

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

February 21, 2023

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on February 21, 2023, at Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 10:00 a.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; Darla Sabasto and Linda Henderson, Members of the Public; and Chet Crawford and John Kauer, Riverside Electric.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on February 15, 2023.

PLEDGE OF ALLEGIANCE. President Dan Tschida led the Pledge of Allegiance.

MINUTES. Minutes of the meetings of the Board of Directors held on January 10 and January 17, 2023, were mailed to the Directors prior to the meeting. A motion was made by Director Corn, 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. Mr. Flynn said that less money was spent this January than last January.

DISTRICT ACCOUNTS PAYABLE. Two lists of District accounts payable for the month were included in the Directors' packets. The Directors reviewed the lists. A motion was made by Director White and was seconded by Director Corn to pay the bills. A vote on the motion was had and it passed unanimously.

MITCHELL BUTTE POWER PROJECT:

Financial Report. The Directors noted that there was not a financial report in the packet for Mitchell Butte Power Project. Mr. Flynn said that with Kris Ward retiring, staff is still sorting through what needs to be in the Director packets.

Accounts Payable. The agenda listed the accounts payable for the Mitchell Butte Power Project. Director Corn said that he thinks that the District does not normally reimburse OID for administrative costs, but rather when funds are moved to pay on the budgeted amount to be received from Mitchell Butte. Mr. Flynn said that this is another item which staff is addressing. He said that staff is changing the way bills are sent to Old Owyhee and South Board of Control. He said that he met with the managers of both entities and they were good with the new approach. A motion was made by Director Ausman, seconded by Director White, and unanimously carried approving payment of the following accounts payable:

Nichols Accounting Group	\$121.43
OID	<u>1,409.35</u>
TOTAL	\$1,530.78

RIVERSIDE ELECTRIC. Chet Crawford and John Kauer from Riverside Electric said that they came to the Board meeting to observe and to reiterate that they are still interested in doing work for the District. They said that they have expanded their shop and can now do a lot of hydro work and pumps. Mr. Flynn said that the District did use them on a recent project. He said that having Steve working for the District has really cut down on the need for outside maintenance work. Mr. Crawford said that Riverside has a pretty good staff right now that can handle more projects.

EMPLOYEE HANDBOOK POLICIES. Mr. Flynn handed out proposed updated Employee Handbook Policies, including PPE, hardhat, and harassment policies. The policies were reviewed by the Directors and discussed. After discussion, a motion was made by Director White, seconded by Director Ausman, and unanimously carried approving the policies.

COMBINATION POLICY FORM. Mr. Flynn presented his latest draft of the proposed Combination Policy Form. The Directors reviewed and discussed the form. They determined that owners do need to sign the form. There was an in depth discussion on the matter. Measuring devices were discussed. After discussion, a motion was made by Director White, seconded by Director Corn, and unanimously carried adopting the policy for this year to be looked at next year, and including the requirement that owners need to sign off.

GRANT APPLICATIONS. Mr. Flynn said that the federal funds have been awarded on the Kingman Pipeline Project and that he is now pursuing different funding sources to make up the difference. He said that he is also looking at funding for some variable speed pumps and that application needs to be in by March 3. The matter was discussed and after discussion, a motion was made by Director Corn, seconded by Director Ausman, and unanimously carried that the District move forward on the grant and legislation funding applications.

KINGMAN PIPELINE PROJECT. Mr. Flynn said that he worked with Greg Clark on pipe sizes for the project and it looks like the District will be able to reduce the pipe size. Mr. Clark explained his analysis and there was a lengthy discussion on pipe for the project. Mr. Flynn said that he will now be going to the Family Farm Conference in Reno in order to investigate some resources on piping. He said that he is waiting for the federal rules and strings that will come with the federal funds for the project.

PROPERTY SALE. Mr. Flynn said that the sale of the property across the street from the office is on life support. He said that the earnest money is now available to the District, but the realtor suggested leaving it there as a way to potentially resurrect the deal. He said that he is waiting to hear from the realtor.

FUEL TANKS. Mr. Flynn said that he did an analysis on potential savings if fuel tanks were in place during the years 2021 and 2022. He presented his analysis to the Directors. He said that \$20,000 could have potentially been saved in 2021 and \$31,000 could have potentially been saved in 2022. He said that he has found some cheaper tanks and he will look at the budget and see if the District can afford one tank for gas. Potential tank placement was discussed. He said the estimated cost is around \$90,000 for a 15,000 gallon tank.

PL566 UPDATE. Mr. Flynn said that the RFP went out on the PL566 Project. He said that about 12 to 15 bid packets were picked up. He said that the bid opening will be during the District's March Board meeting.

KOMATSU. Mr. Flynn said that the District can get a used engine for the Komatsu for \$8,500. Brian Hartley joined the meeting to explain the current status of the Komatsu and the potential engine at 11:41 a.m. Director Ausman suggested putting the engine in and selling the machine. The matter was discussed, and after discussion, a motion was made by Director Clark to purchase the engine for \$8,500. Director Corn seconded the motion. A vote on the motion was had and Directors White, Corn, Clark, and Ausman voted in favor. Director Tschida voted against and the motion passed on a vote of four to one. Brian Hartley left the meeting at 11:48 a.m.

SURPLUS PROPERTY. Mr. Flynn presented a list of property to surplus. He explained the items on the list and the reasons for needing them surplus. A motion was made by Director Corn, seconded by Director White, and unanimously carried declaring the following property as surplus and authorizing the manager to sell it:

Edwards Mower  
1969 Keiser Water Truck  
Power Lift Gate From Yukon  
1985 Autocar Dump Truck  
Shotcrete Line Pump

MEETING RECESSED. At 11:55 a.m., the meeting was recessed to reconvene after the Joint Committee meeting.

MEETING RECONVENED. At 1:38 p.m., the meeting was reconvened and Dallas Waldo joined the meeting.

INSURANCE. Dallas Waldo gave a presentation on the District's insurance. He reminded the Directors and Mr. Flynn of the need to go through pre-loss legal when disciplining or terminating an employee in order to avoid the insurance deductible. Mr. Horton explained the process and said that it does slow down the process for disciplining employees. Mr. Waldo passed around handouts on the insurance renewal. He went through and explained the coverages. He explained that there is potential cyber liability exposure to the District and that there are policies available. The Board discussed the matter and after discussion, it was the consensus of the Directors to have Mr. Waldo look into available cyber liability policies.

Mr. Waldo said that the District's Workers' Compensation Policy is up for renewal on July 1. He said that SDIS is partnering with SAIF so things may look a little different when it is time for renewal. He said the District has a great experience rating. He said the District's Safety Committee has done a good job. Potential training resources which Waldo Agency can provide on safety and harassment were explained. Mr. Waldo will get information on potential demos to Mr. Flynn.

STATE LEGISLATION. Mr. Flynn said that he testified before a State Legislative Committee on potential legislation for OWRC.

PIPELINES. Mr. Flynn explained planned work on pipeline projects for this offseason.

OFFICE FURNITURE. Mr. Flynn said that office furniture was rearranged and some new furniture was purchased for the office.

INCURRED CHARGES AND DISTRICT WEBSITE. Mr. Flynn said that a blurb was put on the District's website and Facebook page as to why the incurred charges were increased. The Directors said that the calls they have received from patrons have been very understanding as to why the charges were up. Mr. Flynn said that he has received very few calls at the office on the rate increase. He said that a lot of payments have already come in. Director Corn said that the District's website updates have been great. Mr. Flynn said that the portal is now open and people are starting to sign up.

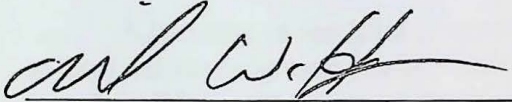
PUBLIC COMMENT. President Tschida asked for public comment. Darla Sabasto said that she was wondering about the Combination Policy, but that she now understands it.

EXECUTIVE SESSION. Mr. Horton said that an executive session is needed pursuant to ORS 192.660(2)(h) to meet and discuss with legal counsel. The Board entered executive session at 2:10 p.m.

The Board returned to regular session at 2:33 p.m.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 2:34 p.m.

Respectfully submitted,

  
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Michael W. Horton, General Counsel

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

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

February 21, 2023

A meeting of the Joint Committee of the Owyhee Project was held on February 21, 2023, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 1:00 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	

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; Dellas Waldo, Insurance Agent; Darla Sabasto and Linda Henderson, members of the public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on February 15, 2023.

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

MINUTES. The minutes of the January 17, 2023, meeting of the Joint Committee were mailed out prior to the meeting. A motion was made by Mr. Ausman, seconded by Mr. Tschida, 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.

Tunnel #1 Power Project Accounts Payable. The Committee members reviewed the accounts payable listed on the agenda for the Tunnel #1 Power Project. Questions on the bills were asked and answered. A motion was made by Mr. Corn, seconded by Mr. Tschida, and unanimously carried approving payment of the accounts payable as follows:

Nichols Accounting Group	\$373.99
Oregon-Idaho Utilities	113.66
Five Rivers Law, P.C.	<u>1,100.00</u>
 TOTAL	 \$1,587.65

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.

Owyhee Dam Accounts Payable. The Committee members reviewed the accounts payable listed on the agenda for the Owyhee Dam Power Project. The payment to SDIS for insurance was discussed and it was noted that it needs to be divided between the Dam and Tunnel Projects and if any of the premium is attributable to Mitchell Butte Power Project, that also needs to be allocated and reimbursed. A motion was made by Mr. Ausman, seconded by Mr. Corn, and unanimously carried approving payment of the accounts payable as follows:

Nichols Accounting Group	\$425.00
Oregon-Idaho Utilities	113.66
SDIS	120,928.00
SBC	183.30
Dan Tschida	877.50
Frank Ausman	870.00
Brett Nielson	600.00
Bruce Corn	892.00
Eric White	912.00
Chris Landa	700.00
OID	<u>18,717.61</u>
TOTAL	\$145,219.07

INSURANCE. Dellas Waldo made a presentation on the insurance for the hydros. He said that the project has good insurance coverage and that the values are where they need to be. He passed around handouts showing the coverages which he then summarized. He reminded the Committee members that the premiums for the hydros are being stair-stepped to account for the increase in the values of the assets. He said that the project has had a zero loss ratio for the last five years. He said that there is an 11.78% increase in premiums mainly due to the property value increase.

SNOW FLIGHT. Mr. Flynn gave a report on his recent snow flight. He said that it was encouraging. He said that he would guess that there is between 18 to 24 inches of snow throughout the water shed. He said that at this time last year, the snow was all gone at mud flat. He said there is lots of snow and water out there. He said it just needs to come off right. He said the reports are showing good snow/water equivalency. He said he is planning on flying again in mid-March. Mr. Flynn said that the current USBR projected inflow is 535,000 acre feet.

UPCOMING TOURS. Mr. Flynn said that the Owyhee Field Day is scheduled to take place over two days. Those dates are April 26 and 27. He then reported on a couple of other tours at the dam that are coming up.

RING GATE REPAIR. Mr. Flynn said that a longer hose was used to pump the concrete around the ring gate and that it worked well. He said this year's planned work is now completed.

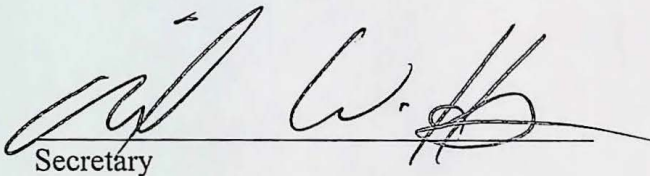
TUNNEL BUTTERFLY VALVE. Mr. Flynn said that staff could not get the valve off for the butterfly valve in order to install the gasket. He said that will have to wait until next season. He said that the leak there is not that bad.

BOAT RAMP. Mr. Flynn reported that the concrete work on the boat ramp will be done when other concrete jobs are done.

MAINTENANCE OF POWER PLANTS. Mr. Flynn reported on planned maintenance for the power plants. He said that they will be looking at the wicket gates in the coming weeks.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 1:37 p.m.

Respectfully submitted,

  
Secretary

APPROVED:

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