

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

June 20, 2023

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on June 20, 2023, at Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 7:18 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; Carl Morton, Jerry Bowman, Michael Hartley, Darla Sebasto, and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on June 14, 2023.

MINUTES. Minutes of the meeting of the Board of Directors held May 16, 2023, were mailed to the Directors prior to the meeting. A motion was made by Director White, 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. Director White asked about the delinquent accounts. Mr. Flynn explained that the equipment repair expenses were mainly for tires in gearing up for the Kingman Lateral Pipeline work. He said that staff have not gotten to the Komatsu yet. He said the motor has come in. He said that gopher tails are up over last year, but that there are more leaks from gophers this year. President Tschida expressed his appreciation for getting the weeds sprayed.

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. Mr. Flynn explained the credit card charges which were part of the bills being reviewed. A motion was made by Director Corn, seconded by Director Clark, and unanimously carried approving the 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 financial report. Mr. Flynn said that both units at the power plant are running. One is running 800 kw and the other 720 kw.

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

AT&T	\$87.03
Nichols Accounting Group	210.00
Tekfinity	42.95
Century Link	<u>195.14</u>
TOTAL	\$535.12

DUNAWAY INSURANCE QUOTE. Mr. Flynn said that in reviewing the Dunaway Pumping Plant insurance coverage, it was noted that the electrical panels were not covered. The matter was discussed and it was determined that it would be looked into further and reviewed.

DEAD OX PUMPING PLANT INCIDENT. Mr. Flynn reported that on May 26 an electrical panel at Dead Ox exploded. He said that a loose wire appears to be the cause. He then explained staff's response in getting repairs made so that that water could be timely delivered to patrons on that system. He said there is still additional work that needs to be done, but that the water would have to be shut off completely for two days for the repairs to be made. He said this will impact the amount of water which can be delivered to the Dead Ox system. He said that the "Peewee" pump's wiring needs cleaned before it can be safely operated and that he is proposing not making those repairs made until the end of the season. He said the system may have to go to ¾ delivery. Director Clark said that so far things have worked well. The Directors discussed the fact that it is not physically feasible to deliver water from the North Canal to supplement water which the "Peewee" pump would have provided.

Mr. Flynn said that staff is still cataloging the parts needed before getting them all ordered. He said that an infrared camera has been purchased to check on the heat as a preventative measure. He said that the plant does need rewired and he will be getting quotes for the rewiring. Director Ausman said that he recalls a fund being dedicated to purchase new panels. The matter was discussed and Mr. Flynn said that he will check into that.

Director Clark said that he would like to see some safety protocols implemented for the pumping plants. The idea was discussed. Mr. Flynn said that some new safety protocols are being implemented. These include better signage, obtaining the infrared camera, and painting. He said that he does not have all of the bills for the repairs yet.

MICHAEL HARTLEY. Michael Hartley addressed the Board and asked if there is a policy preventing landowners from dumping waste water back into the main canal. He then explained a situation where his neighbor disked up a pipe and put in an open ditch which is then running back into the North Canal. He said that Mr. Flynn has been great to work with. He said that the waste water going back into the North Canal is now getting dirt into his drip station.

Mr. Flynn explained that District policy does not allow waste water to be put back into the canal. Mr. Hartley said this has been going on for three years and it is his understanding that the former manager gave permission for the waste water to be put back into the lateral

temporarily until the disked pipe could be repaired at the end of that season. He said that it has now been over three years and the landowner's water is still going into the canal. Mr. Flynn said that he has investigated the situation and the parties have agreed to the installation of a silt pond which was dug today. Potential solutions were discussed and Mr. Flynn will do a further investigation while Mr. Hartley works with the current tenant in attempting to get the landowner to make the repairs so that the waste water is no longer going into the North Canal.

FCA WATERSHED PLAN UPDATE. Mr. Flynn said that the watershed plan is now going into the scoping period. He said that the work is moving along at a snail's pace.

JERRY BOWMAN. Mr. Bowman addressed the Board and explained a situation where he purchased property in 2007, paid his water bill, and has not been able to get water to the property. He said the individual he bought the property from received grant money to put a line in and was supposed to run a pipeline to his property so that he could get his water. He said that the landowner never followed through on that and then passed away. He then asked if the District would provide the needed pipe and do the installation as he does not have funds to cover this. Carl Morton, who owns part of the property where the lines would need to cross, explained the current and past situation and provided his input. Mr. Flynn, the Board of Directors, and Mr. Horton explained to Mr. Bowman that the District only supplies water to the weir and that the landowner is then responsible to get it from the weir to the landowner's property. After the Board discussed the matter, it was their consensus to get water to the weir blade once Mr. Bowman gets the pipe installed to run it from the weir blade to his place.

EMPLOYEE COMMITTEE. Mr. Flynn said that he met with the Employee Committee and it sounds like they are close to the figures which the Board Committee discussed. Director White said that the Board Committee was thinking of a 4% increase this year with a 4% increase next year. He said the 4% each year would be broken down with a 2% base increase and a 2% performance-based increase. The matter was discussed and after discussion, the consensus of the Board is a 2-year contract with a 4% increase each year, as explained by Eric White, would be acceptable.

BANKING. Mr. Flynn said that he is still investigating potential banks for the District funds. He said that the chosen bank must be an Oregon bank. He said that in the interim, U.S. Bank has made some changes which have somewhat alleviated the need for a bank change.

2022 DISTRICT AUDIT. Mr. Flynn said that the 2022 audit has been completed and filed. He said that it was a clean audit and that the auditor will be coming next month to present the audit to the Board.

ACCOUNTING SERVICE. Mr. Flynn said that effective July 1, the District will no longer use Nichols Accounting for accounting services. He said that Brian Richins has agreed to oversee the District's accounting on a quarterly basis. The matter was discussed. Mr. Flynn said that the first payroll without Nichols Accounting went well with only one hiccup.

AUTOMATION AT DEAD OX PUMPING PLANT. Mr. Flynn said that the automation at Dead Ox Pumping Plant is inching closer.

MEMBERSHIP IN CHAMBERS OF COMMERCE. Mr. Flynn said that the District had been a member of the Chamber of Commerce for both Nyssa and Ontario. He said that he has not renewed those memberships.

PUBLIC COMMENT. Darla Sebasto thanked District staff for getting the Dead Ox Pumping Plant up and running.

WATER RIGHT TRANSFERS. Director White said that he would like to see that the Board be required to review water right transfers rather than management deciding.

RV STALLS. Director Asuman said that Mr. Flynn asked about installing RV stalls at the Dam Compound as a way to generate revenue. Mr. Horton said that this would fall under Joint Committee business. He said there may be some red tape hurdles in being able to do this. The consensus of the Directors is for Mr. Flynn to continue looking into the matter.

FUEL TANKS. The property which the District owns was discussed along with acquiring fuel tanks.

EXECUTIVE SESSION. At 9:17 p.m., the Board entered executive session pursuant to ORS 192.660(2)(h) to discuss potential litigation with Mr. Horton. The public audience left the meeting at that time.

RECONVENED REGULAR SESSION. At 9:27 p.m., the Board returned to regular session.

WATER CARRYOVER. The potential amount of water to be carried over at the end of the season was discussed.

KINGMAN PIPELINE. Mr. Flynn gave an update on the status of the Kingman Pipeline Project.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 9:40 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____

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

June 20, 2023

A meeting of the Joint Committee of the Owyhee Project was held on June 20, 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; Carl Morton, Jerry Bowman, Michael Hartley, Darla Sebasto, and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on June 14, 2023.

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

MINUTES. The minutes of the meeting of the Joint Committee held on May 16, 2023, were mailed to the Committee members prior to this meeting. A motion was made by Mr. Corn, 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. Mr. Flynn said that the Tunnel is running good. He said there is currently 1,200 cfs running through Tunnel. He said there are three pumps running at Dunaway.

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	\$61.95
Nichols	850.00
OIU	112.78
Five Rivers Law, P.C.	<u>530.75</u>
TOTAL	\$1,555.48

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. Mr. Flynn said that there is currently 150 cfs running through the power plant at the Dam.

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

AT&T	\$44.82
Nichols Accounting Group	880.00
Five Rivers Law, P.C.	530.75
Oregon-Idaho Utilities	<u>169.17</u>
TOTAL	\$1,624.74

PUMPBACK STORAGE. Mr. Horton and Mr. Flynn said that the pump back company filed a request to use a traditional licensing process with FERC to obtain a license for the proposed pump back storage facility. They said that the Districts filed a request to require the pump back company to use FERC's Default Integrated Licensing Process. On June 13, 2023, FERC issued a decision requiring the pump back company to use the Integrated Licensing Process as requested by the Districts. Mr. Horton explained that this would give the Districts a bigger seat at the table in the licensing process. A motion was made by Mr. Nielsen, seconded by Mr. Tschida, and unanimously carried approving and ratifying the FERC request.

USBR SITE INSPECTION. Mr. Flynn said that USBR conducted a site inspection. He said that it went well. He said that the buoy should be installed tomorrow.

MUSEUM AND DAM COMPOUND. Mr. Flynn said that the Museum at the Dam Compound is being refreshed. Mr. Eells said that it looks a lot better.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 7:16 p.m.

Respectfully submitted,



Michael W. Horton, Secretary

APPROVED: _____