

**MINUTES OF MEETING OF JOINT COMMITTEE
OF THE OWYHEE PROJECT**

March 22, 2011

A meeting of the Joint Committee of the Owyhee Project was held at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, 106 Main Street, Nyssa, Oregon, on March 22, 2011, at 1:20 p.m. Frank Ausman, Chairman, presiding.

The following members of the Joint Committee were present:

Bruce Corn	Dennis Turner
Jerry Nagaki	Dan Tschida
Frank Ausman	Brett Nielsen (South Board Alternate)

Also present were: Jay Chamberlin, Manager of the Hydro Projects; Michael W. Horton, Attorney and Secretary of the Joint Committee; Tom Zittercob, Hydro Operator; Eric White, OID Alternate; Ron Keester, South Board Manager; Harvey Manser; OID Assistant Manager; J.L. Eldred, OID Watermaster; and John Lax, South Board Member.

MEETING NOTICE. Mr. Chamberlin said that the meeting notice was sent out on March 17, 2011, to the media as to the time, date, and place of the meeting.

MINUTES. The minutes of the meeting of the Joint Committee held on January 18, 2011, were mailed to the Committee members prior to the meeting. A motion was made by Mr. Nagaki, seconded by Mr. Tschida, and unanimously carried approving the minutes as mailed.

OWYHEE DAM POWER PROJECT.

Financial Report. Mr. Chamberlin handed out a financial report for the Owyhee Dam Power Project prepared by Nichols Accounting Group for the period ending February 28, 2011. The report was reviewed by the Committee members.

OWYHEE DAM ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable. A motion was made by Mr. Corn, seconded by Mr. Nagaki, and unanimously carried approving payment of the following accounts payable:

Q-West	27.16
Stunz, Fonda, Kiyuna & Horton, LLP	1,112.50
Oregon-Idaho Utilities	161.37
U.S. Cellular	94.47
AT&T	40.78

Tom Zittercob	200.00
DMV	26.50
Franks Extinguisher Service	53.91
Nichols Accounting	<u>325.00</u>
Total	\$2,041.69

TUNNEL #1 POWER PROJECT.

Financial Report. Mr. Chamberlin handed out a financial report for the Tunnel #1 Power Project prepared by Nichols Accounting Group for the period ending February 28, 2011. The Committee members reviewed the report.

TUNNEL #1 POWER PROJECT ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable. Chairman Ausman asked about the Riverside bill. Mr. Zittercob said that it was for a pump and annual maintenance. A motion was made by Mr. Corn, seconded by Mr. Nagaki, and unanimously carried approving payment of the following accounts payable:

Oregon Idaho Utilities	\$98.06
Riverside Inc.	6,051.53
Grants Petroleum	639.35
Franks Extinguishers	190.75
Fastenal	50.01
Nichols Accounting Group	<u>325.00</u>
Total	\$7,354.70

WATER TURN-ON DATE. A tentative date to turn on the irrigation water was discussed. Mr. Corn suggested April 11. Mr. Keester said that he would prefer April 11 or the following week, April 18. Mr. Eldred said that OID will not get its ditching done, but OID can run when the Joint Committee decides to put water into the canals.

WATER RELEASES. At 1:35 p.m., a discussion on water releases began. Mr. Chamberlin handed out the water forecast from the USBR along with snow and basin reports, copies of which are attached to these minutes. Mr. Horton handed out the Committee policy for operation of Owyhee Dam Power Plant which was adopted on February 15, 1990. The Committee members reviewed the policy. Mr. Chamberlin said that the reports show the snow-water equivalent is 111% of normal. He said that he flew the snow course and it is very wet clear back to Three Forks. He said that he has not seen it this wet during his time with the Owyhee Project. He said that there is snow sitting on saturated ground.

The USBR stream forecast was reviewed and discussed. As of March 1, the forecast predicts inflow of 690,000 acre feet through the end of June. Mr. Chamberlin said that the Committee may want to subtract out 144,000 acre feet that has come into the reservoir since March 1. Mr. Corn said that the Committee may not want to do that given the unusually wet conditions the watershed is seeing. Mr. Chamberlin said that from flying the snow course, he believes that the watershed is soaked up to Wild Horse.

Mr. Chamberlin said that flooding potential is there, but that it all depends upon how the snow comes out. The policy for operation of the Dam Power Plant was once again referred to. The Committee determined that the criteria to begin operation of the Owyhee Dam Power Plant is met based upon the USBR forecast. Chairman Ausman said that the channel below the Dam needs to be cleaned out and that beginning to run some water through the river should help that process. Mr. Chamberlin said that the Committee has authority to run 12,000 cfs down the river. Mr. White said that he believes it would be hard to clear the channel by just running water through it.

Mr. Chamberlin then reviewed the rules on operation of the Dam for flood control. Mr. Corn said that any landowners with pumps in low-lying areas need to be notified that if the Dam Power Plant is started up, there will be 225 cfs coming down the river. Mr. Chamberlin said that the crossings on the river probably will not be able to take it. He said that the County has been notified that the water might start coming up. He said that the ring gate is now floating six feet out of the water. The possibility of opening the needle valves to release additional water was discussed. Mr. Nielsen asked if the reservoir storage will reach 600,000 acre feet by the end of the week. Mr. Chamberlin said that is a possibility. Mr. Nielsen said that he would like to wait on making a decision on opening the needle valves until that time.

Mr. Chamberlin made a recommendation that the Dam Power Plant be started now, followed up by the opening of a jet flow valve. This possibility was discussed in detail by the Committee. Mr. Chamberlin said that the reservoir storage needs to come up another foot before the ring gate becomes operational. Mr. Chamberlin said that if the decision to start the Dam Power Plant is made, he will try to call growers and put a notice up at Owyhee Junction. He said that the water level in the river needs to be brought up slowly. Discussion continued.

At 2:05 p.m., Terry Case and Jim Maybon, OID Employees, joined the meeting.

A motion was made by Mr. Tschida that the Dam Power Plant be started tomorrow and that one jet flow valve be opened on Friday. The motion failed for lack of a second. Other options were discussed. After discussion, a motion was made by Mr. Tschida, seconded by Mr. Nielsen, and unanimously carried that the Dam Power Plant be started tomorrow.

Mr. Corn said that he would like to meet again before the decision is made to open a jet flow valve. Mr. Chamberlin said that he will fly the snow course again when the weather clears and he hopes to do that sometime in the middle of next week. Mr. Chamberlin said that

he recommends that the Committee get the word out now and that another meeting be called when the reservoir level reaches 600,000 acre feet. The matter was discussed in detail and after discussion, a motion was made by Mr. Corn and was seconded by Mr. Nagaki that a meeting of the Joint Committee be called if inflows at Rome exceed 10,000 cfs or if reservoir storage reaches 625,000 acre feet. A discussion of the motion was had. Mr. Turner said that he is worried that it seems like there is a lot of water. He said that the channel is plugged up and it concerns him. He said that he feels that there is going to be a problem. After discussion, Chairman Ausman called for a vote on the motion. The vote was had and all of the Committee members voted in favor of the motion, which passed unanimously. The discussion on water releases ended at 2:15 p.m.

WATER TURN-ON DATE (continued). Discussion on a tentative water turn-on date continued. The possibility of charging the irrigation systems early in order to help with flood control was discussed. Mr. Zittercob said that the Districts cannot automatically get to 600,000 cfs going through the tunnel. Mr. Eldred said that it would take two to three days. Mr. Keester said that he would prefer that water only be put into the system when folks need the water. The matter was discussed. After discussion, a motion was made by Mr. Tschida, seconded by Mr. Nielsen, and unanimously carried that the tentative turn-on date for irrigation water be set for April 11 with the actual turn-on date to be determined by the District managers based upon water demand and weather conditions.

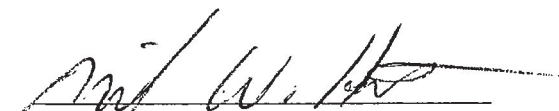
HYDRO REPORT. Mr. Zittercob said that the Dam Power Plant is ready to run. He said that the Tunnel Power Plant is coming along and should be ready to run by the middle of next week.

SECURITY UPGRADES AT DAM. Mr. Chamberlin explained that recording cameras are being updated and they will be getting new ones at the facility. A discussion on the cameras was had.

PUMP-BACK STORAGE. Mr. Turner presented a letter from the South Board of Control with regard to pump-back storage. He asked Mr. Horton to read the letter into the record. Mr. Horton read the letter out loud, the original of which is attached to these minutes.

ADJOURNMENT. There being no further business to come before the meeting, the same was adjourned at 2:26 p.m.

Respectfully submitted,


Secretary

APPROVED: _____