

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

August 18, 2020

A regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on August 18, 2020, at 7:32 p.m., telephonically due to the ongoing COVID-19 pandemic. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Bruce Corn  
Frank Ausman  
Dan Tschida  
Eric White  
Jerry Nagaki

Also present were: Jay Chamberlin, District Manager; Michael W. Horton, Attorney; Jake Conde, Attorney; Kenny Kimball, OID Employee; and Darla Sebasto, OID Patron.

MEETING NOTICE. The meeting agenda showed that public notice as to the meeting was given on August 14, 2020.

MINUTES. Minutes of the meeting of the Board of Directors held on July 21, 2020, were mailed to the Directors prior to the meeting. Director Corn noted Lynn Larson being misnamed as "Lynn Jensen." The minutes were corrected. A motion was made by Director White, seconded by Director Nagaki, and unanimously carried approving the minutes as mailed with the correction.

DISTRICT FINANCIAL REPORT. A financial report for the District was included in the Directors' packets. The Directors reviewed and discussed the report. Director White asked questions about the PPP loan received by the District and whether it showed up as income. Mr. Horton advised that although the government is supposed to forgive the loan, forgiveness will not be available until October. The money would not be considered income until the money is formally forgiven. As of today, the District is supposed to pay all loaned money back. Mr. Chamberlin said all data for the loan forgiveness has been provided to Nichols Accounting.

The Directors asked about the gopher tails budget. Mr. Chamberlin said less people have been bringing in gopher tails this year, possibly due to the COVID crisis. There are sufficient funds to cover any potential future expenses.

The Directors and Mr. Chamberlin spoke of other matters, including efforts made by the District to ensure water quality and flow. Mr. Chamberlin informed the Directors that there appeared to be enough funds left in the budget to handle necessary expenses,

including powering pumps and treating the water for potential algae blooms. Mr. Chamberlin expects that as the weather cools, there will be less demand for irrigation water and therefore less related expenses.

DISTRICT ACCOUNTS PAYABLE. Two lists of the District accounts payable for the month were included in the Directors' packets. The lists were reviewed by the Directors and questions asked. A motion was made by Director White, seconded by Director Ausman, and unanimously carried approving the 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 which the Directors reviewed and discussed. The Directors noted that there had been extensive discussion of the related finances last month, and that there appeared to be no significant updates. Mr. Chamberlin referenced last month's motion to move funds from Mitchell Butte to the Owyhee Irrigation District and said that by next month those movements would be reflected in the financial reports.

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

Tekfinity	42.95
FERC	3,841.74
Century Link	345.43
AT&T	1.79
Nichols Accounting	<u>125.00</u>
TOTAL	\$4,356.91

EMPLOYEE COMMITTEE PROPOSAL. Kenny Kimball addressed the Board. He said the employees met to discuss wage increases and potential changes to benefits. At this time, employees are seeking a wage increase of two percent incentive pay and an additional two percent cost of living increase. Currently employees receive one day per year for paid funeral leave, and the employees believe this is inadequate. The employees are seeking two days of paid funeral leave per year. The employees also are requesting the holiday pay structure be changed. Currently, employees receive only eight hours of holiday pay even if they work a ten-hour shift, and the additional two hours are taken from the employee's personal leave account.

The Directors thanked Mr. Kimball for his time, and for submitting their proposals well in advance of the deadline. The Directors will review the request and discuss it further. Mr. Kimball left the meeting and the Directors discussed the proposal. Mr. Chamberlin will get information to the Board on the financial impact to the District from the proposal, along with information on insurance and PERS increases.

OLD OFFICE BUILDING. Director Nagaki reported that after listing the property for \$85,000, an agreement to sell the old office building for \$77,000, contingent upon the City of Nyssa providing a variance to allow for someone to live full-time on the premises, has been reached. The matter was discussed and after discussion, a motion was made by Director White, seconded by Director Ausman, and unanimously carried adopting the following resolution:

RESOLVED that Jerry Nagaki, President of Owyhee Irrigation District, is hereby authorized to sign all documents necessary to sell the real property owned by the District located at 17 South 1<sup>st</sup> Street, Nyssa, Oregon for the sum of \$77,000.

COVID-19 EMPLOYEE UPDATE. Mr. Chamberlin reported an employee working for the District believed himself to be infected. He was quarantined and followed safety procedures in place by the District. To be safe he stayed home for the recommended fourteen days, and there appeared to be no current problems. Mr. Chamberlin said some employees' families have had confirmed cases of COVID-19, but there have been no signs of inter-office transmission.

TESTING PUMPING PLANT MOTORS FOR VIBRATIONS. Mr. Chamberlin said the heat and constant need for water have resulted in the pumping plants running at maximum capacity. The pump motors were vibration tested. A few units showed some vibration, but all performed within parameters expected. Mr. Chamberlin noted that with the high temperatures normal problems involving seasonal thunderstorms haven't presented usual challenges typical for this time of year.

DEAD OX PROJECT UPDATE. Mr. Chamberlin said the District is in communication with Bonneville Power on how to draft the grant language at this time. The project is moving forward, but still in the planning phase. Updates will be made as the project progresses through the various planned stages.

FALL WORK ITEMS. Mr. Chamberlin noted several projects the District is currently undertaking. The Jacobsen Gulch pipeline installation has been stalled until officials can meet with the gas company. District staff have tried to arrange to meet, but there have been scheduling difficulties involved in getting the necessary parties at the site.

Mr. Chamberlin told the Directors that the District will be auctioning surplus equipment in the next few weeks via JBS auctions. The Directors had previously approved the surplus.

Heavy demand on District pipelines have resulted in constant heavy flow, which has created several leaks and cracks. Significant patching of existing pipelines is expected.

Mr. Chamberlin updated the Board on a couple of planned fall pipeline projects. He said that a lot of drain cleaning will need to be done, along with ditching and lateral cleaning. He said that the North Canal needs cleaned up. He said staff is trying to get weeds mowed.

UPDATED ON DAMAGED HAY. This issue was first raised at a prior District meeting involving a patron's actions that resulted in damage to several bales of hay. The District has estimates as to the amount of damage done and the costs. Mr. Chamberlin feels the District will probably be able to cover and self-insure with current funds, then seek repayment from the individual who actually created the flooded conditions.

As a side note, Mr. Chamberlin noted that a private party has reached out and expressed interest in providing insurance on the hydros. Mr. Horton advised the Directors and Mr. Chamberlin to include Ray Waldo in any potential insurance services discussions. Mr. Chamberlin said Mr. Waldo was already aware of the other party's interest and any future developments will be reported to the Directors.

DEPARTMENT OF ENVIRONMENTAL QUALITY PERMITTING PROCESS. DEQ has reached out to the District for comments on potential temperature TMDL language. Mr. Horton and Mr. Chamberlin will provide comments after reviewing any proposed changes.

NEXT BOARD MEETING. The Directors discussed the problems of having the Board meetings by Teleconference. Mr. Horton explained the requirements of the current Governor's executive order for public meetings in the State of Oregon. The Directors noted that the District is located in a rural area which lacks adequate internet service in order for all Board members to participate by video conferencing. They also discussed the fact that cell coverage is further limited within the boundaries of the District and that during tonight's meeting there were numerous difficulties in hearing all of the Board members. After Discussion, it was the consensus of the Directors to hold next month's meeting in person at the District office following all of the requirements of the Governor's order with regard to social distancing and further providing for phone-in options for the public and Board members who choose to participate in the meeting by phone.

ADJOURNMENT. There being no further business, the meeting was adjourned at 8:37 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Michael W. Horton, General Counsel

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

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

August 18, 2020

A meeting of the Joint Committee of the Owyhee Project was held at the Owyhee Irrigation District office at 422 Thunderegg Boulevard, Nyssa, Oregon, on August 18, 2020, at 7:00 p.m., by teleconference due to the Covid pandemic. Eric White, Chairman, presiding.

The following members of the Joint Committee were present:

Eric White	Frank Ausman
Jerry Nagaki	Dan Tschida
Chris Landa	Brett Nielsen

Also present were: Jay Chamberlin, Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; Jake Conde, Attorney; Bruce Corn, OID Alternate; John Eells, South Board Manager; Kenny Kimball, OID Employee; and Darla Sebasto, OID patron.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on August 14, 2020.

MINUTES. The minutes of the meeting of the Joint Committee held on July 21, 2020, were mailed to the Committee members prior to this meeting. A motion was made by Mr. Tschida, seconded by Mr. Ausman, and unanimously carried approving the minutes.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. The financial report for the Tunnel #1 Power Project was included in the Committee member packets. The Committee members reviewed the report. Mr. Chamberlin said the power plant has run real well and can probably run through the whole season, but the head is dropping fast. Mr. Nielson asked for an explanation of the FERC expense. Mr. Chamberlin stated it was the falling water charges assessed to the project.

Tunnel #1 Power Project Accounts Payable. The agenda listed accounts payable for the Tunnel #1 Power Project. A motion was made by Mr. Nielsen, seconded by Mr. Nagaki, and unanimously carried authorizing payment of the following accounts payable:

Stunz, Fonda, Kiyuna, Horton	1,203.25
Oregon Idaho Utilities	241.66
FERC	11,597.23
Nichols Accounting	<u>375.00</u>
Total	\$13,417.14

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. The financial report for the Owyhee Dam Power Project was included in the Committee member packets. The Committee members reviewed the report. Mr. White asked about a difference in the income compared to the prior year. Mr. Chamberlin said he will check into it.

Owyhee Dam Accounts Payable. The agenda listed accounts payable for the Owyhee Dam Power Project. A motion was made by Mr. Tschida, seconded by Mr. Nagaki, and unanimously carried authorizing payment of the following accounts payable:

Oregon Idaho Utilities	171.12
FERC	15,234.86
Nichols Accounting	<u>375.00</u>
Total	\$15,780.98

PREPARING EQUIPMENT FOR WORK ON RING GATE PROJECT. Mr. Chamberlin gave the Committee an update on the Ring Gate project. The repairs have cleared away any obstructions to reach the concrete level at the gate. Staff is now looking at building scaffolding and bringing in other equipment to meet OSHA standards before moving forward with the next steps. He said project completion is estimated late October. Mr. Chamberlin stated the projected had a \$70,000 budget, and he is hoping to stay within it. He said there are many unknowns that could push back project completion date and allotted expenses. Most of the work at the gate was originally done by hand, and there will likely be a lot of expensive hand work to fix it. Mr. Chamberlin said the ring gate was exercised and operated very smoothly.

MISC. WORK AT OWYHEE DAM. Mr. Chamberlin listed several projects that need done at the dam. First, erecting a new flagpole dedicated to the armed forces and the men who died building the dam. The concrete work is done and a 50-foot pole is coming. The equipment to stand it is ready. Another project involves the rails on the bridge crossing, which are severely bent. It will be easier to build new ones than to restore the old rails. Also, the sign from Bureau of Reclamation was stolen from the site, so a new, larger sign with more robust footing will be installed. The road to the Dam Power Plant has areas that need to be worked on, such as soft spots in the turnaround area. It is planned to work on these problems after de-watering.

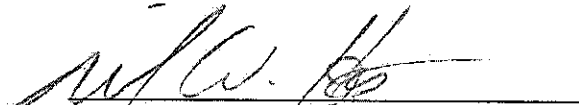
OPENING OF CABINS AT THE RESERVOIR. Mr. Chamberlin reported that the dam crew is asking if it would be possible to open the cabins at the dam compound. These cabins had been closed during the recent surge in cases in Malheur County. Mr. Nielsen acknowledged the public are wanting them opened. The Committee discussed, and Mr. Ausman made a motion to permit the cabins to be opened as soon as convenient and possible. The motion was seconded by Mr. Nielsen and passed by unanimous vote.

WATER SHUT OFF. Mr. Chamberlin said a tentative date needs to be set to provide the public an opportunity to respond and comment on water shutoff. The Committee discussed October 2, 2020 as a possible date. Mr. Chamberlin said that date would work for his crew because it is a Friday, and the crew could seamlessly transition to other projects. Mr. Nielsen expressed concern that would be too early for beet farmers in his area. The Committee agreed that it could be a problem but felt that setting the date was necessary and the date would be adjusted based on public response. Mr. Ausman made a motion to tentatively set the shutoff date to October 2, 2020, Mr. Nagaki seconded. The motion was voted on with White, Nagaki, Ausman, Tschida, and Landa voting in favor and Mr. Nielsen voting against. The motion passed on a vote of 5 to 1.

SOUTH BOARD. Mr. Eells offered a crew to help on the work at the dam.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 7:32 p.m.

Respectfully submitted,

  
Secretary

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