

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

December 21, 2021

A meeting of the Joint Committee of the Owyhee Project was held on December 21, 2021, at the 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	Frank Ausman
Chris Landa	Bruce Corn
Dan Tschida	Brett Nielsen

Also present were: Clancy Flynn, Manager of Owyhee Irrigation District; Jay Chamberlin, Outgoing Manager of Owyhee Irrigation District; Michael W. Horton, Secretary and Legal Counsel; John Eells, South Board Manager; Jerry Nagaki, OID Alternate; and Tyler Sweet, CPA.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on December 16, 2021.

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

MINUTES. The minutes of the regular meeting of the Joint Committee held on November 16, 2021, were reviewed by the Committee members. A motion was made by Mr. Ausman, seconded by Mr. Tschida, and unanimously carried approving the minutes.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Flynn handed out financial reports for the Tunnel Power Project which were reviewed by the Committee members. Mr. Flynn gave an update on the work being done at the Tunnel.

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

Nichols Accounting Group	\$425.00
AT&T	40.46
Stunz, Fonda, Kiyuna, Horton	869.50
Oregon-Idaho Utilities	247.47
Spiegel & McDiarmid	1,631.84
SELP	<u>201,599.36</u>
Total	\$204,813.63

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Flynn handed out financial reports for the Owyhee Dam Power Project which were 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. A motion was made by Mr. Corn, seconded by Mr. Tschida, and unanimously carried approving payment of the accounts payable as follows:

AT&T	\$141.94
Oregon-Idaho Utilities	282.00
Nichols Accounting Group	<u>425.00</u>
Total	\$848.94

RING GATE INSPECTION REPORT. Mr. Flynn said that USBR provided their inspection report to him on the ring gate. He said that the report listed some items which need to be addressed. Those items include some isolated spot coating, draining the ring gate every year, and installing anodes to help with electrolysis. Mr. Flynn said that the gaskets for the ring gate will be replaced this offseason. He then reported on the ring gate concrete repair work.

SNOW COURSE PILOT. Mr. Flynn said that Clyde Esplin will be piloting the snow course flight next week. The matter was discussed.

SNOW OUTLOOK. Mr. Flynn said that everything is nice and wet. He said a few inches of snow is out in the watershed right now. Mr. Chamberlin handed out a storage and streamflow report which was reviewed and discussed by the Committee members.

GENERATOR FOR ELEVATOR. Mr. Flynn said that he recently picked up a generator at surplus which can run the elevator in an emergency. He said it was an old Army generator that needs a little work. He said the cost was \$7,500.

FERC RELICENSING UPDATE. Mr. Horton and Mr. Flynn gave an update on recent conversations and correspondence with the attorneys assisting with the relicensing of the hydro projects. They said they have additional questions for those attorneys, but they recommend moving forward with the next step of confirming the status of all property within the existing project boundaries to verify the projects meet the ownership requirements. The Committee members agreed.

HYDRO INSURANCE. Mr. Flynn handed out insurance renewal information which he recently received from Waldo Insurance. The renewal information was reviewed and discussed by the Committee members.


BOR REGIONAL DIRECTOR, LORRI GRAY, RETIREMENT. Mr. Chamberlin said that Lorri Gray is retiring as the Regional Director for BOR. He said that the Bureau of Reclamation will also be getting a new Commissioner. He said he is not sure who the new Regional Director will be. Mr. Eels said that he believes Roland Springer is the acting Regional Director and that it sounds like the Bureau will rotate people in and out of that position.

B2H POWER LINE. Mr. Nielsen said that Idaho Power representatives are out looking at right of ways. Mr. Flynn said that he has not heard anything from Idaho Power yet. Mr. White said that he heard that powerlines will be going over the Mendiola Ranch. Mr. Nielsen said that he has heard that they are staying out of farmland in the south area. Mr. Eels said that he contacted Idaho Power directly to see where they are at on moving forward with the right of ways.

CONCRETE TROWEL. John Eels presented a concrete trowel that a water user brought in that is believed to have been used during the construction of the Owyhee Dam. He said that he thought it could be put up in the museum at that Dam Compound.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 1:40 p.m.

Respectfully submitted,


Secretary

APPROVED: _____

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

December 21, 2021

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on December 21, 2021, at the District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 10:04 a.m. Dan Tschida, Vice President of the District presiding.

The following Directors were present:

Dan Tschida Bruce Corn
Eric White Frank Ausman
Jerry Nagaki (who joined the meeting at 10:08 a.m.)

Also present were: Clancy Flynn, Manager, Jay Chamberlin, Outgoing Manager; Michael W. Horton, Attorney; Brian Hartley, OID Employee; Tyler Sweet, CPA; Greg Clark, District Patron, (who joined the meeting at 10:08 a.m.); Ray Waldo and Dellas Waldo, Insurance Agents; Congressman Cliff Bentz; and Paulette Pyle, Staff Member to Congressman Bentz (who joined the meeting at 10:08 a.m.)

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on December 16, 2021.

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

MINUTES. Minutes of the meeting of the Board of Directors held on November 16, 2021, were reviewed by the Directors. A motion was made by Director Corn, seconded by Director White, and unanimously carried approving the minutes.

CONGRESSMEN BENTZ PRESENTATION. Congressman Cliff Bentz gave an update on his accomplishments in Washington D.C. this last year and the committees on which he serves.

At 10:08 a.m., President Jerry Nagaki, Greg Clark, and Paulette Pyle joined the meeting and President Nagaki then took over the chair of the meeting.

Director Corn asked Congressmen Bentz about how the District can be more proactive to access funds for the District. Congressmen Bentz said that the District needs to analyze and prioritize its specific needs and then tell his staff what those needs are and request his staff write a letter. Congressmen Bentz went on to discuss the proposal for removal of Snake River Dams and explained his opposition to such removal. He noted that if the Republican party can take control of the House in the 2022 elections, that he will be in a position to where he can use oversight powers to call in agency heads which the District is having a hard time with. At 11:04 a.m., Congressman Bentz and Paulette Pyle left the meeting.

LIABILITY INSURANCE RENEWAL. Dellas Waldo provided the Directors with two handouts on insurance renewal which he went through. He explained the new premiums and said that he feels very comfortable with the valuations of the hydros, Dead Ox, and Dunaway which are now being covered. He said that the loss ratio for the District is amazing. Director Corn asked if the District is adequately covered. Ray Waldo said that with the tort claim limit in Oregon, that the District is adequately covered. Director Corn then asked if District staff are receiving adequate training on harassment and other potential litigation matters. Mr. Chamberlin said that with Covid, personnel training has become harder, but remote training does occur and the District does provide annual training on such matters. Dellas Waldo said that the insurance rate increase is 11.26% over last year. Director Ausman asked if the stair step rate increase for the hydro insurance premium does not mean that the coverage is also stair stepped. Ray Waldo said this is correct. The total premium for the insurance renewal is \$144,902 and the District will receive a \$12,579 longevity credit. At 11:35 a.m., Dellas Waldo and Ray Waldo left the meeting.

EMPLOYEE COMMITTEE. Brian Hartley said he is the Chair of the Employee Committee. He then gave an update on projects at the dam and throughout the District that staff worked on throughout the last year. He said that the Committee has met and is requesting a 3% wage increase with an additional 3% performance-based increase. Director Tschida asked about the accident rate for employees. Mr. Flynn said there were some accidents this last year at the pumping plants. Mr. Hartley said that some of the employees asked about health insurance coverage for their spouses. Mr. Flynn explained that the insurance broker is doing an employee survey to see what type of coverages they need. Mr. Hartley said that the employees are wanting to see if the HRA could cover dependents besides just the employee. The matter was discussed and Mr. Flynn said he would investigate that.

Brian Hartley left the meeting at 11:45 a.m.

Mr. Flynn explained the difficulties the District is having in hiring new employees. The Directors discussed the matter. Mr. Chamberlin gave an update on other irrigation districts' pay scales.

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

MEETING RECONVENED. At 1:40 p.m., the meeting was reconvened.

2022 BUDGET. Tyler Sweet presented a draft budget for 2022, along with a summary. He went through the draft budget while the Board members reviewed it. The proposed budget was discussed. The potential employee request being added in was discussed. Staffing needs were discussed.

EMPLOYEE PROPOSAL. The proposal made by the Employee Committee was discussed. After discussion, a motion was made by Director Corn, seconded by Director White, and unanimously carried that the employees be offered a 2% salary increase with an additional 3% performance-based increase tied to employee evaluations. Mr. Flynn said that he will continue checking into insurance coverage. Director Ausman said that he would like to see the

District provided Christmas bonuses to the employees. The matter was discussed, and after discussion, a motion was made by Director White, seconded by Director Corn, and unanimously carried that \$200 Christmas bonuses be paid to each employee. Director Tschida said that he would like the employees to know that some of this is for a safety bonus.

EQUIPMENT NEEDS. Mr. Flynn said that he did not buy a grout pump or a chopper at the recent auctions as they went for too much money. He said the District will have to buy a couple of pickups.

BLM FIRE NEGOTIATION. Mr. Flynn said that he spoke to the State Director for the BLM and he was told that the director is still waiting for a packet on the matter. Mr. Flynn said that he has also requested a meeting with the BLM and USBR, along with their solicitors.

DELINQUENT ACCOUNTS. Mr. Flynn said that some of the delinquent accounts have been cleaned up. He said that there is just over \$100,000 of delinquent accounts. The delinquencies were reviewed and discussed. Mr. Flynn said that action will be taken on some of those outstanding accounts.

DISTRICT FINANCIAL REPORT. Mr. Flynn handed out a financial report for the month. The Directors reviewed and discussed the financial report.

DISTRICT ACCOUNTS PAYABLE. Two lists of District accounts payable for the month were included in the Directors' packets. The lists were reviewed and discussed. Director Corn asked about the bill from Ferguson. Mr. Chamberlin said that the bill was for valves. A motion was made by Director White, seconded by Director Corn, and unanimously carried approving payment of the accounts payable.

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 work has not yet been started on the weed rack.

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

AT&T	\$83.12
Century Link	367.79
Tekfinity	42.95
Nichols Accounting Group	<u>125.00</u>
TOTAL	\$618.86

FUEL STORAGE. Mr. Flynn said that he got initial quotes on two new 5,000 gallon storage tanks. He said that the price came in at \$51,500. He said he also got a quote on one 10,000 gallon tank which came in at \$49,750. He said he is waiting to hear from the local fuel

distributor about potential discounts for volume purchases. He said he is still investigating some other items with regard to the feasibility of the District having fuel storage tanks.

DEAD OX PROJECT UPDATE. Mr. Flynn showed pictures of the Dead Ox Pumping Plant work being done. The Directors discussed the work.

ESPLIN FEEDLOT. Mr. Flynn said that the landowner will now be purchasing the pipe for the feedlot at the landowner's expense.


OSHA NEW STANDARDS. Mr. Flynn said that OSHA is moving forward with heat and smoke regulations. He explained the potential impact to the District when such regulations take effect.

RENEE BAIR COMPLAINT. Director Corn said that he received a complaint from Renee Bair about her driveway ditch being damaged. Mr. Flynn addressed the situation.

DISTRICT PROPERTY ACROSS HIGHWAY FROM DISTRICT OFFICE. Director Ausman and Jay Chamberlin both said that they have heard of potential interest in the District-owned property across the highway from the District office. The matter was discussed.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 3:26 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____