

**EAGLE POINT IRRIGATION DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS
March 1, 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 at Ashpole Center, and was also on Zoom video.

Those noted present were as follows:

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

William Mansfield, Attorney
Michael Schultz, Attorney
Katy Kelley, Bookkeeper

Ralph McKechnie
Linda Trotter by Zoom
Shelby Snow, Office Asst.

Patrons in attendance: Mo Noorhassan, Mattos Culla, Karen Carpenter, Joanne Beckett, Bruce Beckett, Charlie Cassidy, Allie Cassidy, Bill Daw, Brien Kelley, Jaxon Roberts, Travis Daniels, Josh Crimmey, Jeanne Shiroma, Doug Casey, Luke Bishop, Noa Pinck, Chris Barton, Jack Smith, Charlie Boyer, Kevin Mullennix, Pete Lopez

PUBLIC COMMENT ON CHANGE OF IRRIGATION PRACTICE (COIP) AND RELATED FEES:

Atty Schultz introduced himself and Atty Mansfield as District Counsel. He explained that the District has received many public comments on the Fee Schedule associated with the Change of Irrigation Practice (COIP) application. Given the high level of public interest in that fee schedule, the Directors decided to hold this special meeting to take public comment on the subject. One week from today, the Board will deliberate using the public comments and information gathered from District Staff, and then determine whether to revise the fees. The audience members were called up one at a time to speak, in the order that they signed in.

Jeanne Shiroma informed the Board that a group of COIP applicants met yesterday to try and get their questions in order. She asked Bruce Beckett to ask questions on behalf of the group. Joanne Becket then said that everyone should ask their own questions or make their own comments.

Mo Noorhassan said that the rate increase is not legal, and it does not make sense to target a particular type of growers.

Bruce Becket said that he was here with his wife Joanne, who also represents him as his attorney. After the meeting last month, he consulted with several Watermasters, Consultants, and Attorneys to try to determine what their rights are. He said after talking to everyone that met last night, and doesn't think it's legal to charge one group more because the District does not like them, or thinks that they cause problems. He says that according to the District, any monies collected go to the general budget. It's not for help to improve COIP problems. He thinks what we are doing with the fees now is "back door" and not defensible or legal.

Travis Daniels said that he came to try to understand the COIP as he is not an applicant. He said that he thought it was specifically for "growers". Atty Schultz responded by saying that the public comment period is specifically to address the fees for the COIP. The COIP is for any patron wanting to convert from flood irrigation to drip irrigation, and that the District has a duty to prevent harm to other water users and the District water right. It's a hydrological issue as the District has traditionally been all flood and when a member changes that practice. We have a duty to make sure your change does not affect others. Travis stated that he supports that because he uses flood on his property and does not want the guy above him to affect his water. He said the people using changes make more cost to the District, and they should be charged. He just doesn't know what the fee should be.

Josh Crimmey feels like he's done his due diligence with his farm, and has filled out all the required paperwork, met with David, and paid escalated fees so that he can make this change to drip irrigation. He is not taking any more volume of water, and realizes that there are many people who steal water. He said the people here at the meeting are not the problem, and they should not be charged for the labor to find those who are stealing water. They don't like anyone stealing water either. That burden needs to be spread out to the whole district. He has paid his fees and has let District staff park equipment on his property. He has tried to be cooperative with everyone, and feel the fees need to be disbursed to everyone the same.

Mo Noorhassan said he fully agrees with Josh Crimmey's statement. He asked why theft of water is not a police or state matter. He says the people who are making sure they turn in their paperwork and pay all their fees are not the problem.

Gary Bedell said they are going to take everything into consideration, and have asked the Manager to review the original estimate and bring additional information to the regular board meeting next Tuesday. He encouraged all to attend that meeting.

Josh Crimney asked Gary Bedell if the Board will agree to not imposing any late fees while everything is worked out, and Gary said yes.

Jeanne Shiroma asked about Exhibit A, which was a cost spreadsheet used to make the 2022 budget. She said they did a small area COIP. She wanted to know what really changes. David Ford replied that we don't want times or volumes to change. Lots of people have had to dig bypass ditches, around their crops to ensure water is getting to the neighbors. She wanted to know if it really takes 10 hours. Atty Schultz said that we would take her comments into consideration, but this was not the time for a question and answer. She asked if there are any other type of crops such as grapes, and David said yes. Atty Schultz said that it is agnostic to the crop, it is simply to prevent harm to neighboring properties. It is not discriminated by crop.

She said 8000 acres of non-COIP patrons have to be receiving some benefit so the cost should be spread. She does not doubt that there's a problem, but said we are not the ones causing it. Gary Bedell responded that we are struggling to maintain the District's runoff status. We will need to bring this to a resolution quickly as irrigation season starts soon. Jeanne asked for the meeting materials before the meeting and Gary said they will be on the website on the Friday before the meeting. Jeanne asked if we are facing a short water season, and the Board answered no, not at this time. She said if we had a 27-week season and David did the cost for that many weeks, would it be lowered if we had a short season. Atty Shultz said that we budget based on our best forecast and it would be reckless to anticipate costs based on a short season. It is best to be conservative.

Noah Pinck said that this will be his 4th season doing a COIP. He understands the need to make sure the neighbors get their water, but with his water savings he has been able to give extra water to the neighbors. He can't survive with a ten-thousand-dollar water bill. He's growing fruit trees and vegetables, and nothing with his flow has really changed. He said the District does not penalize those who over-graze or do other harm that way. His neighbors downstream are benefiting, not being harmed. We have rising farm costs all the way around, and this fee makes it impossible to make a profit in this business. I would have to charge \$10 a lb. for peaches. I can't pay my mortgage with this type of fee. It appears that you are gouging people because you think they are all making a lot of money, but even the hemp industry is depressed. He wants to stay here and pass the farm to his kids, but with this fee, it's not possible

Chris Barton asked what happens if a patron does not pay their water bill. Atty Schultz told him in the short term you could lose water to that parcel, and in the long term we need to place the water to beneficial use, so it would be transferred off. Chris asked if the District shut off someone's water, how would that affect downstream users? He said there does not seem to be enough data to support the increase in price for the COIP. He thinks it would be logical to penalize the people caught breaking the rules. If you are running the same drip system year after year with no changes, it should be a one-time fee instead of yearly. He asked about the funding source that we are losing, and Atty Schultz explained the power purchase agreement being re-negotiated right now. Chris said we should allocate the increases to the people breaking the rules. Atty Schultz said that we shouldn't conflate the issues, one being the decrease in plant revenue being considered on the budget, and the other being increased labor cost due to COIP. He sympathizes and loves the idea of penalizing offenders, but the District does not have any authority to do so. The District can charge fees that are reasonably related to the service provided. Chris does not believe the fees are reasonably related to the service. He suggested getting approval from his neighbors, and Gary told him that it's the District's responsibility to approve, not the neighbors, and there are costs associated with doing so. Chris thinks it doesn't make sense that the fee is the same every year.

Charles Boyer came to talk about his issue, which has nothing to do with COIP. He said it is the District's responsibility carry out the business of the District in a business-like and economic manner and to deliver water equitably to every member of the District. Every person in the District should be responsible to help carry out that duty. He is concerned that the District is not delivering the water equitably. His so-called run-off property is not receiving a full share of water, and now he is being billed for a full share. He read his letter from the February Board meeting out loud. He says EPID does not provide an equal allocation of water to everyone. There was no guarantee on run-off water so a lower rate was paid. Other districts pay the same per acre because they all get the same amount per acre. Some lands could not be easily serviced by EPID facilities, and were charged less. Now that EPID is charging the same price per acre, it would seem fair and ethical for the District to comply with the spirit of the state water right. He has the ability to take a full head of water, and thinks the amount of water to his property should be increased. He is concerned about the wasted water at the corner of Agate and Linn Rd. running out of our District for 3 to 4 days. He thinks we have people who are wasting water or getting too much time. He would be happy to tell everyone how to do this.

Karen Carpenter wanted to remind everyone that the patrons are not paying for water, they are paying for the Operation & Maintenance of ditches to get the water to them. The District has to deal with everything a year in advance, and was glad for the great job the District has done for her and others for the last 40 years that she's been a patron.

Bill Daw said that working together is a direction we should all be going. Times are changing, industries and the landscape are all changing. The audience is very passionate, and they represent about 5% of district patrons. The patrons have a lot to offer, they are intelligent, and maybe we should have more feedback on matters relating to the budget. Invite the patrons to participate. They may be able to offer suggestions to help with our problems.

Jaxon Roberts agrees with penalizing people who are breaking rules. He noted the penalties assessed on California farmers who are breaking rules. We should talk to state representatives about implementing penalties. He said that he uses far less water on his farm than if he were flooding. He thinks he uses about one sixth of his share, and his neighbors benefit from extra water. Drip is much more efficient. He talked to JB Dimick, who told him he found 7 people taking water illegally or out of turn. Most cannabis farmers only use an average of an acre. There has to be some other solution, maybe charging per hour specifically instead of the same for everyone.

Jeanne Shiroma asked what if she were the very end of the line, and her change affected no one? Atty Schultz responded that each situation is fact dependent, we could not answer that specifically. Jeanne said that if David thought someone was at the end of the line and no one would be affected, how long would this take? Atty Schultz responded and repeated back to her "you would like the district to take a closer look and make certain that the cost estimated for this review are actually commensurate with the time it takes to do this review". Jeanne thought this idea seemed fairer. She also suggested a fee per acre of change.

Josh Crimney said we just want to be charged for services provided. Jeanne Shiroma asked about whether the decision would be made before the next Board Meeting, and JB Dimick told her, no, that the Board will deliberate at the meeting. He asked for a show of hands for how many attending had filed a COIP for 3 or more years, and most all raised their hands. Jeanne had another comment about why the District did not put the rate hike on all the flyers and materials sent out with the annual billing. After the last regular meeting, why wasn't the whole district notified? She had to request an email contact list from the District. She thinks the District is trying to hide the amount of the fee raise. She asked if we would please note the rate increase amount on the meeting notice. Someone said they would not know about this if not for Jeanne's email.

Charles Boyer said that he gets a personal email every month with the meeting notice and agenda. He thinks we need a bulk email list. Atty Schultz said that the District complies with legal notice requirements, but we need to try for a better way to communicate as most people don't read the paper anymore. Someone asked if we have a Facebook page. The District does not have Facebook. JB Dimick noted that we have a good website. Mr. Boyer says we should be active, not passive, in sending notices. Patrons don't want to have to look for the information. Jeanne said let's get everyone included.

Gary Bedell thanked all for their comments and invited everyone to come back to next Tuesday's regular meeting at 5pm. JB Dimick made a motion to adjourn. Mike Trotter seconded the motion, and it passed 3-0. The meeting was adjourned at 6:19 pm.

EAGLE POINT IRRIGATION DISTRICT

Date Approved _____

ATTEST:



David Ford, Secretary/Manager



Gary Bedell



Mike Trotter

J.B. Dimick