

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

October 19, 2021

A meeting of the Joint Committee of the Owyhee Project was held on October 19, 2021, at the District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 7:03 p.m. Eric White, Chairman of the Joint Committee presiding.

The following members of the Joint Committee were present:

Eric White	Frank Ausman
Dan Tschida	Bruce Corn
Brett Nielsen	

Also present were: Clancy Flynn, Manager of Owyhee Irrigation District; Jay Chamberlin, Outgoing Manager of Owyhee Irrigation District; Michael W. Horton, Secretary and Legal Counsel; Jerry Nagaki, OID Alternate; John Eells, South Board Manager; Linda Henderson and Greg Clark, members of the public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on October 14, 2021.

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

MINUTES. The minutes of the regular meeting of the Joint Committee held on September 21, 2021, and the minutes of the Special Meeting of the Joint Committee held on August 31, 2021, were reviewed by the Committee members. A motion was made by Mr. Ausman seconded by Mr. Tschida, and unanimously carried approving the minutes for both meetings.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Flynn handed out financial reports for the Tunnel Power Project which were 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. Ausman, and unanimously carried approving payment of the accounts payable as follows:

Stunz, Fonda, Kiyuna, Horton	\$779.50
Spiegel & McDiarmid	2,023.75
SDAO	3,423.47
Nichols Accounting Group	<u>375.00</u>
Total	\$6,601.72

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Flynn handed out financial reports for the Owyhee Dam Power Project which were 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. Ausman, seconded by Mr. Tschida, and unanimously carried approving payment of the accounts payable as follows:

Nichols Accounting Group	<u>375.00</u>
Total	\$375.00

TUNNEL BOND PAYMENT. The Committee members discussed making a payment on the Tunnel bond. After the discussion, a motion was made by Mr. Corn, seconded by Mr. Nielsen, and unanimously carried that a payment be made on the bond in the amount of the accrued interest and a principal payment in such amount to bring the outstanding principal balance down to one million dollars.

RING GATE INSPECTION. Clancy Flynn reported on the USBR inspection of the ring gate. He said that after the inspection, the USBR inspector said that overall, the ring gate looks pretty good. He said some of the inspection port gaskets may be leaking a bit as there was some standing water. Mr. Ausman said that this may be due to the way the drains are set up and that the water is just not draining out rather than leaking in. Mr. Flynn said that the coatings are holding up well. He said the gaskets will be checked out and will be replaced if necessary.

RING GATE REPAIR. Mr. Flynn said that the ring gate repair prep work is done and they are now waiting for concrete. He said that they are getting more good concrete as they work their way around the ring gate.

STAFF CHANGES AT OWYHEE DAM. Mr. Flynn said that an OID ditch rider may be taking the open dam tender job. He said that right now they are making sure that the current dam tender and the new one will get along. Staffing at the Owyhee Dam was discussed.

IDAHO POWER TUNNEL POWER PLANT SWITCH GEAR. Clancy Flynn said that he will meeting with Idaho Power tomorrow to discuss their planned upgrades to the Tunnel Power Plant switch gear. Mr. Chamberlin said that the plan is to have them do the work next fall. He said that generators may have to be used at the dam compound for power during the switch gear work.

SNOW COURSE. Mr. Flynn said that they are going to have to find a new pilot to fly the snow course as the current pilot has retired. The matter was discussed.

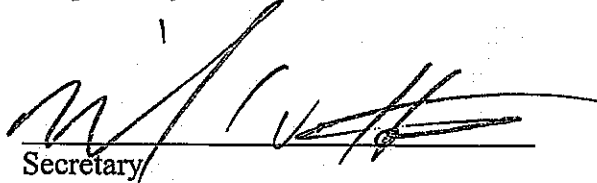
FERC RELICENSING. Mr. Horton, Mr. Flynn, and Mr. Chamberlin gave an update on their discussions with the attorneys hired to assist in the FERC relicensing. They said that an exemption from FERC licensing for the Tunnel power plant is being investigated. They said it does not appear as if the dam power plant will qualify for an exemption and will most likely have to go through the complete relicensing process.

B2H POWER LINE. Mr. Chamberlin said that it sounds like Idaho Power is out doing ground acquisitions with regard the B2H power line.

GEM #2 POWER PLANT. Mr. Eells said that the Gem #2 Power Plant was put into service during this irrigation season. He said that the billing for the power is coming in and that USBR did a calculation of what lower wholesale power would have cost to run the facility. He said that the cost split between the two districts would be a 60/40 percent split at the lower USBR power rate. Mr. Horton said that it was his understanding that South Board was going to pay all of the bill for this initial season. Mr. Eells said that it was his understanding that the bill would be split, but that South Board would pay for all of the initial transfer costs.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 7:47 p.m.

Respectfully submitted,


Secretary

APPROVED: _____

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

October 19, 2021

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on October 19, 2021, at the District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 7:48 p.m. Jerry Nagaki, President of the District presiding.

The following Directors were present:

Dan Tschida	Jerry Nagaki
Eric White	Frank Ausman
Bruce Corn	

Also present were: Clancy Flynn, Manager, Jay Chamberlin, Outgoing Manager; Michael W. Horton, Attorney; and Linda Henderson and Greg Clark, community members.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on October 14, 2021.

PLEDGE OF ALLEGIANCE. President Jerry Nagaki led the Pledge of Allegiance.

MINUTES. Minutes of the meeting of the Board of Directors held on September 21, 2021, were mailed to the Directors prior to the meeting. A motion was made by Director Tschida, seconded by Director White, and unanimously carried approving the minutes.

DISTRICT FINANCIAL REPORT. Mr. Flynn handed out a financial report for the month. The Directors reviewed and discussed the financial report. Director White asked if the crew is liking the new backhoe and Mr. Flynn said that they are. Director Corn asked about the PPP2 loan forgiveness. Mr. Chamberlin said forgiveness of the loan has been applied for and should come through soon. Director Corn pointed out in the financial report that the accounts receivable are going up. Mr. Flynn said that he will check with staff on the reason for the increase. Director Corn said that maybe that liens will need to be filled on some delinquent accounts.

DISTRICT ACCOUNTS PAYABLE. Two lists of District accounts payable for the month were included in the Directors' packets. The lists were reviewed and discussed. The Directors asked some questions on a couple of the accounts. A motion was made by Director White, 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 the report. President Nagaki noted that the project

did pretty well this irrigation season. Mr. Chamberlin said that there are not a lot of anticipated costs other than the rebuilding of the trash rack.

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

Tekfinity	\$42.95
Century Link	186.18
AT&T	52.35
Nichols Accounting	<u>125.00</u>
TOTAL	\$406.48

CONCRETE PUMP. Mr. Flynn said that he received some proposals on concrete pumps. He said that besides looking into new pumps, he also looked into some used pumps. He said he found a pump which is larger than the new pumps being looked at, at a price of \$64,000. He said the pump is a 2018 model and is located in Oregon City. He said there are limited hours on the pump. He said that if a new pump is ordered, the wait time is 12 weeks out. He said the costs of the new pumps, which are smaller than the used pump he is looking at, are now up to \$65,000. He said the new larger machines run between \$82,000 to \$100,000 with delivery not happening until after April of 2022. He explained that renting a machine for the Kingman Lateral Project is \$8,000. Director Ausman said that he would prefer just renting a machine for now. The matter was discussed and after discussion, it was the consensus of the Directors not to purchase a concrete pump at this time and rent a machine for the Kingman Lateral Project.

DEAD OX PUMPING PLANT TRASH RACK PROJECT. Mr. Flynn reported on the Dead Ox Trash Rack Project. He said the demolition of the old structure and concrete removal is quite extensive. He said there is a lot of ground water coming in from the West which needs to get dried up for the work to continue. He said pumps have run for 24 hours a day, 7 days a week for the last week in trying to get the area dried out. The Directors discussed possibly having a field trip visit to inspect the Dead Ox Trash Rack Project next month.

BLM TALK. Clancy Flynn gave an update on a conference call he and Mr. Chamberlin had with BLM on their demand letter and the District's response with regard to the Mendiola Road fire. He said that he has asked for a reduction in the bill. He said he did get a fee breakdown from BLM. He said that USBR will be brought in for a general discussion, but they are not wanting to participate in discussing this particular matter. He said he is considering going ahead and paying a reduced billing amount with the investigatory costs taken out.

DIRECTOR POSITIONS. Mr. Horton explained that after publishing notice of submitting petitions for Director positions for the 1st and 3rd Divisions, only one petition for each division was filed. He explained that Oregon law provides that in such event, an election is not necessary and the individuals submitting petitions can be appointed as Directors. He said that Eric White submitted the only petition for the 1st Division and that Bruce Corn submitted the only petition for the 3rd Division. A motion was made by Director Tschida, seconded by Director Ausman, and unanimously carried appointing Eric White as Director of the 1st Division and

appointing Bruce Corn as Director of the 3rd Division, each to a three-year term beginning the 2nd Tuesday in January, 2022.

OLD OWYHEE DITCH BREAK LAWSUIT. Mr. Horton said that he received Tort Claim Notices with regard to the Old Owyhee ditch break. He said that he left word with the attorney representing the people making the claim and advising them that they have the wrong entity as Owyhee Irrigation District does not maintain or own the Old Owyhee Ditch. Mr. Flynn said that he received copies of the Tort Claim Notices and that he will send those into SDAO. The Directors discussed the ditch break. Director White said that there is a beaver in the Kingman drain ditch by the Highway 201 crossing.

OLD ESPLIN PLACE LEAKING PIPE. Mr. Chamberlin said that he spoke with the landowner operating the feedlot on the old Esplin place and the landowner is willing to pay for the pipe cost, but just for the amount of pipe to replace the old concrete structure where it goes through his property and not for the pipe cost to route the pipe around his property. Mr. Flynn explained that the total pipe cost for the project would be approximately \$75,000 and that the landowner is only willing to pay a little less than half of that cost. Director Ausman asked why the landowner doesn't reduce his operation to just one corral. Mr. Chamberlin said that he will bring in photos, information, and a map of the area for the Directors to review next month.

GREG CLARK. Mr. Clark said that he has an interest in Mr. Nagaki's Director position when he steps down. He explained his qualifications to be on the Board and what he could personally bring to the District as a Board member. Mr. Nagaki said that it will not be until March before he is ready to make a decision about stepping down or not. The matter was discussed. Mr. Horton was asked to provide the Board with a summary of the steps necessary to fill a Board vacancy and the qualification requirements for a director.

GEM #2 POWER BILL. The Directors discussed the request to pay a portion of the Gem #2 Pumping Plant power bill. Mr. Horton was asked to have the minutes of the Joint Committee from when the decision was made to allow South Board to proceed with the project, along with a summary of the contracts relating to the sharing of pumping power costs for the next Joint Committee meeting.

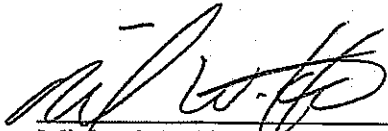
It was determined that the District will wait until after the Joint Committee meeting and until after a bill is received before making a decision on the proposed cost share, but the Directors did note that the reason they allowed South Board to move forward with the project was to conserve reservoir water.

RETIREMENT PARTY FOR MR. CHAMBERLIN. Director Ausman submitted some receipts for putting together a retirement party for Mr. Chamberlin. A motion was made by Director Tschida, seconded by Director White, and unanimously carried that Mr. Ausman's wife be reimbursed for the costs she paid for the retirement party.

GARBAGE PILE IN DIRECTOR TSCHIDA'S DIVISION. Mr. Flynn and Mr. Chamberlin said they went out and viewed the area with the large garbage pile and determined that it is not on District property and does not pose a threat to the District drains at this time.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 9:30 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____