

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

March 22, 2016

A meeting of the Joint Committee of the Owyhee Project was held at the Four Rivers Cultural Center in Ontario, Oregon, on March 22, 2016, at 11:10 a.m. Eric White, Chairman, presiding.

The following members of the Joint Committee were present:

Bruce Corn	Jerry Nagaki
Dan Tschida	Chris Landa (who joined the meeting at 11:20 a.m.)
Eric White	Brett Nielson

Also present were: Jay Chamberlin, Manager of the Hydro Projects; Harvey Manser, OID Assistant Manager; John Eells, South Board Manager; Michael W. Horton, Secretary and General Counsel; Frank Ausman, OID Alternate; Larry Meyer, Argus Observer Newspaper; J.L. Eldred, OID Watermaster; Brian Sauer, USBR Engineer; Michael Blackaby, Old Owyhee Ditch Secretary; Monty Culbertson, Old Owyhee Ditch Company Manager; Andy Peutz, Randy Kameshige, and Ted Frahm, Old Owyhee Ditch Company Board Members.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on March 15, 2016.

MINUTES. The minutes of the meeting of the Joint Committee held on February 16, 2016, were mailed to the Committee members prior to the meeting. A motion was made by Mr. Tschida, seconded by Mr. Nagaki, and unanimously carried approving the minutes as read.

TUNNEL #1 POWER PROJECT.

Financial Report. Mr. Chamberlin handed out financial reports for the Tunnel Power Plant which the Committee members reviewed.

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. Corn, seconded by Mr. Nagaki, and unanimously carried approving payment of the following accounts payable:

Oregon Idaho Utilities	\$224.12
AT&T	30.26
Nichols Accounting	650.00
WIN - 911	<u>495.00</u>
TOTAL	\$1,399.38

OWYHEE DAM POWER PROJECT.

Financial Report. Mr. Chamberlin handed out financial reports the Owyhee Dam Power Project which the Committee members reviewed.

OWYHEE DAM ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable for the Owyhee Dam Power Project. A motion was made by Mr. Tschida, seconded by Mr. Nielson, and unanimously carried approving payment of the following accounts payable:

Stunz, Fonda, Kiyuna & Horton	\$540.00
AT&T	84.03
South Board of Control	1,624.00
Bruce Corn	855.00
Frank Ausman	695.75
Jerry Nagaki	750.00
Dan Tschida	875.00
Eric White	636.00
Tunnel Hydro - loan	900.00
Oregon Idaho Utilities	294.30
Nichols Accounting	650.00
WIN - 911	<u>495.00</u>
Total	\$8,399.08

OWYHEE DAM INTERNAL STANDARD OPERATING PROCEDURES. Mr. Chamberlin said that the Dam operators and staff will be going through the Dam Operational Manual on March 25. He said the gates will also be prepared for the water season. He said the review will also include reviewing the operating procedures for the ring gate. He said the dam operators are also able to operate the hydro facilities.

USBR RECOMMENDATIONS. Mr. Chamberlin said that the east staircase was a USBR recommended work item. He said the work has been completed. He said the valves in the ring gate control house were also an identified item and have been cleaned and painted.

At 11:20 a.m., Chris Landa joined the meeting.

Mr. Chamberlin said he would like to get the Committee members up to the dam to see the work that has been done. Mr. Tschida asked about other USBR identified items. Mr. Chamberlin said every time USBR does an inspection, they have notes or recommendations. They have nothing for recommendations at this time. He said he anticipates the elevator will be the next big ticket item for the dam. He said the generator structure and dam compound wiring will be the next projects needing done. Mr. Chamberlin reported on fencing and gating for the Fisherman's Trail to keep the fisherman out of the dam compound.

WATER FORECAST. Brian Sauer with USBR presented a water forecast. Mr. Chamberlin said that current storage in the reservoir is 378,000 acre feet and that the flows at Rome are 1,800 cfs. Mr. Sauer presented a slide show with graphs. He said the lower snow has come out but there is still higher snow left. Mr. Sauer said that with the strong El Nino the forecasted inflows from March 1 through June 30 are 862,500 acre feet. He said that with a month behind us, he still feels that the watershed will have more than adequate supply to get through the season with a full allotment. He said he does not think the reservoir will fill. He said natural flows should stay up this year.

Mr. Sauer said that the long-term forecast is for warmer temperatures and normal precipitation. Chairman White asked if Wild Horse Reservoir is expected to fill and Mr. Sauer said that it is not.

WATER ALLOTMENT. Mr. Chamberlin said he would like to see the Joint Committee set the water allotment. Mr. Corn asked why it needs to be set today. Mr. Chamberlin said with the change last year and dividing up the water between the north and south parts of the project, it makes it more critical to get the allotment right. He said that right now with the current storage, he would recommend the allotment be set at 3 acre feet. He said until the reservoir level reaches maximum pool, management will not have complete numbers. He said he thinks the reservoir will not hit maximum pool until May. He said it is possible that Old Owyhee will not draw any storage this year. He said he believes USBR's numbers on inflows are overly optimistic. He said that according to his and staff's calculations, 575,000 acre feet is needed to get four feet of water. Mr. Corn said it would be his preference not to set the allotment until next month. Mr. Chamberlin disagreed and said that the allotment should be set before the water starts. He said once the water starts, the allotment could be changed as the inflows are better known. Mr. Chamberlin said that by setting the allotment, it helps Owyhee Irrigation District's ability to allow water transfers. Chairman White asked if a decision needs to be made on excess water. He said the turn on date is also an issue.

Mr. Nielson made a motion to set the allotment at three acre feet to be reviewed at the next Joint Committee meeting. Mr. Tschida seconded the motion and it passed unanimously.

WATER TURN ON DATE. The Committee members discussed setting a tentative turn on date for the project. Each member explained the water needs in their area. Chairman White said that the Adrian area and South area of the project are dry. John Eells, South Board Manager said that he is starting to receive phone calls on when the water will be turned on. Chairman White said that he would prefer that water be available the second week of April. Mr. Tschida said he would like to hold off on having the water started until April 18 since the project does not have a full reservoir. Mr. Nielson noted that in the South area crops have been in the ground for two to three weeks. Mr. Eells said that South Board will be ready to go April 1 if the water needs to be turned on by then. Mr. Chamberlin said that April 1 would be as early as OID could deliver water. He said he would like to hold off on the pumps. Mr. Ausman

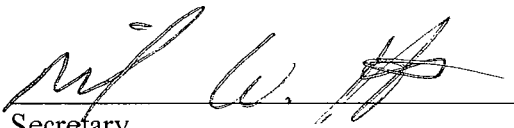
suggested that the Committee not allow excess water this year. Mr. Corn expressed agreement. A motion was made by Mr. Tschida, seconded by Mr. Corn, and unanimously carried to set a tentative turn on date for April 11 with management to review leaving the pumps off and no excess water, and to have a special Joint Committee meeting next week to review the turn on date. A vote on the motion was held. Mr. Corn, Mr. Landa, Mr. Nagaki, and Mr. Tschida voted in favor of the motion. Mr. White and Mr. Nielson voted against. The motion passed on a vote of four to two.

DATE AND TIME OF SPECIAL MEETING. Mr. White said he would like to set the meeting date and time for next week to review the turn on date. The matter was discussed and after discussion, it was determined that the Joint Committee will have a special meeting on Wednesday, March 30th at noon at Mr. Horton's office in Nyssa to review the turn on date.

WATER RESERVATION FOR UNAPPROPRIATED WATER FOR OWYHEE RIVER. Mr. Chamberlin reminded the Committee members of the upcoming deadline for the reservation of unappropriated water for the Owyhee River. He said he recommends the Committee vote to extend the reservation. A motion was made by Mr. Nielson and was seconded by Mr. Landa to pursue the reservation of water. Mr. Corn disclosed his conflict of interest since he sits on the Oregon Water Resources Board and the Committee which will be determining rules for the water reservation process. A vote on the motion was held and it passed unanimously with Mr. Corn abstaining.

ADJOURNMENT. There being no further business, the meeting was adjourned at 12:20 p.m.

Respectfully submitted,


Secretary

APPROVED: _____

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

March 22, 2016

The regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on March 22, 2016, at Four Rivers Cultural Center, Ontario, Oregon, at 10:03 a.m. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Jerry Nagaki	Bruce Corn
Dan Tschida	Eric White
Frank Ausman	

Also present were: Jay Chamberlin, District Manager; Michael W. Horton, Attorney; Harvey Manser, OID Assistant Manager; J.L. Eldred, District Watermaster; Monty Culbertson, Old Owyhee Ditch Company Manager; Brandon Schartner and Rick Ulman, OID Employees; and Larry Meyer, Argus Observer Newspaper.

MEETING NOTICE. The meeting agenda showed that public notice as to the meeting was given on March 15, 2016.

MINUTES. Minutes of the meeting of the Board of Directors held on February 16, 2016, were mailed to the Directors prior to the meeting. A motion was made by Director Corn, seconded by Director White, and unanimously carried approving the minutes.

DISTRICT FINANCIAL REPORT. Handouts from Nichols Accounting with the monthly financial reports were provided to the Directors. The Directors reviewed the reports.

DISTRICT ACCOUNTS PAYABLE. Two lists of the District's accounts payable for the month were included in the Directors' packets. Mr. Chamberlin said that the billing for the Snively Slide came in at \$172,676.02. He said this was \$5,000 less than originally quoted. He said this is the billing from GSI and is not included in the list of accounts payable. A motion was made by Director White, seconded by Director Nagaki, and unanimously carried approving and ratifying payment of the accounts payable, including the GSI billing.

MITCHELL BUTTE POWER PROJECT.

Financial Reports. The financial report for the month for Mitchell Butte Power Project was in the Director's packets. The report was reviewed by the Directors.

Accounts Payable. The agenda for the meeting listed accounts payable for the Mitchell Butte Power Project. Director Corn asked about the WIN 911 billing. He said that it looks like it should be split among all three of the hydro projects. The matter was looked into and it was

determined that Director Corn is correct. The billing amount was corrected to 1/3 of the total bill. A motion was made by Director Corn, seconded by Director Tschida, and unanimously carried approving payment of the following accounts payable:

AT&T	14.53
WIN-911	495.00
Nichols Accounting	<u>220.00</u>
Total	\$729.53

SNIVELY SIPHON. Mr. Chamberlin updated the Board on the Snively Siphon work. He said the project has been completed and went very well. He said solid rock was hit and the work should really anchor in the flume. He said the side hill has been seeded. He said the work comes with a 75-year guarantee. He said cracks were sealed in the flume and around the slide area. Director Corn asked if records are being kept where the drains had been installed and Mr. Chamberlin said they are being kept in the District office and being shared with the Bureau of Reclamation.

MALHEUR SIPHON. Mr. Manser said that test holes have been drilled. He said a couple of the Malheur Siphon legs were worked on in getting ready for this season. He said the District will seek ideas from the engineering firm with regard to having the siphon ready to operate this season. Mr. Chamberlin said that the engineering firm will be doing a study at the site tomorrow. Mr. Horton said that the contract with the engineering firm has been hammered out.

DISTRICT OFF-SEASON PROJECTS. Mr. Chamberlin updated the Board on off-season work being done. He said a trash rack was installed at the lower end of the system. He said most of the off-season work focused on water measurement in Director Nagaki's division. The Directors discussed the off-season work.

DISTRICT EQUIPMENT. The Directors discussed District equipment. The long boom and short stick were discussed. Mr. Chamberlin said that he is looking for a trailer. The overall equipment needs of the District were discussed.

EMPLOYEE 457 PLAN. Mr. Chamberlin said that a meeting with a group which may be providing the District with a 457 Plan is scheduled for March 28.

TWILIGHT GRAVITY PIPELINE. Mr. Chamberlin reported on the planned Twilight Gravity Pipeline Project. He said the project is moving forward. He said NRCS has redirected their area of focus. He said that farmers in the area are signing on. Director Corn updated the Board and staff on new OWEB long-term grant projects. He said OWRD also has grant projects available. Mr. Chamberlin said the Twilight Project will be a two-year project.

USBR DIRECTIVES AND STANDARDS. Mr. Chamberlin updated the Board on new USBR directives and standards. He explained that these may change grant opportunities with the Bureau.

NYSSA RURAL FIRE SUBSTATION. Mr. Chamberlin said that the Bureau permit for the proposed Nyssa Rural Fire Substation has come through. Director Ausman thanked the Board on behalf of the Nyssa Rural Fire Board.

DATE AND TIME OF NEXT MEETING. The date and time of the next regular Board meeting was discussed. After discussion, it was determined that the Joint Committee would meet on April 19, at 7:00 p.m., at Mr. Horton's office with the OID Directors' meeting to follow.


SURPLUS PROPERTY. Mr. Manser presented a list of equipment needing surplus. A motion was made by Director Tschida, seconded by Director Ausman, and unanimously carried that the following property is declared as surplus and Jay Chamberlin is authorized to dispose of the property in accordance with District procedures: 1980 Miller flatbed trailer and 1972 tow motor hyster forklift.

FIRE PLUG ON MALHEUR SIPHON. Director Corn said he noted the plug on the Malheur Siphon has been installed and that it looks good. The matter was discussed and Mr. Chamberlin explained that the District is still in discussions with Adrian and Nyssa Fire Departments about fire plugs in their areas.

SCOTT'S SEED. Mr. Chamberlin handed out letters from the Malheur County Weed Board and the Malheur County Commissioners with regard to Scott's Seeds invasive grass situation. The matter was discussed.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 11:07 a.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____