

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE OWYHEE IRRIGATION DISTRICT**

July 18, 2023

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on July 18, 2023, at Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 7:38 p.m. President Dan Tschida presiding.

The following Directors were present:

Dan Tschida	Bruce Corn
Eric White	Frank Ausman
Gregory Clark	

Also present were: Clancy Flynn, District Manager; Michael W. Horton, Attorney; Darla Sebasto and Linda Henderson, Members of the Public; John Russell, Auditor; and Tim Smith, Attorney with Five Rivers Law, P.C.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on July 13, 2023.

MINUTES. Minutes of the meeting of the Board of Directors held June 20, 2023, were mailed to the Directors prior to the meeting. A motion was made by Director Ausman, seconded by Director Corn, and unanimously carried approving the minutes as mailed.

DISTRICT FINANCIAL REPORT. Mr. Flynn handed out a financial report for the month. The Directors reviewed and discussed the financial report. Mr. Flynn said there will be more items coming in on the Arabian Pipeline next month. Director Ausman asked Mr. Flynn if he was able to determine if any money was put into reserves for panel work at Dead Ox Pumping Plant. Mr. Flynn said that he could not find any money currently in reserves. The matter was discussed and after discussion, it was the recollections of the other Directors and Mr. Horton that approximately \$30,000 was set aside, but that it was spent on panel repairs a number of years ago.

DEAD OX PUMPING PLANT. Mr. Flynn said that the wiring at Dead Ox Pumping Plant does need redone and he will be getting cost estimates. He said the Peewee pump panel is out and being repaired. He said that the plan is to put the panel back in at the end of the season.

DISTRICT ACCOUNTS PAYABLE. Two lists of District accounts payable for the month were included in the Directors' packets. The Directors reviewed the lists and asked questions which were answered by Mr. Flynn. A motion was made by Director Corn, seconded by Director White, and unanimously carried approving the payment of the accounts payable.

2022 AUDIT. John Russell presented the audit for the 2022 year. He went through the audit as the Directors reviewed it. He said that he is impressed watching the Board members review the financial statements and ask questions. He said that currently the District has about three months of operating reserves. He said he would recommend having six months of reserves. Director Corn asked if adequate controls are in place. Mr. Russell said that he believes they are.

He said that he did check credit card uses and everything checked out good. Cash deposits were discussed. Mr. Russell said that overall the District has a clean audit. He then left the meeting at 8:34 p.m.

MITCHELL BUTTE POWER PROJECT:

Financial Report. A financial report for the Mitchell Butte Power Project was included in the Directors' packets. The Directors reviewed the financial report. Mr. Flynn said that only one unit is currently running, but that it is running maxed out.

Accounts Payable. A list of accounts payable for the Mitchell Butte Power Project was listed on the agenda. A motion was made by Director Ausman, seconded by Director Clark, and unanimously carried approving payment of the following accounts payable:

AT&T	\$41.94
Tekfinity	42.95
Century Link	<u>195.79</u>
TOTAL	\$208.68

GARY FAW REQUEST. Mr. Flynn said that Gary Faw does some drain monitoring for the District. He said that he is requesting \$2,500 to help with the monitoring. Mr. Flynn said that he understands from SWCD that they may want some different monitoring done. Director Corn said that the District may need to do something different next year. A motion was made by Director White, seconded by Director Corn, and unanimously carried authorizing the District to contribute \$2,500 towards drain testing by Gary Faw.

REPORT ON CANAL BREAK. Mr. Flynn reported that the main canal had a break and he believes that all of the Directors are aware of the situation. The canal break was discussed. Mr. Flynn explained the extent of the canal break and the steps that District staff took in making repairs and getting the system back up and running. He explained that the break occurred at 5:00 a.m., and by 2:30 p.m., there was 150 cfs back into the system. He said that the Kingman Lateral and Mitchell Butte systems were able to stay on. He said that within nine days of the break the entire system was all back up and running. He said that most water users were able to get water within seven days. He said that automation helped a lot. Director Corn said that hats are off to staff for getting the system up and running as quickly as it did. Mr. Flynn said that it appears that animal damage caused the break. Director Corn suggested a barbeque for the crew, Road District, and South Board to thank them for the hard work in getting the system back up and running. Mr. Flynn explained the work which has been done for some of the farmers affected by the ditch break. He said he does not believe that they will be submitting any bills to the District for the break.

ACCOUNTING AND BANKING UPDATE. Mr. Flynn said that the accounting changeover has been completed. He said that the banking changeover is not yet done, but that he hopes to have that done sometime in the future.

EMPLOYEE GROUP UPDATE. Directors White and Clark reported on their meetings with the Employee Committee. They presented a handout which was discussed. The Board

members expressed their thoughts on potential wage increases. The Employee Committee's thoughts on changing the PTO was discussed. Director White explained that the Board's thoughts on having a 4% increase each year over the next two years was presented to the Committee and they would like a slightly higher increase. The Directors discussed possibly going less than 4% each year, but after discussion, the Board members determined that they will stick with the 4% each year proposal at this time.

SALARIED EMPLOYEES. Mr. Flynn said that he is considering converting a couple of employees from hourly to salaried. The matter was discussed and after discussion, it was the consensus of the Board to have Mr. Flynn talk to those employees before making any recommendations.

KOMATSU. Mr. Flynn said that it looks like the District mechanic may be able to get to the Komatsu in September.

AQUATIC CHEMICAL. Mr. Flynn said that there is currently enough aquatic chemical for two treatments and that a third treatment may not be needed.

SDIS INSURANCE. Mr. Flynn said that SDIS is looking at the insurability of the powerlines and poles. Mr. Horton said that the old minutes show that SDIS would not insure the panels at Dunaway and that is the reason they are not currently insured. Mr. Flynn said that he will check into the matter further with SDIS.

DELINQUENT ACCOUNTS. Mr. Flynn said there is currently \$65,000 of total delinquent accounts. He said the amount outstanding for this year is \$34,000.

HEAD GATES. The Directors discussed responsibility for replacing leaking head gates. Director Corn said that historically if the head gate wears out, the District replaces it. He said if there are on-farm changes which require a new gate, then the farmer has been responsible for the replacement cost. Mr. Flynn said that matches with his understanding.

KINGMAN PIPELINE PROJECT. Mr. Flynn said that he is still waiting on word from the EPA if waivers can be obtained for the project. He said that if the District does not know if it will get the money this year soon, then the pipe will not be able to be installed until next year. He said he still believes the project could be done within two years. He said he is still waiting on an award letter from EPA.

NEXT MEETING DATE. Mr. Horton explained that current policy provides that Board meetings are to happen on the Tuesday following the third Monday of each month rather than just the third Tuesday of each month. He said August will be one of those odd months and he is wondering if the Board meeting should be scheduled for the third Tuesday, which would be August 15 rather than waiting until August 22. Mr. Flynn said that it would help staff if the third Tuesday was used for meeting dates. The potential for moving the meeting to August 15th was discussed. Director White explained a conflict he has with the 15th. After discussion, it was the consensus of the Directors to have the August Board meeting on Wednesday, August 16th and discuss a possible policy change at that meeting.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 9:45 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____

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

July 18, 2023

A meeting of the Joint Committee of the Owyhee Project was held on July 18, 2023, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 7:00 p.m. Eric White, Chairman of the Joint Committee presiding.

The following members of the Joint Committee were present:

Eric White	Bruce Corn
Dan Tschida	Frank Ausman
Chris Landa	Brett Nielsen

Also present were: Clancy Flynn, Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; John Eells, South Board Manager; Gregory Clark, OID Alternate; Darla Sebasto and Linda Henderson, Members of the Public; Tim Smith, Attorney with Five Rivers Law, P.C.; and John Russell, Auditor.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on July 13, 2023.

PLEDGE OF ALLEGIANCE. Chairman Eric White led the Pledge of Allegiance.

MINUTES. The minutes of the meeting of the Joint Committee held on June 20, 2023, were mailed to the Committee members prior to this meeting. A motion was made by Mr. Corn, seconded by Mr. Tschida, and unanimously carried approving the minutes as mailed.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Flynn handed out a financial report for the Tunnel #1 Power Project which was reviewed by the Committee members. Mr. Flynn said that this is the first report which was done without Nichols Accounting. He said that Mr. Richins will be meeting with staff to review the report format. He said that a copy of the report has been mailed to the state.

Tunnel #1 Power Project Accounts Payable. The Committee members reviewed the accounts payable listed on the agenda for the Tunnel #1 Power Project. A motion was made by Mr. Nielsen, seconded by Mr. Ausman, and unanimously carried approving payment of the accounts payable as follows:

AT&T	\$122.10
OID	13,831.92
Five Rivers Law, P.C.	<u>410.00</u>
TOTAL	\$14,394.02

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Flynn handed out a financial report for the Owyhee Dam Power Project which was reviewed by the Committee members.

Owyhee Dam Accounts Payable. The Committee members reviewed the accounts payable listed on the agenda for the Owyhee Dam Power Project. A motion was made by Mr. Tschida, seconded by Mr. Landa, and unanimously carried approving payment of the accounts payable as follows:

AT&T	\$40.43
Five Rivers Law, P.C.	<u>410.00</u>
TOTAL	\$450.43

B2H POWERLINE. Mr. Flynn said that he met with Idaho Power representatives with regard to the B2H Powerline. He said they will be crossing both the North and South Canals. He said he felt like the meeting was more them checking off boxes than actually discussing line placement. He said he has another meeting with them on Friday. The matter was discussed.

2022 AUDIT. John Russell, who is doing the audit for Owyhee Irrigation District, presented the portion of the audit which relates to the hydro facilities. He said that this is for the year ending December 2022. He went through portions of the audit relating to the hydros while the Joint Committee members reviewed it. Mr. Corn asked if there are adequate controls in place. Mr. Russell said that he thinks so. He said it helps to have two sets of eyes on transactions which is currently being done and that bank reconciliations are happening monthly. It was noted that Brian Richins, CPA, will be looking at the books quarterly, which Mr. Russell said would help.

UPCOMING FARM TOURS. Mr. Flynn said that the Bureau of Reclamation will be doing a tour under the John Keys Program. He said that OWRC and a state representative will also be touring the facilities. He said the Water Law Conference with OWRC is scheduled for October 4 through 6. He said the annual OWRC meeting is scheduled for November 28 through 30.

MANAGEMENT OF CABINS AT DAM COMPOUND. Mr. Flynn said that the cabins are being run through Airbnb. He said the museum is currently being remodeled.

BRUSH TRUCK. Mr. Flynn said that staff will be looking at possibly obtaining a brush fire water truck for the dam compound.

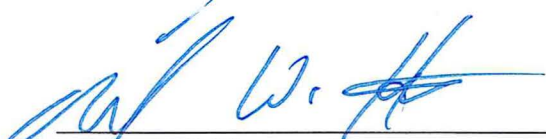
RESERVOIR STORAGE. Mr. Flynn said that with the current use of the reservoir water and weather conditions, it looks like the reservoir should have over 300,000 acre feet in storage when the system is shut off.

BUOY. Mr. Flynn said that the buoy in front of the tunnel inlet is up and in place.

RING GATE REPAIRS. Mr. Flynn said that staff may be able to finish the ring gate repairs this year. He said they should be getting into good concrete. Mr. White said the water level in the reservoir may determine if the work can get done.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 7:37 p.m.

Respectfully submitted,



Michael W. Horton, Secretary

APPROVED: _____