

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

November 21, 2023

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on November 21, 2023, at Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 10:08 a.m. Vice-President Frank Ausman presiding.

The following Directors were present:

Bruce Corn	Gregory Clark
Eric White	Dan Tschida (who joined the meeting at 10:14 a.m.)
Frank Ausman	

Also present were: Clancy Flynn, District Manager; Michael W. Horton, Attorney; and Darla Sebasto and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on November 16, 2023.

PLEDGE OF ALLEGIANCE. Vice-President Frank Ausman led the Pledge of Allegiance.

MINUTES. Minutes of the meeting of the Board of Directors held October 17, 2023, were mailed to the Directors prior to the meeting. A motion was made by Director White, seconded by Director Clark, 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. Director Dan Tschida joined the meeting at 10:14 a.m.

DISTRICT ACCOUNTS PAYABLE. Two lists of District accounts payable for the month were included in the Directors' packets. Clancy Flynn also handed out a breakdown of the credit card charges. The Directors reviewed the accounts payable and asked questions about specific bills. A motion was made by Director Corn, seconded by Director White, and unanimously carried approving payment of the accounts payable.

DEAD OX PUMPING PLANT. Clancy Flynn reported on the work being done on the Peewee pump at the Dead Ox Pumping Plant. He said the work should be done in the next couple of weeks. Vice-President Frank Ausman turned the chair of the meeting over to President Dan Tschida who then began presiding over the meeting.

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 report. Mr. Flynn said that he met with an engineer who used to work on the District hydroelectric facilities and has contacts for potential parts for the Mitchell Butte power units. Mr. Flynn said that the trash rack is working, but the big rehabilitation work on the trash rack still needs done. He said that a bearing on one of the generator units needs serviced.

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	\$50.02
FATBEAM (Tekfinity)	42.95
Century Link	200.74
OWRD	1,596.00
OID	6,335.95
Spiegel & McDiarmid, LLP	<u>538.00</u>
 TOTAL	 \$8,763.66

RILEY PEASTER DRAIN RELOCATION REQUEST. Mr. Flynn said that Riley Peaster contacted him and is wanting to relocate a drain on his place. A map was passed around showing the open drain. He said that Mr. Peaster is wanting to keep the drain an open drain. He said there is still more investigation to be done. He said that Mr. Peaster is offering to pay for all of the costs. Mr. Flynn said that he just wanted the Directors to be aware of the situation as it moves forward. A motion was made by Director White, seconded by Director Ausman, and unanimously carried authorizing management to investigate and work on the drain relocation.

FIVE-YEAR NON-USE ACREAGE TRANSFERS. Mr. Flynn passed around a handout on 37.7 acres which the District will be taking back for non-use and transferring the water rights identified on the handout. After review and discussion, a motion was made by Director Corn, seconded by Director Ausman, and unanimously carried to move forward with the transfers. Mr. Horton said that he will advise Mr. Flynn on the transfer process and if any hearings are necessary.

VACANT LOT ACROSS FROM OFFICE. Mr. Flynn said that office staff have been getting phone calls about the property across from the office now that a “For Sale” sign has been put up. He said that staff are wanting to know the sales price to tell the callers. The matter was discussed and after discussion, it was the consensus of the Directors that potential interested parties be told that the District is seeking \$399,999.99 for the property.

DUNAWAY PUMPING PLANT INSURANCE. Mr. Flynn said that he checked with the insurance agent and there is no coverage in place for the pumps, transformer, building, or other equipment at the Dunaway Pumping Plant. He said that the quote that he got to cover such items is \$20,000 per year, with a \$15,000 deductible. The Directors discussed the fact that the pumps at the plant are not used every year, and when they are used, they are not used at 100%. It was noted that Dead Ox Pumping Plant is insured because it is used every year at 100% and there is no way to get water to some of the lands under the system without those pumps. The matter was discussed by the Directors. They discussed the potential of instead of purchasing insurance for the Dunaway Pumping Plant, that improvements be made at the facility and that money be set aside for self-insurance. Mr. Flynn said that right now the work being done on Dead Ox is just what needs to be done. Director Ausman suggested spending some money at Dunaway on security measures. Mr. Flynn said that an internet connection is being set up through a line of sight from the office to the Dunaway Pumping Plant and that once that is done, security cameras can be installed. He said that the District does have a spare transformer. The matter was further discussed and after discussion, it

was the consensus of the Directors to not purchase insurance for the Dunaway Pumping Plant at this time and focus on security measures at the facility.

2024 BUDGET. Mr. Flynn handed out a draft budget for the District for 2024. The Directors reviewed the draft budget. The Directors discussed whether or not to budget any funds coming from the hydro facilities other than Mitchell Butte. They discussed bumping the transfer from Mitchell Butte to the District to \$1.00 per acre versus \$.50 per acre. Potential fuel cost savings were discussed. Director White suggested taking \$1.50 from the Mitchell Butte project. Director Corn said that he would like a more detailed breakdown on heavy equipment needs. Equipment needs were discussed by the Directors. After discussion, it was the consensus of the Directors to have Mr. Flynn to whittle on the budget and try to get another fuel tank in.

DITCHING. Mr. Flynn reported that ditching has been started, along with sterilant spraying.

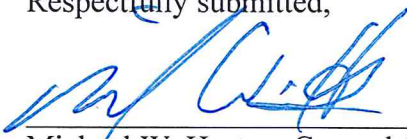
MEETING RECESSED. At 11:55 a.m., President Tschida declared the meeting in recess to reconvene after the Joint Committee meeting this afternoon.

MEETING RECONVENED. At 1:45 p.m., the meeting was reconvened.

KINGMAN COLONY PUMPING STATION PROPERTY. Mr. Flynn said that Eric White owns some property by the Snake River and in working on some property transfers, it came to his attention that the District owns a small parcel of property that is less than one acre in size that is landlocked and may have been for the old Kingman Colony Pumping Station. Eric White said that he is interested in purchasing the property. It was noted that Scott Brown owns property to the South of the property. Mr. Horton said that before the Board could sell the property, it would need to investigate the status of the property and decide if they want to sell it and for what price. He said the Board may want to get an appraisal. Director White said that he obviously has a conflict in the matter and is abstaining from any discussion or voting on the matter. The matter was discussed with Director White abstaining. After discussion, a motion was made by Director Corn, seconded by Director Clark, and unanimously carried directing staff and legal counsel to investigate the possibility of selling the newly discovered property. Director White abstained from voting on the motion. Mr. Horton advised the Directors that should they decide to declare the property as surplus and put it up for sale, that potential buyers of the property not be limited to Director White and that the property be offered to the general public and the Directors all agreed (with Director White abstaining from the conversation) that the property be made available for purchase to the general public.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 1:56 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____

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

November 21, 2023

A meeting of the Joint Committee of the Owyhee Project was held on November 21, 2023, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 1:00 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; Gregory Clark, OID Alternate; Steve Clapier, Interim South Board Manager; Ryan Nash and Gayle Sieders, South Board Members; Darla Sebasto and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on November 16, 2023.

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

MINUTES. The minutes of the meetings of the Joint Committee held on September 27, 2023, and October 17, 2023, were mailed to the Committee members prior to this meeting. A motion was made by Mr. Ausman, seconded by Mr. Landa, 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.

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. Landa, and unanimously carried approving payment of the accounts payable as follows:

AT&T	\$49.63
Five Rivers Law, P.C.	940.00
OID	13,909.90
E4 Connect	114.12
OWRD	6,440.64
Spiegel & McDiarmid, LLP	538.00
SDAO	<u>2,125.00</u>
 TOTAL	 \$24,117.29

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. Corn, seconded by Mr. Landa, and unanimously carried approving payment of the accounts payable as follows:

AT&T	\$67.56
E4 Connect	114.12
Spiegel & McDiarmid, LLP	538.00
SDAO	2,125.00
OWRD	3,804.48
OID	17,767.53
Five Rivers Law, P.C.	<u>940.00</u>
TOTAL	\$25,356.69

WATER TRUCK. Mr. Flynn said that a couple of brush fire trucks owned by the Nyssa Rural Fire Department were considered. He said he recommends purchasing the gas powered truck if it can be purchased for \$5,000 or less. He said that it has a 750 gallon water tank. Director Frank Ausman stated that he has a conflict of interest in the matter as he is a director of the Nyssa Rural Fire Department. After discussion, it was the consensus of the Committee members, with Mr. Ausman abstaining, to purchase the gas powered fire truck from the Nyssa Rural Fire Department if it can be acquired for less than \$5,000.

TUNNEL LOAN PAYOFF. Mr. Flynn provided information on potentially paying off the Tunnel loan owed to the State of Oregon. The payoff is approximately \$983,000. He said that after paying the loan off, it would leave approximately \$300,000 in the hydro accounts. He said that amount should get the projects through until they begin generating next season. The matter was discussed and after discussion, a motion was made by Mr. Corn, seconded by Mr. Ausman, and unanimously carried that the Tunnel loan with the State of Oregon be paid off in full.

PROPOSED PUMP BACK SYSTEM. Mr. Flynn reported on a meeting with USBR staff on water rights relating to the proposed pump back storage. He said that he felt the meeting went well. He said that scoping document number two from FERC is being released and the initial review is that the District got more than they lost from their comments to the first scoping document.

Mr. Flynn said that he was able to review the contract between the company behind the proposed pump back system and a Wyoming irrigation district relating to a pump back project on their system. He summarized the agreement. The matter was discussed.

DAM COMPOUND WORK. Mr. Flynn reported on work being done at the Dam Compound. He said that the work on the woodshop roof is almost done and the work on the other shop will be completed soon. He said that painting at the compound will be done during the offseason.

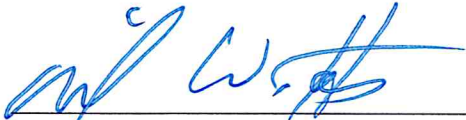
QUAGGA MUSSELS. Mr. Flynn said that attorney Al Barker wrote a letter to the State of Idaho relating to the quagga mussel infestation. He said that the State of Idaho will not know if their treatment worked until the spring.

MALHEUR EMPOWERMENT ACT. Mr. Flynn said that he attended a townhall meeting with Senator Wyden's staff on the proposed Malheur Empowerment Act. He said at the meeting he spoke on behalf of the District and said that he was glad that the boundaries had been moved away from the Irrigation District's facilities. He said that he then spoke as an individual and expressed his opposition to the proposed legislation. Mr. Horton stated that environmental groups are now looking at moving toward a national monument designation as a work around if the legislation does not pass. The matter was discussed.

JOHN EELLS. The South Board members present provided information with regard to John Eells, South Board Manager, passing away. Members of the Joint Committee offered their condolences.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 1:44 p.m.

Respectfully submitted,



Michael W. Horton, Secretary

APPROVED: _____