

Monday, Sept. 9, 2024

Farmers Union Ditch Meeting

Board Present:

Sam Rosti, Paul Akins, John Schram, Corey Blaine, Bert Browen

Seth Kettering, Sean Kettering – Ditch Riders

Rosalie Cope, Secretary/Bookkeeper

Andrew Waldera, Attorney for FUD

Sam Rosti called the meeting to order at 5:31 p.m.

HEVOSTILA ESTATES

Zach Vandenburg with Granite Construction, Randy Clarno with Criterion Land Management and the Engineer from Kimley Horn provided the Board with revised plans to the proposed open trench crossing for Hevostila Estates. They understand the Board is not in favor of an open trench but believe in this location the open trench does not pose a threat to the integrity of the canal. There is some concern they would still impede the ditch bank with some open trench where the bore pits connect because of the proximity of the adjacent properties and the cost to bore is about 5x more. The City of Eagle is requiring utilities to go underground rather than overhead. The plan is to install the sleeves, backfill with a 50-50 Bentonite mixture and cap with concrete. The proposed plans have a cutoff wall on the upstream side to prevent erosion. The trench will be 3' below the bottom of the canal with a concrete cap. Sam asked if they could form the concrete up the side of the bank 12" above top of water when they are pouring the cap similar to what was done at Big Gulch. They will provide Andy with final drawings to attach to the amended License Agreement. Seth asked about plans to remove the old bridge. It is their understanding the City wants the bridge to remain in connection with the pathway agreement. Andy will contact the City regarding their plans/thoughts on the bridge and let them know Farmer's Union will be removing it. Farmer's Union will contract Granite to remove the bridge and the developer will reimburse the company for it to avoid any conflict on their end with the City.

WATER DISTRICT 63

Daniel Hoke, District 63 Watermaster attended the meeting to answer any accounting questions the Board may have regarding storage water accounting. A few weeks ago Seth discovered an error in water accounting resulting in Farmer's Union being charged for Boise Valley's storage water usage. Daniel reviewed the calculations and a little over 1,500 acre ft. of storage water will be credited back to Farmer's Union. He explained in 2023 there was an automatic download to the Department with the accounting model that factored in the transfer exchange with Boise Valley. He was calculating manually this year and was not measuring their diversion. He provided the

Board with the accounting model for 2023 and 2024. The issue this year is natural flow in the river has been approximately ½ of normal meaning the priority date is lower. Farmer's Union started using storage on July 27th in 2023 and June 30th in 2024. He is working with IDWR to put together a model for irrigation entities to use to estimate flow. The model will show snow pack at mid level and high level. The high level snow pack is what provided runoff later in the season. Water measurement and accounting is getting more accurate and refined over time. Sam asked Mr. Hoke to review the Farmer's Union storage accounting for the last 10 years just to make sure it has been calculated correctly.

Minutes from the August meeting were e-mailed to the Board for review. John Schram moved to approve the August minutes with corrections; motion was seconded by Paul Akins. Motion was unanimously approved.

DITCH RIDER REPORT

Seth dropped the canal by 10cfs today. There has been some water spilling at the Klondike so he will continue monitoring and turning down the water as needed.

Healthy Tree will be chipping trees on the Foster property this week. The logs that are too large to chip will be kept on-site for now. There are 3 large trees at the tail that have not been cut down yet. The pipe needs to be purchased and stored on-site also. Seth will contact Lynn Bennett to set up a time to meet on-site to review the plan. He still has some questions regarding setting the pipe, location for logs, is the site prep good enough for him, pond, etc.

Water shut-off will be October 8th.

Seth and Sean have been looking at dump trailers. The flatbed trailer is worn out and they think a dump trailer would work well to get into places they can't access with the dump truck and to do some work on the road. There is a 16' Big Tex gooseneck dump trailer with 3' sides at American Trailer for \$18,000. It would be the same overall length as the flatbed trailer.

Seth plans to have Healthy Tree come back this fall and drop some trees and debris into the canal in the "jungle" then he can clean it out with the excavator and bring it back to the wide spot where it can be chipped. They could use the dump trailer to haul off that debris and they have let debris build up by the weed racks which the trailer would be ideal to handle. The Board likes the idea and asked them to get pricing on trailers from a couple different places.

The property owner at 5410 Turritt Way, between Pierce Park and Castle has been cleaning up the bank and back yard and piled debris on the canal road. They installed a chain link fence in the easement. Seth told them to remove the debris and she called Andy. They have removed the debris and did not realize she needed written permission for the fence. She is trying to do the right thing and would like something in writing from the Company stating the fence will not be torn out. The Board

authorized Andy to write a letter allowing the fence to remain with the understanding it will be removed if work has to be done on toe of bank.

Seth is going to meet with Rod Wagner to go over the projects we need him to do however, Seth thinks the only project he will need to do is the Eco block work for the ACHD crosswalk at Floating Feather. Larry Christensen filled in the landslide area. Seth will just need to dip what slid into the canal and re-slope.

Seth and Sean will start inspecting headgates once water is out. Seth is aware of at least three headgates that need to be replaced.

ATTORNEY'S REPORT

Andy met with Neil Jenkins and Eagle Sewer District Council a few weeks ago to work through some of the questions. He received a draft of the Eagle Sewer District Discharge Agreement and thinks it is very close to being ready to sign. The Eagle Sewer District Board approved the agreement in their meeting today. John asked what the reasoning is for a 10 year cancellation option. Andy said there is language in the agreement outlining in which Eagle Sewer would not be able to discharge the water to any other irrigation use if they want out of the agreement within 10 years. Andy also clarified the term is perpetual. The 10 year clause is only for the event one of the entities chooses to terminate the agreement. The Board requested Andy ask for a 20 year option.

There was a follow up meeting on September 3rd at the BOR Regional office regarding the Nez Perce agreement. The Bureau of Reclamation and Solicitor's office are on the same page. The Federal Government is going to reach out to the Nez Perce Tribe in the near future to see if there is any opposition to renewing something similar to the original agreement. The US Fish and Wildlife did not say no to another 30 year biological opinion. The term may end up as a 10 or 20 year biological opinion which is still better than originally expected. They will have to navigate the endangered species act. The Bureau handed out a 2 page list of threatened endangered species that will be included. The idea is to define the proposed action as simply as possible to mirror the original agreement in hopes that it does not take in other issues. There is case law on the Columbia Snake River Operations litigation that has split and continues to split upper Snake operations as distinctly different from lower Snake and Columbia operations downstream of the Hells Canyon complex. The judiciary is saying the Hells Canyon complex contains a barrier to fish populations that the Federal Government has no jurisdiction over since Idaho Power is a private entity. That allows for separate biological opinions. The Water Users are responsible for coordinating the State agencies and the Federal Government is going to coordinate with Nez Perce Tribe and US Fish and Wildlife Service.

They will have to work with Idaho Water Resource Board because one of the changed conditions over the last 20 years is managed aquifer recharge and the water they take from the upper Snake and put back into the ground. They are diverting approximately

300,000 acre feet of the 427,000 – 486,000 acre feet of water the U.S. Committed to under the Nez Perce Agreement.

Rhen Thrugood sent John an email outlining his meeting with Erlebach's geotechnical engineer (Adam with ABCO) on August 30th regarding the proposed retaining wall in the northeast area of Erlebach's property off Can-Ada Road. The Board has concerns about the impact that the new retaining wall may have on the canal. Rhen and Adam discussed the proximity of the retaining wall to the canal and the potential impacts to slope stability. They measured distances to a few locations along the proposed retaining wall. Adam does not have concerns with the slope or a new retaining wall being installed. The retaining wall will be designed to free drain. Adam is willing to write a letter to the Board regarding his opinion on the slope and new wall. Rhen is recommending Farmer's Union write a similar letter to the letter previously issued to Erlebach in regards to the original retaining wall that clarifies under no circumstances is the construction permitted to have a negative impact on the stability of the canal. Rhen will work with Andy on the letter once he receives ABCO's letter.

The 6 month CD with a balance of \$250,000 is maturing on September 13th. After some discussion the Board agreed to put \$150,000 in the money market savings account to cover expenses affiliated with work on the Foster property and put the remaining \$100,000 into a 24 month CD.

Andy will be sending out pre-lien letters to shareholders around October 1st. He asked Rosalie to send an updated list and statements with finance charges through October 1st.

John Schram moved to approve the financials; motion was seconded by Bert Browen. Motion was unanimously approved.

Corey Blaine moved to adjourn the meeting; motion was seconded by Paul Akins. Motion was unanimously approved. Meeting adjourned at 8:21 p.m.