

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

July 16, 2024

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on July 16, 2024, at Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 8:37 p.m. President Dan Tschida presiding.

The following Directors were present:

Bruce Corn	Gregory Clark
Eric White	Dan Tschida
Frank Ausman	

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

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on July 10, 2024.

AUDIT REPORT. John Russell, Auditor, handed out and presented the audit of the District for 2023. He said that the audit was clean. He said that the credit card use looked clean. Director Corn asked about the entry showing that Mitchell Butte Power Project owes \$287,000 to other funds. Mr. Flynn said that he will check into that. Mr. Russell said that in preparing the audit, no issues came to their attention. President Tschida asked if there are any changes in the way the District handles their finances which he would recommend. Mr. Russell said not at this time. He said that the District is doing a good job. He said that it is good to have to sets of eyes reviewing bank statements. The audit was discussed. At 8:42 p.m., John Russell left the meeting. Director Corn complemented Mr. Flynn and District staff for doing good work in getting a good audit.

MINUTES. Minutes of the meeting of the Board of Directors held June 18, 2024, were mailed to the Directors prior to the meeting. A motion was made by Director Ausman, seconded by Director White, 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. He then explained that the blanks in last month's report were actually journal entries and not accounts payable. He pointed out a discrepancy on page 9 of the report relating to revenue entries which needs to be corrected. He said that most of the accounts receivable from water users are current.

DISTRICT ACCOUNTS PAYABLE. A list of District accounts payable for the month and last month, together with a breakdown of credit card charges were included in the Directors' packets. The directors reviewed the accounts payable and credit card charges. Questions on some of the bills were asked and answered. A motion was made by Director Corn, seconded by Director Clark, and unanimously carried to approve this month's accounts payable and ratify payment of last month's accounts payable.

FUEL TANK. Mr. Flynn said that the electrical work is done on the fuel tank and that it has passed inspection and is hooked up. He said that the new tank is currently being constructed. He said that an impact barrier is currently being put up with the current tank. He explained that there was an issue with the card lock system for the tank as the manufacturer went out of business and that there is no support available for the product and a new card lock system will have to be purchased and installed before the fuel tank can be used. The matter was discussed.

SPRAYING WEEDS. Mr. Flynn said that spraying weeds along the District's right of ways has been going along but has slowed down with the recent heat.

AQUATIC TREATMENT. Mr. Flynn reported on aquatic treatments done. He said that there have been more treatments done this year than last year.

MITCHELL BUTTE POWER PROJECT:

Financial Report. A financial report for the Mitchell Butte Power Plant was included in the Directors' packets. The Directors reviewed the report. Mr. Flynn said that one unit is now running and is running good. He said the unit is running maxed out.

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

FATBEAM (Tekfinity)	\$42.95
AT&T	49.53
Owyhee Irrigation District	9,161.69
CenturyLink	<u>201.85</u>
TOTAL	\$9,456.02

DESIGN ENGINEERING AGREEMENT FOR KINGMAN PROJECT. Mr. Flynn explained that the District received only one qualified bid for the engineering design for the Kingman Project. The matter was discussed. After discussion, a motion was made by Director Corn, seconded by Director White, and unanimously carried to award the contract to RH2.

KINGMAN LATERAL UPDATES. Mr. Flynn said that he is currently waiting for the State of Oregon grant before purchasing pipe. He presented a proposed grant agreement with EPA for the project. He said that Mr. Horton reviewed the agreement. A motion was made by Director White, seconded by Director Ausman, and unanimously carried that the District enter into the grant agreement for the Kingman Lateral Project with EPA.

POLICY REVIEW. Mr. Flynn said that there are two District policies which were reviewed at prior meetings which the Directors asked him to make a few changes to. He explained the changes which he made. The policy on past due and non-use was discussed. A motion was made by Director Corn, seconded by Director Ausman, and unanimously carried that the proposed policy be adopted. A copy of the policy is attached to these minutes.

The proposed Wheel Moved Irrigation Crossing Policy was reviewed and discussed. A motion was made by Director White, seconded by Director Ausman, and unanimously adopting the Wheel Moved Irrigation Crossing Policy, a copy of which is attached to these minutes.

DEAD OX PUMPING PLANT. Mr. Flynn said that Bonneville Power representatives reviewed and were pleased with the recent Dead Ox Pumping Plant improvements and that they paid the District more than they had initially promised.

KOMATSU. Mr. Flynn said that he has an interested <sup>repair shop</sup> purchaser for the Komatsu machine. He said that there are remanufactured motors available with warranties. He said that the current motor could be pulled and rebuilt. He said that he will investigate the matter further.

OLD OWYHEE DITCH BREAK. Mr. Flynn reported on a recent Old Owyhee ditch break which Owyhee Irrigation District help in repairing. He said that he is keeping track of the help provided and at the end of the year will figure out the totals and come back to the Board to determine the amount to bill Old Owyhee.

PUBLIC COMMENT. Linda Henderson said that the Payette Fire District will be looking for a place to rent when the bridge is being replaced in 2026 or 2027.

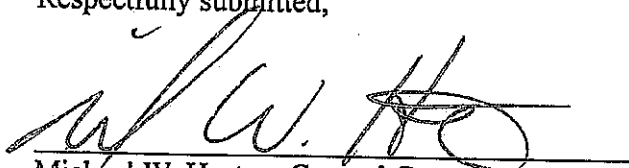
DIRECTOR COMMENTS. Director Ausman asked about dam staffing and training. Mr. Flynn provided an update. Director Ausman then asked when water users will be able to use their phones and get water usage reports. Mr. Flynn said that he will check into that and report back.

Director White asked about replacing the flag pole at the District office. Mr. Flynn said that there is a new flag pole which needs to be put up.

President Tschida asked about aquatic chemical treatments. Mr. Flynn explained the treatments and the Board discussed the matter.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 9:43 p.m.

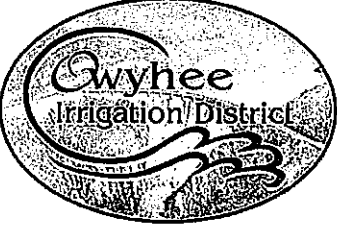
Respectfully submitted,

  
Michael W. Horton, General Counsel

APPROVED:

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	<b>Owyhee IRRIGATION DISTRICT</b> <b>Procedure:</b>	<b>APPROVED:</b>  _____ President Board of Directors
	<b>PAST DUE ACCOUNT/COLLECTION/NON-USE</b>	<b>DATE:</b> _____
Date of Revision: 7 <sup>th</sup> of DECEMBER 2022		

**A. Purpose**

- 1) To explain the District's procedure regarding the collection of balances owed by delinquent accounts & ensuring the beneficial use of irrigation water up to and including confiscation of water rights on parcels that have NOT beneficially used water rights for 5 consecutive years in congruent with Oregon's Revised Statute 540.610
- 2) To work together with Patrons to bring their accounts current as we must be fair & consistent with all members of the District.

**B. Policy**

- 1) This plan defines & implements the process of collections beginning from the initial delinquency of an account or non-use of water rights through the final step of confiscation at year 5 in accordance with District Water User Policy & Handbook.

**C. District Responsibility**

- 1) Maintain irrigation works to ensure water is available at the headgates.
- 2) Ensure equal treatment of patrons by ensuring all patrons pay their fair share of O&M assessments.
- 3) Ensure beneficial use to protect all irrigable acres within the district's boundaries from confiscation by outside interests.

**D. Account Owner (Patron) Responsibility**

- a) It is the responsibility of all patrons to pay the assigned Operations & Maintenance (O&M) Assessment fees annually by April 14<sup>th</sup> for all irrigated water acres assigned to the parcel/s under the owner's name.
- b) It is the responsibility of the patron to ensure water rights are beneficially used at minimum once every 4 years to prevent forfeiture of those water rights.
- c) It is the responsibility of the patron to install & maintain access to irrigated water in accordance with District policy.

## **E. Procedure**

### **1) Initial Delinquent Account (Year 1 of non-payment / non-use)**

1. An account is considered delinquent if payment in full is not received by the District every year by April 14<sup>th</sup>.
2. Each month following April 14<sup>th</sup> a report will be generated showing accounts that are delinquent. All accounts that are delinquent will incur a 1.33% interest fee until the account and all incurred fees are paid in full.
3. Water will not be accessible/delivered to accounts that have not been paid in full.

#### **Collection Steps:**

**Step 1** – When an account becomes 90 calendar days past due a letter along with a statement will be sent to the patron by mail or email notifying the patron that his or her account is delinquent, reminding the patron that payment must be made in full in order to receive irrigated water to the patron's property.

**Step 2** – At the end of the water season a past due letter along with a statement will be sent by mail notifying the patron that the account is delinquent & offering to set up a payment plan to bring the account current so water may be delivered.

If payment arrangements are made with a payment plan, any future interest fees will stop until the account is brought current. If the patron does not follow the payment plan, the interest fees will be charged from the date the account became delinquent.

### **2) 2 Years - Delinquent Account**

1. Patron has not paid the O&M Fees plus interest fees for the previous & current year.

#### **Collection Steps:**

**Step 1** – A letter of delinquent account & risk of forfeiture of water rights will be mailed or emailed to patron 90 days after current year's assessment invoice was sent out.

**Step 2** – At the end of the water season a past due letter along with a statement will be sent by mail giving the patron the option to set up a payment plan to bring the account current so water may be delivered.

If payment arrangements are made with a payment plan, any future interest fees will stop until the account is brought current. If the patron does not follow the payment plan, the interest fees will be charged from the date the account became delinquent.

### **3) 3 Years - Delinquent Account**

1. Patron has not paid the O&M Fees plus interest fees for the previous 2 years & the current year.
2. The District will complete a survey of the property to review and signs of beneficial use of the water rights for the delinquent account.

#### **Collection Steps:**

**Step 1** – A letter of delinquent account with risk of lien on property and forfeiture of water rights will be mailed to patron 90 days after current year's assessment invoice was sent out. Notification will include options to pay account in full & use water rights on the property to keep water rights in place or to relinquish water rights and closing the patron's account.

**Step 2** - At the end of the water season of the third year of non-payment and non-use of water rights, the District will initiate the lien process. An invoice will be generated with assessment charges to date, interest fees, attorney fees, filing fees, & all administrative fees including the title search.

The district will coordinate the notice of claim of Lien with the District's Attorney filed for the amount of the invoice generated with all fees to date.

The Patron will receive the notice of Lien by Certified Mail (return receipt requested) and First Class Mail.

### **4) 4 Years - Delinquent Account**

1. Patron has not paid the O&M Fees plus interest fees for the previous 3 years & the current year.
2. The District will complete a survey of the property to review and signs of beneficial use of the water rights for the delinquent account.

#### **Collection Steps:**

**Step 1** – At 4 years of non-payment and non-use of water rights, the District will send the 4<sup>th</sup> year non-use letter and all required accompanying documents by First Class Mail & Certified (return receipt requested) Mail to the Patron and all security interest holders listed against the property (as required by statute)

### **5) 5 Years - Delinquent Account**

1. Patron has not paid the O&M Fees plus interest fees for the previous 5 years & the current year.
2. The District will complete a survey of the property to review and signs of beneficial use of the water rights for the delinquent account.

#### **Collection Steps:**

**Step 1** – At 5 years of non-payment and non-use of water rights, the District will send the 5<sup>th</sup> Year Confiscation Letter and all required accompanying documents by First Class Mail & certified (return receipt requested) mail to the Patron, all security interest holders listed against the property, & the Oregon Water Resources Department (as required by statute) Patron has 30 days from the date the letter was mailed to dispute the confiscation & permanent removal of the unused water rights from the property (in writing) as per ORS 540.572, 540.574, & 540.576.

**Step 2** – If Patron fails to dispute or dispute is denied the District will petition the Water Resources Commission to transfer the water off the property. Petition must be received by OWRD no later than the end of the calendar year of the fifth year of non-use.

The application will contain the standard information required by OAR 690-385-2000, a copy of the notice that was previously sent to the patron, a copy of any timely objection received by the district and a copy of the conclusions resulting from any hearing held by the district.

Upon submission of a permanent transfer for non-use the district must:

- Provide notice to the patron that a district permanent transfer application has been submitted;
- Provide the patron a copy of the application and map; and
- Mail the notice, application, and map to the last known address of the patron by certified (return receipt requested) mail.

#### **Permanent Water Transfers**

1. The district receives final approval of the transfer from OWRD
2. The District will start the process to permanently transfer the water rights to an appropriate property. The fees associated with the transfer application will be paid by the patrons included in the application.

**F. Authority**

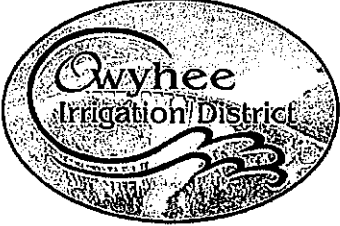
1. This procedure authorizes the Manager to:
  - A) Enter into payment arrangements that include payment plans that suspend interest fees to be paid by Patrons with delinquent accounts.



**APPENDIX A**

Estimated Cost by year for collections process

YEAR 1		
	COURTESY LETTER	
	MAILING/ADMIN FEES	\$50.00
YEAR 2		
	COURTESY LETTER	
	MAILING/ADMIN FEES	\$50.00
YEAR 3		
	LIEN COST	\$57.00
	ATTORNEY FEES	\$222.00
	TITLE SEARCH	\$420.00
	MAILING FEES	\$25.00
	ADMIN/SUPPLY FEES	\$75.00
YEAR 4		
	4 YEAR NON-USE LETTER	
	ATTORNEY FEES	\$100.00
	TITLE SEARCH	\$50.00
	MAILING FEES	\$30.00
	ADMIN/SUPPLY FEES	\$75.00
YEAR 5		
	5 YEAR NON-USE LETTER	
	ATTORNEY FEES	\$100.00
	TITLE SEARCH	\$50.00
	MAILING FEES	\$30.00
	ADMIN/SUPPLY FEES	\$75.00
	RECLAIM/TRANSFER FEES	
	OWRD TRANSFER REQUEST	\$1,600.00
	MAP REQUEST	\$200.00
	MAILING FEES	\$25.00
	ADMIN/SUPPLY FEES	\$75.00
	<b>Total estimated Cost</b>	<b>\$3,309.00</b>

	<b>Owyhee IRRIGATION DISTRICT</b> <b>Policy</b>	<b>APPROVED:</b> <hr/> President Board of Directors
	<b>Wheel-Moved Irrigation System Crossings</b>	<b>DATE:</b> <hr/>
	<b>Effective Date: 1 April 2024</b>	<b>Revision: 0</b>

**1. Purpose:**

- A. The purpose of this policy is to provide Owyhee Irrigation District (District) patrons with guidance for crossing District infrastructure with wheel-moved irrigation systems.
- B. The District will ensure the structural integrity of, and protect its ability to operate, maintain, improve, and use, its canal easements, rights of way, and other irrigation facilities. Therefore, the crossing of District infrastructure is discouraged and only allowable under circumstances where District's infrastructure cannot be economically or feasibly moved or altered thereby prevent the crossing of open waters controlled by the District.

**2. Policy:**

- A. Process and Terms for approval.
  - 1. Irrigation of lands not having water rights is illegal and termed as water spreading. Therefore, for wheel-moved irrigation system crossing approval to cross District facilities and easements/ROWs the landowner must cover all areas with irrigable acres or provide a clear plan for how the irrigation will stop at all non-irrigable lands.
  - 2. A landowner shall submit a request on the District approved Application for Permit form.
  - 3. Crossing of District facilities, such as laterals, canals, wasteways and drains with wheel moved irrigation systems will be permitted only in those situations where, in the opinion of the Board of Directors of the District, said crossings cannot otherwise be feasibly accomplished by the piping or relocation of District facilities.
  - 4. A landowner desiring to cross District facilities with a wheel-moved irrigation system shall, at the landowner's cost and expense, prepare and furnish the District with the necessary engineering design for the proposed crossing or crossings, which said design, shall be subject to the approval of the District.
  - 5. Each landowner shall execute and file with the District an application for a Crossing Permit for a Wheel-Moved Irrigation System upon forms prepared by the District. In the event a permit is granted by the Board of Directors, it shall be issued on such form as prepared and required by the District. In addition to such other special terms and conditions deemed necessary by District management to meet a particular physical situation, said permit shall contain the following general terms and conditions, all of

which are hereby adopted as a part of District policy with respect to crossing of District facilities:

- a. All bridges, in those situations where bridging is required, shall be constructed of fireproof material.
- b. Adequate footing shall be required and placed on each end of the bridge and set in the ditch bank in a permanent manner. After the commencement of the irrigation season, no work or construction interfering with the delivery of water shall be permitted.
- c. A minimum distance of eighteen inches (18") shall be required between the high-water mark of the channel and the bottom of the bridge.
- d. The landowner or operator, when directed by the District, shall remove bridges and/or other structures each fall at the end of the irrigation season and the same shall be replaced in the spring before commencement of water delivery, and said removal and replacement shall be at the cost and expense and the sole responsibility of the landowner and/or operator crossing the District facility.
- e. All bridges shall be a single span structure with sufficient strength to carry the required load.
- f. All District service roads along the channel shall be adequately protected.
- g. The wheel travel path of the wheel-moved irrigation system crossing the service road of the channel and the off-road shall be reinforced with rock and/or gravel to a sufficient depth and width to adequately support the load without causing rutting.
- h. The normally traveled service road of the District channel and the required off roads shall be protected from both rutting and erosion with sufficient gravel surface as directed by the District to be furnished, placed and maintained by the landowner or operator.
- i. Channel and roadway slopes shall be adequately protected from erosion and, wherever possible, shall be accomplished by the seeding of a type of grass designated by the District. Said seeding to be performed at the cost and expense of the landowner or operator. If said grass seeding is performed by the District, the landowner shall reimburse the District for the cost thereof.
- j. When the wheel-moved irrigation system crossing a District facility is not operating, it shall be stopped in a location so as not to obstruct the District roadways. Non-moving wheel irrigation systems shall not be operated on District facilities except to move across the same while changing location.
- k. Surface drainage from fields adjacent to the ditch shall be disposed of in an orderly manner. If spill pipes are required to dispose of surface water, the same shall be installed and paid for at the expense of the landowner and/or

operator in accordance with the instructions and specifications of District management.

- l. Irrigation system applied chemigation practices, including fertilization, over and into District facilities is disallowed and therefore is prohibited from said systems. Unless an adequate design is achieved and presented to the District that will prevent chemigated water from entering District controlled facilities and waterways.
- m. At all locations where towers of center-pivot and lateral moved systems cross District service roads, an extra-width road shall be constructed and maintained in accordance with District specification.
- n. A clearance of 13.5 feet shall be required of center-pivot and lateral- moved irrigation systems unless an alternate route is provided around the channel in which case the clearance shall be not less than seven (7) feet.
- o. All costs of the District incurred as the result of the granting of the permit to cross District facilities, (such as but not limited to, additional operation and maintenance costs, repairs and damages to District facilities and equipment), shall be paid to the District within thirty (30) days of billing and if not paid within said time, said charges shall bear interest at the rate specified, and as hereafter amended. At the date of this resolution the current interest rate is 12% per annum.
- p. The landowner and/or operator shall hold the District harmless from any cost, claim, expense, damage or liability to any person for personal injury or property damage, including crop damages, arising or alleged to have arisen, as the result of the operation of the landowner's wheel moved irrigation system over, along and across District facilities.
- q. In the event any sums billed to the landowner for the additional costs of the District are not paid, the District may refuse to deliver water to the lands irrigated by said wheel-moved irrigation system until said payment has been made. In no event shall water be delivered to the said lands for the ensuing year until said charges have been paid in full.
- r. In the event the landowner and/or operator violates or refuses to perform any of the terms and conditions of the permit, or fails or refuses to operate said wheel moved Irrigation system as directed by the District so as not to unduly endanger District facilities or interfere with the necessary operation and maintenance activities of the District, the District may (1) revoke the permit by giving thirty (30) day written notice thereof; (2) refuse to deliver water to the land being irrigated, either during the irrigation season or prior to the delivery of water for the ensuing year, or (3) take such other action as the District may determine to be necessary to adequately protect the interests of the water users of the District.

- s. The terms and conditions of said permit shall be binding upon the landowner, his/her heirs, assigns and successors and that said terms and conditions shall be covenants running with the land irrigated by the wheel-moved irrigation system.
  - t. In the event the actual operation of the wheel-moved irrigation system proves to be, in the opinion of the District, unduly costly, damaging or dangerous to District facilities or to the rights of other water users as to the delivery of water through District facilities, the permit to cross District facilities may be revoked by the District at the end of any irrigation season or, at the option of the District, said permit may be revoked immediately if necessary to prevent serious damage to District facilities or downstream water users.
  - u. Upon any termination of a permit to cross District facilities, either by the District or by the landowner or his successors, all bridges and structures shall be removed by the landowner or his successor. If not so removed within thirty (30) days, said bridges and structures shall be removed by the District and the cost thereof charged to the landowner or operator.
  - v. Permits will not be granted to cross District facilities for the purpose of irrigating lands not entitled to receive water from the facilities of the District.
6. A copy of this policy shall accompany the approved permit. The provisions hereof shall be incorporated in each permit by reference.
  7. An application fee that is set by the District is hereby imposed for each application for a permit to cross District facilities with a wheel moved irrigation system.
  8. Any application for a permit, and the permit, if issued, shall be signed by the owners of the land sought to be irrigated and, in the event said land is not farmed by the owners thereof, said application and permit shall also be signed by any lessee or operator of said owner.
  9. The terms, conditions, and covenants of this policy and of any permit issued pursuant hereto, shall be binding upon the landowner or applicants, their heirs, assigns and successors. That the District, at its option, in the event the land irrigated by the wheel moved irrigation system crossing District facilities is conveyed or transferred by the owner thereof, may require as a condition to the continued crossing of District facilities, the subsequent owner or transferee to secure and execute the required permit for the crossing of District facilities, and unless said permit is executed the District shall revoke and terminate the existing permit.
  10. The District Manager and personnel are hereby authorized and directed to establish and maintain cost accounting and billing procedures and methods for the purpose of accurately ascertaining the additional operation and maintenance and other costs incurred by the District in the crossing of District facilities in order that said additional cost and expense will be charged to and paid by those land owners and operators receiving the benefits and convenience of the crossing of District facilities

with wheel-moved irrigation systems. In the event it is hereafter determined that the crossing of District facilities by wheel-moved irrigation systems is resulting in an overall increase in operation and maintenance costs of District facilities which are not directly reimbursed by those persons crossing District facilities, the District may, at its option, impose an annual charge for the crossing of its facilities, which said annual charge shall be applicable to all persons securing permits and which said charge shall be for the purpose of assuring that the increased costs to the District resulting from permitting its facilities to be crossed by wheel-moved irrigation systems shall be paid by those persons receiving the benefit thereof.

11. All decisions with respect to this policy and the matters herein set forth are hereby vested in the District Manager. Any person feeling aggrieved by the final decision of the Manager may appeal any decision or determination thereof to the Board of Directors of the District. Said appeal shall be in writing, addressed to the Board of Directors and the District Manager, setting forth the decision complained of and why said decision of the Manager is considered erroneous. Said appeal shall be heard at the next regularly scheduled meeting of the Board of Directors and said person so appealing shall have the opportunity to be present and heard relative thereto.
12. Landowners and/or operators shall adhere to State and Federal water pollution control rules and regulations when crossing District facilities such as canals, laterals, wasteways, and drains with wheel-moved irrigation systems. The Oregon Department of Agriculture has regulatory authority over the placement of pesticides and fertilizers into irrigation systems. The Oregon Department of Environmental Quality has regulatory authority over water pollution control.
13. The policy adopted herein may be amended, modified or repealed at any time by resolution of the Board of Directors as it may determine to be in the best interests of the District and its water users.

## Appendices

### *A. Retention:*

1. *Database on file at District.*

### *B. Forms:*

1. *Forms are available at the District business office reception desk.*
2. *Forms must be completed in full. Do not leave any blanks unfilled.*
3. *Forms must be signed and dated by the applicant on the front page and initialed and dated on pages as indicated to insure they understand the conditions and terms of the permit.*
4. *Completed forms must be returned to the District allowing a minimum of 30 days for processing.*
5. *Available license forms include:*
6. *"Crossing Permit Application."*

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

July 16, 2024

A meeting of the Joint Committee of the Owyhee Project was held on July 16, 2024, at the Owyhee Irrigation 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	Bruce Corn
Gregory Clark	Frank Ausman
Chris Landa	

Also present were: Clancy Flynn, Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; Carl Sieders, South Board Manager; Dan Tschida, (OID Alternate); John Russell, Auditor; and Debra Odett, Darla Sebasto, and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on July 10, 2024.

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

MINUTES. The minutes of the June 18, 2024, meeting of the Joint Committee were mailed to the Committee members prior to the meeting. A motion was made by Mr. Corn, seconded by Mr. Ausman, 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 Power Plant is producing 6.6 megawatts. Mr. Corn questioned the credits the District is receiving for line loss. Mr. Flynn said that he will check into that and report back.

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

E4 Connect	\$117.00
Owyhee Irrigation District	<u>19,467.27</u>
TOTAL	\$19,584.27

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 the plant is running at about 5.1 megawatts. Mr. Flynn noted that the report is also showing a credit for line loss.

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

E4 Connect	\$117.00
AT&T	66.19
Owyhee Irrigation District	<u>21,910.88</u>
TOTAL	\$22,094.07

2023 AUDIT. Mr. Russell handed out a portion of his firm's audit of the Owyhee Irrigation District. He said the portion that he is handing out is the portion relating to the hydro electric projects. He went through the handouts as the Committee members reviewed them. Mr. Russell said that the audit went well and that they did not run into any issues. Mr. Corn asked if appropriate controls are in place. Mr. Russell said that they are with Mr. Richins looking in.

HYDRO REVENUE SHARING COMMITTEE RECOMMENDATIONS. Mr. Corn, Mr. Horton, and Mr. Flynn presented and explained the recommendations of the Hydro Revenue Sharing Committee. They recommend that a September 1 through August 31 fiscal year be used to calculate the net revenue of the hydro projects. They explained that this will allow the District managers to accurately prepare their budgets. They recommend that any hydro revenue distributions be made once a year. They presented revenue allocation flow charts for the Tunnel and Owyhee Dam Power Projects. These flow charts are attached to the minutes. The flow charts illustrate the proposed revenue allocations for 2024.

Mr. Horton explained that he and Mr. Richins were able to look at the old financial records for the power projects at Nichols Accounting to investigate what became of the contributed capital which had shown on old financial reports, but was no longer showing on more recent financial reports. Mr. Horton said that the records indicate that the contributed capital for the Owyhee Dam Power Project was paid back to the Districts in 1986.

The Joint Committee acting as the Power Committee discussed the recommendation of the Revenue Sharing Committee. Mr. Ausman suggested having a celebration of some sort to celebrate paying off the hydro loans. Following discussion of the Revenue Sharing Committee's recommendation, a motion was made by Mr. Ausman, seconded by Mr. Landa, and unanimously carried that the recommendations of the Hydro Revenue Sharing Committee, as set out in the flow charts attached to these minutes, be adopted and that the hydro projects use a September 1 through August 31 fiscal year for determining net revenues, and that any distributions of net revenue to the Districts occur only once a year. Mr. Horton said that a couple of provisions in the 1988 Restated Intergovernmental Agreement will need to be amended.

EXCESS WATER. Mr. Flynn said that there are some water users who are getting close to running out of water and are asking if excess water will be available. The matter was discussed. Debra Odett explained why she would like to receive excess water. Following discussion, a motion was made by Mr. Corn, seconded by Mr. Ausman, and unanimously carried to allow excess water for this irrigation year.



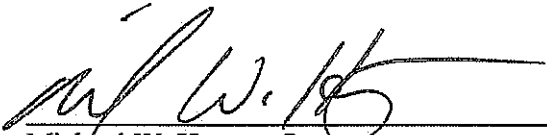
QUAGGA MUSSELS. Mr. Flynn said that Owyhee Irrigation District has put information up on their website about quagga mussels. He said that he and some staff members took an ODFW staff member on a tour to show them where a boat inspection station should be located. Mr. Flynn said that ODFW informed him that the problem will be funding a staff position to operate the inspection station. Mr. Flynn said that the idea of a toll road was floated again. He said that he will talk to OWRC about the toll road idea. He said that legislation would be necessary to allow such a toll road. Mr. Tschida suggested contacting Cliff Bentz about seeking funding for fighting quagga mussels.

UPCOMING TOURS. Mr. Flynn said that the John Keyes tour of the Owyhee Dam will be on Wednesday and Thursday.

FIRE BY DAM COMPOUND. Mr. Flynn reported on the recent fire by the Dam Compound. He said that the fire did not hurt the facility.

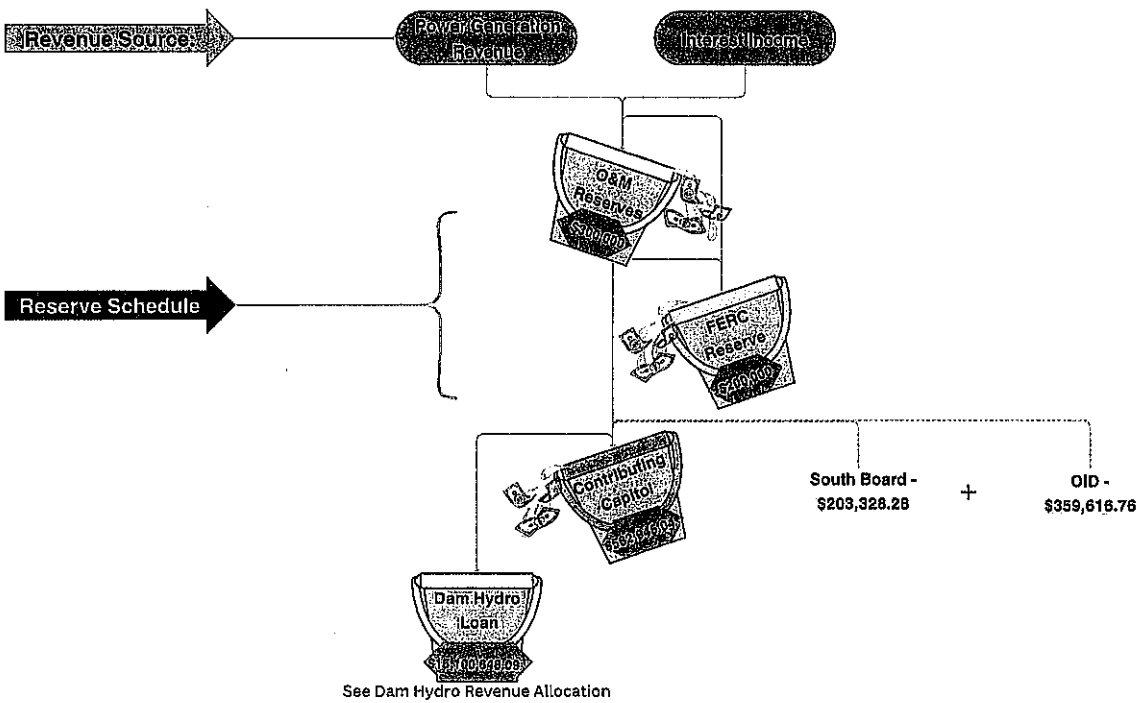
ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 8:36 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Michael W. Horton, Secretary

APPROVED: \_\_\_\_\_

# Tunnel Net Revenue Allocation 2024



# Dam Hydro Net Revenue Allocation 2024

