

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

November 17, 2020

A meeting of the Joint Committee of the Owyhee Project was held on November 17, 2020, at 1:05 p.m., by teleconference in compliance with Malheur County Covid-19 Resolution. Eric White, Chairman, presiding.

The following members of the Joint Committee were present:

Eric White	Frank Ausman
Jerry Nagaki	Bruce Corn (OID Alternate)
Chris Landa	

Also present were: Jay Chamberlin, Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; John Eells, South Board Manager; Mark Carpenter and J.L. Eldred, OID Employees; Tyler Sweet, CPA; and Darla Sebasto, OID Patron.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on November 12, 2020.

MINUTES. The minutes of the meeting of the Joint Committee held on October 20, 2020, were reviewed by the Committee members prior to this meeting. A motion was made by Mr. Corn, seconded by Mr. Ausman, and unanimously carried approving the minutes.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. The financial report for the Tunnel #1 Power Project was included in the Committee members' meeting packets. The Committee members reviewed and discussed the financial report. Tyler Sweet said that Nichols Accounting has changed its software program which makes the report look different, though the format of the report is the same.

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

Stunz, Fonda, Kiyuna, Horton	\$1,128.50
Oregon Idaho Utilities	245.54
OWRD	3,758.04
SDAO	3,133.39
Nationwide/Blackaby	348.00
Nichols Accounting	<u>375.00</u>
Total	\$8,988.47

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. The financial report for the Owyhee Dam Power Project was included in the Committee members' meeting packets. The Committee members reviewed and discussed the report.

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

Oregon Idaho Utilities	\$171.36
OWRD	2,220.28
Nichols Accounting	<u>375.00</u>
Total	\$2,766.64

TUNNEL BOND PAYMENT. Tyler Sweet went through a handout which was emailed to the Committee members that sets out the options on potential bond payments. A copy of the handout is attached to these minutes. Mr. Sweet went through the handout and explained the options to the Committee. He said that the next payment due date is November 30, 2024, and that the Committee is not required to make a payment this year. The proposed options were discussed. Potential upcoming costs for the hydros were discussed. Mr. Chamberlin said that after the first of the year, SDAO will be sending someone out to do an insurance appraisal which may change the costs of insurance. After discussion, a motion was made by Mr. Ausman, seconded by Mr. Nagaki, and unanimously carried that the Joint Committee proceed with option #3, which is to make a payment of \$1,250,000 on the bond.

RING GATE REPAIR. Mr. Chamberlin said that demolition work has been done and went well. He said that the scaffolding has been installed and works well. He said that currently there is 30 feet of rebar exposed and ready to be worked on. He said that the working platform has been installed. The platform was discussed and after discussion, a motion was made by Mr. Ausman, seconded by Mr. Corn, and unanimously carried ratifying construction of the platform for working on the ring gate.

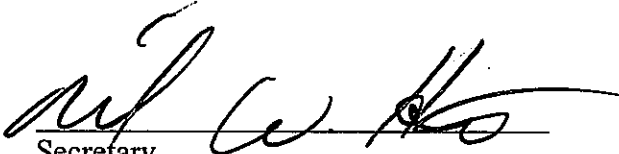
IDAHO POWER DAM PLANT SUBSTATION MODIFICATION. Mr. Chamberlin said that Idaho Power has subcontracted out the work on the Dam Plant substation. He said the contractor has completed the work. He said the equipment still needs to be tested. He then reported on the extent and type of work done.

TUNNEL BATTERY REPLACEMENT. Mr. Chamberlin gave an update on the replacement of the Tunnel Power Plant batteries. He said that given the weight, size, and logistics of removing the current batteries, the work is on hold until the ring gate work for this year is completed. Mr. Chamberlin and Mr. Eldred explained the planned swap out of the batteries and the work which will be done.

B2H POWERLINE. Mr. Chamberlin said that the *Argus Observer Newspaper* had a good article on the B2H Powerline lawsuit.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 1:50 p.m.

Respectfully submitted,


Secretary

APPROVED: _____

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

November 17, 2020

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on November 17, 2020, telephonically due to the ongoing Covid-19 pandemic in compliance with the Malheur County Resolution on gatherings, at 10:05 a.m. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Bruce Corn	Jerry Nagaki
Frank Ausman	Eric White
Dan Tschida (who joined at 10:26 a.m.)	

Also present were: Jay Chamberlin, Manager; Michael W. Horton, Attorney; Kenny Kimball, J.L. Eldred, and Mark Carpenter, OID Employees; Tyler Sweet, CPA; and Darla Sebasto, OID Patron.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on November 12, 2020.

MINUTES. Minutes of the meeting of the Board of Directors held on October 20, 2020, were mailed to the Directors prior to the meeting. A motion was made by Director Corn, seconded by Director Ausman, and unanimously carried approving the minutes as mailed.

District Financial Report. A financial report was provided to each Director in their packets. The Directors reviewed the report. Tyler Sweet said that there was a software change at his office so the format of the report is new. The report was discussed by the Directors.

District Accounts Payable. Two lists of District accounts payable for the month were included in the Directors' packets. The lists were reviewed and discussed. A motion was made by Director Ausman, seconded by Director Corn, and unanimously carried approving payment of the accounts payable.

MITCHELL BUTTE POWER PROJECT:

Financial Report. A financial report for the Mitchell Butte Power Project was included in the Directors' packets. The Directors reviewed and discussed the report. Mr. Chamberlin said that he does not yet have figures on repairs being done at the plant. J.L. Eldred reported on work being done at the plant.

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

Tekfinity	\$42.95
OWRD	932.00
Century Link	10.15
AT&T	86.54
Nichols Accounting	<u>125.00</u>
TOTAL	\$1,196.64

2021 INITIAL BUDGET. Tyler Sweet went through a document he created which sets out potential changes to the budget. The Directors reviewed the document as Mr. Sweet presented it. He said there is an estimated carryover at the end of the year of \$441,824.75. Forgiveness of the PPP loan was discussed. Dan Tschida joined the meeting at 10:26 a.m. Mr. Sweet said that PERS rates are projected to go down. The possibility of paying off District loans was discussed.

SURPLUS EQUIPMENT SALE. Mr. Chamberlin reported on the surplus equipment sale. He said that overall JBS Auctions did very well for the District on the sale.

EMPLOYEE PROPOSAL. Mr. Chamberlin said that the proposal the employees submitted requesting a 2% pay increase, with an additional 2% incentive bonus would cost the District \$89,876.00. The matter was discussed. Tyler Sweet said that PERS rates are going down this year. Mr. Kimball provided input from the employees' perspective. The proposal was discussed and after discussion, a motion was made by Director White to increase employee pay by 1% with an additional 2% incentive increase to be determined by employee performance reviews, and change the holidays pay rate to equal the number of hours normally worked on the holiday so that for those holidays that would otherwise be a ten-hour workday, the employee will be entitled to ten hours of compensation. Director Corn seconded the motion and a vote was had. Directors White, Corn, Ausman, and Nagaki voted in favor and Director Tschida voted against. The motion passed on a vote of four to one.

SHARON RODGERS' PIPELINE PROPOSAL. Mr. Chamberlin explained a proposal Sharon Rodgers, a water user within the District, made to him with regard to a pipeline which is on her property and also services property she sold to Ray Waldo. He said that she is requesting that the District take over ownership of the pipeline. Mr. Chamberlin explained the history and status of the current pipeline. The matter was explained and discussed in detail. After discussion, it was the consensus of the Board that they are not in favor of taking on the pipeline. Mr. Chamberlin said that he will meet with the parties and try to get them to come to an agreement.

FALL WORK. Mr. Chamberlin said that with Covid-19 and employee vacations, that ditching has not started yet. He said that crews have been working on the ring gate staging platform. He said that moisture will make ditching dicey. He said they are getting some fieldwork done. He said that pipe projects are on hold because of a pipe shortage. He then reported on Covid 19 impact on staffing. The Directors discussed possible pipe purchasing. Mr. Chamberlin reported on an old concrete pipeline being replaced with PVC by the "Haunted House."

PROPERTY TRANSFERS THROUGHOUT THE DISTRICT. Director Tschida reported on large properties being sold throughout the District and potential problems it may create for the District.

MEETING RECESS. Recessing the meeting until 2:00 p.m., was discussed. Director Tschida said that he may not be able to call back in for the 2:00 o'clock meeting. He also said that he may not be able to attend the Joint Committee meeting. Director Corn said he can sit in on the Joint Committee meeting as the OID alternate for Dan Tschida. Director Nagaki declared the meeting in recess at 11:40 a.m., to reconvene at 2:00 p.m.

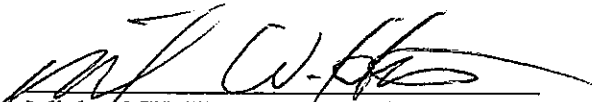
MEETING RECONVENED. At 2:00 p.m., the meeting was reconvened. The Directors were joined by FCA representatives on a Zoom call.

FCA PRESENTATION. The FCA representatives gave a presentation on the District's Modernization Plan, along with the System Improvement Plan. They said that the model is drafted and they are currently working on a draft of the System Improvement Plan (SIP). They said that once that draft is completed, it will be submitted to the District for input and review. After that, final changes will be made and a final draft of the SIP will be completed. They said that a strategy plan will then be developed. FCA representatives said they would like input from the District on potential pipeline projects they would like to see implemented. Mr. Chamberlin said that he already has a list of twelve potential projects which he will email to FCA. The FCA staff said they will dive into the modernization project planning in January.

Questions were asked and answered by FCA staff.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 2:50 p.m.

Respectfully submitted,


Michael W. Horton, General Counsel

APPROVED: _____