

**EAGLE POINT IRRIGATION DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
February 8, 2022**

The meeting was called to order by President Gary Bedell at 5:00 pm, and noted that the meeting was being recorded. The Meeting was held by Zoom video due to COVID-19 social distancing rules.

Those noted present were as follows:

Gary Bedell, President
Mike Trotter, Vice President
JB Dimick, Director
David Ford, Secretary/Manager

Those joining by video conference:

Michael Schultz & Lolly Anderson, Attys
Linda Trotter, Ralph McKechnie, Tim Finch,
Doug Casey, Jeanne Shiroma, Bill Daw,
Charles Boyer, Ethan Gilliam

- JB Dimick made a motion to approve the minutes of the Regular meeting held 1/12/21. Mike Trotter seconded the motion Motion passed 3-0. The amount for bills was \$107,674.58. The amount for Payroll was \$31,493.21. Total amount for bills and payroll for the month of January, 2022 was \$139,167.79. JB Dimick made a motion to approve the Bills and Payroll for the month of December, 2021. Mike Trotter seconded the motion. Motion passed 3-0.
- **INVITATION** for public comment on the change in irrigation rate. Bruce Beckett stated that he thought the raise in fees for the Change of Irrigation Practice (COIP) application from \$1500 to \$9350 is excessive. He suggested using a tiered approach based on the size of the area to be converted to drip irrigation. The fees put him at a non-competitive advantage. He only drips on 30,000 sq. ft., there should be a more fair way to assess the fees. Gary Bedell told him about the loss in revenue from the power plant. Bruce said it would be more cost affective for him to buy water in trucks for that area. Gary told him that he was welcome to exclude his land from the district. Bruce said he is trying to be more efficient and uses far less water on 30,000 sq.ft. and feels this is discriminatory for those who don't grow hay. Atty Schultz will talk to Bruce Beckett further in private. Jeanne Shiroma said she just found out today about the COIP fee increase and called David Ford. He told her that the \$300,000.00 lost power plant revenue would be covered by the raise in O&M fees for everyone. The increase in COIP was needed to police people who were not doing things legally, and we have many man hours in tracking down the stolen water. She said it appears that we are penalizing everyone for the illegal acts of a few. She said we are taking the money from 30 or 40 COIP applicants to monitor the illegal ones. Gary told her that if we had to do this all over, we would not have ever approved anyone changing to drip irrigation as the costs to ensure appropriate use of the water has been exorbitant. JB Dimick explained the way the District was designed as a flood and run off system. The Board tried to be fair for those who wanted to change to storage of water and drip irrigation, but the system has not been built to handle that, and the Manager has spent an excessive amount of time and money managing a small amount of acres in the District. We can not pass those costs on to the other 8000 acres who continue to flood irrigate. We need to charge enough to provide adequate service levels to all patrons. Jeanne thinks that cost should be split to all patrons by a raise in O&M. Dimick told her that employees are spending most of their time on the COIP applicants and neglecting other patrons who are suffering the consequences. The alternative is for all patrons to water once every 2 weeks as we did in the past. Bruce said he has not changed any of the flood irrigation, he just drips on a small area as well, from state approved ponds. Atty Schultz explained doing no harm to downgradient patrons. We need to assess those costs to the persons creating the cost. Any specific fees must be related to the cost incurred. Jeannie thinks this will be counter-productive and more people will steal water. Doug Casey said we are already buying the water. Manager Ford said they are not buying the water, but the operation and maintenance of the ditches. Gary said unless the situation changes we'll have to do away with the COIP all together. Charlie Boyer would like to ensure that his letter is in the record. He said the intention of the District is to give equal water to all. He does not have a problem with the raise in O&M fees, but has a problem with us charging the same amount for run off water. Other districts don't have run off water. He wants to get the full allocation of water if he is paying full levy. Gary thanked him and said that Atty Schultz has been provided with the most current water measurement for Boyer's property. Atty Schultz will address each person's comments individually after the meeting, and explained the District process for applying for additional water. Boyer said that his water right was supposed to be all full levy according to the very old state water right certificate. The District could not deliver directly to the lands but that's not an issue any more. The District needs to look hard at their water right certificate. Bill Daw expressed concern for the increase in COIP fees, and asked at what point we decided that policing the applicants was causing jeopardy to the District. A 600% jump is hard to deal with and asked how we came up with the figure. Gary replied that we realized that each year the problem has become bigger and bigger, and over the last 12-18 months they asked the Manger to account for the time spent on COIP applicants. We never expected it to become such a huge drain of our resources. Daw said the increase represents about \$270,000. While he wants to be supportive of the district, he wants to know if part of the reason for the fee is because some COIP applicants will decide not to re-apply. Gary said we may have to increase again based on the number of acres converted. He does not know what to expect for the future. Many flood irrigators have sold out due to rising property values, and new users are not as willing to cooperate and share. Gary talked about the good position that the District is now in with equipment, staff, and resources and we want to maintain it that way. Bill asked about legal recourse for those caught stealing water, and Gary explained that it is up to the Watermaster. The Watermaster's office is not given a lot of authority to do much about it and are understaffed as well. Atty Schultz reiterated that these costs can only be reasonably related to the cost of administering a program. We need to assure that the change of use does not negatively impact our water right or adjacent properties depending on run off water. This effort has required greater resources than ever anticipated. This is our best effort to correctly align the cost with the people benefiting from the service. His hope is that once some of the changes become normalized, we can revisit the cost and

maybe reduce the cost. Bill Daw wants to know if we are open to suggestions for this in the future. Gary explained that our two Attorneys are here to guide us. We had to cut a staff member to avoid further O&M raises. Jeanne wanted the number of COIP applicants, which was approximately 40. Based on that, \$374,000 will be raised so we could hire 20 additional employees to police the applicants. She wanted to know what we spent the money on. Gary deferred to Atty Schultz who answered that we don't expect that number to be constant and her budget number is fairly optimistic. He will ensure that the cost to apply is reasonably related to the cost maintain the program. She would like a copy of our costs, and was told she can submit a public records request. She said that the letter sent with the bill did not mention the increase amount, and asked for an extra month for patrons to comment on the fees. Gary told her that we have properly noticed the increase in two newspapers and fee schedules on our website.

SECRETARY/MANAGERS REPORT: David Ford

- David Ford reported that the creek has 51 cfs (60 cfs last year). The Lake is at 4772 AF, which is 57% full. Last year it was at 6200 at this time. The canal is at 67%, and he plant is running at 67%.
- **SECOND READING:** Katy Kelley read out loud the text of the proposed amendments to the following rules: Rule 18 will be amended to address changes to the existing irrigation practice; Rule 22 will be amended to add monthly late fees, Rule 30 will be amended to address inclusions and be amended to Rule 31, a new Rule 30 will be added to address the District waiting list for irrigation, and a new Rule 32 will be added to address Exclusions from the District.

ATTORNEYS REPORT: Bill Mansfield and/or Michael Schultz

- Lolly Anderson said we have met the timing for public notice and the Board is free to sign Res 22-02 adopting the rule changes just read.
- Communication in packet written by Lolly Anderson to OWRD regarding our license application, specifically the question of cumulative impact and whether or not is relevant to the District's application. There's been a significant period of time since the last site visit, and we anticipate that agency staff reconvened in late January and we thought the time was appropriate to weigh in on that subject. Received a communication from Pacificcorp rejecting our communications proposal. It did not include any engineering or basis for the rejection. Talked to David Ford and engineers, and we will request additional information from Pacificcorp.

CORRESPONDENCE:

- We received a letter from Anne Manlove, dated 1-13-22, thanking us for our excellent service and a full year of water.
- A letter was sent to all patrons about the fee increases, and a copy was included in the meeting packet.
- We received a letter from Charles Boyer, dated 2-2-22. His letter addresses the fee change for run off acres and his opinion that everyone should receive and equal allotment of water.

OLD BUSINESS:

- The Atty's are working on drafting the easement for School District 9. David does not want to be responsible for maintaining their road. He will meet Atty Mansfield at the site and have a better understanding of the situation. We should have it done by the next meeting.
- A public notice for the proposed rule changes was published in the Upper Rogue Independent and the EPID Website. It was also posted in 4 public places.

NEW BUSINESS:

- JB Dimick made a motion to sign Res 22-02, adopting the rule changes as read by Katy Kelley. Mike Trotter seconded. Motion passed 3-0.
- JB Dimick made a motion to sign Res 22-03, adopting the updated transfer, COIP, and water application policy. Mike Trotter seconded. Motion passed 3-0.

OPEN DISCUSSION:

Mike Schultz asked for Bruce Beckett's contact information.

ADJOURNMENT:

- JB Dimick made a motion to adjourn. Mike Trotter seconded the motion. Motion passed 3-0. The meeting adjourned at 6:25 pm.

EAGLE POINT IRRIGATION DISTRICT

Date Approved _____

ATTEST:



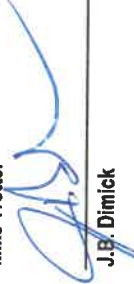
David Ford, Secretary/Manager



Gay Beittel



Mike Trotter



J.B. Dimick