

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

January 17, 2023

A meeting of the Joint Committee of the Owyhee Project was held on January 17, 2023, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 1:07 p.m. Eric White, Chairman of the Joint Committee presiding.

The following members of the Joint Committee were present:

Eric White	Frank Ausman
Bruce Corn	Chris Landa
Dan Tschida	

Also present were: Clancy Flynn, Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; Gregory Clark, OID Alternate; and Linda Henderson, member of the public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on January 12, 2023.

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

MINUTES. The minutes of the December 20, 2022, meeting of the Joint Committee were mailed out 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.

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

Oregon-Idaho Utilities	\$113.66
Five Rivers Law, P.C.	<u>425.50</u>
Total	\$539.16

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. The Committee members discussed the fact that once the Tunnel Bond is paid off that meetings will need to be held to discuss the splitting of net revenues among the Districts and Old Owyhee Ditch Improvement Company. Mr. Corn and Mr. Horton reported on the history of the revenue splitting agreement and how it came about. There was a lengthy discussion on the power contracts with Idaho Power and the agreement with Old Owyhee Ditch Improvement Company.

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

Nichols Accounting Group	\$425.00
Oregon-Idaho Utilities	<u>113.66</u>
Total	\$538.66

REORGANIZATION. Chairman White stated that this, the first meeting of the year, is the time for the reorganization of the Joint Committee.

Representatives. Mr. Horton said that the OID Board has designated Dan Tschida, Frank Ausman, Eric White, and Bruce Corn as representatives to the Joint Committee with Gregory Clark being the alternate. Chris Landa said that the South Board has designated Brett Nielson and Chris Landa as representatives to the Joint Committee with Steve Clapier being the alternate.

Chairman. Chairman Eric White opened nominations for the office of Chairman. Eric White was duly nominated and elected as Chairman.

Vice-Chairman. Chairman White opened nominations for the office of Vice-Chairman. Brett Nielsen was duly nominated and elected as Vice-Chairman of the Joint Committee.

Secretary and Legal Counsel. Mr. Horton stated that he is willing to serve as Secretary of the Joint Committee and that his law firm, Five Rivers Law, P.C., would agree to act as attorneys for the Joint Committee at an hourly rate of \$240 per hour, plus expenses. A motion was made by Mr. Corn, seconded by Chairman Ausman, and unanimously carried that Michael W. Horton be appointed Secretary and general counsel for the Joint Committee and that his law firm of Five Rivers Law, P.C., be appointed as attorneys for the Joint Committee all at an hourly rate of \$240.00 per hour, plus expenses.

BANKING. A motion was made by Mr. Ausman, seconded by Mr. White, and unanimously carried that the Joint Committee continue to maintain bank accounts with Umpqua Bank with two signatures required for checks and authorized signers to be:

Clancy Flynn, Manager  
Michael W. Horton, Secretary  
Eric White, Chairman  
Frank Ausman, Committee Member

Bruce Corn, Committee Member  
Chris Landa, Committee Member  
Brett Nielsen, Committee Member  
Dan Tschida, Committee Member  
Gregory Clark, Alternate Committee Member  
Steve Clapier, Alternate Committee Member

adopting any required form banking resolution, and removing Jerry Nagaki as signer.

INSURANCE AGENT OF RECORD. A motion was made by Mr. Corn, seconded by Mr. Tschida, and unanimously carried appointing Waldo Agency as the Insurance Agent of Record for the Joint Committee with Dellas Waldo as the contact person.

SNOW FLIGHT. Mr. Flynn said that he is scheduled to fly the snow course on February 13. He said that the snowpack looks encouraging, but that it is still early.

CABINS AT DAM COMPOUND. Mr. Flynn said that reservations for the cabins at the Dam Compound will be handed through the District's website and Airbnb.

RING GATE REPAIR. Mr. Flynn said that staff have not been able to get the concrete pumped around to the repair site. He and Chairman White reported on the problems which were run into. Mr. Flynn said that a bigger hose is being ordered. The Committee members discussed possible solutions.

RESERVOIR LEVEL. Mr. Flynn said that the reservoir level is currently 26,000 acre feet less than this time last year.

TUNNEL BUTTERFLY VALVE. Mr. Flynn reported that the butterfly valve at the Tunnel has been test fit and that a gasket will be put in shortly.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 1:47 p.m.

Respectfully submitted,

  
Secretary

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

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

January 17, 2023

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on January 17, 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 (who joined the meeting at 10:05 a.m.)

Also present were: Clancy Flynn, District Manager; Michael W. Horton, Attorney; Tyler Sweet, Accountant; and Linda Henderson, Member of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on January 12, 2023.

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

MINUTES. Minutes of the meeting of the Board of Directors held on December 20, 2022, 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. President Tschida asked if the financial statements and accounts payable lists could be printed in a bigger font.

BACKHOE. Mr. Flynn reported on the teardown investigation of the backhoe. He said that the machine has 8,000 hours on it. He updated the Board on the cost of a replacement engine and the amount spent on repairs so far. The Directors discussed selling the machine. Current excavators which the District owns were discussed. After discussion, a motion was made by Director Ausman, seconded by Director White, and unanimously carried declaring the Komatsu backhoe as surplus property and authorizing the District manager to sell it.

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 about specific bills. A motion was made by Director Corn and was seconded by Director Ausman to pay the bills. A vote on the motion was had and it passed unanimously.

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 report. Mr. Flynn said that minimal maintenance is expected other than the trash rack. Mr. Flynn explained the planned use of a couple of used trash racks which the District has. He said that Mr. Eldred has plans for a couple of them. He said that he will get information from Mr. Eldred and report back to the Board.

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

AT&T	\$35.89
Century Link	<u>390.42</u>
TOTAL	\$426.31

REORGANIZATION. President Tschida stated that it is time to reorganize the Board.

ELECTION OF PRESIDENT. President Tschida opened nominations for the election of President. Dan Tschida was duly nominated and elected as President.

ELECTION OF VICE-PRESIDENT. President Tschida opened nominations for the election of Vice-President. Frank Ausman was duly nominated and elected as Vice-President.

ELECTION OF SECRETARY. President Tschida opened nominations for the election of Secretary. Bruce Corn was duly nominated and elected as Secretary.

APPOINTMENT OF LEGAL COUNSEL. Mr. Horton said that his proposal for this new year is for a monthly retainer in the amount of \$1,500.00, which shall be for up to 6.5 hours of work with any additional hours in such month to be billed at \$240.00 per hour. A motion was made by President Tschida, seconded by Director Ausman, and unanimously carried appointing the law firm of Five Rivers Law, P.C., as attorneys for the District for the year 2023, and authorizing that a monthly retainer be paid in the amount of \$1,500.00 which shall be for up to 6.5 hours of work with any additional hours in such month to be billed at \$240.00 per hour, with travel time to be billed at half the hourly rate and that out-of-pocket expenses be paid by the District in addition to the retainer amount. Mr. Horton thanked the Board for continuing to allow his firm to provide legal services to the District. The Directors expressed their appreciation to Mr. Horton for the work that he does for the District.

INSURANCE AGENT OF RECORD. A motion was made by Director Corn, seconded by Director White, and unanimously carried appointing Waldo Agency as the Districts insurance agent of record with Dellas Waldo as the contact person.

DISTRICT BANKING. Mr. Flynn explained that the District currently has accounts at US Bank and Umpqua Banks. A motion was made by Director Ausman, seconded by Director White, and unanimously carried that Jerry Nagaki be taken off as a signer on the accounts and

that the following individuals have signing authority on the accounts with two signatures required for all District checks:

Dan Tschida	Director
Bruce Corn	Director
Eric White	Director
Frank Ausman	Director
Gregory Clark	Director
Clancy Flynn	Manager
Michael W. Horton	Attorney

and that any required form banking resolution from each bank is hereby adopted.

JOINT COMMITTEE REPRESENTATIVES. A motion was made by Director Ausman, seconded by Director Corn, and unanimously carried appointing Dan Tschida, Eric White, Frank Ausman, and Bruce Corn as representatives to the Joint Committee with Gregory Clark being the alternate.

2023 BUDGET. Mr. Flynn presented a draft 2023 Budget with handouts to each of the Directors. He explained the changes made from the previous draft. The Directors discussed the salary allocations on the Dam Superintendent. Mr. Flynn said that he will track the Dam Superintendent's time this year for allocations to be made next year.

Mr. Flynn said that the last time the small acreage fee was increased was in 2012. The Directors reviewed and discussed the draft budget. President Tschida asked for input from each of the Directors. He said that he would like to see fuel tanks budgeted for. Director White proposed only increasing the small acreage surcharge to \$85 rather than \$100 in order to minimize the impact to the small acre patrons. He said he would also like to see fuel tanks budgeted for. Director Ausman said that he would like to find some things for the District to cut in order to fund the money for the fuel tanks. The Directors discussed fuel tanks.

Tyler Sweet passed around a handout on the special assessment for the Malheur Siphon. He said that the final payment is due on the loan to the state in November of 2023. He made a recommendation that the reserves be equal to six months of operating expenses which right now would be 2.5 million dollars. The Directors discussed allocating funds which may be received from the sale of the District real estate towards purchasing fuel tanks and increasing reserves. It was noted that the District property sale is scheduled to occur in early February.

A motion was made by Director Corn, seconded by Director White, and unanimously carried amending the draft budget to decrease the small acreage surcharge to \$85 and adopting the budget as amended.

INCURRED CHARGES. Incurred charges for the 2023 water year were discussed. After discussion, a motion was made by Director White and was seconded by Director Corn setting the incurred charge at \$73.50 per acre with a \$1.50 per special assessment for a total incurred charge of \$75, and that a service charge be imposed on subdivided and small tract lands consisting of 5

acres or less at the rate of \$85. A vote on the motion as had. Directors White, Corn, and Clark voted in favor of the motion. Directors Ausman and Tschida voted against. The motion passed on a vote of three to two.

KINGMAN LATERAL. Mr. Flynn said that the federal legislation awarding the District \$3,000,000 towards the Kingman Lateral Piping Project has passed. He said that he is now working on getting additional grant funds. He said that the grants which he will be applying for are not open yet. Pipe availability for the project was discussed. Mr. Flynn said that the project will not happen this fall. Director Clark said that he will help with calculating pipe sizing for the project.

EXECUTIVE SESSION. At 11:45 a.m., the Board entered into executive session pursuant to ORS 192.660(2)(i) to conduct Clancy Flynn's manager evaluation. Linda Henderson and Tyler Sweet left the meeting at that time.

RETURN TO REGULAR SESSION. At 12:05 p.m., the Board return to regular session.

MEETING RECESSED. At 12:06 p.m., the meeting was recessed to reconvene after the Joint Committee meeting.

MEETING RECONVENED. At 1:47 p.m., the meeting was reconvened.

MANAGER'S SALARY. A motion was made by Director Corn, seconded by Director White, and unanimously carried that the District retain Clancy Flynn as its manager and that he be given a raise effective January 1 on the same terms as the employee's raise being a 4% base raise and a 3% incentive base raise based upon performance and based upon the evaluation which was earlier conducted, he is awarded the additional 3%.

DISTRICT WEBSITE. Mr. Flynn presented the District's website and gave a demonstration. Publication of the District newsletter was discussed, along with its costs. It was noted that the newsletter may not be needed with the updated District website.

PIPELINE PROJECTS. Mr. Flynn gave an update on the Arabian and Pounds pipeline projects. He said that the District may get funding for the Pounds' pipe.

EMPLOYEE TRAINING. Mr. Flynn said that employee training is coming up.

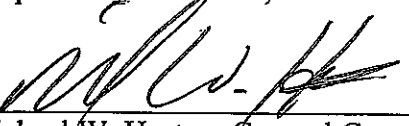
EMPLOYEE HOUSING. Mr. Flynn said that part of the Ontario shop has been converted to a studio apartment which is being rented to one of the District ditch riders for housing.

SHOESTRING CROSSING. Mr. Flynn reported on Rod Frahm's crossing of the shoestring and said that there will be a culvert expense to the District.

PUBLIC COMMENT. President Tschida asked for public comment. Linda Henderson said that she would like to see a District newsletter go out this year with the billings, and she would also like to see the newsletter incorporated into the District's website.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 2:04 p.m.

Respectfully submitted,



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Michael W. Horton, General Counsel

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