



Farmers Irrigation District 2025 Newsletter

Dear Farmers Irrigation District Patrons:

Hood River County has been experiencing drought since June 2025. The drought is a result of below normal precipitation, above average temperatures, and faster snowpack melt. Throughout the 2025 irrigation season, Farmers Irrigation District (FID or the District) closely monitored water supplies and reservoir levels to comply with our water rights and state law. Due to voluntary conservation efforts of FID patrons and the hard work of FID staff, we were able to provide water to the end of the 2025 irrigation season with minimal disruptions. Continued improvements within FID's and patron's systems to reduce water loss, reduce water waste, and increase water application efficiency will be important as we face a drier future ahead.

Power Purchase Agreement

FID's new Power Purchase Agreement (PPA) with Pacific Power reduces the rate FID is paid for our hydropower production from 8.2¢/kWh to 4.8¢/kWh, reducing annual revenue by about \$800,000. These reductions are consistent with what similar entities are experiencing when renewing their PPAs. The District began preparing for this situation in 2023 by increasing rates to proactively reduce the District's debt service. FID Management, the Budget Committee, and the Board of Directors assess the budget frequently with an eye to minimize operational costs, find opportunities to reduce debt load, and pursue additional sources of revenue.

Update on Debt Reduction

Currently, FID has almost \$13,000,000 in debt that was incurred to modernize District infrastructure. Projects included: piping and pressurization of the lower district, building the centralized pumping and filtration station, piping portions of the Farmers Canal and Lowline, upgrading the powerhouses, expanding Kingsley Reservoir, and replacing fish and debris screens. These projects, and previously financed projects that have already been paid off, have allowed FID to improve water delivery and reliability, reduce operation costs, and increase drought resilience.

In 2023 the District initiated a debt reduction buy down program to retire some of the loans early before the new PPA takes effect. FID retired one loan in 2024, another in 2025, and will retire two more in 2026. By putting the special assessments and additional billing assessments towards loan payments, the District has reduced annual loan payments by \$400,000 and has saved over \$73,000 in interest and loan fees. These efforts will allow the District to operate with the reduced hydropower revenue in upcoming years.

Rates for 2026 and Beyond

At this time, FID's only sources of income are the sale of hydropower and patron assessments. Losing \$800,000 in hydropower revenue is a significant change to the District's annual budget. FID Management, the Budget Committee, and the Board of Directors recognize that the increase in the 2025 assessments were difficult for everyone. The plan moving forward is to have regular, smaller annual increases and avoid another steep increase like the one last year. The 2026 irrigation assessment includes a 2% increase on the Base Fee and a 2% increase on the Per Acre Fee.

- Base Fee: The base fee will increase 2% from \$550/account to \$561/account and will be applied to all accounts regardless of acres served.
- Per Acre Fee: The per acre fee will increase from \$190/water right acre to \$194/water right acre.

- Special Assessment: The special assessment that was initiated in 2023 (\$40/water right acre) will remain the same.

The Special Assessment was originally planned to sunset after the 2026 season. Based on current budget needs, the Budget Committee will be assessing and discussing the implementation of a different Special Assessment beginning in the 2027 irrigation season.

Farmers Canal Piping

FID worked with the Farmers Conservation Alliance and the Natural Resource Conservation Service (NRCS) to complete a Watershed Plan. The Watershed Plan was authorized in 2025 and outlines a variety of projects the District hopes to complete in coming years. It also jumpstarts the permitting process and opens up significant federal funding opportunities. The infrastructure improvements planned will conserve water, improve operational efficiency, increase delivery reliability, and increase drought resiliency. FID was also awarded state funds to match the federal funding. Between the federal and state funds, the projects will be 100% grant funded. The first project planned is piping a section of the Farmers Canal and was originally scheduled to take place in 2026, but may be delayed due to the government shutdown.

Funding Available for On-Farm Upgrades

NRCS has funding available for FID patrons to upgrade their on-farm irrigation systems. Covered practices include: upgrades to microsprinklers, installation of irrigation lines, improving filtration, and expanding irrigation water management practices. This is an incentive program that will cover 50% or more of the project costs. For more information, to discuss project ideas, or to begin an application, contact NRCS District Conservationist Carly Heron at: carly.heron@usda.gov or 541-352-1037.

Water Rights

State law limits the irrigation season from April 15th to September 30th, and it is illegal for FID to deliver irrigation water, or for patrons to use FID water for irrigation outside of this window. Safely filling the 50+ mile distribution system at the beginning of the irrigation season takes time. District staff work to respond to customers as quickly as possible, and we appreciate your patience during that busy time.

For the first time in a couple decades FID has water rights available for properties in the Middle District. If you are interested in potentially acquiring more rights to your land, please contact Megan at megan@fidhr.org to discuss.

Staff Changes & Other Updates

The District has hired Erika Guth as our new Office Manager, and Adan Beltran-Reyes and Tom Springer as Operation and Maintenance Technicians. They are settling into their roles at the District and we are very lucky to have them!

FID ceased the on-line bill pay option with Doxo in June 2025. The current ways to pay your irrigation bill include: check or credit card (over the phone or in person at the office). All payments are due by April 15, 2026 and a 3% discount is offered if the District receives full payment by January 12, 2026. Please contact the office at 541-387-5261 or email us at fidhr@fidhr.org with any questions or to provide updated contact information.

FID is working to develop a new website and hopes to have it launched by the 2026 irrigation season. The website address will stay the same: **www.fidhr.org**.

Thank you,

Alexis Vaivoda & the FID Board of Directors