

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
EAST COLUMBIA BASIN IRRIGATION DISTRICT

May 4, 2022

The regular meeting of the Board of Directors of the East Columbia Basin Irrigation District was called to order at 10:00 a.m. by President Duaine Anderson.

Present were:

Directors

Duaine Anderson
Kevin Lyle
Reid Baker
Don Osborne
Dennis Swinger, Jr.

Staff

Craig Simpson
Rosa Dekker
John McCourtie
Nate Andreini
Wendy Lange
Anna Franz

Visitors present: Jennifer Hickenbottom, USBR; Darvin Fales, CBHP; Kevin Brown, DOE; Kristina Ribellia, GCCD; Paul Wollman, Gavin Johnson, Orman Johnson, Lynn Olsen, Derek Friehe, and Michele Kiesz.

Visitors

Visitors via teleconference: Marc Maynard and Amy Rodman, USBR; Melissa Downes, DOE; Mike Schwisow, Government Relations Consultant; Brian Kuest, Randy Kiesz, Kirk Rathdrum, Ron Krug, Jennifer Korfiatis and Ross Fox.

Minutes of the regular meeting of April 6, 2022, had been mailed to the Directors. Following discussion, Director Baker moved to approve the regular meeting minutes of April 6, 2022, as written. Director Lyle seconded and the motion carried.

Minutes
Approved

Manager Simpson presented the following contract a., for board consideration:

District
Improvements

Contracts

- a. Renewal Interruptible Water Service Contract for Temporarily Deferred Lands, Maiers Irrevocable Farming Trust, Block 40/804-803, 96.2 acres

Following discussion, Director Osborne moved to approve contract a., as presented. Director Baker seconded and the motion carried.

Manager Simpson presented the following permit a., for board consideration:

Permits

- a. Hyer Farms Additional Turnout Block 40

Manager Simpson reported the permit is not ready for approval today. Staff is requesting conditional approval to permit a temporary additional turnout with return flow. The permit will allow the landowner to install temporary facilities to receive water during the 2022 irrigation season, with permanent facilities replacing them for 2023. Conditions of the permit being; staff approval, water service contract to receive water, permanent turnout in place next year and pay the variance fee of \$500 for the return flow. These lands are a part of the EL22.1 Delivery System and will receive delivery from that system when constructed. Following discussion, Director Lyle moved to approve permit a. with the above listed conditions and charge the \$500 variance fee for the temporary return flow. Director Baker seconded and the motion carried with Director Osborne abstaining.

Manager Simpson reported staff approved and issued the following permits a. and b., consistent with Resolution 2018-12:

Approved & Issued Permits Report

- | | | | |
|----|------|------------------------------|------------------|
| a. | BBEC | Overhead Utility Crossing | Block 43/802-804 |
| b. | BBEC | Underground Utility Crossing | Block 43/802-804 |

Vouchers audited and certified by the Auditing Officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required by RCW 42.24.090 have been recorded on a listing, which has been made available to the Board. After reviewing the vouchers submitted for payment approval, Director Baker moved to approve for payment check nos. 321099 through 321254 in the amount of \$333,039.27 and electronic Payroll and AP transfer in the amount of \$2,285,976.59 for a total of \$2,334,341.76 from the O&M Fund and \$284,674.10 from the Construction Fund. Director Osborne seconded and the motion carried.

Vouchers

Manager Simpson presented Resolution 2022-12, CBHP 2022 Budget for Project Reserved Works Activities. Following discussion, Director Osborne moved to adopt Resolution 2022-12, as presented. Director Baker seconded and the motion carried.

Resolution 2022-12

Manager Simpson presented Resolution 2022-13, CBHP 2022 Budget for Quincy Chute and PEC Headworks Power Plants. Following discussion, Director Osborne moved to adopt Resolution 2022-13, as presented. Director Swinger seconded and the motion carried.

Resolution 2022-13

Development Coordinator Erickson reported Reclamation has verbally accepted the 30% designs for the EL11.8 Delivery System, written acceptance is expected soon. He reported he is working with OCR regarding language for a new grant that will utilize unallocated funds ("Legacy Grant"). The grant funds are expected to fund the GPUD Feasibility Study.

OGWRP:
EL11.8 Delivery
System

Development Coordinator Erickson reported the EL22.1 Landowner Group has recommended the District move forward with ordering transformers with GPUD. He reported GPUD Task Authorization No. 3, Load Request 22.1 Material and Land Acquisition, in the amount of \$4.2 M includes the transformers. The expected time frame to receive the transformer is 85 weeks.

EL22.1 Delivery
System

Manager Simpson requested authorization for Odessa Development Fund expenditures to pay for OGWRP related non-grant funded items; i.e., Watershed Plan administration and EL11.8 Delivery System electrical design. Following discussion, Director Baker moved to authorize Odessa Development Fund expenditures as requested. Director Swinger seconded and the motion carried.

Development
Office Report
1) Authorize
Odessa
Development
Fund
Expenditures

Development Coordinator Erickson reported the District has received a response from Reclamation regarding the tabled motion and stated there wouldn't be an impact if the District went forward with the motion. Reclamation also stated they support the District's policy of normalized cost for the public system. Discussions continued on grant language stipulations, whether the Watershed Plan be normalized, changing variables in Director Lyle's tabled motion, and readdressing the \$190/ac cap after information on the Watershed Plan is received. Manager Simpson reported dates for the OGWRP wide landowner meeting are either May 20th or May 23rd with plans to discuss PL-566 in the morning and the tabled motion in the afternoon.

2) Director Lyle's
Tabled Motion

Manager Simpson reported there are weekly meetings between NRCS, Reclamation, OCR, GCCD and the District. The group will be referred to as the OGWRP Watershed Planning Project Partners. Along with these weekly meetings a communications subcommittee has been formed to meet every two weeks. Along with the partners, CBDL, Michele Kiesz and Clark Kagele have been invited to join. Manager Simpson requested that a Director be on the subcommittee as well. Director Swinger volunteered to be on the communications subcommittee.

3) PL-566
Watershed Plan

District Engineer Adolphsen requested authorization to enter into contract negotiations with Erlandson for surveying services. Erlandson performed surveying for the EL47.5 Delivery System project. Following discussion, Director Swinger authorized staff to enter into contract negotiations with Erlandson for survey services. Director Osborne seconded and the motion carried.

4) Approve
Survey Firm

Assistant Manager Andreini presented GPUD Task Authorization No. 3, Load Request 22.1 Material and Land Acquisition in the amount of \$4.2M, for board approval. Following discussion, Director Lyle moved to approve GPUD Task Authorization No. 3, as presented. Director Osborne seconded and the motion carried.

EL22.1 Delivery
System

Assistant Manager Andreini reported he met with an IRZ electrical engineer to inform them what will be needed for the SCADA system, using the EL47.5 as an example.

Development Coordinator Erickson reported the EL54 landowner group has reached out and would like to have a landowner meeting. He reported a meeting will be scheduled after the OGWRP-wide landowner meeting. Development Coordinator Erickson reported on a new water service contract for an individual landowner that will eventually be a part of the EL73.3 Delivery System.

EL54 & EL73.3
Discussions

Development Coordinator Erickson reported updated design agreements and MOUs will be provided to the landowners for review and signature, once the acreage verification is complete. The 30% design of each system is expected in July.

EL80.6 & EL84.7
Delivery System
Update

Development Coordinator Erickson reported the EL86.4 Delivery System designs are moving forward to 30% design. He reported discussions continue with the Fox Family regarding easement acquisition for a portion of the EL86.4 pipeline alignment, the landowner group asked us to give the Fox Family one month to respond to ECBID's letter.

EL86.4 Delivery System Update

CBHP Manager Fales requested time in executive session to discuss renewal of existing contracts, negotiations and the Banks Lake project.

Columbia Basin Hydropower

Jennifer Korfiatis reported the website is now live at www.ecbid.org. She reported the website is constantly updating and soon will be able monitor which parts of the website people are looking at the most. Two e-newsletters have been circulated and a 3rd is being worked on that will provide information on the website launch, landowner meeting and staffing changes.

Public Relations Update

District Engineer Adolphsen reported the District hired a new Project Manager, Jose Mendoza and is familiarizing himself with the Re-regulation Reservoir final report submitted by Anchor QEA. She also reported results from the final report will be presented next month.

Re-regulation Reservoir Update

Manager Simpson reported that the Round Lake Farms request for an emergency water supply along with a draft contract has been sent to Reclamation. The District has an adequate water supply to fulfill their request for the 2022 irrigation season. Manager Simpson requested authorization to move forward with the emergency water service contract for Round Lake Farms once approved by Reclamation. He reported the authorization would allow for Round Lake Farms to receive water before the June board meeting. Following discussion, Director Swinger moved to approve execution of the emergency water service contract for Round Lake Farms pending approval from Reclamation. Director Baker seconded and the motion carried.

Round Lake Farms Emergency Water Request

District Engineer Adolphsen requested authorization to call for pipe bids for upcoming conservation pipeline projects. Following discussion, Director Osborne moved to authorize a call for pipe bids, as requested. Director Baker seconded and the motion carried.

Quotes & Bids

District Engineer Adolphsen requested authorization to call for automated gate bids from Rubicon, the District's sole source supplier per Resolution 2021-18. The gates will be funded through a WaterSMART Grant. Following discussion, Director Osborne moved to authorize a call for automated gate bids from Rubicon, as requested. Director Baker seconded and the motion carried.

Manager Simpson reported the 1st Half Reserved Works payment has been made in the amount of \$1,432,198.57. The 2nd Half payment is due in June and will have an adjustment of \$13,000.00 in the District's favor.

1st Half Reserved Works Payment

Manager Simpson reported the final report of the CBP Economic Impact Study has been received but not reviewed at this time. He reported will bring along a short form overview of the Study to be passed around in Washington, D.C. while he is there for the NWRA Federal Water Issues Conference.

CBP Economic Impact Study

Manager Simpson reported the three Districts remain engaged in discussions, and are awaiting a meeting with project members from the Upper Columbia United Tribes (UCUT). He also reported the State has pledged \$3M for the program. Reintroduction of Fish above GCD

Manager Simpson reported a tentative Collective Bargaining Agreement for 2021-2025 was reached on April 12th. The bargaining unit employees had voted and ratified the mediator's proposal. Manager Simpson recommended the board ratify the Collective Bargaining Agreement reflecting the agreed upon terms, as the fell within the parameters outlined by the Board. Following discussion, Director Baker moved to ratify the Collective Bargaining Agreement, as discussed. Director Osborne seconded and the motion carried. Collective Bargaining Unit

Manager Simpson reported some topics to be discussed during the NWRA Federal Water Issues Conference in Washington, D.C. next week are, OGWRP, Watershed Plan, PL566 funding, Farm Bill, and general support for Odessa. NWRA Topics

Manager Simpson requested 10 minutes in executive session for this topic. Personnel

EFO Manger Maynard reported the emergency water request for Round Lake Farms has been received and staff is currently working on it. He reported engineering staff at TSC is coordinating O'Sullivan wing wall work with the South District. USBR Report

Safety Supervisor Walraf gave the monthly safety report. Safety Report

District Engineer Adolphsen gave the monthly Engineering Department report. She reported Engineering staff has been busy with EL 86.4 designs and planning next year's projects. Engineer Report

Assistant Manager Andreini reported Engineering Staff is working on managing consultants on various levels. Technical Services Report

Treasurer Dekker gave the monthly Treasurer report. She reported there were six new investments made and no maturities. Treasurer Report

Assistant Manager McCourtie reported on both Watermaster sections. He reported crushing will begin at the Reynolds Rd pit. Assistant Manager O&M

Manager Simpson reported on past and upcoming meetings. He reported the District will need to add more staff for support of development the Small Watershed Plan project. Manager Simpson reported there are less complaints regarding common deliveries this year. The Board providing more options for landowners last year has helped. Manager Report

Director Osborne moved to approve the Board and appropriate staff to travel to the Tri-State Meeting, Friday, June 10, 2022, Deschutes Convention Center, Bend, OR, and the NWRA Western Water Seminar, July 25-27, 2022, Fairmont Hot Springs, Butte, MT. Director Swinger seconded and the motion carried. Travel Authorization

Ms. Michele Kiesz again thanked the board for working with NRCS and the District stepping in as a sponsor. Public Comment Period

Mr. Derek Friehe requested the board revisit the Development Fee in the future.

President Anderson declared an executive session at 12:15 p.m., for a total of 30 minutes, to discuss potential litigation and personnel matters. The meeting came out of executive session at 12:45 p.m. Executive Session

At 12:45 p.m., there being no further business to come before the Board at that time, President Anderson adjourned the meeting. Meeting Adjourned



President



Secretary

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
EAST COLUMBIA BASIN IRRIGATION DISTRICT

May 23, 2022

The special meeting of the Board of Directors of the East Columbia Basin Irrigation District was called to order at 10:00 a.m. by President Duaine Anderson.

Present were:

Directors

Duaine Anderson
Kevin Lyle
Reid Baker
Don Osborne
Dennis Swinger, Jr.

Staff

Craig Simpson
John McCourtie
Nate Andreini
Jon Erickson
Wendy Lange

Visitors present: Marc Maynard and Jennifer Hickenbottom, USBR; Larry Johnson, Roylene Comes at Night, Erin Kaczmarczyk, Nate Gallahan, Lynelle Knehans and Austin Shero, NRCS; WA State Representative Dye and WA State Representative Dent; Melissa Downes, DOE; Harold Crose and Kristina Ribellia, GCCD; Mike Schwisow, Consultant; Christina Wyatt, BBEC; Paul Wollman, Gavin Johnson, Orman Johnson, Lynn Olsen, Greg Rathbun, Michele Kiesz, Jennifer Korfiatis, Matt Kagele, Clark Kagele, Blake Higley, Berend Friehe, Jerry Gross, Jeff Schibel, Ed Stahl, Roberta Hodgson, Ted Tschirky, Matt Harris, Charles Featherstone, Erik Borgen, John Hyer, Mark Booker, Allan Evans, Deva and Gary Roberts, and Doug Claasen.

Visitors via teleconference: Brian Kuest, Kirk Rathdrum, Ron Krug, Randall Fox, Craig Lyle, Brad Bayley, Will Keller, Rose Olson and Conrad Johnson with Senator Cantwell's Office.

Manager Simpson welcomed and thanked everyone for attending.

OGWRP PL-566
Program –
Watershed Plan

Development Coordinator Erickson introduced the OGWRP Watershed Planning Project partners and their respective roles and responsibilities.

The East Columbia Basin Irrigation District (District) is the OGWRP Watershed Planning Project (OGWRPWPP) Sponsor, co-development of Plan, to ensure consistent and coordinated communications, co-lead for communications on all OGWRPWPP items, Sponsor for OGWRPWPP funding requests and to ensure consistency with the Odessa Subarea Special Study FEIS and Record of Decision.

The Natural Resources Conservation Service (NRCS) has the overall responsibility in the development of the OGWRPWPP, approves the watershed plan, provides funding for development of the watershed plan, prepares technical requirements and oversight for the development of the watershed plan, ensures the Statement of Work is adhered to, ensures NEPA process is adhered to, ensures consistent and coordinated communications and is co-lead for communications on all OGWRPWPP items.

The Grant County Conservation District (GCCD), invited by NRCS and funded by the WA State legislature to pursue and coordinate NRCS programs for OGWRP, including PL-566 and RCPP, provides coordination and administrative support for the District and NRCS to develop the PL-566 watershed plan, coordinating and developing communications; maintains www.ogwrp-programs.org website and newsletter, pursuing and coordinating NRCS on-farm funding and technical assistance and conduction on-farm assessments and planning to accelerate implementation.

The State of Washington Department of Ecology (Ecology), supporter for the OGWRPWPP, support subcontractors during plan development, ensures consistent and coordinated communications, co-lead for communications on all OGWRPWPP items, support documentation for OGWRPWPP funding requests, and ensures consistency with the Odessa Subarea Special Study FEIS and Record of Decision.

The Bureau of Reclamation (Reclamation), supporter of the OGWRPWPP, co-development of plan, ensures consistent and coordinated communications, co-lead for communications on all OGWRPWPP items, to distribute questions to appropriate partners for answers, support documentation for OGWRPWPP funding requests, and ensure consistency with the Odessa Subarea Special Study FEIS and Record of Decision.

Ms. Roylene Comes-at-Night, State Conservationist, commented NRCS is pleased to be here today. She commented on significant local investment in the PL-566 Small Watershed Program, and the Infrastructure Investment and Jobs Act (IIJA) funding has been provided for Watershed Plan development. She introduced Mr. Larry Johnson, P.E., State Conservation Engineer, and Small Watershed Program Manager. Mr.

Johnson described how the Small Watershed Program fits in to all the work completed so far.

NRCS partners with States and local agencies (Sponsor) to develop a watershed plan and to implement approved activities. The East District is the project Sponsor. NRCS and the Sponsor collaborate throughout the entire process and have defined roles and responsibilities. NRCS does not work with private landowners through this program, when necessary the Sponsor will. All NRCS funding will go to the Sponsor for the Watershed Plan Development and Construction, \$765,000 have been provided to NRCS to complete a Watershed Plan. Construction funds cannot be provided until the Watershed Plan has been approved.

There are four steps to fully implement a watershed project; Preliminary Investigation Feasibility Report (PIFR), application for federal assistance, Watershed Plan EIS, Implement Watershed Plan EIS. NRCS will review and adopt Reclamation's OSSS EIS, complete the Watershed Plan and submit the Plan for approval. The good news, once the Watershed Plan is approved, project funding can be requested right away.

Development Coordinator Erickson provided an update on current activities, designs and funding. He opened the meeting up to public comments and questions.

Representative Mary Dye thanked the program partners for all the work that has been put into this plan from the beginning. She commented this is a very high priority for Washington State, congressional discussions are in process now and she is very optimistic on the outcome.

Public Comment,
Question &
Answer Period

Mr. Jake Wollman, Jr. asked if full development of the Columbia Basin Project (CBP) being considered as part of OGWRP? How are landowners actively represented and how do landowners give feedback? Development Coordinator Erickson stated landowners are welcome to call or email him with questions or feedback and commented landowner meetings are also a great forum for questions and feedback. Manager Simpson commented landowners may also contact the Board of Directors if District staff isn't representing their comments accurately. Manager Simpson reported the Watershed Plan won't look at full development of the CBP, the PL-566 is a Small Watershed Program limited to 250,000 acres, full development of the CBP is much larger.

Mr. Mike Schwisow asked if the final plan will include projected costs of the individual systems? How will the 75% of the construction costs be determined? Mr. Johnson commented when the Watershed Plan is complete it will have the actual amount attached to it. The 75% of construction costs will be the actual cost of construction, not a retroactive cost amount.

Ms. Kristina Ribelia with GCCD reported the Watershed Plan partners have weekly OGWRP coordination meetings, from those meetings a Communication Subcommittee has been formed to ensure that consistent information will be provided. Committee members are representatives from ECBID, GCCD, USBR, OCR, NRCS, along with Michele Kiesz and Clark Kagele. Ms. Ribelia also reported the Grant County

Conservation District will be changing its' name soon to Columbia Basin Conservation District.

Mr. Fred Ziari with IRZ Consulting, LLC, stated IRZ is the firm currently designing the EL11.8 and the EL22.1 Delivery Systems. Mr. Ziari asked what requirements are needed for easier implementation of the Watershed Plan? Mr. Larry Johnson commented shovel ready projects and encouraged landowners to have designs ready for construction when the Watershed Plan is complete. Once the Watershed Plan is complete and approved, funding for construction can be asked for right away.

USBR EFO Manager Maynard asked if upfront costs already paid be counted towards the 25% in-kind contribution. Mr. Larry Johnson commented upfront costs currently being paid can't be counted as in-kind. Once the Watershed Plan is approved then those costs can be used towards the 25% in-kind.

Ms. Michele Kiesz asked who is responsible for power? Manager Simpson commented in order for delivery systems to receive Reserved Power they must be designed to USBR standards, obtain USBR design acceptance, and be owned by either the District or Reclamation.

The meeting recessed for lunch at 11:50 a.m., and reconvened at 1:00 p.m.

Development Coordinator Erickson recapped Director Lyle's tabled motion. The motion is as follows; Director Lyle moved to apply grant money to extend systems to use most amount of acres economically that can be served by public systems to take wells offline. Development Coordinator Erickson reported there have been several months of discussions regarding the tabled motion. He read aloud some of the topics the board has spent time discussing; complete or partial deviation from the normalized cost program, change the \$5700 cap and what does that do to existing groundwater replacement contracts, motion conflicts with established District messaging that grants reduce coast for all OGWRP lands equally regardless when they are received, who will hold title and what are the impacts to Reserved Power, impact to existing groundwater replacement water service contracts, development fee proceeds only applies to OGWRP system debt repayment, how large of a system does ECBID accept for O&M, conflict with EL 22.1 proviso language, need to recalculate EL47.5 CDSC and the normalized cost for lands that remain in the OGWRP, and impacts to future bond sales.

OGWRP Grant Funds

Director Lyle discussed his tabled motion, language in the capital budget proviso for the EL22.1 and EL79.2, and increased costs of PVC has left landowners having to build further to reach the District's shortened pipeline design. His motion would utilize the grant funding for the individual system to build out further, alleviating the landowners at the extents of the system of that added cost.

Mr. Jake Wollman asked how the wording in the motion morph into normalized cost? Manager Simpson commented grant funding is money that doesn't have to be borrowed, normalized cost isn't directly stated in the motion but it does affect normalized cost.

Mr. John Hyer expressed appreciation to the Board. He discussed how the application of State funds on each pipeline affects the price, the tabled motion would benefit the EL22.1 system, \$190/ac cap is a problem without an inflation adjuster, and that full normalization with the \$190/ac cap is the worst scenario for the EL22.1 landowners.

Representative Dye clarified the goal of the proviso, due to limitations on State budget, to get water on the ground quicker the funding goes to individual systems. She also commented with the Watershed Plan application approval the PL-566 is already a line item that just needs appropriations.

Mr. Lynn Olsen commented that he and his farming partners have discussed the normalized cost and what it means for them. He stated they feel that a normalized cost is the way to go.


Discussions continued on normalized cost, grant funding, \$190/ac cap, benefits to all systems when grant funding comes in further down the road, exceeding the \$190/ac cap.

Ms. Roberta Hodgson expressed concern on the table motion as it's stated. When she signed her water service contract for the EL47.5 Delivery System, she was promised that the public system would be normalized. Knowing that the upper threshold wouldn't be met, meant a lot.

Manager Simpson recapped the projects already underway. IRZ is designing the EL11.8 Delivery System, paid for solely by the landowners. IRZ is also designing the EL22.1 Delivery System, grant funding has been provided to cover those costs. The EL47.5 Delivery is complete. The EL80.6 and EL84.7 designs are underway by RH2 Engineering, landowners had requested to be assessed to get design work going, and now have grant funding. The EL86.4 Delivery System is being designed by the District and is landowner fund driven. He pointed out the many different arrangements between the landowners and the District that can be used to develop the systems.

Representative Tom Dent commented the WA State legislators have worked hard for the Odessa Groundwater Replacement Program. Senator Schoesler, Senator Warnick, Representative Dye, Representative Ibarra, Representative Schmick and himself have asked and fought to convince legislators that don't understand water, on the importance of it. Most important thing now is to finish designs to be shovel ready, then you will have a plan and can be specific in your ask. Keep up the good work.

At 2:35 p.m., there being no further discussions to come before the Board at that time, President Anderson adjourned the meeting.



Secretary



President