

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

July 23, 2013

A meeting of the Joint Committee of the Owyhee Project was held at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, 106 Main Street, Nyssa, Oregon, on July 23, 2013, at 8:00 p.m. Frank Ausman, Chairman, presiding.

The following members of the Joint Committee were present:

Frank Ausman	Jerry Nagaki
Eric White	Rick Smith
Dan Tschida	Chris Landa

Also present were: Jay Chamberlin, Manager of the Hydro Projects; Michael W. Horton, Attorney and Secretary of the Joint Committee; Harvey Manser, OID Assistant Manager; Ron Keester, South Board Manager; Bruce Corn, OID Alternate; Dennis Turner, South Board; J.L. Eldred, OID Watermaster; Brett Nielsen, South Board; Larry Meyer, Newspaper Reporter; and the following OID Patrons: Jess Jackson, Hal Grace, Bruce Cruickshank, Delos Lee, Barbara Lee, Randy Sartin, Don Lewis, Jeff Reedy, Darren Lee, Bob Peterson, Craig Froerer, Jake May, Paul Kesler, Marwyn Peaster, Kale Bullor, Jason Peters, Willis Bullor, C.R. Kesler, and Rob Wagstaff.

MEETING NOTICE. The agenda showed that a meeting notice was sent out on July 17, 2013, to the media as to the time, date, and place of the meeting.

MINUTES. The minutes of the meeting of the Joint Committee held on June 18, 2013, were mailed to the Committee members prior to this meeting. A motion was made by Mr. Tschida, seconded by Mr. White, and unanimously carried approving the minutes as mailed.

TUNNEL #1 POWER PROJECT.

Financial Report. Mr. Chamberlin said that he does not have a financial report as he did not pick it up before the meeting.

TUNNEL #1 POWER PROJECT ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable for the Tunnel #1 Power Project. A motion was made by Mr. Landa, seconded by Mr. Nagaki, and unanimously carried approving payment of the following accounts payable:

AT&T	\$33.01
Brian Richins	1,925.00
Oregon-Idaho Utilities	114.40
Nichols Accounting Group	<u>325.00</u>
Total	\$2,397.41

OWYHEE DAM POWER PROJECT.

Financial Report. Mr. Chamberlin said that he does not have a financial report for the Owyhee Dam Power Project.

OWYHEE DAM ACCOUNTS PAYABLE. The Committee members reviewed the accounts payable for the Owyhee Dam Power Plant as listed on the agenda. Mr. Smith made a motion to approve payment of the accounts payable. Mr. Tschida asked about the Riverside billing and it was determined that it was for a pump. The motion was seconded by Mr. White and was unanimously carried. The following accounts payable were authorized to be paid:

Riverside Inc.	\$1,143.96
Oregon Idaho Utilities	171.60
AT&T	37.53
Verizon	27.44
Stunz, Fonda, Kiyuna	525.00
Brian Richins	1,925.00
Century Link	45.00
Nichols Accounting Group	<u>325.00</u>
Total	\$4,201.52

WATER FORECAST AND WATER DEMAND. Mr. Chamberlin said that as of a few hours ago, there was 150,000 acre feet of water left in storage. He said with the current rates of demand, there should be approximately 123,000 acre feet as of August 1<sup>st</sup> and around 30,000 acre feet as of September 1<sup>st</sup>. He said that when the storage gets to around 50,000 acre feet, the District begin having problems delivering water. Mr. Keester said that automation should help a bit. He said that in the South Board area, he does not expect much of a drop off of water usage until after the third week of August.

Mr. Chamberlin said that he understands that there is some concern among water users on the lower Owyhee system that the lower end of the system will dry up early while the users on the upper end of the system got water two weeks before they did. It was pointed out that this is the nature of the system and that the location of a property owner's farm plays a large part in the timing of water deliveries.

Mr. Chamberlin said that it is his recommendation that the allotment remain at three acre feet.

WATER TRANSFERS. Mr. Chamberlin said that OID is working on allowing landowners to move allocations among land which they own or rent. He said that a rental agreement must have been in place prior to the start of the irrigation season or the ownership between the parcels where the allocation is being moved must be under the same landowner. He said in addition, the lands must be in close proximity to each other and must have a similar water right. Mr. Chamberlin said that he understands that some of the landowners on the lower end are against allowing transfers as they feel that it may cause them harm. Mr. Keester explained that South Board allows transfers if they are done by a certain date. Mr. Turner said that with the South system each farm is pooled and that it works well. Mr. Keester explained that there are some restrictions with regard to proximity and the water rights. Delos Lee said he helps his daughter farm but does not rent her ground and wondered if that could qualify. Mr. Chamberlin said the ground must be rented prior to the start of the season.

Mr. Chamberlin explained that in 2003, a policy was in place for OID on allowing the moving of allocations. He reviewed the 2003 process. He said that he is proposing a similar process for this year and that a letter explaining the process has been handed out by the OID ditchriders. He said that the policy is structured to try to prevent harm to anyone else. The policy does impose a fee for moving the allocations. He noted that if the proposed allocation is to land a great distance from the land from which the water is being transferred that the evaporation losses are being factored in on how much can be transferred. He said that currently OID has eight requests for transferring allocations and he expects more if the Board allows it to continue. Mr. White noted that the OID Board of Directors will need to make that decision during their meeting following this meeting.

Mr. Corn noted that by allowing the transfers some additional days may be added to the end of the season. The matter was discussed.

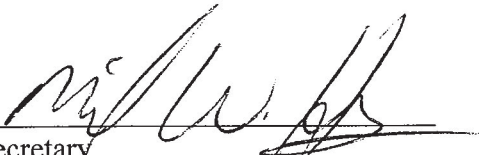
NEW BACKUP GENERATOR. Mr. Chamberlin said a surplus generator was purchased and explained the purchase.

IMPACT OF FIRE ON TRANSMISSION LINE. Mr. Chamberlin said that the recent fire in the Owyhee Canyon impacted about half of the District's power lines. He said that the fire was underneath the lines but that because of preventive maintenance, none of the lines were damaged.

WATER SHUTOFF. Mr. Chamberlin said that he would like to see the Joint Committee adopt a policy that when a certain pool level is reached at the reservoir that both the North and South systems shut off at the same time. The matter was discussed. Chairman Ausman expressed his opinion that when one system shuts down, the entire system should shut down. Mr. Landa suggested the matter be discussed at next month's meeting.

ADJOURNMENT. A motion was made by Mr. Tschida, seconded by Mr. Landa, and unanimously carried that the meeting be adjourned. The meeting was adjourned at 9:45 p.m.

Respectfully submitted,

  
Secretary

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



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

July 23, 2013

The regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on July 23, 2013, at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, 106 Main Street, Nyssa, Oregon, at 8:46 p.m. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Bruce Corn	Dan Tschida
Eric White	Frank Ausman
Jerry Nagaki	

Also present were: Jay Chamberlin, District Manager; Michael W. Horton, Attorney; Harvey Manser, Assistant Manager; J.L. Eldred, OID Watermaster; Bruce Corn, OID Alternate; Larry Meyer, Newspaper Reporter; and the following OID Patrons: Jess Jackson, Hal Grace, Bruce Cruickshank, Delos Lee, Barbara Lee, Randy Sartin, Don Lewis, Jeff Reedy, Darren Lee, Bob Peterson, Craig Froerer, Jake May, Paul Kesler, Marwyn Peaster, Kale Bullor, Jason Peters, Willis Bullor, C.R. Kesler, Dennis Turner, Brett Nielsen, and Rob Wagstaff.

MEETING NOTICE. The meeting agenda showed that notice to the news media as to the time, date, and place of the meeting was given on July 17, 2013.

MINUTES. The minutes of the June 18, 2013, meeting of the Board of Directors were mailed to the Directors prior to the meeting. Director Tschida asked a question about the audit, which was answered. A motion was made by Director Ausman, seconded by Director Tschida, and unanimously carried approving the minutes as mailed.

WATER TRANSFERS. Director Ausman said that he is not against the District allowing water transfers but there needs to be some type of limit on the distance for the transfer to be allowed. He said that the proposed fee bothers him. He does not think there needs to be a fee and he explained his reasons why. Director White agreed that he is against the fee. Jay Chamberlin explained that it takes staff time and paperwork to do the transfers. The matter was discussed. Mr. Chamberlin said that he would prefer that the District not charge a fee.

J.L. Eldred explained evaporation losses and how they would be factored in with regard to the transfers. Bob Peterson questioned the evaporation losses. He encouraged the board to allow transfers. Craig Froerer said that allowing transfers should help the water last longer. He said that he has been planning on this and needs to be able to transfer water. Delos Lee said that he would like to see work done on the North Canal to help the lower end of the system.

Director White made a motion to allow transfers as proposed by District staff in the letter which went out to the landowners from the ditchriders with the exception that the proposed fee be taken out. Director Ausman seconded the motion. Director Tschida said that he was going to vote against the motion as the upper end started two weeks earlier and he wants to do everything he can to make sure the water lasts through the end of August. The matter was discussed with many of the Board members noting that by allowing transfers, the water will last longer than if the transfers were not allowed. A vote on the motion was had. Directors White, Corn, Nagaki, and Ausman voted in favor of the motion. Director Tschida voted against it and the motion passed by a vote of four to one.

The patrons left the meeting.

MITCHELL BUTTE POWER PROJECT.

Financial Report. The regular monthly financial report for the Mitchell Butte Power Project was included in the Directors' packets. The Directors reviewed the report.

Accounts Payable. The agenda for the meeting listed the following accounts payable for the Mitchell Butte Power Project:

Idaho Power	\$569.89
Brian Richins	1,925.00
AT&T	33.35
Nichols Accounting Group	<u>110.00</u>
Total	\$2,638.24

A motion was made by Director Corn, seconded by Director Ausman, and unanimously carried that the accounts payable for the Mitchell Butte Power Project be paid.

OWYHEE IRRIGATION DISTRICT ACCOUNTS PAYABLE. Two lists of the District's accounts payable for the month were included in the Directors' packets. The lists were reviewed and discussed. A motion was made by Director White, seconded by Director Corn, and unanimously carried approving and ratifying payment of the accounts payable.

NEWELL EAST PIPE BIDS. Mr. Chamberlin said that bids were let out for the Newell East Pipeline Project and Fergusson was the successful bidder. He said that they are out of Redmond and Portland. He said that the bid was approximately \$106,000. He said that he anticipates having a contractor do the laying of the pipe. He said that the District's grant application for materials on the other part of the project got denied because the landowners did not commit.

SNAKE RIVER WATER. Mr. Chamberlin said that the pumping plants are losing ground as the Snake River level drops. He said that the grates are having to be cleaned every 30 minutes. He said the river is dropping a little bit every day. Mr. Eldred explained how the Dead Ox and Dunaway Pumping Plants are dealing with the low water.

WATER MEASUREMENT. Mr. Chamberlin and Mr. Eldred explained that each year District staff identifies weirs and headgates which need repair or updated in order to help with measuring water. They said that measuring devices are installed each year. A discussion on water measurement was had.

SDAO BOARD TRAINING. Mr. Chamberlin said that there is an SDAO Board Training Session scheduled for August 28 in La Grande. He invited the Board members to attend.

WEEDBEATERS. Director Tschida asked if the weedbeaters are running and Mr. Chamberlin said that they are a little bit.

HYDRO COALITION MEETING. Mr. Chamberlin reported on a small Hydro Coalition Meeting which he attended. He said that he learned a lot at the meeting. He said that the Coalition is trying to get PUCs to help with PURPA contracts. He said that by joining the group, it could help the Owyhee Project. He said that he would like to see the Joint Committee consider joining the Coalition. He said that there would be a cost to join.

AUTOMATION. Mr. Eldred said that the District may want to look at automating the larger canals which may help run water through the system longer. Mr. Chamberlin said that he is working on calculating the numbers on the Old Owyhee Ditch Company's available storage.

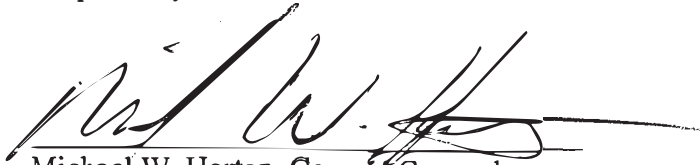
AQUATIC HERBICIDE. Mr. Manser updated the Board on aquatic herbicide usage this year.

COYOTE GULCH IMPROVEMENT PROPOSAL. Mr. Chamberlin said that SWCD's meeting with patrons near the Coyote Gulch area was today and that SWCD is still gathering information.

BOAT RAMPS AT RESERVOIR. Mr. Chamberlin updated the Board on the situation with the boat ramps at the reservoir.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 10:56 p.m.

Respectfully submitted,

  
Michael W. Horton, General Counsel

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