General Manager

September 26, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 26th day of September, 2006. 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]	9:06	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 9:03 a.m.

1.0 Approval of Agenda

The following items were added to the agenda:

- 3.01 Land Tests
- 3.02 Meeting with Monte Solberg
- 10.01 County Road Closure East & South of Rolling Hills Reservoir
- 6.04 Irrigation Application
- 10:30 a.m. – Presentation from Chris Schmidt and Ronald Schmidt & Janine Schoff,
re: 7 Bow Slope Turnout Reloca

The following item was deleted from the agenda:

- 5.06 Irrigable Unit – Deschamps W ½ 21 & E ½ 20-20-15 W4M

2006-09-168 Moved by C. Henrickson that the Board adopt the Agenda as presented with additions and deletions. Seconded by P. Hemsing. CARRIED

2.0 Approval of Minutes**2.01 August 22, 2006**

2006-09-169 Moved by A. Nielsen that the Minutes of the August 22, 2006 regular Board Meeting be approved as presented. Seconded by C. Henrickson. CARRIED

3.0 Business Arising**3.01 Land Tests**

Mr. Wilson advised that the land testing is proceeding and has been contracted to a company from Lethbridge.

3.02 Meeting with Monte Solberg

Mr. Chrumka and Mr. Nielsen highlighted the meeting which was held with Federal MP Monte Solberg, which focused on lobbying for flood to pivot incentives through the Environmental Farm Plan. E. Wilson added that a political advisor had since contacted the District for additional information and would reply with an explanation to the original decision or perhaps notification of a favorable change in policy.

4.0 Financial Report

4.01 August 31, 2006 Financial Statements

K. Bridges presented the Financial Statements to August 31, 2006, noting the following overall:

- YTD potential Transfer to the IWF is \$10.07 million.
- YTD total revenues are tracking 7.25% (\$1.01 million) above the YTD budget.
- YTD total net expenses are tracking 4.3% (\$220,400) below YTD budget.
- Overall, the District is 14% (\$1.23 million) better than YTD budget.

E. Wilson noted that with the retroactive Area Development & Operation Agreements being signed, the Oil & Gas annual rentals will spike next month as they will be invoiced back to January 1, 2006. In response to a question regarding maintenance expenses, Mr. Wilson explained that most of the increase involves machine hours: more work was accomplished this summer and machine rates are 30% higher than 2 years ago. On a related note, Mr. Wilson suggested the District look at buying a multi-purpose water truck to alleviate some of the hiring out. The Board supported this idea; E. Wilson will bring back additional information to a further meeting.

[9:27 a.m. J. Meador, R. Matoba, I. Friesen entered the meeting.]

P. Hemsing suggested Administration look into ING as a possible investment source; K. Bridges will investigate and provide a report at the next meeting.

2006-09-170 Moved by C. Henrickson that the Board approve the Financial Statements to August 31, 2006, as presented. Seconded by T. Livingston. CARRIED

6.0 Operations Report

6.01 Farm Improvements

6.01.1 Vern Dyck – NW 23-21-16 W4M

Current assessment is 146 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 off. The pivot must be piped from pump site to pivot centre, with the delivery remains the same off of 08B Springhill pipeline. Mr. Dyck wishes to keep the 15 extra acres in corners. The farm improvement grant payable to the Water User is \$7,500 (flood to pivot) - \$3,000 (15 extra acres) = \$4,500.

2006-09-171 Moved by P. Hemsing that the Board approve the farm improvement for Vern Dyck for the conversion of 131 acres flood to pivot in the NW 23-21-16 W4M. The farm improvement grant payable to the Water User is \$7,500 - \$3,000 (15 acres @ \$200/acre) = \$4,500. Seconded by C. Henrickson. CARRIED

6.01.2 611876 Alberta Ltd., Randy Hitchcock – NE 12-21-14 W4M

Current assessment is 61 acres; new pivot area is 77 acres. This farm improvement calls for the conversion of 38 acres wheels and 23 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut off. The farm improvement grant payable to the Water User is \$731 (wheels to pivot) + \$1,327 (flood to pivot) = \$2,058.

2006-09-172 Moved by T. Livingston that the Board approve the farm improvement for Randy Hitchcock for the conversion of 38 acres wheels and 23 acres flood to pivot in the NE 12-21-14 W4M. The farm improvement grant payable to the Water User is \$731 (wheels to pivot) + \$1,327 (flood to pivot) = \$2,058. Seconded by N. Johnson. CARRIED

With the current assessment being 61 acres and the new pivot area being 77 acres, 16 additional acres are needed. 6 acres will be moved from NW 12-21-14 W4M, and 10 acres will be gained from efficiency.

- 2006-09-173** Moved by P. Hemsing that the Board approve the increase in assessment from 61 acres to a 77 acres on NE 12-21-14 W4M; 6 acres being moved from the NW 12-21-14 and 10 acres being gained through efficiency; 10 acres at the capital asset charge of \$200/acre = \$2,000. Seconded by C. Henrickson. CARRIED

6.01.3 J. Westwick – SE 25-20-13 W4M

Current assessment is 63 acres; new pivot area is 63 acres. This farm improvement calls for the conversion of 52 acres wheels and 11 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut off. The delivery site remains the same. The farm improvement grant payable to the Water User is \$1,000 (wheels to pivot) + \$634 (flood to pivot) = \$1,634.

- 2006-09-174** Moved by P. Hemsing that the Board approve the farm improvement for J. Westwick for the conversion of 52 acres wheels and 11 acres flood to pivot in the SE 25-20-13 W4M. The farm improvement grant payable to the Water User is \$1,000 (wheels to pivot) + \$634 (flood to pivot) = \$1,634. Seconded by T. Livingston. CARRIED

6.01.4 G. & J. Niznik, B. & K. Niznik, and B. & J. Niznik – E ½ 36-18-16 W4M

At the April 29, 2003 Board meeting, the Board made a proposal to convert 275 irrigation acres in parts of sections 26 & 36-18-16 W4M from mostly wild flood to low pressure pivot. Terms were that all the pivots must be completed prior to the start of the 2009 season. This pivot will complete the program.

Current assessment is 52 acres; new pivot area is 135 acres. This farm improvement calls for the conversion of 52 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 centre; and drain crossings will be needed. This grant is subject to soils and an irrigable unit will be needed. The farm improvement grant payable to the Water User, subject to soils, is \$3,000.

- 2006-09-175** Moved by N. Johnson that the Board approve the farm improvement for G. & J. Niznik, B. & K. Niznik and B. & J. Niznik for the conversion of 52 acres flood to pivot in the E ½ 36-18-16 W4M, subject to soils. The farm improvement grant payable to the Water User is \$3,000. Seconded by P. Hemsing. CARRIED

- 2006-09-176** Moved by C. Henrickson that the Board approve the registration of an irrigable unit on NE 36-18-16 W4M and SE 36-18-16 W4M, lands being owned by G. & J. Niznik, B. & K. Niznik and B. & J. Niznik. Seconded by T. Livingston. CARRIED

6.01.5 K. & F. Calvert – NW 24-17-17 W4M

Current assessment is 100 acres; new pivot area is 115 acres. This farm improvement calls for the conversion of 100 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 centre. The farm improvement grant payable to the Water User is \$1,923.

- 2006-09-177** Moved by T. Livingston that the Board approve the farm improvement for K. & F. Calvert for the conversion of 100 acres wheels to pivot in the NW 24-17-17 W4M. The farm improvement grant payable to the Water User is \$1,923. Seconded by C. Henrickson. CARRIED

With the current assessment being 100 acres and the new pivot area being 115 acres, 15 additional acres are needed. The granting of additional acres is subject to soils.

2006-09-178 Moved by P. Hemsing that the Board approve the increase in assessment from 100 acres to a 115 acres on NW 24-17-17 W4M, subject to soils; 15 acres being gained through efficiency at the capital asset charge of \$200/acre = \$3,000. Seconded by C. Henrickson. CARRIED

6.01.6 M. & L. Gubbins – N ½ 32-16-16 W4M

Current assessment is 96 acres. This farm improvement calls for the conversion of 96 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut off. The pivot must be piped from delivery to pump site, with the delivery site remaining the same. The proposed pivot area would be 135 acres at a conversion rate of 1.4, subject to soils; or 125 acres at a conversion rate of 1.3, not subject to soils. The latter is recommended, with the farm improvement grant payable to the Water User being \$5,538.

2006-09-179 Moved by C. Henrickson that the Board approve the farm improvement for M. & L. Gubbins for the conversion of 96 acres flood to pivot in the N ½ 32-16-16 W4M. The farm improvement grant payable to the Water User is \$5,538. Seconded by A. Nielsen. CARRIED

With the current assessment being 96 acres and the approved new pivot being 125 acres, 29 acres are needed.

2006-09-180 Moved by N. Johnson that the Board approve the increase in assessment from 96 acres to a 125 acres on N ½ 32-16-16 W4M; 29 acres being gained through efficiency at the capital asset charge of \$200/acre = \$5,800. Seconded by C. Henrickson. CARRIED

6.04 Irrigation Application & Farm Improvement – Ella Beasley – NW 17-20-13 W4M

Current assessment is 47 acres; new pivot area is 121 acres. The farm improvement portion calls for the conversion of 47 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut off. The pivot must be piped from delivery to pump site. The delivery site will change as this quarter of land is coming off of G North Bantry canal which will be piped this year. There will be no infrastructure savings if this land goes to pivot. The farm improvement grant payable to the Water User for 47 acres flood to pivot is \$2,711.

As the G North Bantry canal will be rehabilitated this fall/winter, this irrigation application is being received at this earlier date. 74 additional new acres are needed; 14 are gained from efficiency of the farm improvement conversion and 60 acres would be new acres below Lake Newell. The approval of these acres would be subject to soils.

2006-09-181 Moved by C. Henrickson that the Board approve the farm improvement for Ella Beasley for the conversion of 47 acres flood to pivot in the NW 17-20-13 W4M. The farm improvement grant payable to the Water User is \$2,711. Seconded by N. Johnson. CARRIED

2006-09-182 Moved by P. Hemsing that the Board approve the increase in assessment from 47 acres to a 121 acres on NW 17-20-13 W4M, subject to soils; 14 acres being gained through efficiency and 60 additional acres being added below Lake Newell; 74 acres at the capital asset charge of \$200/acre = \$14,800. Seconded by C. Henrickson. CARRIED

6.02 Letters from Rod & Corrinne Schmidt and Kim & Harold Heinrich re Interlake

Letters to the Board regarding the water level of Interlake have been received from Rod & Corrinne Schmidt and Kim & Harold Heinrichs. Mr. Wilson gave the history of prior requests and an overview of the District's response. He noted that the old outlet structure had failed and has since been replaced.

As Interlake is not an EID reservoir but only has a drain right-of-way through the lake, it will be reiterated to the surrounding landowners that they should agree on a maximum water level. In accordance with this, the District can supply water to the lake when it is available but cannot

supply a large quantity because of the drain size and will not guarantee to supply the required water in times of shortage.

6.03 Tilley B

E. Wilson reviewed the water quality problems that the Tilley B Reservoir has been experiencing for some time. Other areas have shown similar problems, but not to this extent. It is likely a high phosphorous and nitrogen content causing extreme aquatic weed growth and blue-green algae. Cattle have access to the north and east side of this reservoir; this may be contributing to the problem. As flushing the reservoir has not produced satisfactory results in controlling or minimizing the problem, it is possible that fencing the perimeter may have to be considered.

2006-09-183 Moved by P. Hemsing that the Board approve the installation of a perimeter fence for Tilley B Reservoir. Seconded by T. Livingston. DEFEATED

The Board gave direction for administration to first request a water inspection from Alberta Environment before approaching the possibility of fencing the reservoir as this may have precedence implications for other reservoirs and channels of water.

2006-09-184 Moved by T. Livingston that the Board request a complete water inspection of Tilley B Reservoir by Alberta Environment, including both fill-up and discharge areas. Seconded by N. Johnson. CARRIED

[10:20 – 10:26 a.m. Short break.]

5.0 Engineering Report

5.02 7 Bow Slope – Turnout Relocation – Ron Schmidt & Chris Schmidt

I. Friesen gave a brief background and cost estimate for the turnout relocation request of Ronald & Chris Schmidt. 800 m of pipe would be needed to relocate the turnout at an estimated cost of \$27,200 + GST (pipe & installation). It was noted that the 7 Bow Slope project had previously been delayed for various reasons and the approved rehab plan was chosen from several less suitable options. The quarters under discussion are presently an irrigable unit.

[10:36 a.m. Chris Schmidt, Ronald Schmidt & Janine Schoff entered the meeting. R. Matoba exited.]

10:36 a.m. Chris Schmidt and Ronald Schmidt & Janine Schoff – 7 Bow Slope Turnout Relocation
Mr. Chrumka welcomed the group to the meeting. Ron and Chris presented their request for relocating the existing turnout from the northeast corner of the NE 17-16-16 W4M to the northeast corner of SE 17-16-16 W4M, citing severe seepage throughout the head ditch resulting in minimal water volume at the end. Water delivered from the present turnout runs half a mile down their head ditch to irrigate 30 acres and supply water for a farmyard. They enquired of any grants or District cost-sharing that they may be eligible for in this water saving proposal and reiterated that pipelining would save a considerable amount of water.

[10:58 a.m. C. Schmidt, R. Schmidt, J. Schoff exited the meeting.]

Board discussion centered on the importance of saving water and also following District policy. As this project falls under the farm improvement policy, the following resolutions were made.

2006-09-185 Moved by T. Livingston that the Board approve the maximum Farm Improvement payment to Ron Schmidt for the installation of a private pipeline in NE & SE 17-16-16 W4M. Seconded by P. Hemsing. CARRIED

2006-09-186 Moved by F. George to amend the Farm Improvement Policy, increasing the maximum payment from \$7,500 to \$10,000. Seconded by N. Johnson. (TABLED)

[11:07 a.m. R. Matoba entered the meeting.]

2006-09-187 Moved by A. Nielsen to Table Motion 2006-09-186 to October’s Board Meeting. Seconded by T. Livingston. CARRIED

5.01 Project Status

Project	Status
02-03-12 Secondary ‘A’ Rolling Hills	- detailed design complete - R.O.W. signed
R-1 North Bantry	- signed - detailed design complete
03-02D Springhill	- signed - detailed design 95% complete - hydro-vac of gas lines cannot be completed before November 1, 2006
11 East Branch	- signed, except G. Baxter - detailed design 95% complete
G North Bantry	- not signed - agreements 75% prepared - a few details remain to complete the detailed design
Secondary ‘A’ Springhill	- not signed - agreements being prepared - have met with landowners in the past week to finalize details, no issues - detailed design 75% complete
7 Bow Slope	- not signed - Chris & Ron Schmidt will meet with the Board to present their concerns - detailed design 50% complete

5.03 Irrigable Unit – Doug Dafoe – Sec. 20-16-16 W4M

In conjunction with the 07 Bow Slope rehab, 1 turnout will supply a pivot covering portions of all quarters on Section 20. An irrigable unit will be needed on all of Section 20-16-16 W4M.

2006-09-188 Moved by C. Henrickson that the Board approve the registration of an Irrigable Unit on Sec. 20-16-16 W4M, lands being owned by Doug Dafoe. Seconded by T. Livingston. CARRIED

5.04 Irrigable Unit – Tracy Hall – Sec. 19-21-17 W4M

In conjunction with the 11 East Branch rehab, 2 turnouts will supply 2 pivots covering portions of all quarters on Section 19. An irrigable unit will be need on all of Section 19-21-17 W4M.

2006-09-189 Moved by N. Johnson that the Board approve the registration of an Irrigable Unit on Sec. 19-21-17 W4M, lands being owned by Tracy Hall. Seconded by P. Hemsing. CARRIED

5.05 Infrastructure Savings Grant – George Baxter – NE & SE 13-21-18 W4M

Presently 3 turnouts are used to irrigate 230 acres in the East ½ of 13-21-18 W4M. At the time of the 11 East Branch rehab, Mr. Baxter is proposing 1 turnout in the center of each quarter with a maximum of 2.5 cfs for each turnout. The proposal saves the District 1 cfs in the pipeline, the new turnout locations are lower in elevation which reduces the size of pipe, and the overall mainline length is reduced by 240 meters. In the future Mr. Baxter proposes to put pivots up on both quarters, as a result he will have to test soils on the south quarter and receive an additional 28 acres. Through efficiencies of converting wheel to pivot the 28 acres will be covered. The

cost savings to the District is \$90,000 in pipe alone; the grant qualified by the landowner would be \$30,000 (2 quarters at \$15,000 per quarter).

- 2006-09-190** Moved by T. Livingston that the Board approve the Infrastructure Savings Grant of \$30,000 for George Baxter, NE & SE 13-21-18 W4M, for reducing cfs requirements and number of turnouts and relocating the deliveries in both quarters at the time of the 11 East Branch rehabilitation, saving the District \$90,000 in pipe alone. Seconded by C. Henrickson. **CARRIED**

5.06 Infrastructure Savings Grant – Brad, Brent, Bob Deschamps

The Deschamps brothers have made changes to their proposed infrastructure savings project which was presented to the Board in June of this year. The revision consists of a deletion of a lateral and conversion of flood to pivot reducing the cfs and eliminating ½ mile of pipe. An irrigable unit is now in place. The original motion from June reads as follows:

- 2006-06-136 Moved by C. Henrickson that the Board approve the Infrastructure Savings Grant of:*
- *\$38,000 for Deschamps Brothers, Sec. 21-20-13 W4M, for a 260 acre pivot east of the existing canal (transfer 52 acres of flood), – OR – \$34,500 for a 260 acre pivot without transferring 52 acres of flood, subject to soils, at the time of the G North Bantry rehabilitation, saving the District between \$69,000 and \$76,000. Seconded by T. Livingston. CARRIED*

The following resolution will replace motion 2006-06-136.

- 2006-09-191** Moved by C. Henrickson that the Board approve the Infrastructure Savings Grant of \$31,500 for Brad, Brent, Bob Deschamps, Sec. 21-20-13 W4M, for converting from flood to pivot and for moving and combining deliveries for SW 21-20-13 with SE 20-20-13 W4M at the time of the G North Bantry rehabilitation, saving the District \$63,000. Seconded by P. Helsing. **CARRIED**

5.07 Transfer of Acres – Francis Hargrave - N ½ 18-20-13 W4M to NW 21-21-14 W4M

F. Hargrave is applying to transfer 30 acres from N ½ 18-20-13 W4M to NW 21-21-14 W4M. Mr. Wilson informed that this transfer involves moving acres from below Newell to off river, and for the Board to consider approving this request a water savings or acre penalty should be involved. Mrs. Hargrave has given indication of possibly installing a pivot on NW 21-21-14 W4M; she would qualify for a Farm Improvement grant.

- 2006-09-192** Moved by N. Johnson that the Board approve the Transfer of 30 Acres from N ½ 18-20-13 W4M to NW 21-21-14 W4M, lands being owned by Francis Hargrave, subject to soils and to the installation of a pivot on NW 21-21-14 W4M. Seconded by F. George. **CARRIED**

[11:40 a.m. – 12:28 p.m. Lunch break.]

7.0 Lands

7.01 Update on Oil & Gas Negotiations

E. Wilson informed the Board that a meeting was held with EnCana's 14 supervisors and superintendents that cover the EID to review fencing, road maintenance, Texas gate issues, hydro-vac servicing, etc. The meeting went well and the production staff were given their instruction by senior EnCana people to repair and maintain as per agreement. Additional meetings have been held with CNRL, Esso and Enerplus to date with more meetings coming up to explore the need for and the actual Area Development & Operations Agreement. In all cases they like the agreement and will sign once their legal department reviews.

C. Henrickson advised that at the next GAC Meeting, the Grazing Associations be reminded to ensure all fences and gates are in good repair and to respond quickly to any problems that may arise.

7.02 Hunter Access

Mr. Wilson advised that with the long grass and dry conditions the EID should consider restricting hunter access to District lands. This has been done in the past with a combination of field signage, newspaper and radio advertising, informing of associated hunter organizations, and patrolling. R. Martin's options of restricting or closing down District lands were reviewed. Directors requested large weekly notices for newspapers, and regular radio commercials.

2006-09-193 Moved by T. Livingston that the Board restrict public access on District owned lands due to the abundant grass growth and very high fire hazard until further notice. Seconded by P. Hemsing. CARRIED

7.03 Fishing Alberta TV Program filmed at Crawling Valley Reservoir

R. Martin's report was presented regarding the "Fun Fishing Day" that Walleye Unlimited and the Boys & Girls Club of Calgary held August 19th at the Crawling Valley Reservoir. Approximately 60 young people took part. This was the third year that this event was held, with this time it being filmed as an episode for "Fishing Alberta TV". The EID was a corporate sponsor of the event, with the EID banner being predominantly displayed on the cook house. Mr. Martin was also interviewed and given opportunity to highlight the EID in general, the District's multi-use philosophy on land and water management, with special emphasis on recreational opportunities and the EID reasons for being involved with the Boys & Girls Club "Fun Fishing Day". The program will get multiple showings on selected stations and national airplay on satellite TV.

The Board supported in the future having more than one District representative at these types of functions as it is seen as favorable promotion for multi-use irrigation.

7.04 Crab Lake Spillway ROW (Jake Doerksen)

In response to a land clarification request on NW 34-22-16 W4M by Jake and Arno Doerksen at last month's meeting, Mr. Wilson advised that the right-of-way consists solely of District and Crown owned land. A narrow easement was put in place years ago, and the District ROW had been narrowed as well. For many years the District has allowed the adjacent landowners free use of the ROW land up to the existing fence line; this arrangement has not changed. In regards to difficulties with oil & gas water haulers accessing the spillway, it was suggested that the District improve the access site at its present location including the installation of a Texas gate, or to improve the access road to a new site downstream.

2006-09-194 Moved by P. Hemsing that the Board approve the installation of a Texas gate for access for oil and gas water haulers on District owned land in NW 34-22-16 W4M on the east side of Crab Lake Right-of-Way. Seconded by C. Henrickson. CARRIED

7.05 Potential Land Trade – Les Douglass – SE 18-24-16 W4M

E. Wilson has met with Mr. Douglass; the District's counter offer was not accepted. He will meet with him again to possibly work out another alternative.

7.06 Crawling Valley Access

F. George cited an increase of random camping and landowner's difficulties with the public on the north end and east side of the Crawling Valley Reservoir. Mr. Wilson informed that there are 2 fenced off areas available for camping; these areas are signed and no other areas should be used. He concurred that landowners and District lessees have total rights to restrict public access on their lands. The adjacent Bassano Grazing Association has been given authority to patrol the area. Mr. Wilson confirmed that an increase in patrolling by District personnel could be executed.

7.07 Request to Purchase 2 Acres – Blue Heron Storage, Lake Newell Resort

A letter to the Board was received from Blue Heron Storage requesting to purchase 2 additional acres adjacent to their present storage lot at Lake Newell Resort, at a suggested price of \$5,000/acre.

~~2006-09-195 Moved by T. Livingston that the Board approve a 10 year Lease for 2 acres at \$1,000/acre per year with Blue Heron Storage. Seconded by N. Johnson. CARRIED [rescinded by motion 2007-05-163]~~

8.0 EIDNet Report

With almost all the changeovers being complete, the majority of the network is now receiving improved EIDNet service. The drop out problem seems to have been eliminated along with the majority of the slowdowns. Two isolated incidents of tower failure were rectified promptly; and the Kitsim tower will have a planned shutdown to transfer radio equipment to the Cassils tower. IPPlus obtaining a block of their own IP addresses will also have an impact in improving the reliability of the network. A meeting with IPPlus will be held to discuss remaining service details and the capacity for the service to grow. The engineer's report from IPPlus has still not been received.

9.0 General Manager's Report**9.01 Approved Water Management Plan for the South Saskatchewan River Basin**

The Approved Water Management Plan for the South Saskatchewan River Basin, which had been previously delayed due to First Nations concerns, has been received. E. Wilson highlighted that Alberta Environment will stop accepting applications for new allocation of water in the Bow, Oldman, and South Saskatchewan River sub-basins, and in the future the Red Deer River. As allocations can still be obtained through water allocation transfers, Mr. Wilson advised that the District seriously consider these transfers in light of its own license. The wording of the District's license will most likely need revising.

9.02 Draft Bow Basin Watershed Management Plan – Phase I Terms of Reference

The Draft Bow Basin Watershed Management Plan has also been received, outlining water quality targets for various reaches of the basin. It was noted that recommendations for water quality improvement are being sought from stakeholders; as well, confirmation of 'agreement in principle' is being requested of the District.

2006-09-196 Moved by P. Hemsing that the Board agree in principle with the Bow Basin Watershed Management Plan. Seconded by C. Henrickson. CARRIED

9.03 IPEX Pipe

Mr. Wilson reported that numerous pieces of the 36" IPEX pipe that failed has been tested in Edmonton, and all passed easily. The failed pipe consisted of 60 meters from a 5,000 m run. The cause of the failures may have been a very hard bottom, no or inadequate bell holes, cold weather, over compaction, damage in shipping or handling, and/or poor pipe. As the cause is uncertain, installation procedures will be adjusted to eliminate some of the possible problems. IPEX has agreed to cover the District's costs to repair the line as credit against this year's pipe.

9.04 Old Shop & Yards

The District is having the Old Shop & Yards tested for contamination, and requested direction on the sale of these lands. The Board advised that when a clean report has been received, administration would have approval to approach interested developers.

[2:02 – 2:07 p.m. Short break.]

9.05 2005 Irrigation Information

Mr. Wilson presented copies of the Alberta Agriculture's 2005 Irrigation Information for Director's interest.

9.06 Board Retreat

A Board Retreat is being recommended this winter; input was requested as to January dates and location. It was preferred to hold the Retreat in Banff in mid-January. Retreat topics will be confirmed at a later date.

9.07 Invitation to NAWMP 20th Anniversary Celebration

Mr. Wilson informed that a short notice invitation has been received to attend the 20th Anniversary of the North American Waterfowl Management Plan in Calgary on October 11th. All past recipients of the Great Blue Heron Award across the Prairie Region have been invited. The Board wishes to decline this invitation.

9.08 Colorado River Water Users Assoc. Conference

The Colorado River Water Users Association 2006 Annual Conference is being held December 13th – 15th in Las Vegas. Some Board and administration attendance is anticipated. A Director suggested arranging a side meeting with other conference registrants or representatives to discuss issues such as dividends and subsidies, etc.

9.09 Bassano Dam Land Claim

E. Wilson updated the Board on the status of this claim.

10.0 Other**10.01 County of Newell Road Allowance Closure East & South of Rolling Hills Reservoir**

P. Hemsing advised the Board that the County is considering the closing and leasing of various roadways south and east of the Rolling Hills Reservoir. Administration will contact the County objecting to the possible road closure of the developed roadway extending south of Secondary #873 as it is used by the District.

11.0 Upcoming Events

- | | | |
|-------|---------------------------------|---|
| 11.01 | Harvest Gala | - Friday, October 13 th , Calgary
- possibly attending: F. George, P. Hemsing, A. Nielsen, B. Chrumka, T. Livingston, and spouses |
| 11.02 | Chamber of Commerce Awards Gala | - Tuesday, October 17 th |
| 11.03 | Regular Board Meeting | - Tuesday, October 24 th |
| 11.04 | AIPA Directors Meeting | - Monday, November 6 th |
| 11.05 | Regular Board Meeting | - Tuesday, November 28 th |

P. Hemsing moved adjournment of the meeting at 2:38 p.m.

 Chairman

 General Manager

October 24, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 24th day of October, 2006. 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]	apologies	
Mr. Neil Johnson	Director	[Division 4]		
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 added to the agenda:

- 7.06 Update on Les Douglass Land Trade
- 9.06 Closure of the Bow River Basin
- 9.07 Renewal of Private Grazing Leases

2006-10-197 Moved by T. Livingston that the Board adopt the Agenda as presented with additions. Seconded by N. Johnson. CARRIED

2.0 Approval of Minutes**2.01 September 26, 2006**

2006-10-198 Moved by A. Nielsen that the Minutes of the September 26, 2006 regular Board Meeting be approved as presented. Seconded by P. Hemsing. CARRIED

3.0 Business Arising**3.01 Tabled Motion 2006-09-186 – Farm Improvement Policy**

The following motions were carried over from the September 26th Board Meeting:

2006-09-186 Moved by F. George to amend the Farm Improvement Policy, increasing the maximum payment from \$7,500 to \$10,000. Seconded by N. Johnson. (TABLED)

2006-09-187 Moved by A. Nielsen to Table Motion 2006-09-186 to October's Board Meeting. Seconded by T. Livingston. CARRIED

2006-10-199 Moved by T. Livingston that no discussion take place with regard to tabled motion 2006-09-186 until such time as all members of the Board are present. Seconded by P. Hemsing. CARRIED

4.0 Financial Report**4.01 September 30, 2006 Financial Statements**

K. Bridges presented the Financial Statements to September 30, 2006, noting the following overall:

- YTD potential Transfer to the IWF is \$11.03 million.

- YTD Total Revenues are tracking 7.5% above the YTD budget.
- YTD Total Net Expenses are tracking 1% above YTD budget.

2006-10-200 Moved by P. Hemsing that the Board approve the Financial Statements to September 30, 2006, as presented. Seconded by T. Livingston. CARRIED

9.0 General Manager's Report

9.02 Rolling Hills Lease Fires

Mr. Wilson responded to questions raised in regards to the fires affecting the Rolling Hills Community Grazing Lease on August 21st. Two separate fires were distinguished, the large fire originating south of the District and sweeping up through the Grazing Lease and beyond appears to have been started by a cigarette. The smaller fire within the EID might have been started by a truck. The General Manager has been made aware of the potential of two claims against the EID due to the fires.

4.0 Financial Report cont'd

4.02.1 Discontinuing Services to HP & RWUP

K. Bridges reviewed delinquent accounts for Household Purposes and Rural Water Use Purposes - Country Residential use that involved non-payment for water conveyance and/or unexecuted agreements. The effort and expenses required to collect and/or discontinue service far outweighs any revenue from these accounts. The accounts in some multi-lot Country Residential subdivisions are particularly difficult in that no specific provision was made for disconnecting an individual lot's service. Mr. Bridges proposed a new procedure that if the final notice to the customer does not result in payment and/or an agreement, that the District discontinues service to all lots downstream of the shut-off point (which may include the entire subdivision). Before doing so, notice would be provided to all affected customers. And, in the event that service is disconnected, it is proposed that the customer be responsible for the actual cost of reconnection, plus the outstanding account balance plus the \$250 penalty, prior to service being restored.

The District's earlier proposal that the County take responsibility for ensuring the EID receives payment for CR subdivisions has not been accepted by the County. It was recommended that any new rural subdivisions should not be agreed to until a workable solution has been attained.

2006-10-201 Moved by P. Hemsing that, with regard to delinquent Household Purposes and Rural Water Use accounts in multi-lot subdivisions where the District is unable to discontinue service to an individual customer, the District staff be authorized, after issuing an appropriate written notice to each affected customer, to discontinue service to all customers (delinquent and in good standing) downstream of the District's shut-off point. The term "delinquent" applies to a customer who has not entered into the appropriate service agreement or whose account is not paid up-to-date. Seconded by T. Livingston. CARRIED

Administration is to advise the County of the difficulties encountered and the course of action the EID will be following.

4.02 Accounts Receivable Report

K. Bridges reviewed the general status of the remaining accounts, and added that Mr. Hayes is in the process of contacting EIDNet customers to arrange for payment or to apply credits for poor service.

2006-10-202 Moved by T. Livingston that the Board approve the 3rd Quarter Accounts Receivable Report as presented. Seconded by P. Hemsing. CARRIED

[9:58 – 10:05 a.m. A short break was taken; J. Meador entered the meeting.]

4.03 Investment Report

K. Bridges presented the 3rd Quarter Investment Report.

2006-10-203 Moved by P. Hemsing that the Board approve the 3rd Quarter Investment Report as presented. Seconded by T. Livingston. CARRIED

4.03.1 ING Direct Investment Rates

In response to a query at the last meeting, Mr. Bridges presented ING rates as compared to actual rates or quotes on recent EID investment purchases. The Board determined that there is no need to open an investment account with ING Direct at this time.

4.04 Bassano Community Pasture – Corral Upgrading 2005 & 2006

Mr. Bridges presented a letter received from the Bassano Grazing Association requesting that the District pay for an additional \$20,118.49 in corral expenses in 2006 and to forgive their 2005 loan of approximately \$20,300. The Association's rationale is that the corrals are necessary for the EID to be able to rent the land as grazing pasture. The Board advised K. Bridges to respond to the Bassano Grazing Association in writing declining their requests; indicating that the District may consider a further loan for the 2006 upgrading expenses if the Association wishes to submit a financing request.

5.0 Operations Report

5.01 2006 Water Use

E. Wilson reported that 335,000 acre feet of water was used in 2006; less than 1.2 feet/irrigation acre. This amount was about the same as last year, both years being low consumption years, and equals about half of the District's license. The diversion in spring was far below normal; and the reservoirs as a whole have the same amount of water now as in the beginning of the season. In discussion of water saving methods, Mr. Wilson supported that pipelining has by far resulted in the greatest amount of water savings.

5.02 4 Farm Improvements

J. Meador presented the Farm Improvements for this month.

5.02.1 A. & B. Axelson – NE 16-15-15 W4M

Current assessment is 139 acres; new pivot area is 127 acres. This farm improvement calls for the conversion of 127 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery to pump site; and the delivery remains the same off of 04-17 Bow Slope. Axelson's wish to keep the 12 extra acres in corners. The farm improvement grant payable to the Water User is \$7,327 (127 acres flood to pivot) - \$2,400 (12 acres at \$200/acre) = \$4,927.

2006-10-204 Moved by N. Johnson that the Board approve the farm improvement for A. & B. Axelson for the conversion of 127 acres flood to pivot in the NE 16-15-15 W4M. The farm improvement grant payable to the Water User is \$7,327 - \$2,400 (12 acres @ \$200/acre) = \$4,927. Seconded by P. Hemsing. CARRIED

5.02.2 Neil Fraser – SW 31-22-16 W4M

Current assessment is 137 acres; new pivot area is 128 acres. This farm improvement calls for the conversion of 128 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery to pump site and the delivery remains the same off of 11 North Branch pipeline. Mr. Fraser wishes to keep the 9 extra acres in corners. The farm improvement grant payable to the Water User is \$7,384 (128 acres flood to pivot) - \$1,800 (9 acres at \$200/acre) = \$5,584.

2006-10-205 Moved by F. George that the Board approve the farm improvement for Neil Fraser for the conversion of 128 acres flood to pivot in the SW 31-22-16 W4M. The farm improvement grant payable to the Water User is \$7,384 - \$1,800 (9 acres @ \$200/acre) = \$5,584. Seconded by T. Livingston. **CARRIED**

5.02.3 1144288 Alberta Ltd. (Herman Meurs) – W ½ 11-16-16 W4M

Mr. Meurs is choosing to relocate the drain on W ½ 11-16-16 W4M and is requesting the District do the work. The grade on the drain in the NW will be changed and angled to the southeast corner of the quarter, continuing down the new location on the east boundary of the SW quarter. The farm improvement grant payable to the landowner is \$7,500. The costs payable to the District are as follows.

J.D. 330 Hoe – dig & slope drain (110 hrs @ \$160/hr)	= \$17,600
D6 Cat (100 hrs @ \$145/hr)	= 14,500
Grade man (30 hrs @ \$41/hr)	= 1,230
Move equipment to job – Kenworth & Trailer (6 hrs @ \$175/hr)	= 1,050
Hydro-Vac lines	= <u>2,000</u>
	Sub-Total \$36,380
	Plus GST <u>2,183</u>
	TOTAL \$38,563

2006-10-206 Moved by N. Johnson that the Board approve the farm improvement for Herman Meurs for the drain relocation on W ½ 11-16-16 W4M. The farm improvement grant payable to the Landowner is \$7,500 to be applied against the Landowner's costs payable to the District for equipment hours, hydro-vac servicing and GST of \$38,563. Seconded by P. Hemsing. **CARRIED**

5.02.4 Tateson Ranching Ltd. (S. & J. Tateson) – NE 18-16-12 W4M

Current assessment is 71 acres; new pivot area is 79 acres. This farm improvement calls for the conversion of 71 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 centre and the pump site remains the same out of Bantry #1 Reservoir. The farm improvement grant payable to the Water User is \$1,365 (71 acres wheels to pivot).

2006-10-207 Moved by A. Nielsen that the Board approve the farm improvement for S. & J. Tateson for the conversion of 71 acres wheels to pivot in the NE 18-16-12 W4M. The farm improvement grant payable to the Water User is \$1,365. Seconded by T. Livingston. **CARRIED**

With the current assessment being 71 acres and the new pivot area being 79 acres, 8 additional acres are needed.

2006-10-208 Moved by A. Nielsen that the Board approve the increase in assessment from 71 acres to a 79 acres on NE 18-16-12 W4M, 8 acres being gained through efficiency; 8 acres at the capital asset charge of \$200/acre = \$1,600. Seconded by T. Livingston. **CARRIED**

[11:43 a.m. J. Meador exited the meeting; I. Friesen and R. Matoba entered.]

6.0 Engineering Report

6.01 Project Status

I. Friesen presented the Project Status as follows.

Project	Status
02-03-12 Secondary 'A' Rolling Hills	- construction started Oct 16'06 on the canal portion; the pipeline portion construction to start Oct 30'06
R-1 North Bantry	- signed - detailed design complete
03-02D Springhill	- signed - detailed design 95% complete - hydro-vac of gas lines cannot be completed before November 1, 2006
11 East Branch	- signed - stripping of ROW started - construction to start Oct 30'06 - detailed design 95% complete
G North Bantry	- 90% signed - detailed design 95% complete
Secondary 'A' Springhill	- construction started Oct 16'06
7 Bow Slope	- signed - detailed design 75% complete

6.02 Springhill Canal Check Structure

Of a distance of over 15 kms, there is no check structure between Secondary A and Secondary B Springhill (north of the rest stop on the TransCanada). There are currently 3 rock weirs that are put in and taken out. 7 large pivots are served off this reach, and it is noted that lower flows are run much more of the time since Snake Lake was built. It is recommended to install a large cast-in-place check structure at an estimated cost of \$640,000.

2006-10-209 Moved by T. Livingston that the Board approve the installation of an additional Check Structure on the Springhill Canal at an estimated cost of \$640,000. Seconded by A. Nielsen. CARRIED

[10:54 a.m. I. Friesen exited the meeting.]

7.0 Lands

7.01 Fish & Game Rifle Range Lease Renewal

R. Matoba reviewed that the Fish & Game Club has been using this location for a rifle range since 1992. Significant improvements to comply with Federal legislation have been made and they wish to renew the agreement for a further 2 year term.

2006-10-210 Moved by T. Livingston that the Board approve the renewal of the Brooks & District Fish & Game Association Land Use Agreement for 2 years at \$100/year. Seconded by N. Johnson. CARRIED

7.02 Request from Silver Sage for Additional Lands

A letter to the Board of Directors was received from the Silver Sage Agricultural Society requesting the option to lease or have donated, the full quarter section of NW 20-18-14 W4M. Their proposed expansion is to offset the growth of events and to accommodate future development of the agricultural complex to include an outdoor arena and an increase in parking. Currently, the Society holds 2 leases totaling 35.4 acres @ \$60/acre. The newer lease had been renewed for only 1 year as a means to allow time for the City of Brooks, the Kinsmen Club, the Agricultural Society, recreational groups and others to evaluate the feasibility of locating a multi-use, agricultural – recreational complex on EID land in the vicinity of the Silver Sage Corral.

2006-10-211 Moved by T. Livingston that the Silver Sage Agricultural Society be advised that its proposal for a donation of or to lease at nominal rent the entirety of the NW ¼ 20-18-14 W4M is not acceptable and; that the lease terms and rate offered earlier in 2006 remain the EID's offer for the lands occupied by the Society. Seconded by P. Hemsing. CARRIED

7.03 Request from Brooks & District Auto Racing Association for Land

A letter was received from the Brooks & District Auto Racing Association requesting permission to develop and operate a speedway on a portion of EID land between Rock Lake and the Newell Regional Solid Waste Management facility. The Board directed Mr. Bridges to respond to the Association declining their request.

7.04 Letter from Jake Doerksen

Mr. Wilson presented a letter to the Board received from Jake Doerksen in regards to the Crab Lake Spillway ROW on NW 34-22-16 W4M. A further meeting, legalities on land ownership, and access were discussed, with the following motion being put forward:

2006-10-212 Moved by T. Livingston that the Board rescind Motion 2006-09-194, and approve a new access route for oil & gas water hauling off Secondary # 556 south on the road allowance between Sec. 34 & 35 and west at the bottom of Sec. 34 to the ROW for water. Seconded by F. George. DEFEATED

The motion of September's meeting still stands.

2006-09-194 Moved by P. Hemsing that the Board approve the installation of a Texas gate for access for oil and gas water haulers on District owned land in NW 34-22-16 W4M on the east side of Crab Lake Right-of-Way. Seconded by C. Henrickson. CARRIED

[11:28 a.m. R. Matoba exited the meeting.]

7.06 Update on Les Douglass Land Trade

In response to the Chairman's inquiry, the General Manager noted no progress has been made as yet in this dealing. An update at a future meeting is expected.

7.05 Request from Rolling Hills Fire Department

Further to the Rolling Hills Fire Department request to use District shop space, Mr. Wilson suggested a 5 year Lease with the option of another 5 years. The Board approved this proposal.

[11:32 – 12:50 p.m. Lunch break; R. Hayes entered the meeting.]

8.0 EIDNet Report

R. Hayes reported that improvements are continuing and that new customers will not be added until repair jobs are completed. Smaller problems are still occurring, but are being responded to and resolved satisfactorily. The old Kitsim tower is being moved to the new north Gem site and a second sector is being added to Gem as a temporary solution to slow connections, until such time as the north Gem tower is operational.

[12:57 p.m. R. Hayes exited the meeting.]

9.0 General Manager's Report

9.01 Bassano Dam Land Claim Update

E. Wilson updated the Board on the status of this claim.

9.03 Alberta Lake Management Society (ALMS) Conference, Lethbridge

Mr. Wilson reported that he spoke at this conference last week on the topic of "Irrigation Reservoirs as Lakes and their Uses".

9.04 Staffing

Len Fenez, Electrical/Mechanical Supervisor and Rita Fenez, Administrative Assistant have given notice that they will be retiring in March 2007. Mr. Wilson projects that the District will lose approximately 25 – 30 employees in the next 6 – 10 years due to retirement alone.

9.05 Adjust November & December Board Meeting Dates

Due to the Chairman's absence, and a scheduled conference in December it is desired to advance both December and November's Board Meetings. November's Board Meeting will be moved from the 28th to Tuesday, November 21st. December's Board Meeting will be moved from the 19th to Monday, December 11th.

9.06 Closure of the Bow River Basin

In review of the present situation where a transfer of an existing license is now the only way to gain an increase in water allocation from the Bow River, E. Wilson forewarned the Board to expect such requests. As well, the Board should look at revising the wording of the District's Water License to allow for "supplying of multiple uses", rather than transferring, as a means to securing the District's maximum license amount. This may ultimately involve a Plebiscite Vote of the water users. It was also noted that the "1st in Time, 1st in Right" process for granting water licenses may be challenged by other user groups. F. George suggested meeting with American representatives at the upcoming conference to see how their districts have dealt with the same issue. This topic is intended to be discussed at the Retreat in January.

9.07 Renewal of Private Grazing Leases

The majority of the 95 Private Grazing Leases are coming due in 2008. As these leases have been offered differently throughout the years with varying results, significant aspects of the renewal terms need to be evaluated. It was agreed to make this a Retreat topic.

10.0 Upcoming Events

- | | | |
|-------|--|---|
| 10.01 | AIPA Directors Meeting | - Monday, November 6 th , Coaldale
- Earl, Allen, Clint, Floyd/Tom attending |
| 10.02 | Regular Board Meeting | - Tuesday, November 21 st |
| 10.03 | EID Staff & Directors Christmas Function | - Saturday, December 9 th , Calgary |
| 10.04 | Regular Board Meeting | - Monday, December 11 th |
| 10.05 | Colorado River Water Users Assoc. Conference | - December 13 th – 15 th , Las Vegas
- Floyd, Tom, Clint, Neil, Pat, Earl, Kevin |
| 10.06 | Board Retreat | - January 15 th – 17 th , 2007
Delta Banff Royal Canadian Lodge |

A. Nielsen moved adjournment of the meeting at 2:00 p.m.

Chairman

General Manager

November 21, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 21st day of November, 2006. 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]	9:09	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		
Mr. Pat Hemsing	Director	[Division 7]			

The meeting was called to order at 9:01 a.m.

1.0 Approval of Agenda

The following items were added to the agenda:

- 3.02 Rolling Hills Lease Fires – Legal Action
- 7.03 Chris Schmidt and Ronald Schmidt & Janine Schoff – 7 Bow Slope Turnout Relocation
- 11.09 Corporate Structure

The following item was deleted from the agenda:

- 6.01.1 Alvin Owens to Darrel Owens – Transfer of Private Grazing Lease # 7079

2006-11-213 Moved by P. Hemsing that the Board adopt the Agenda as presented with additions. Seconded by C. Henrickson. CARRIED

2.0 Approval of Minutes**2.01 October 24, 2006**

The minutes of the October 24, 2006 Directors Meeting were approved as circulated.

2006-11-214 Moved by A. Nielsen that the Minutes of the October 24, 2006 regular Board Meeting be approved as presented. Seconded by C. Henrickson. CARRIED

3.0 Business Arising**3.02 Rolling Hills Lease Fires – Potential Legal Action**

There is no new information regarding these claims.

4.0 Financial Report**4.01 October 31, 2006 Financial Statements**

K. Bridges presented the Financial Statements to October 31, 2006, noting the following overall:

- YTD potential Transfer to the IWF is \$12.2 million.
- YTD Total Revenues are tracking 6.8% above the YTD budget.
- YTD Total Net Expenses are tracking 1% above YTD budget.
- Bevan, Halbert, Gerrard & Mossey, Chartered Accountants, have been retained to perform the 2006 year end audit. The interim audit work started on November 20th and will conclude about December 8th. The audit will recommence on January 22nd and should conclude by February 23rd.

2006-11-215 Moved by P. Hemsing that the Board approve the Financial Statements to October 31, 2006, as presented. Seconded by T. Livingston. CARRIED

3.0 Business Arising cont'd

3.01 Tabled Motion 2006-09-186 – Farm Improvement Policy

Mr. Chrumka called for a motion to lift Motion 2006-09-186, as follows, from the table.

2006-09-186 Moved by F. George to amend the Farm Improvement Policy, increasing the maximum payment from \$7,500 to \$10,000. Seconded by N. Johnson. (TABLED)

2006-11-216 Moved by A. Nielsen to lift Motion 2006-09-186 from the Table. Seconded by T. Livingston. CARRIED

Discussion covered landowner increase in expenses, the District's average yearly incentive payouts, and water saving devices not currently credited. Maximum payouts per quarter section, guidelines, drainage, and water savings inclusiveness were noted as needing more consideration.

2006-11-217 Moved by N. Johnson to amend the Motion 2006-09-186 from \$10,000 to \$15,000. Seconded by F. George. DEFEATED

2006-09-186 Moved by F. George to amend the Farm Improvement Policy, increasing the maximum payment from \$7,500 to \$10,000. Seconded by N. Johnson. DEFEATED

This policy is to be discussed in detail with Directors and additional Administration at the upcoming Board Retreat in January. It was added that amendments to this policy may need to reflect changes in the Infrastructure Savings Grant policy as well.

[9:50 – 9:57 a.m. Short break; R. Matoba entered the meeting.]

5.0 2007 Irrigation Applications

R. Matoba presented the overview of the applications for increases in irrigation acres that were received for 2007. 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:

5.01 Jerri Chesney – NW 16-20-13 W4M

2006-11-218 Moved by C. Henrickson that the Board approve the Jerri Chesney irrigation application to increase the assessment on NW 16-20-13 W4M from 50 to 140 acres, subject to soils. Seconded by P. Hemsing. CARRIED

5.02 Bar 4 T Ranch – SW 16-19-12 W4M

This application was denied due to soils not meeting requirements.

5.03 Bow City Hutterian Brethren – Sec. 27-17-17 W4M

This application was denied due to the water source coming from the Antelope Creek Canal which is directly off the Bow River.

6.0 Lands

6.01 Transfer of Private Grazing Lease

6.01.1 Ann Beasley to Dennis & Ella Endersby – Lease # 7025

Mr. Matoba presented the request for Private Grazing Lease # 7025 be transferred from Ann Beasley to Dennis & Ella Endersby. The Transferees meet the eligibility requirements.

2006-11-219 Moved by T. Livingston that Private Grazing Lease # 7025 be transferred from Ann Beasley to Dennis & Ella Endersby. Seconded by C. Henrickson. CARRIED

6.02 Les Douglass Land Trade – SE 18-24-16 W4M

E. Wilson outlined a recommended trade negotiated between himself and Les Douglass. Mr. Douglass owns SE 18-24-16 W4M in the middle of the Gem Community Pasture. It is not fenced and he currently runs an extra 6 cows free of charge in the community pasture.

Les has a private grass lease with us that involves approximately 75 acres in SW 25-24-16 W4M and approximately 60 acres in E ½ 30-24-15 W4M. There is one gas well in SW 25 drilled in 1978, and one well in W ½ 30 drilled in 2000; Les has one lease with 3 wells on it; overall oil and gas annual rentals are comparable.

Les has an irrigated lease in 12-24-16 W4M with 140 acres irrigated and 33 acres dry.

The proposal is to trade SE 18 for the 135 acres (as outlined on the map) in Grazing Lease 7038 now and let Les run 2 extra cows in the community pasture. If Les matches the high bid and purchases the irrigated lease, the required price would be reduced by the appraised value of the dry 33 acres and then the extra 2 cows would end.

2006-11-220 Moved by T. Livingston that the Board approve the trade of SE 18-24-16 W4M, lands owned by Les Douglass, for 135 acres in Grazing Lease # 7038 and allow Mr. Douglass to run 2 extra cows in the community pasture. If Mr. Douglass matches the high bid and purchases the irrigated lease, the required price would be reduced by the appraised value of the dry 33 acres, and the allowance of 2 extra cows in the community pasture would end. Seconded by A. Nielsen. CARRIED

[10:20 a.m. R. Matoba exited the meeting; I. Friesen and J. Meador entered.]

7.0 Engineering Report

7.01 Project Status

I. Friesen presented the Project Status as follows.

Project	Status
02-03-12 Secondary 'A' Rolling Hills	- canal earthworks complete, armour placement nearing completion, pipeline complete, structure installation to start in December
Secondary 'A' Springhill	- earthworks are 80% complete, armour placement commenced on November 10 '06, structure installation to start in new year
11 East Branch	- 4.5 kms of pipe installed (20% complete)
R-1 North Bantry	- 2.5 kms of pipe installed (30% complete)
03-02D Springhill	- stripping right-of-way complete and filling in of existing canal yet to be done
7 Bow Slope	- stripping right-of-way and filling existing canal underway
G North Bantry	- stripping right-of-way and filling existing canal underway

I. Friesen and E. Wilson responded to various questions put forward by the Board.

7.03 Chris Schmidt and Ronald Schmidt & Janine Schoff – 7 Bow Slope Turnout Reloca.
This matter was revisited from September's Board Meeting. Further consideration on the Farm Improvement Policy reflects that the Schmidt proposal is more accurately covered under the Infrastructure Savings Grant. The original motion is as follows.

2006-09-185 *Moved by T. Livingston that the Board approve the maximum Farm Improvement payment to Ron Schmidt for the installation of a private pipeline in NE & SE 17-16-16 W4M. Seconded by P. Hemsing. CARRIED*

2006-11-221 Moved by T. Livingston to amend Motion 2006-09-185 by replacing "Farm Improvement" with "Infrastructure Savings Grant of 50% of pipeline extension up to a maximum of \$15,000 EID share". Seconded by P. Hemsing. CARRIED

7.02 3 Year Project Plan

Mr. Wilson and Mr. Friesen presented the plan, noting that the District is entering into the last year of the current 3 Year Project Plan, and that staff has re-evaluated the canals and drains. Secondary 'B' Springhill, F Springhill and a portion of North Bantry were on the old plan and have been delayed. Secondary 'B' Springhill and North Bantry can be held back a few more years in favour of numerous smaller systems that will help farmers more and save more water. F Springhill is planned to be completed in 2009. Administration answered various questions relating to several projects.

2006-11-222 Moved by A. Nielsen that the Board approve the 3 Year Plan for Canal Rehabilitation from 2007/2008 to 2009/2010. Seconded by P. Hemsing. CARRIED

8.0 Operations

8.01 Farm Improvements

J. Meador presented two Farm Improvement applications.

8.01.2 D. & K. Walde – NE 08-23-16 W4M

Current assessment is 146 acres (69 flood and 77 wheels); new pivot area is 125 acres. This farm improvement calls for the conversion of 62 acres flood and 63 acres wheels to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery to pump site; and the delivery remains the same off of 02-14 North Branch pipeline. Walde's wish to keep the 21 extra acres in corners. The farm improvement grant payable to the Water User is \$3,577 (62 acres flood to pivot) + \$1,212 (63 acres wheels to pivot) - \$4,200 (21 acres at \$200/acre) = \$589.

2006-11-223 Moved by P. Hemsing that the Board approve the farm improvement for D. & K. Walde for the conversion of 62 acres flood and 63 acres wheels to pivot in the NE 08-23-16 W4M. The farm improvement grant payable to the Water User is \$3,577 (flood to pivot) + \$1,212 (wheels to pivot) minus \$4,200 (21 acres @ \$200/acre) = \$589. Seconded by F. George. CARRIED

8.01.1 M. & L. Gubbins – SE 05-17-16 W4M

Current assessment is 49 acres; new pivot area is 62 acres. This farm improvement calls for the conversion of 49 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery to pump site; with a remote delivery request to come off of 06-01 Bow Slope pipeline in the NE 32-16-16 W4M. The farm improvement grant payable to the Water User is \$2,827.

2006-11-224 Moved by C. Henrickson that the Board approve the farm improvement for M. & L. Gubbins for the conversion of 49 acres flood to pivot in the SE 05-17-16 W4M. The farm improvement grant payable to the Water User is \$2,827. Seconded by T. Livingston. **CARRIED**

With the current assessment being 49 acres and the new pivot area being 62 acres, 13 additional acres are needed.

2006-11-225 Moved by C. Henrickson that the Board approve the increase in assessment from 49 acres to 62 acres on SE 05-17-16 W4M, 13 acres being gained through efficiency; 13 acres at the capital asset charge of \$200/acre = \$2,600. Seconded by T. Livingston. **CARRIED**

3.01 Tabled Motion 2006-09-186 – Farm Improvement Policy cont'd

The Chairman requested J. Meador and I. Friesen to prepare input on the Farm Improvement Policy and the Infrastructure Savings Grant Policy for the upcoming retreat.

[11:04 a.m. J. Meador and I. Friesen exited the meeting.]

9.0 Grazing Report

9.01 Letter from Bassano Grazing

The Board reviewed correspondence between the Bassano Grazing Association and District Administration.

[11:07 a.m. B. Hale entered the meeting.]

Existing policy regarding financing for Community Pastures was discussed and upheld. Mr. Wilson will respond in writing. The issues brought up in this letter were suggested to be discussed further at the retreat.

9.02 Summary of 2006 Grazing Season

B. Hale was in attendance to review the 2006 Grazing Season. He reported that spring runoff was sufficient to fill all dugouts. There was good carry-over from 2005, and abundant rain in May and June set excellent growing conditions in all leases, conditions that have rarely been seen. Due to these good conditions cattle numbers were increased from 40 to 45 head. 2006 cattle numbers: 14,900 head.

9.03 Grass Condition

The 2007 grazing conditions look very favorable; there is excellent carry-over from the 2006 grazing season.

9.04 Recommended Carrying Capacity for 2007 Season

If there is good rainfall in the spring, Mr. Hale recommends running the same amount of cows as in 2006 (approximately 14,900 head, or 72,500 AUM).

9.05 Expenses

Mr. Hale reviewed fire fighting and fence repair expenses incurred from the fires in the Rolling Hills Community Pasture. Regular maintenance expenses on dry land and irrigated pastures included cattle guard cleaning, pivot track filling, compost site preparation, some road graveling, and pump and waterline maintenance.

[11:44 a.m. B. Hale exited the meeting; R. Hayes entered.]

10.0**EIDNet Report**

Current Dial-Up customers are at 664, while Wireless accounts are at 670, for a total of 1334 customers. About 100 customers are on a waiting list to be connected.

There was an outage at Scandia on November 14th which was caused by a bad sector radio. A temporary fix was put in place until a new unit could be installed on the 15th. The tower work at Gem as well as the moving of the Kitsim tower is still on hold awaiting the availability of riggers.

The speed problems the District has been having with the 900 radios are still being addressed. Many changes have been tried off the Brooks tower with mixed results. IPPlus is still working on the problems, with Alvarion now helping them once again. Another 900 sector was set up at Brooks on a different polarity to split some of the sector 1 customers off in an effort to help with the Brooks slowdowns.

[11:56 – 12:28 p.m. Lunch break; R. Hayes exited the meeting.]

11.0**General Manager's Report****11.01 Annual Meeting Date**

E. Wilson noted that the District needs to set a tentative date for the Annual General Meeting in order to coincide the appropriate time periods for Close of Nominations, and an Election Day if needed. The tentative date for the Annual General Meeting will be Wednesday, March 28, 2007.

11.02 Election By-Law

By-Law 853 (2006) was presented to the Board for the 2007 Election of Directors for Division 02 (Tom Livingston), Division 04 (Neil Johnson), and Division 07 (Pat Hemsing) establishing the date for Nominations of Directors ceasing on Thursday, March 29, 2007, with an Election date if necessary on Friday, April 20, 2007.

By-Law 853 (2006) Setting the Date for the Election of Directors, Divisions 02, 04 and 07

Eastern Irrigation District

BY-LAW 853 (2006)

Fixing the Date and Times for the 2007 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 02, 04 and Division 07, 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 02, 04 or Division 07, then such election shall be held on **Friday, April 20, 2007**.
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 02

Includes all of the following land locations:

Township 20 Range 13 W4M	Sections 31, 32 and 33
Township 20 Range 14 W4M	All Sections
Township 20 Range 15 W4M	All Sections
Township 20 Range 16 W4M	Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36
Township 21 Range 13 W4M	Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32 and 33
Township 21 Range 14 W4M	All Sections
Township 21 Range 15 W4M	All Sections
Township 21 Range 16 W4M	Sections 1, 2, 3, 10, 11, 12, 13, 14, E ½ 15, E ½ 23, 24, 25 and 36
Township 22 Range 13 W4M	Sections 4, 5 and 6 lying to the south of the Red Deer River
Township 22 Range 14 W4M	All Sections lying to the south and west of the Red Deer River
Township 22 Range 15 W4M	All Sections lying to the west of the Red Deer River
Township 23 Range 14 W4M	All Sections lying to the west of the Red Deer River
Township 23 Range 15 W4M	All Sections lying to the west of the Red Deer River, excepting 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31 and 32
Township 24 Range 14 W4M	All Sections lying to the west of the Red Deer River
Township 24 Range 15 W4M	All Sections lying to the west of the Red Deer River, excepting 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31 and 32
Township 25 Range 15 W4M	All Sections lying to the west of the Red Deer River, excepting 5, 6, 7, 8 and 18

Division 04

Includes all of the following land locations:

Township 17 Range 14 W4M	Sections 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35
Township 18 Range 14 W4M	All Sections
Township 18 Range 15 W4M	All Sections
Township 18 Range 16 W4M	All Sections
Township 18 Range 17 W4M	All Sections
Township 18 Range 18 W4M	All Sections lying east of the Bow River
Township 19 Range 14 W4M	All Sections excepting Sections 1, 12, 13, 24, 25 and 36
Township 19 Range 15 W4M	All Sections
Township 19 Range 16 W4M	All Sections
Township 19 Range 17 W4M	All Sections
Township 19 Range 18 W4M	All Sections lying east of the Bow River

Division 07

Includes all of the following land locations:

Township 14 Range 11 W4M	All Sections
Township 14 Range 12 W4M	All Sections
Township 14 Range 13 W4M	All Sections lying to the north of the Bow River
Township 14 Range 14 W4M	Sections 1, 2, 3, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36 lying to the north of the Bow River
Township 15 Range 11 W4M	All Sections
Township 15 Range 12 W4M	All Sections
Township 15 Range 13 W4M	All Sections
Township 15 Range 14 W4M	Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35 and 36

3. Nominations shall be received by the Returning Officer up to and including 5:00 p.m. in the afternoon of **Thursday, March 29, 2007** 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 853 (2006) 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:

- 2006-11-226 Moved by P. Hemsing that By-Law 853 (2006), being a by-law to set the date and time when the right to file nominations expires and to set the election date, be introduced and read the first time. Seconded by C. Henrickson. CARRIED**
- 2006-11-227 Moved by P. Hemsing that By-Law 853 (2006), be read the second time. Seconded by C. Henrickson. CARRIED**
- 2006-11-228 Moved by T. Livingston that with all Directors being present, that consent be granted to give third reading to By-Law 853 this 21st day of November. Seconded by C. Henrickson. CARRIED UNANIMOUSLY**
- 2006-11-229 Moved by P. Hemsing that By-Law 853 (2006), be read the third time and finally passed. Seconded by A. Nielsen. CARRIED**

11.03 WID Legal Challenge – Water License

Mr. Wilson will contact the District's lawyer in regards to this matter and with his help draft a reply to Alberta Justice.

11.04 Ministerial Exemption for Small Ponds

Alberta Environment is allowing oil & gas companies to access water from small ponds that are under 12,500 m³ in size (that are not connected to a natural drainage system, not pumped, and not connected to an irrigation canal or drain, as long as they use less than 6,250 m³ annually together with the landowner) without licenses. This is under a Ministerial order, as per the Water Act.

11.05 AIPA Proposed Budget

The AIPA proposed budget was discussed, with the Board giving direction to Mr. Wilson to request an In-Camera time before the start of AIPA's December 7th's meeting. Discussion also highlighted the lobbying capabilities, general direction and overall effectiveness of the organization. Pros and cons were stated as to the District's participation in AIPA, and as to meetings with associated districts.

11.06 City of Brooks Water

E. Wilson met with the City of Brooks Manager, Engineer and Council Committee to explain water license transfers, the intent of the Water for Life Strategy, and the need for the City to develop a water conservation plan. Mr. Wilson had previously helped them complete their water application to Alberta Environment in spring of last year; it was received after the moratorium on licenses began. It was also indicated that the District needs time to develop its own plan on how to work in a closed river basin. The topic of water transfers will be the main issue discussed at the retreat.

11.07 Multi-Lot Subdivisions

Currently a couple smaller multi-lot subdivisions are close to being completed. As these have valves installed for each parcel on District right-of-way, it is recommended to approve completion. Any further multi-lot subdivisions will not be agreed to until the matter of a service agreement can be resolved with the County. It is also recommended that the District ensure its water supply by cancelling 1 to 2 acres of Developer water rights for every acre foot issued in Rural Water Use Purposes agreements.

11.08 Bids on Trucks

Requests for quotes on ½ tons and ¾ ton trucks have been sent out. It is proposed to purchase six ½ tons and one ¾ ton. The quotes are due on November 30th; the trucks would be purchased and delivered in January 2007.

11.09 Corporate Structure

In regards to the District's corporate structure, Mr. Wilson will contact a local authority expert to define the parameters for both the Board of Directors and those on the Water Roll. Viewpoints of "landowners having ownership", the Board as a "local authority" vs "trustees", etc. will be interpreted.

12.0 Upcoming Events

- | | | |
|-------|--|---|
| 12.01 | Wally Chinn Retirement Social | - Tuesday, Dec. 5 th , Lethbridge
Earl & Laura Wilson, & Clint Henrickson |
| 12.02 | AIPA Meeting | - Thursday, December 7 th , location TBA |
| 12.03 | EID Staff & Directors Christmas Function | - Saturday, December 9 th , Calgary |
| 12.04 | Regular Board Meeting | - Monday, December 11 th |
| 12.05 | CRWUA Conference | - December 13-15, Las Vegas,
leaving Tuesday, December 12 th |
| 12.06 | Board Retreat | - January 15-17, Banff |
| 12.07 | "Every Drop Counts" AIPA Conference | - March 4-6, Calgary |

13.0 Tour of 2 Construction Sites

P. Hemsing moved adjournment of the meeting at 2:10 p.m.

Chairman

General Manager

December 11, 2006 Regular Board Meeting

The Directors of the Eastern Irrigation District held a regular meeting on the 11th day of December, 2006. 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 9:00 a.m.

9:00 a.m. In-Camera

The Directors held an in-camera session before the regular meeting.

[9:37 a.m. E. Wilson, K. Bridges and W. Enns entered the meeting.]

1.0 Approval of Agenda

The following items were added to the agenda:

- 5.03 Tender Results – Springhill Canal Structures
- 6.01.3 Letter from Bassano Grazing Association - Additional Expenses for Current Loan
- 6.07 Soil Classification Test Results
- 9.04 Rolling Hills Fire Department – Request to Lease Portion of EID Shop

2006-12-230 Moved by A. Nielsen that the Board adopt the Agenda as presented with additions. Seconded by T. Livingston. CARRIED

2.0 Approval of Minutes

The following item was requested to be revised in the minutes:

- Page 105, 11.04 Ministerial Exemption for Small Ponds [more information needed detailing the specifications as outlined by Alberta Environment] E. Wilson will amend.

2006-12-231 Moved by T. Livingston that the Minutes of the November 21, 2006 regular Board Meeting be approved as presented with corrections. Seconded by P. Hemsing. CARRIED

3.0 Business Arising (from In-Camera session)

Directors will be handing out bonus cheques to employees at the Christmas Breakfast; and in January they will distribute jackets as well.

2006-12-232 Moved by T. Livingston that in December 2006 the District give \$500 bonus cheques and order EID jackets for all employees. Seconded by N. Johnson. CARRIED

[9:45 a.m. J. Meador entered the meeting.]

4.0 Operations

4.01 Farm Improvements

J. Meador presented two Farm Improvement applications.

4.01.1 Hutterian Brethren of Springview – NW 27 & NE 28-23-16 W4M

Current assessment is 109 acres (101 acres flood in NW 27-23-16 W4M and 8 acres flood in NE 28-23-16 W4M); new pivot area is 134 acres (126 acres in NW 27-23-16 W4M and 8 acres in NE 28-23-16 W4M). This Farm Improvement calls for the conversion of 134 acres flood to low pressure pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery to pump site, and an Irrigable Unit is needed. The Farm Improvement grant payable to the Water User is \$6,288.

2006-12-233 Moved by F. George that the Board approve the farm improvement for the Hutterian Brethren of Springview for the conversion of 126 acres flood to pivot in the NW 27-23-16 W4M and 8 acres flood to pivot in the NE 28-23-16 W4M. The farm improvement grant payable to the Water User is \$6,288. Seconded by C. Henrickson. CARRIED

With the current assessment being 109 acres and the new pivot area being 134 acres, 25 additional acres are needed. It is proposed to move 5 acres from a corner in SW 27-23-16 W4M to NW 27-23-16 W4M, leaving 20 acres that are needed to complete the pivot. These 20 acres are gained through efficiency from flood to pivot.

2006-12-234 Moved by P. Hemsing that the Board approve the increase in assessment from 114 acres to 134 acres on NW 27 & NE 28-23-16 W4M, 20 acres being gained through efficiency; 20 acres at the capital asset charge of \$200/acre = \$4,000. Seconded by T. Livingston. CARRIED

2006-12-235 Moved by C. Henrickson that the Board approve the registration of an Irrigable Unit on NW 27 & NE 28-23-16 W4M, lands being owned by the Hutterian Brethren of Springview. Seconded by A. Nielsen. CARRIED

4.01.2 Darcy Walde – SE 17-23-16 W4M

Current assessment is 149 acres (42 acres flood and 107 acres wheels); new pivot area remains at 149 acres. This Farm Improvement calls for the conversion of 42 acres flood and 107 acres wheels to low pressure, corner-arm pivot, complete with drop tubes and no cold weather shut-off. The pivot must be piped from delivery to pump site, with the delivery remaining the same off of 14 North Branch pipeline. The Farm Improvement grant payable to the Water User is \$2,423 (flood to pivot) + \$2,058 (wheels to pivot) = \$4,481.

2006-12-236 Moved by C. Henrickson that the Board approve the farm improvement for Darcy Walde for the conversion of 42 acres flood and 107 acres wheels to pivot in the SE 17-23-16 W4M. The farm improvement grant payable to the Water User is \$2,423 (flood to pivot) + \$2,058 (wheels to pivot) = \$4,481. Seconded by P. Hemsing. CARRIED

[9:50 – 9:55 a.m. A short break was taken; I. Friesen entered the meeting.]

5.0 Engineering Report

5.01 Project Status

I. Friesen presented the Project Status as follows.

Project	Status
02-03-12 Secondary 'A' Rolling Hills	- canal complete, pipeline complete, structure installation started December 7
Secondary 'A' Springhill	- earthworks complete, armour placement over ½ complete, structure installation to start in new year
11 East Branch	- 7.5 kms of pipe installed (35% complete)
R-1 North Bantry	- pipeline complete
03-02D Springhill	- pipe delivered on December 8, installation to start after G North Bantry overflow complete
7 Bow Slope	- stripping right-of-way complete and filling existing canal complete
G North Bantry	- piping the overflow commenced December 8

5.02 IRP Annual Rolling 3-Year Plan for the Years 2007/08 to 2009/10

Mr. Wilson and Mr. Friesen presented the District's IRP 3 year Plan for the construction years 2007/08 to 2009/10. Projects were selected from the EID 3 Year Plan, which was approved at last month's meeting. Completed projects and continuing projects are listed in the report, with new projects as follows:

Year	Project	Estimated Expenditure
New Year 1	Flow Measurement Devices (Pipeline)	\$ 93,598
	Flow Measurement Devices (Canal)	
	Screen Cleaners	\$ 77,999
New Year 2	Kitsim Feeder Canal	\$5,000,000
	Kitsim Bypass Canal	\$3,000,000
New Year 3	F Springhill	\$6,000,000

2006-12-237 Moved by A. Neilsen that the Board approve the IRP Annual Rolling Three-Year Plan. Seconded by P. Hemsing. CARRIED

5.03 Tender Results – Springhill Canal Structures

E. Wilson informed the Board that due to the usual contractors not being able to bid, and high tenders received, all bids have been rejected. The project will be postponed another year.

[10:08 a.m. J. Meador and I. Friesen exited the meeting, B. Hale entered.]

6.0 Lands

6.01 Grazing

B. Hale presented the Grazing Report.

6.01.1 Report on GAC Meeting

The Grazing Association Committee held their end of season meeting December 6, 2006. Mr. Hale informed the members that the Antelope Creek Ranch grazing fees are higher than the District's, but that amount is absorbed by the Eyremore Grazing Association through assistance of lower Lease Rider costs. He also made note that Rod Svenson, Safety & Environmental Tech assisted with one of the highway crossings, and that his truck equipped with flashers, and portable signs are available to Associations when needed.

[10:12 a.m. R. Martin, M. Jarvis-Redelback, G. Redelback and T. Jensen entered the meeting.]

The 2006 grazing season was rated as a good year, with good carry-over and early rainfall. Entry and Take Out dates were discussed amongst members, with preference given to higher AUM's with a Take Out date of October 15th or earlier. The importance of fence and gate maintenance was stressed, with suggestions on chains and locks for keeping gates closed. As well, Associations were encouraged to notify Mr. Hale when any unsafe mowing practices (ie. without water trucks present) are sighted during fire hazard times and he will contact the service company.

Corral improvements were also discussed at the GAC meeting, with the members recommending to the Board of Directors that a 0% interest loan over a 10 year period be offered to Grazing Associations for the purpose of building corrals. After Board discussion the following motion was put forward.

2006-12-238 Moved by N. Johnson that the Board approve current and future loans for Grazing Associations for building corrals to be set at 0% interest, over a 10 year term, upon prior project approval by the Grazing Lease Manager. Seconded by F. George. CARRIED

A. Nielsen requested the Board be supplied with a list of Private Grazing Leases that border any Community Grazing Leases. B. Hale will compile a list.

6.01.3 Letter from Bassano Grazing Association - Additional Expenses for Current Loan

The Bassano Grazing Association put forward a request to the Board for expenses totaling \$10,998.03 be added to their current loan.

2006-12-239 Moved by T. Livingston that the Board approve the additional expenses for the Bassano Community Grazing corrals, of \$10,998.03, to be added to their current loan. Seconded by C. Henrickson. CARRIED

It is requested that the Rolling Hills Grazing Association submit a plan to the Board for the rebuilding of corrals that were burnt this past August.

6.01.2 Cattle Application Numbers

November listings for the 2007 Grazing Season, based on 45 head per full member, are at 14,622.

[10:27 a.m. B. Hale exited the meeting.]

6.02 Oil & Gas Report

G. Redelback presented the Oil & Gas Report to December 5, 2006, noting the following overall:

- New Wellsite Takings - 382
- New Twinned Well Takings - 388
- Currently active companies are EnCana, Gentry, Canetic and Esso.
- New Pipelines - 902.38 acres or 150 miles
- Various companies are currently working on installation of new pipelines and tie-ins.
- Preliminary indications for 2007 projects EnCana with approximately 200 wells and Esso with approximately 130 wells.

Various questions were responded to by staff.

[10:38 a.m. G. Redelback and T. Jensen exited the meeting.]

6.03 2006 Public Access Report

R. Martin introduced Margo Jarvis Redelback, Wildlife Habitat Technician; and displayed the new booklet format of the Wildlife Guide. Mr. Martin reported that District staff, as well as the County

of Newell Special Constable and Dinosaur Provincial Park Conservation Officers conducted periodic patrols of District land in the summer season. Infractions noted were 7 instances of random camping, 15 dirt bike trespass charges issued near Dinosaur Provincial Park, and 2 dirt bike trespasses in the Duchess (Sandhills) Community Pasture. Hunting season involved increased staff patrols due to the high fire hazard. Fall newspaper and radio ads ran through to the end of November notifying the public of this danger; and two additional staff and the Brooks Fish & Wildlife Officer aided in patrolling. A total of 314 vehicles were observed, with 9 units found violating the EID Access Guidelines; for a compliance rate of 97.1%.

6.04 2006 PHD Summary

M. Redelback presented a 10 minute DVD on the Pheasants Forever program from the Outdoor Life Network which partially highlighted the Eastern Irrigation District.

Mrs. Redelback then noted that in an ongoing partnership with the County 47,616 trees and shrubs were planted within the EID. Of this, 31,190 trees and shrubs were planted utilizing the treeplanter, bobcat and auger (27 landowners); 2,606 were replacements; and 13,820 trees and shrubs ordered by PHD staff but planted by landowners. 8.5 km of fencing was purchased to protect 8 newly planted sites; 5,669 m of drip tape was installed on 7 sites; and 400 m of pipeline and 1 service were installed to aid in water management of an existing canal. As well, the educational component was expanded by developing a partnership with Southern Alberta Scouts nationwide tree planting program. Plans for 2007 include planting of 33,00 trees and shrubs (19 landowners), planting 7,870 replacements and continuing the Educational Component by planting sites with the assistance of a local Grade 4 class and with the Brooks and District Scouts.

A. Nielsen suggested thinning the spruce or pine trees along the road north of the office would allow for filling out. In response to questions, it was reported that game bird counts were conducted once again with pheasant numbers up from last year; and that raccoons are becoming more commonplace in some areas. It was suggested by the Board to invite Pheasants Forever to give a presentation at a future Board Meeting.

[11:08 a.m. R. Martin & M. Redelback exited the meeting.]

6.05 Update on Former CPR / District Engineer's House

K. Bridges reported on attending an open house for the former CPR / District Engineer's House, and reviewed information to date put forward by Kathy Ramer. As this venture is privately owned and operated, and tourism is not within the EID's mandate, the District will not be involved financially at this point. Staff assistance is expected to continue to be given in the area of supplying drawings, plans and photographs from the EID archives.

6.06 Expansion of Blue Heron Storage Yard

A letter to the Board of Directors dated October 26th was received from Jon Nesbitt and Ray Juska requesting that the Board reconsider their previous motion. The Board is upholding their previous motion to lease, rather than sell the requested land.

2006-09-195 *Moved by T. Livingston that the Board approve a 10 year Lease for 2 acres at \$1,000/acre per year with Blue Heron Storage. Seconded by N. Johnson. CARRIED*

6.07 Soil Classification Test Results

Mr. Wilson reported on the selected areas for soil classification. All but one test passed at a number 2 level, which is still excellent for irrigation purposes. An overall plan for irrigation expansion was requested to be developed, including possible sites throughout the District, along with engineering estimates.

[11:41 a.m. – 12:45 p.m. Lunch break.]

7.0 Equipment**7.01 Results of Requests for Quotes on 2007 Trucks**

E. Wilson presented the quotes on 2007 trucks; several dealerships did not send quotes and some indicated likely delays in delivery.

2006-12-240 Moved by T. Livingston that the Board approve the purchase of six factory order 4x4 1/2 - ton trucks (\$22,756) and one factory order 4x4 3/4-ton truck (\$25,054) from Martin Chrysler in 2007. Seconded by P. Hemsing. CARRIED

8.0 EIDNet Report

Mr. Bridges presented the EIDNet Report. The number of Wireless customers is approximately 25% less than projected, with the number of Dial-Up customers at approximately 13% higher than projected. Although some areas are receiving improved service, several other areas have had deteriorated service since early December. IPPlus has been troubleshooting, with the problems persisting. As a result, the District loses customers on a weekly basis. The practice of buying back used 900 MHz equipment is being discontinued as the District will have few locations suitable for reinstallation of the equipment. Expansion towers have power connected, but construction of the towers has not been followed through by IPPlus. The severity of service problems has been clearly reiterated to IPPlus. District customer service over the holidays has been scheduled, with regular hours resuming January 2, 2007.

9.0 General Manager's Report**9.01 City of Brooks & County Regional Water**

E. Wilson reported on meetings held with the City of Brooks and the County of Newell regarding a regional water system. Brooks is in the process of resubmitting its application for funding with Alberta Infrastructure and is awaiting notice of approval or refusal. Not all portions of the system are funded, and some are on a cost shared basis. Preliminary plans propose Brooks to be the host, with outlying communities to be hooked up over several years; this may move to Lake Newell for the new plant and go from there to other communities.

Mr. Chrumka suggested the Board meet with the County of Newell Council in the New Year to discuss various matters.

9.02 Staffing

Four positions are currently being advertised:

- Electrician (Leonard Fenez retires in March)
- Administrative Assistant (Rita Fenez retires in March)
- Land Administrator (Tanis Jensen will be taking a maternity leave in April)
- Engineering Technician or Junior Engineer (the District is wanting to increase the department)

9.04 Rolling Hills Fire Department – Request to Lease Portion of EID Shop

E. Wilson and a couple staff members, along with B. Chrumka or A. Nielsen, will meet with the Rolling Hills Fire Department to finalize plans for renovations of the shop.

9.03 Pre-Retreat Discussion

Mr. Wilson introduced and reviewed several retreat topics for discussion. Private Grazing Leases, Farm Improvement Policy, Infrastructure Savings Program, and "Living in a Closed Basin" were all given preliminary discussion to get Administration and Directors thinking.

[1:42 p.m. F. George exited the meeting.]

Other topics added were Irrigation Promotion, Further Involvement in AIPA, and District Governance. All Directors, E. Wilson, K. Bridges, J. Meador, I. Friesen and K. Tebo will be attending the retreat in Banff in January.

10.0 Upcoming Events

- | | | |
|-------|---|--|
| 10.01 | Colorado River Water Users Association Conference | - December 13 th – 15 th , Las Vegas |
| 10.02 | Board Retreat | - January 14 th – 17 th , Delta Banff Royal Canadian Lodge |
| 10.03 | Board Meeting | - Tuesday, January 23 rd |
| 10.04 | Spring Information Meetings | - 3 or 4 meetings, first week in February, TBA |
| 10.05 | Board Meeting | - Tuesday, February 27 th |

A. Nielsen moved adjournment of the meeting at 2:00 p.m.

Chairman

General Manager