

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

February 19, 2019

The regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on February 19, 2019, at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, at 106 Main Street, Nyssa, Oregon, at 10:00 a.m. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Bruce Corn	Frank Ausman
Dan Tschida	Eric White
Jerry Nagaki	

Also present were: Jay Chamberlin, Manager; Michael W. Horton, Attorney; Harvey Manser, Assistant Manager; and Linda Henderson and Darla Sebasto, District Patrons.

MEETING NOTICE. The meeting agenda showed that public notice as to the meeting was given on February 13, 2019.

MINUTES. Minutes of the meeting of the Board of Directors held on January 22, 2019, 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.

JOINT COMMITTEE ALTERNATES. Mr. Horton said that at the Joint Committee meeting last month that the South Board said that they had named John Eells as an alternate to the Joint Committee. He said he spoke to John Eells about the matter and received some correspondence from Albert Barker with regard to the matter. Mr. Horton said that he researched the contract and old Joint Committee minutes. He said the contract does not address alternates and only provides that Joint Committee members must be members of the South Board or North Board. He said historically alternates have been members of the South Board or North Board. The matter was discussed and after discussion, it was the consensus of the Board members that Joint Committee alternates must be members of the North Board or South Board.

DISTRICT FINANCIAL REPORT. Mr. Chamberlin handed out a financial report which the Directors reviewed and discussed.

DISTRICT ACCOUNTS PAYABLE. Two lists of the District accounts payable for the month were included in the Directors' packets. The Directors reviewed the lists and asked questions. A motion was made by Director White, seconded by Director Ausman, and unanimously carried approving payment of the accounts payable. Bulldozers were discussed.

MALHEUR SIPHON PROJECT. Mr. Chamberlin gave an update on the Malheur Siphon Project. He said that the contractor did the final work and Reclamation is content with the work. He said that OID staff still have grout and dirt work to do, along with sleeve welding. He said that there is about two weeks of work to be done, but that water could be run through the siphon if it needs to.

MITCHELL BUTTE POWER PROJECT.

Financial Report. A financial report for the Mitchell Butte Power Project was included in the Directors' packets. Mr. Chamberlin handed out a year-end report for the project. The Directors reviewed the report. Mr. Chamberlin said that one unit has been repaired, but is not yet back in the hole.

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

Century Link	\$112.52
Takfinity	42.95
Riverside	30,458.28
Nichols Accounting	<u>240.00</u>
Total	\$30,853.75

NYSSA BUILDING. Mr. Chamberlin said that with the Agri-Service building being purchased, renovations have been started. He said the moving is going slow with the crew still laying pipe in the field. He said the phone and internet systems are being updated. He said the plan is to have the office staff moved in on March 18. He said the shop stuff will move over as it can. He said the boardroom will come later.

VISTA VIEW PIPELINE PROJECT. Mr. Chamberlin said that Warrington Construction came in as the low bidder on the Vista View project. The matter was discussed and after discussion it was the consensus of the Board to award the Vista View installation contract to Warrington Construction and move forward with the project.

FCA MODERNIZATION PROJECT. Mr. Chamberlin said that representatives from FCA are here now working with the ditch riders to get every irrigated acre under each head gate identified. He said there is great potential for the modernization plan to help with getting grants. Pipeline projects and potential future grants were discussed. Mr. Chamberlin said that the plan has tremendous potential. Contracting out grant writing was discussed. The Board discussed potential infrastructure refurbishment projects.

2019 BUDGET. Mr. Chamberlin handed out a budget from Nichols Accounting which integrated the incurred charges set by the Board last month. The Directors reviewed the budget. Director White asked if it is still okay to take \$1.00 out of the Mitchell Butte Project. Mr. Chamberlin said that it is there. He said that potential electrical generation is looking good. He said he is still looking for a plane to fly the snow course and Board members provided names of potential pilots. A motion was made by Director White, seconded by Director Corn, and unanimously carried that the 2019 budget be adopted as presented.

NICHOLS ACCOUNTING ENGAGEMENT LETTER. Mr. Chamberlin presented a proposed engagement letter with Nichols Accounting. The proposal was discussed and after discussion, a motion was made by Director Tschida, seconded by Director Ausman, and unanimously carried accepting the proposed engagement letter and authorizing Mr. Chamberlin to sign it.

WESTERN U.S. WATER ISSUES. Mr. Chamberlin explained to the Board issues affecting Western U.S. waters. The Board discussed the issues focusing on those throughout Oregon and Washington impacting irrigation districts.

SNIVELY WALL AND FLUME. Director White asked how the repair to the Snively wall and flume is holding up. Mr. Chamberlin said that the repair is holding up very well. He said the Kingman Lateral is one that staff still has to keep an eye on.

SDAO ANNUAL MEETING REPORT. Mr. Horton, Mr. Chamberlin, and Mr. Nagaki reported on the SDAO annual meeting which they recently attended.

LINDA HENDERSON COMMENTS. Linda Henderson asked about the annual patron meeting. Mr. Chamberlin explained the reasons behind not having a patron meeting this year.


AGRI-SERVICE BUILDING. Potential fencing and signing at the Agri-Service Building were discussed.

EMPLOYEE ANNUAL TRAINING. Mr. Chamberlin said that the annual employee training went quite well. He reported on safety training involving tourniquets and defibrillators. He said the District currently has defibrillators, but may want to look into tourniquets. The matter was discussed and the consensus of the Board is that anything that can save life or limb is worth investigating.

FIRE TURNOUTS. Director Tschida asked about fire turnouts on some of the siphons. Mr. Chamberlin said that those turnouts which have been installed have been used and are working well. A turnout for the Adrian area was discussed. Director White said that Sunset Valley is an area which could use a turnout.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 12:00 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____

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

February 19, 2019

A meeting of the Joint Committee of the Owyhee Project was held at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, at 106 Main Street, Nyssa, Oregon, on February 19, 2019, at 1:00 p.m. Eric White, Chairman, presiding.

The following members of the Joint Committee were present:

Eric White	Frank Ausman
Bruce Corn	Brett Nielsen
Dan Tschida	Rick Smith

Also present were: Jay Chamberlin, Manager of the Hydro Projects; John Eells, South Board Manager; Harvey Manser, OID Assistant Manger; Michael W. Horton Secretary and Legal Counsel; Linda Henderson and Darla Sebasto, OID Patrons; and Jerry Nagaki OID Alternate.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on February 13, 2019.

MINUTES. The minutes of the meeting of the Joint Committee held on January 22, 2018, were mailed to the Committee members prior to this meeting. A motion was made by Mr. Tschida, seconded by Mr. Nielson, and unanimously carried approving the minutes.

ALTERNATE REPRESENTATIVES TO JOINT COMMITTEE. The Committee members discussed alternates to the Joint Committee. Historically alternates have been members of the North Board or South Board. At last month's meeting, Brett Nielson said that the South Board had designated John Eells as being South Board's alternate. The matter was discussed and after discussion, it was the consensus of the Committee members that alternates to the Joint Committee must be members of the South Board or North Board. Mr. Nielson said that the South Board will bring a name for an alternate who is a member of the South Board to next month's meeting.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Chamberlin handed out two financial reports for the Tunnel #1 Power Plant. One report was the year-end and the other was for January. The Committee members reviewed the reports.

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

Oregon-Idaho Utilities	\$112.50
Stunz, Fonda, Kiyuna & Horton, LLP	567.50
Nichols Accounting	<u>340.00</u>
TOTAL	\$1,020.00

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Chamberlin handed out two financial reports for the Owyhee Dam Power Project. One report was the year-end and the other was for January. The Committee members reviewed the reports.

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. Tschida, and unanimously carried approving payment of the following accounts:

Oregon-Idaho Utilities	296.48
Nichols Accounting	<u>340.00</u>
TOTAL	\$636.48

TUNNEL POWER PLANT MAINTENANCE. Mr. Chamberlin said that PLC work needs done. He said they are looking at other possible vendors who are closer and could also help with automating the pumping plants. Mr. Chamberlin said that the wicket gates for the Tunnel Power Plant are being inspected.

IRRIGATION GATES. Mr. Chamberlin said the irrigation gates behind the guard gates have been lubricated and cleaned up.

WATER FORECAST. Mr. Chamberlin said that the potential to fill the reservoir is there. He explained the water situation throughout the watershed. He said that Wild Horse Reservoir is close to full. He said that Mud Flat has snow but is weather dependent for runoff. He said that overall the watershed is looking good. He said he spoke with a meteorologist who told him that March and April are predicted to be drier than normal while May and June are predicted to be wetter. Mr. Chamberlin said that he feels very good that the project will have a comfortable water year. He said the Snake River system is looking good.

OWYHEE DAM POWER PLANT. Mr. Chamberlin said that there is some computer work at the power plant that needs to be cleaned up. He said that other than that, the dam plant can be run now if needed.

FERC LICENCE RENEWAL FOR POWER PLANTS. Mr. Chamberlin said that he made contact with Reclamation staff at a Tri-States meeting about re-licensing the power plants through Reclamation instead of FERC. He said he has since met with more Reclamation staff with regard to the matter. He said he will continue with those discussions. The Committee discussed re-licensing. Mr. Corn reminded the Committee members that the whole reason the hydro projects were done was to maintain control over their operations and avoid conflicts with irrigation demands rather than having a third party run the hydros.

HELLS CANYON RE-LICENSING. Mr. Eells reported that at the Federal In-stream Coalition meeting he recently attended he received an update on the status of the Hells Canyon re-licensing. He advised the Joint Committee on the status.

B-2H POWER LINE PROJECT. Mr. Eells said that he met with Idaho Power representatives with regard to potential tower and bridge placements for the B-2H Power Line Project. He said that the actual placements have not been determined yet and that they are operating within a one-mile corridor.

ADJOURNMENT. There being no further business, the meeting was adjourned at 2:00 p.m.

Respectfully submitted,


Secretary

APPROVED: _____