

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

March 17, 2015

The regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on March 17, 2015, at the Four Rivers Cultural Center in Ontario Oregon, at 10:00 a.m. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Jerry Nagaki	Bruce Corn
Frank Ausman	Dan Tschida
Eric White	

Also present were: Jay Chamberlin, District Manager; Michael W. Horton, Attorney; Harvey Manser, OID Assistant Manager; Larry Meyer, Argus Observer; and Jerrold Gregg, USBR Area Manager.

Also in attendance were the following audience members:

Bob Gressley	Bret Nielson
Brule Lehman	Kelly Peterson
Alan Peterson	Jeremy Peterson
Brandon Shartner	Craig Froerer
Owen Froerer	Paul Kesler
Troy Hansen	Kory Hansen
Brent Wagstaff	Al Osborn
Dennis Bowns	Randy Bowns
Larry Meyer	Rob Wagstaff
Tyler Wagstaff	John Ellis
Clancy Flynn	Rick Smith
Andy Peutz	Monty Culbertson
Dan Johnson	

MEETING NOTICE. The meeting agenda showed that public notice as to the meeting was given on March 13, 2015.

MINUTES. The minutes of the meeting of the Board of Directors held on February 17, 2015, were mailed to the Directors prior to the meeting. A motion was made by Director Corn, seconded by Director Tschida, and unanimously carried approving the minutes as mailed.

DISTRICT FINANCIAL REPORT. Mr. Chamberlin handed out a financial report for Owyhee Irrigation District for the month of February. The Board members reviewed and

discussed the report. Mr. Chamberlin reported on the recent dozer purchase and how it is being used.

DITCHING. Mr. Manser reported on ditching currently being done.

OWYHEE IRRIGATION DISTRICT ACCOUNTS PAYABLE. Two lists of the District's accounts payable for the month were included in the Directors' packets. The Directors reviewed, discussed, and asked questions about specific items on the lists which Mr. Chamberlin and Mr. Manser answered. 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. The financial report for Mitchell Butte Power Plant was included in the Directors packets. The Directors reviewed the report. Director Corn said there is no way the District can take the \$60,000 out of the Mitchell Butte account. Mr. Chamberlin said that he understands and this was just put in for discussion purposes.

Accounts Payable. The agenda for the meeting listed accounts payable for the Mitchell Butte Power Project. The proposed payment to Owyhee Irrigation District in the amount of \$59,987.49 was removed. A motion was made by Director Corn, seconded by Director Ausman, and unanimously carried approving payment of the following accounts payable:

AT&T	\$13.77
Nichols Accounting	<u>110.00</u>
Total	\$123.77

KELLY PETERSON. Mr. Peterson addressed the Board with regard to water usage throughout the system. He said he and other water users are attending the meeting to comment on water usage and asking why the District cannot keep more water going to the Oregon Slope area longer in the season. He said that last year he missed a hay cutting by twelve days because of the water running out. He said that he believes that in 1992 the entire system was shut down when the water ran out at the lower end. Director Corn and Mr. Chamberlin said that statement is incorrect and that the system was run until the water in storage ran out. Director Corn referred to USBR online records to support his statement. Mr. Chamberlin explained the situation the District ran into last year and possible approaches for this year. Mr. Peterson expressed his desire that the District hold water longer. Mr. Chamberlin then gave a history of water usage throughout the District. Mr. Gregg, USBR Area Manager, explained the history of the Owyhee Project and answered questions relating to water usage. He also pointed out that the evaporation for the system is quite high.

PUMPING PLANT UPDATE. Mr. Chamberlin reported on which pump facilities were pulled down and worked on during the off season. He said that those units are now ready to go.

WATER TRANSFERS. Mr. Chamberlin stated that the Board's action last month to set a cutoff date for water transfer applications of June 15 will help District staff in managing the water for the lower end of the system.

DISTRICT OPERATION CHANGES DURING DROUGHT CONDITION. Mr. Chamberlin said that he felt the water allotment was set a little too high last year. He said that the predicted stream flows just never materialized. He said that he is hoping to try and hit the allotment a little better this year. He said that the District may want to consider limiting upper acres to one half inch to help the lower end. The matter was discussed.

DIRECTOR COMMENTS. Director Tschida made a recommendation that the grass be sprayed in flat areas before the water comes in. Mr. Chamberlin said that staff will try to do as much as they can, but that there are limits on spraying depending upon the timing and when the water will hit.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 11:06 a.m.

Respectfully submitted,



Michael W. Horton, General Counsel

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

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

March 17, 2015

A meeting of the Joint Committee of the Owyhee Project was held at the Four Rivers Cultural Center in Ontario, Oregon, on March 17, 2015, at 11:07 a.m. Frank Ausman, Chairman, presiding.

The following members of the Joint Committee were present:

Frank Ausman	Eric White
Dan Tschida	Chris Landa
Bruce Corn	Brett Nielson

Also present were: Jay Chamberlin Manager of the Hydro Projects; Harvey Manser, OID Assistant Manger; Michael W. Horton, Attorney; Clancy Flynn, South Board Manager; Jerry Nagaki, OID Alternate; Larry Meyer, *Argus Observer Newspaper*; Rick Smith, South Board Alternate; Al Barker, South Board Attorney; Jerry Gregg, USBR Area Manger; and the following audience members:

Brandon Shartner	Owen Froerer
Jody Sells	Paul Kesler
Alan Peterson	George Peterson
Craig Froerer	Randy Bowns
Brent Wagstaff	Troy Hansen
Kory Hansen	Dillon Mitchell
Tyler Wagstaff	Rob Wagstaff
Dan Navarret	Randy Kameshige
Andy Peutz	Monty Culbertson
Mike Blackaby	Steve Iida
Dennis Bowns	

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on March 13, 2015.

MINUTES. The minutes of the meeting of the Joint Committee held on February 17, 2015, were mailed to the Committee members prior to the meeting. A motion was made by Mr. Tschida, seconded by Mr. Nielson, and unanimously carried approving the minutes as presented.

TUNNEL #1 POWER PROJECT.

Financial Report. Mr. Chamberlin handed out a financial report for the Tunnel Power Project for the month ending in February. The Committee Members reviewed the report.

TUNNEL #1 POWER PROJECT ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable for the Tunnel #1 Power Project. The list included a proposed payment to Owyhee Irrigation District of \$60,004.47. The Committee Members removed this item from the list. A motion was made by Mr. White, seconded by Mr. Corn, and unanimously carried approving payment of the following accounts payable:

Oregon-Idaho Utilities	\$111.72
Nichols Accounting	<u>650.00</u>
TOTAL	\$661.72

OWYHEE DAM POWER PROJECT.

Financial Report. Mr. Chamberlin handed out a financial report for the Owyhee Dam Power Project for the month of February. The Committee Members reviewed the report.

OWYHEE DAM ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable for the Owyhee Dam Power Project. The list included a proposed payment to Owyhee Irrigation District of \$59,783.49. The Committee Members removed this item from the list. A motion was made by Mr. Corn, seconded by Mr. White, and unanimously carried approving payment of the following accounts payable:

Oregon-Idaho Utilities	\$323.49
FERC	25.00
EC Power Systems	756.40
Stunz, Fonda, Kiyuna & Horton	1,121.57
Nichols Accounting	<u>325.00</u>
Total	\$3,656.35

WATER ALLOCATION. Jerry Gregg from USBR made a presentation and proposal to the Joint Committee on operation under the MOU with Old Owyhee Ditch Company and allocation of water between the North and South Boards of Control. Mr. Gregg said that this is the fourth year of drought and the Owyhee system was built for two years of water supply. He said that he wants to use the MOU with Old Owyhee from last year for this year. He said he then wants to have an allocation of the water between the North, South, and Old Owyhee with his team helping to set the apportionments. He said he is going to have USGS rate the measuring areas. He said he will also have his team work on calculating losses. He then proposed having the allocations reset every five days after review. The managers for the irrigation districts expressed concern that five days is too rigid.

Mr. Gregg explained the difference in acreage between power allocation versus water allocation under the contracts which the districts have with the Bureau of Reclamation. He then

went into a detailed explanation on the power allocation. The Joint Committee members discussed Mr. Gregg's presentation and his proposal on water allocation. The consensus of the Joint Committee was that a 10-day reset on water allocation would work better than a 5-day period.

After discussion, a motion was made by Mr. Corn, seconded by Mr. Nielson, and unanimously carried adopting the following resolution:

RESOLVED that the Joint Committee hereby agrees to a one year extension of the Memorandum of Understanding with Old Owyhee Ditch Company and the Joint Committee agrees to have the United States Bureau of Reclamation partner with the irrigation districts in determining water allocation under the applicable contracts.

PENSTOCK COATING. Mr. Chamberlin said that the penstock coating is now done. He said that the work went well. Mr. Manser said that by having Owyhee Irrigation District staff do the work, approximately \$200,000 was saved over the original bid.

WATER ALLOTMENT. Mr. Chamberlin said that he and Mr. Flynn have been meeting with US Bureau of Reclamation staff in figuring out an appropriate allotment amount to set. He said that it is their recommendation that a tentative allotment of 1.3 acre feet be set. Stream flow forecasts and snow pack data were reviewed in detail. Mr. Gregg explained the potential impact of winter releases on storage and there was a disagreement with his analysis. The proposed tentative allotment was discussed at length. Mr. Tschida asked if there is an estimate when Old Owyhee Ditch Company may run out of storage in the reservoir. Mr. Culbertson said that he estimates Old Owyhee's storage will run out around June 13.

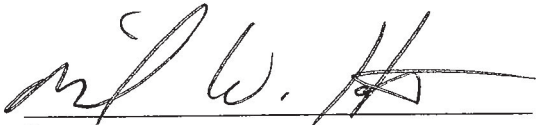
The discussion on setting a tentative allotment went on at length. After discussion, a motion was made by Mr. Nielson and was seconded by Mr. Landa to set the tentative allotment at 1.3 acre feet with the ability to go back and reassess at a later date. A vote on the motion was held. Mr. Corn, Mr. Landa, Mr. Nielson, and Mr. Ausman voted in favor of the motion. Mr. Tschida and Mr. White voted against the motion. The motion passed on a vote of four to two.

TURN-ON DATE. The Joint Committee discussed setting a tentative turn-on date for water release from Owyhee Reservoir. Mr. Landa asked about the possibility of the North and South Boards of Control having different turn-on and turnoff dates. Mr. Horton said that though this is possible, it is still up to the Joint Committee to set those dates. After discussion, it was the consensus of the joint Committee that it is still too early to set a turn-on date. The members of the Joint Committee then agreed to have a special meeting of the Joint Committee on March 31 at 1:00 p.m., at Mr. Horton's office to consider a turn-on date and look at the water allotment.

Mr. Nielson asked the District managers if they will be ready to have water in their systems by April 1. Mr. Chamberlin said that Owyhee Irrigation District will be ready. Mr. Flynn said that at this point South Board would not be ready.

ADJOURNMENT. There being no further business, the meeting was adjourned at 12:25 p.m.

Respectfully submitted,

  
Secretary

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