

**ANNUAL MEETING OF THE BOARD OF DIRECTORS
AND IRRIGATORS OF THE
BOW RIVER IRRIGATION DISTRICT**

**TUESDAY, MARCH 14, 2017
VAUXHALL LEGION HALL, 1:30 PM**

Following are minutes of the Annual Meeting of the Board of Directors and the irrigators of the Bow River Irrigation District, held on Tuesday, March 14, 2017, in the Vauxhall Legion Hall.

Attendance included 16 irrigators, 7 Board members, 4 BRID staff members, 1 representative from Irrigation Council, 1 AIPA representative, 1 representative from Avail CPA, 3 Provincial government staff, 1 Ducks Unlimited Canada representative, 1 representative from MPE Engineering, 2 wind power representatives and 2 irrigators from the EID, for a total of 39 attendees.

The meeting was called to order at 1:38 P.M. by General Manager Richard Phillips.

1. Welcoming Remarks - General Manager - Richard Phillips, P. Eng.

In opening the meeting, Richard Phillips introduced staff present, welcomed all irrigators to the meeting and asked all attendees to introduce themselves. He also introduced Jennifer Schafer, CPA,CGA, of Avail CPA, who would be presenting the auditor's report and the review of financial statements in the absence of Sharon Lukacs, CPA, CMA.

Richard Phillips reported that the 2017 Board elections saw two incumbents returned to the Board by acclamation: Ron Schlaht and John DeVries.

2. Appointment of a Meeting Chairperson

Richard Phillips introduced Ron Schlaht, Vice Chairman of the Board, whom the board had previously appointed as Chairman of the meeting.

3. Adoption of Agenda

Ron Schlaht asked attendees to review the agenda as noted on page 18 of the Annual Report and asked if there were any items to add. Doug Stanko asked the board if they had any plans to pressurize pipelines. Ron Schlaht said that this could be brought up as new business. As there were no items to be added, he then requested a motion to accept the agenda.

Moved by Henry Wiebe that the agenda in the Annual Report be accepted as printed. **CARRIED**

4. Approval of the Minutes of the last Annual Meeting: March 15, 2016

Ron Schlaht requested that attendees review that minutes of last year's annual meeting on pages 19 through 24 of the report and inquired whether there were any errors, omissions, or corrections required. None were noted. A motion to accept the minutes of the March 15, 2016, annual meeting was requested.

Moved by Doug Stanko that the minutes of the March 15, 2016 Annual Meeting as printed and circulated in the 2017 annual report be accepted.

CARRIED

5. Business from the Minutes of Last Year's Meeting

Ron Schlaht asked if there was any business from the minutes of last year's meeting. None was noted.

6. Auditor's Report and Review of Financial Statements

Period ending October 31, 2016—Jennifer Schafer, CPA, CGA, Avail CPA

Jennifer Schafer directed attention to the Financial Statements starting on page 25 of the Annual Report. The 2016 year end statements were then reviewed. Items noted:

- irrigation rates income is up and contributions from farmers is down due to increased assessed acreage and fewer irrigation acres sold
- there is a drop in excess of revenues over expenses
- total yearly expenses are up

Ron Schlaht invited any questions relating to the Auditor's Report and Review of Financial Statements. None were raised. A motion to accept the statements and report was requested.

Moved by Jake Rozendaal that the financial statements and auditor's report for the year ending October 31, 2016, be accepted as presented.

CARRIED

7. Chairman of the Board's Report - Chairman Harold Unruh

Harold Unruh introduced the board members and informed attendees that BRID hats and pens were available to everyone. He then presented a summary of his written report as it appeared in the annual report. Items highlighted were:

- license issues. The district received a 40,000 acre foot licence instead of the anticipated 52,000 acre foot licence. The board disagrees with the decision and a judicial review of it is scheduled for September 12th.
- transfer of 200 acre foot licence to Okotoks. Okotoks in turn has to replace our licences. This may be complete by August 2017.
- water quality study
- Main Canal structures. These were mostly built by the PFRA at the same time and may all wear out at the same time. Consultants have been hired to evaluate the structures and recommend a replacement schedule.

- potential dam sites-there is one in the district
- pheasant production-there no longer seems to be any interest
- solar power-we hired a consultant to guide us through the process
- tours-completed five tours this past year
- expansion - we are considering expansion again. We expected to receive our modelling sooner but we have been assured that we are first on the list. After completion of the modelling, we will be holding public meetings and a plebiscite.
- wind power-we have been approached to allow windpower development on some BRID lands. Due to negative comments and proximity to residences, the board had no interest in wind power development.

Harold Unruh said that the policy for the water turn-on date has been changed. If conditions warrant, the earliest date for turning water into the Main Canal at Little Bow Reservoir is now April 15th. Due to lack of interest, the recognition for long term irrigators is in its last year. The deadline for submissions to be included in the board meeting agenda is the Thursday prior to the board meeting. No last minute additions will be accepted.

Harold Unruh concluded by thanking the irrigators, staff and all branches of government that the district works with for their efforts and cooperation and wished all a good year in 2017. Ron Schlaht asked if there were any questions or comments relating to the Chairman's report.

- Q. John Kolk asked if the board has examined the possibility of power generation when main canal structures are replaced.
- A. Harold Unruh said that this has been looked at in the past. In general, the district does not run water long enough for economical power generation. If water flowed all year we could generate some income rather than just for a 5 month period. It could be looked at again.

Ron Schlaht said that we could revisit it to see if technology has changed.

- Q. John Kolk asked if going to court regarding the additional 12,000 acre foot licence could jeopardize our 40,000 acre foot licence.
- A. Harold Unruh said that we have been guaranteed the 40,000 acre foot increase and have the licence in our possession.

Richard Phillips said that our lawyer stated that legislation did not allow the director to issue the licence as is. They claimed that 40,000 acre feet is sufficient for our needs. Our position is that it has always been reserved for us. It appears that the most we could lose by pursuing this is some legal costs.

- Q. Greg Stamp asked if we would be pursuing an expansion like the EID.
- A. Harold Unruh said that the board had discussed this earlier. A potential for a large intensification demand was discovered.

- Q. Brian Witdouck asked if you have solar or wind power projects on BRID lands, do you have the same protection if the company is bankrupted as you do with wellsites.
- A. Harold Unruh said that the solar company we are dealing with now assured us that a large German company backed them. We will do the best that we can if we can get several years out of the project.

- Q. Brian Witdouck asked if anything has been signed.
- A. Harold Unruh said that the district has signed a contract with a solar developer.

- Q. Doug Stanko asked the location of the parcels.
- A. Harold Unruh said that they were northwest of Vauxhall, a total of six quarter sections.

Ron Schlaht said that the agreement was signed last week and the company has until August 18, 2017 to show intent.

Ron Schlaht invited any further questions relating to the Chairman's report. None were raised. A motion to approve the Chairman's report was requested.

Moved by John Kolk that the Chairman's report for 2016 be approved.

CARRIED

8. General Manager's Report - General Manager- Richard Phillips, P. Eng.

Richard Phillips presented the General Manager's report as written in the 2016 annual report. Items presented were:

- water operations. 2016 started hot and dry and July brought rains. 328,000 acre feet were diverted from the river. At the end of the season Lake McGregor Reservoir was at winter levels. This will be the final year of drawdowns for construction.
- headworks rehabilitation. This is the final year for headworks rehabilitation. It will be complete in just a few weeks. The structure between Little Bow and Travers Reservoirs was removed. Raising the dam at Little Bow Reservoir gained the district 20,000 acre feet of storage. The district is in excellent shape regarding water supply.
- invasive mussels. As far as known, there are none in Alberta yet. They are expanding across the continent from the east. They are also moving across the southern part of the continent and moving north. Zebra mussels were discovered at the Tiber Dam, in northern Montana, last year. Their discovery raises awareness of how real the threat is. In Arizona and California where mussels are already established they do not appear to be a problem, perhaps due to their warmer water. Our water chemistry is favorable for mussels. Alberta Agriculture has been working on treatment for mussel control: liquid potash in pipelines. A research project in the EID proved that a lethal level of potash can be delivered. A research project may take place in the BRID this year and irrigators will be informed when and where it is taking place. The Enchant shop was made available for a training facility for mussel sniffer dogs.
- Pipeline maintenance -The district has a mobile high pressure washer to clean pipeline screens.

-Staff changes - No staff left in 2016. The district hired Nick May as our mechanic and Westin Hlatky as a full time laborer.

Ron Schlaht invited any questions relating to the General Manager's report.

Q. Jake Rozendaal asked if the potash infused water can be used to irrigate.

A. Richard Phillips stated that it is similar to a low level fertilizer. If we proceed with the trial, any affected irrigators would be notified prior to the test.

Q. Jake Rozendaal asked if the pipeline would have to be shut down.

A. Richard Phillips said that the pipeline needs water to flow through and then 24 to 48 hours of holding the potash water in the pipeline.

Ron McMullin said that potash is not yet registered for mussel control. Richard Phillips said that it is not registered but Alberta Agriculture has a research permit. Registration is a slow process. Products have to be tested to ensure that they are safe to use. We can hope for emergency registration if it is needed.

Q. Henry Wiebe asked if potash is lethal to other animals.

A. Richard Phillips said that it is lethal to crustaceans, such as fresh water clams and molluscs. Potash is still a relatively safe treatment method for the control of mussels.

Ron Schlaht invited any further questions relating to the General Manager's report. None were raised. A motion to accept the General Manager's report was requested.

Moved by David Cailliau that the General Manager's report be accepted as presented. **CARRIED**

9. Annual Maintenance Report -Superintendent of Maintenance -Bill Skelly

Bill Skelly reviewed the Annual Maintenance Report as outlined in the 2016 Annual Report. He said that the district used less Magnacide in 2016 than in 2015, for a difference of 20 cylinders. At a treatment rate of 5 to 6 parts per million a good weed kill is still achieved. The Main Canal is never treated as the flow rate is too high. It would cost approximately \$90,000 to treat the main canal only one time at a low flow of 100 cfs.

Ron Schlaht invited any questions relating to the Superintendent of Maintenance's report.

Q. Doug Stanko asked how many pipeline inlets are not screened.

A. Bill Skelly said that if there were only one or two irrigators on a pipeline it would not be screened.

Q. John Kolk asked what may have caused a large weed jam on the Main Canal on a bridge south of Enchant.

A. Bill Skelly said that they must have just happened to get caught by a bridge pillar.

Moved by Louis Klassen that the annual maintenance report be accepted as presented. **CARRIED**

10. Presentations

The following reports were presented:

Richard Phillips presented photographs of the recent headworks rehabilitation work at Travers/Little Bow Reservoirs, focussing on the removal of the old outlet structures. He stated that the reservoir is now controlled by one set of gates.

Doug Stanko asked whether anything can be done if something happens to Little Bow Reservoir. Richard Phillips said that there is a provision to drop bulkheads at the road crossing and save the water in Travers Reservoir. The crossing was meant to be only a crossing but the ability to drop bulkheads gives it the purpose of a backup dam for emergencies.

Irrigation Rehabilitation Program Report – Richard Phillips, P. Eng., General Manager

Richard Phillips presented the Irrigation Rehabilitation Program Report.

Ron Schlaht invited questions relating to the Irrigation Rehabilitation Program Report.

Q. Brian Witdouck asked if the Lateral B pipeline project cost is \$7 million.

A. Richard Phillips said that the cost of the project is approximately \$13 million.

Q. Doug Stanko asked if the BRID would be moving towards pressurizing pipelines. The BRID should be, as it would be more cost effective. Pipe sizes could be reduced resulting in savings.

A. Richard Phillips said that is complicated. Energy costs at the source of the pipeline would be billed to the irrigators. You also do not want too high of a velocity in the pipelines as a result of pressurizing; in some of our pipelines the velocities are already near the limit. In most cases, economy is achieved by installing larger pipe than you would with a pressurized system and depending on gravity to deliver water to the turnouts. When you are installing pipelines in an area with a good slope, you cannot go wrong with a gravity system. Flatter areas can increase the costs of a gravity system. The velocity is good in the Lateral B project, currently under construction.

Doug Stanko said that the district should price it out to let irrigators know what the comparison in costs would be between installing a pressurized system and gravity system. Actual energy costs should be calculated.

Richard Phillips stated that in a typical large pipeline, the static pressure is often in the 20 p.s.i. range at many turnouts. We could install a pump with smaller pipe but that would be contrary to normal procedures. Irrigators do not normally set up their systems with small mainlines and large pumps. It is better to install large pipe once, and pay the extra costs over smaller pipe, as opposed to having to pay extra energy costs continuously.

Harold Unruh said that pressurized pipelines were discussed at the last board meeting. One question raised is who would be responsible for the whole system-the district or the individual irrigators?

2016 Water Operations Report – Rolf Schwabe, C.E.T., Executive Assistant
Ron Schlaht invited any questions relating to the Water Operations Report.

Q. John Kolk asked how many acres of subsurface irrigation there were in the BRID.

A. Rolf Schwabe stated that he believed there were less than 15 acres of subsurface irrigation.

Q. Ron McMullin asked what percentage of winter storage the district is at.

A. Richard Phillips stated that we are at 96% of our winter storage levels.

Ron Schlaht invited any further questions relating to the 2016 Water Operations Report. No further questions were raised. He then introduced Rod Bennett, Alberta Agriculture and Forestry. Mr. Bennett administers the Growing Forward 2 program, which provides grants for improving irrigation efficiencies.

Rob Bennett explained that the program offers grants of up to \$5,000 or 40% of eligible costs for equipment upgrades and up to \$15,000 of eligible costs for an upgrade from a gravity or side-wheel system or high pressure center pivot to a new low pressure center pivot system. The upgrade from a high pressure to a low pressure pivot was added as of November 2, 2016. A major change was changing eligibility from one upgrade per year per irrigator to allowing applications for an upgrade to each parcel or system. Expansion of the system is not eligible. The equipment must have been purchased after April 1, 2013. 500 parcels were upgraded last year. He invited any interested irrigators to speak to him.

Q. John Kolk asked why subsurface irrigation applications are not being accepted. What can be done to make this possible?

A. Rod Bennett said that a research project on this topic was initiated 2 years ago. There are concerns about salinization. This is not yet considered a proven technology.

Q. Doug Stanko asked if PDMI (precision mobile drip irrigation) is being considered.

A. Rod Bennet said that it has potential but is not a proven technology. It is being researched at the Lethbridge College. The length of the hoses could be a concern with crops like canola or corn.

Rod Bennett said that new pivot nozzles are more efficient. The package can be replaced on a pivot and receive a grant of up to 40% of the cost or \$5,000. Retrofitting a high pressure pivot to a low pressure pivot makes it eligible for up to \$5,000. \$3.1 million was paid out in grants over the last 11 ½ months. Next year the money will be less but there will be a supplement from the carbon levy.

11. New Business

Ron Schlaht opened the floor to new business.

Q. Brian Witdouck asked if there were any new dam sites planned.

A. Harold Unruh said that Deadhorse Coulee was currently being investigated.

Richard Phillips said that the site is south of Lost Lake. The district's main canal flows through a natural coulee. Various areas of impoundment have been investigated with the largest providing 22,000 acre feet of storage. Any option would require a large dyke to contain the reservoir.

Ron Schlaht asked if there were any further comments regarding the dam or any new business. No comments or new business were offered.

12. Recognition

Harold Unruh, Chairman of the Board, presented hats and \$100 restaurant gift cards to the 40 year irrigators in attendance: Ron Olfert (Olfert Acres Ltd.) and Vic Van Dyk. Director Ron Schlaht received a framed print (photograph) recognizing 15 years on the BRID board.

13. Adjournment

The meeting was adjourned at 3:02 P.M. on a motion by David Cailliau.