

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

March 17, 2009

The regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on March 17, 2009, at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, 106 Main Street, Nyssa, Oregon, at 10:00 a.m., Bruce Corn, President of the District, presiding.

The following Directors were present:

Frank Ausman	Curt Sisson
Bruce Corn	Jerry Nagaki (who joined the meeting at 10:06 p.m.)
Dan Tschida	

Also present were: Jay Chamberlin, District Manager; Michael W. Horton, General Counsel; Harvey Manser, Assistant Manager; and Charlie Barlow, OWRD Commissioner.

MEETING NOTICE. Mr. Chamberlin reported that he gave notice to the news media as to the time, date, and place of the meeting on March 10, 2009.

MINUTES. The minutes of the regular meeting of the Board of Directors held on February 17, 2009, were mailed to the Directors prior to the meeting. A motion was made by Director Tschida, seconded by Director Ausman, and unanimously carried approving the minutes as mailed.

DISTRICT FINANCIAL REPORT. Mr. Chamberlin handed out a monthly financial report which the Directors reviewed. President Corn said the District still needs to get financial information to those patrons requesting it. Mr. Chamberlin said that Peter Nichols has gotten that information to the patrons. Mr. Chamberlin said that the assessments are coming in slowly. He said that the District employees have gone back to five 8-hour days. Director Tschida asked about employee overtime. Mr. Chamberlin said that there has been some overtime hours with a crew working the last two Fridays. He said that there has been a discrepancy on overtime pay with sick leave counting towards hours worked. He said that the issue has now been resolved.

GOPHER BOUNTY PROGRAM. The Gopher Bounty Program was discussed. Mr. Chamberlin said that the program is being well used in the District.

DISTRICT ACCOUNTS PAYABLE. The accounts payable for the District were reviewed by the Directors. Director Tschida asked if the fuel tank which the District purchased is in use. Mr. Chamberlin said it has not been licensed yet. A motion was made by Director Nagaki, seconded by Director Sisson, and unanimously carried approving payment of the accounts payable as presented.

MITCHELL BUTTE POWER PROJECT.

Generation and Financial Report. The generation report for the Mitchell Butte Power Plant was reviewed by the Directors. President Corn asked about the status of the new computer system for the District office and said that funds will need to be transferred for the computer system from the Mitchell Butte account. Mr. Chamberlin said that he is looking at May or June to install the system and will transfer funds at that time.

Accounts Payable. Mr. Chamberlin presented the following schedule of accounts payable for the Mitchell Butte Power Project:

Malheur Bell	\$121.90
AT&T	60.22
Nichols Accounting	<u>75.00</u>
Total	\$257.12

A motion was made by Director Ausman, seconded by Director Tshida, and unanimously carried that the accounts payable for the month, as listed in the agenda, be paid. The motion passed unanimously.

SENATE BILL 743. A discussion was had regarding Senate Bill 743. Mr. Chamberlin said that the proposed bill would allow small co-generators to sell green credits. He said he doesn't believe there will be much resistance on the matter. A discussion on the matter was had. The consensus of the Board is that the Districts need to get certified as soon as possible once the legislation goes through.

TRUE POINT SOFTWARE. Mr. Chamberlin said that the District has received a proposed contract and it has been reviewed. He said that there are a few issues in the contract that need to be resolved. He said that he is waiting for the assessments to come in before moving forward.

VEHICLE POLICY. Mr. Chamberlin pointed out that a proposed policy for District vehicle use is in the Directors' packets. He said that the proposed policy has come about as a result of patron comments at the annual meeting. A discussion on the proposed policy and Mr. Zittercob's use of the District vehicle was had. Mr. Horton pointed out that Mr. Zittercob's use of the vehicle is in his contract. Director Ausman and Director Tschida said that the issue needs to be revisited when his Mr. Zittercob's contract is renewed. A discussion of tobacco use was discussed. A motion was made by Director Tschida, seconded by Director Nagaki, and unanimously carried adopting the proposed vehicle use policy. The motion passed unanimously.

KLAMATH BRIDGE ON NORTH CANAL. Mr. Chamberlin said that the Klamath Bridge became an issue a few years ago regarding ownership. He said that he has researched the ownership issue and that the bridge does not show on the USBR inventory. He said that the

bridge does show on the old county map as a county road. He said that a USBR inspection has put the responsibility on the District to investigate the ownership of the bridge and ask the owner for the bridge removal. He said that the bridge creates a possible flood hazard in its current condition. Mr. Barlow said that his wife's family owns property where the bridge is located and they do not want any liability. He indicated that the bridge is a hazard in its current condition and he went to the county court requesting that it be removed. He said that he would like the bridge removed, but would like acknowledgment from the District that landowners may be able to put a bridge in at a later date. The matter was discussed. A motion was made by Director Sisson, seconded by Director Ausman, and unanimously carried adopting the following resolution:

RESOLVED that Owyhee Irrigation District agrees that the Klamath Bridge on the North Canal is not the District's property and that it must be removed before water goes into the canal this year because of potential catastrophic canal failure.

MANAGERS REPORT.

New Ditchrider. Mr. Chamberlin said that a new ditchrider has been hired. He said that he had a number of good, qualified applications for the position. He said the new ditchrider is going to live in a District house.

FIRE DAMAGE TO DISTRICT PICKUP. Mr. Chamberlin said that a foreman's pickup caught on fire. He said that the pickup had 170,000 miles on it. He said that it looks like transmission or power steering fluid leaked onto the manifold, which started the fire. He said the pickup will be sold or it will be junked out. He said that there was only liability insurance on the pickup.

SNIVELY DRAIN. Mr. Chamberlin said that the work on the Snively Drain is completed and it is ready to go. Mr. Manser said that fencing just needs to be done.

DUMP LINER. Mr. Chamberlin said that the liner is now in and should work. He said there is some material left over and will be installed next fall farther up the canal.

SHOESTRING PROJECT. Mr. Chamberlin said that the Shoestring Project is completed except for the seeding.

DITCH CLEANING. Mr. Manser reported on ditch cleaning being done throughout the District.

COUNTY PLANNING AND ZONING. Mr. Chamberlin said the District is going to start having a presence at the County Planning meetings. He gave some examples of problems regarding residences that have gone up too close to laterals.

COW HOLLOW PIPELINE. Director Ausman said that Newell Cleaver requested that the District do cleanup on the Cow Hollow Project. A discussion was had. Mr. Chamberlin said

he will check that all of the meters are in. He said that the District will get some money back on the project. Mr. Manser indicated that there are still two meters and a weir box that need to be installed.

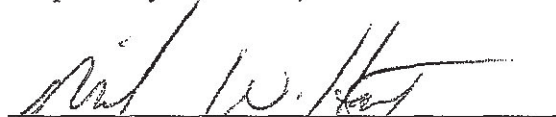
POTENTIAL NEW LEGISLATION. Mr. Chamberlin and Mr. Barlow explained current proposed water legislation to the Board.

WHEELING REFUND. Mr. Horton reported that the Districts will receive a wheeling refund in the amount of \$461,000. He said that OID's share has not been calculated yet.

MIKE WARREN'S PROPERTY ISSUE. Director Tschida asked about the status of the Mike Warren property. Mr. Chamberlin said that they are still planning on cutting off the pipe and rerouting it around Warren's property. The pipeline was discussed.

ADJOURNMENT. There being no further business to come before the meeting, the same was adjourned at 11:56 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____