

February 24, 2020
Arnold Irrigation District
Special Meeting

The meeting was brought to order by Bren Hirschberg at 10:09 am. Board members present were Bren Hirschberg, Walt Warchol, and Bob Schuur. Office staff members present were Colin Wills and Juanita Harvey. Also present were Mark Reinecke, the District's attorney and Margie Hoffman and Amanda Schroeder from the FCA (Farmers Conservation Alliance).

This meeting was called to discuss the System Improvement Plan with staff from the Farmers Conservation Alliance. FCA is a subcontractor to the NRCS (Natural Resources Conservation Service) and FCA is the group that is preparing all the plans for all districts who are receiving this funding.

Bren asked Margie and Amanda to give the Board a briefing on what they needed from the Board today.

Margie went into detail about the funding process. In order to get funding, the Watershed Plan must be complete, and our match funding has to be in place. The nice thing about this funding is that the match is 75/25.

In order to proceed with the Watershed Plan, it is a federal requirement that we show that the NEE (National Economic Efficiency) ratio is above "1"; meaning the benefit of the project outweighs the cost.

AID is close to not meeting the NED (National Economic Development) (or NEE which it has been changed to). All the calculations that we show to get to the NED will be part of the Watershed Plan and will stay as part of the plan when it goes to public comment. We must show that we can meet our patrons needs over the next 30 years and what water benefit we can provide instream. If we can show this, it will give us leverage when it comes to receiving funding for the District and will show that we are doing our part with instream water.

Bren inquired what the timeline is for the calculations that we determine will be the numbers we submit. Margie stated that the timeline is 100-year lifespan.

Mark inquired about the baseline. Since AID has over the past 20 years been making improvements and have not received anything in return for these improvements, can these improvements be considered in reaching our baseline? Margie said that we cannot use anything from the past. They are looking to see our improvements in the future.

Margie stated that we cannot use paper water. We can only use wet water numbers. Colin and Amanda started by going over the numbers from the past 30 years to get an average of what wet water has been used.

A diagram was drawn showing what water rights the District has and how Colin and FCA felt these numbers would work for the District when finding AID's baseline. This diagram (attached) showing how Colin and FCA came to our baseline number and the spreadsheet Amanda prepared to show the numbers that were found to get averages of wet water used over the past 30 years are attached to these minutes. These documents can be used when we send out documentation to educate our patrons.

The numbers used do not include the storage right at all. The numbers only represent live flow.

Bren asked Colin and Mark if they were both comfortable with the baseline and how it was derived. Colin and Mark both stated that they were.

Margie stated that legally, politically and for interest groups the numbers we have found to be good workable numbers will work for all areas and the hope is that everyone will be satisfied with our efforts.

The promises we make today will depend on how well the piping project goes.

Mark asked if the money could stop coming in? Right now, there are funds available for everyone but in future years will that money always be there as it has been promised or is there a chance that it wouldn't be? Per Margie the money that has been earmarked is already allotted to each project. It is a possibility that money in the future for the same projects which have been promised but not received yet may not be available to the Districts. If that were the case, then at that time the Districts would have to investigate other avenues for funding. Currently, the Fed and the NRCS are under contract for \$110,000,000.

Today, the FCA needs approval to allocate flows for our Watershed Plan. The District has two certificates, one from 4/25/1905 for 125 cfs and the second from 2/1/1905 for 25 cfs for a total of 150 cfs. To benefit the Watershed Plan the District would reduce the 4/25/1905 certificate down to an operational baseline of 110 cfs. The mechanics would include North Unit using 15 cfs during the irrigation season by implementing an IGA, MOU, MOA or an OWRD application with North Unit. Permanently instreaming 32.5 cfs from piping the Arnold Canal if funding is available through the PL 83-566.

The earliest that AID's Watershed Plan will go public is 3 months from now. That 3-month period would be an opportune time to do our patron education.

Since the FCA needed a vote today so that they could move forward with the Watershed Plan, Bob motioned to reduce the 4/25/1905 certificate water right of 125 cfs to 110 cfs and to conserve 32.5 cfs of water that results from the Watershed Plan project with the 32.5 cfs permanently protected instream. Walt seconded Bob's motion. The vote was unanimous in favor.

The meeting adjourned at 11:19 am.