

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

June 22, 2021

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on June 22, 2021, at the District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 8:00 p.m. Jerry Nagaki, President of the District presiding.

The following Directors were present:

Bruce Corn	Jerry Nagaki
Eric White	Frank Ausman
Dan Tschida	

Also present were: Jay Chamberlin, Outgoing Manager; Clancy Flynn, Incoming Manager; Michael W. Horton, Attorney; Brian Richins, Auditor; and Linda Henderson, member of the public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on June 17, 2021.

PLEDGE OF ALLEGIANCE. President Jerry Nagaki led the Pledge of Allegiance.

MINUTES. Minutes of the meeting of the Board of Directors held on May 18, 2021, were mailed to the Directors prior to the meeting. A motion was made by Director White, seconded by Director Corn, and unanimously carried approving the minutes.

AUDIT REPORT. Brian Richins, the Auditor for the District, handed out his financial audit of the District for 2021. Included with the handout was an audit letter and charts. Mr. Richins said that the audit was pretty straight forward and there were no difficulties. He went through the charts, audit letter, and audit as the Directors reviewed them. Mr. Richins said that the PPP funds will get recognized in the next audit report as the loan was forgiven in 2021. He said a second PPP loan was obtained in 2021. Mr. Richins said that the District budgeting is looking good and is pretty accurate. He said that the District has good quality controls in place.

PROCEEDS FROM SALE OF DISTRICT BUILD. The Directors discussed what to do with the funds received from the sale of the District building. After discussion, it was the consensus of the Board that the funds will go into reserves.

DISTRICT FINANCIAL REPORT. The Directors reviewed and discussed the financial report for the month. Mr. Chamberlin said that he will ask Tyler Sweet to put the categories back into the 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. A motion was made by Director Corn, seconded by Director Tschida, 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. Horton said that the Directors need to look at beginning the re-licensing process. The matter was discussed and after discussion, it was determined that the matter should be put on the agenda for next month.

Accounts Payable. The agenda listed 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 following accounts payable:

Tekfinity	\$42.95
AT&T	84.96
Century Link	213.85
Nichols Accounting	<u>125.00</u>
 TOTAL	 \$466.76

STAFFING AT PUMPING PLANTS. Mr. Chamberlin said that the District is short-handed at the pumping plants with the labor shortage. He said the District needs to look at automating the plants. He said he would like to get overshot gates at West Cow Hollow to eliminate the last of the old board structures. He said there is a company looking at designing screens for the pumping plants. The Board discussed looking at screening designs and building trash racks. Director Ausman asked if this is something that should be looked at this off-season since a lot of the piping projects cannot be started because of the pipe shortage. Mr. Chamberlin said that pipe is starting to be a little bit more available and that the District may start putting bids out for some of those piping projects.

TONY FERARRAN PIPELINE PROJECT – LATERAL 54.2. Mr. Chamberlin said that the pipeline project on Lateral 54.2 got partially funded and that he intends to meet with the landowner shortly.

SWCD DRAIN MONITORING. Mr. Chamberlin said that Linda Rowe is stepping down from SWCD. He said that he learned this at a recent watershed meeting which he attended. He said at the meeting, the District was thanked for helping to cover the cost of funding some of the drain monitoring.

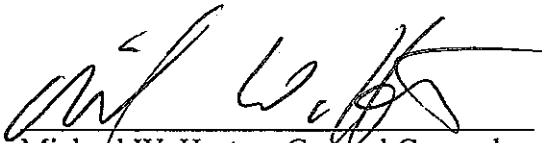
CLANCY FLYNN EMPLOYMENT CONTRACT. Mr. Horton presented a proposed employment contract with Mr. Flynn. A motion was made by Director White, seconded by Director Corn, and unanimously carried approving the contract and authorizing President Jerry Nagaki to sign the contract. The Directors discussed the transition of management duties. The issuance of a press release was discussed.

LOCKING HEAD GATES. Mr. Chamberlin explained a program of locking head gates in certain areas to allow greater ditch rider control. The matter was discussed.

43.2 DITCH BREAK. Mr. Chamberlin reported on a ditch break at 43.2. He said that some of the landowners involved helped with the break. The Directors authorized Mr. Chamberlin to get gift cards and reimburse some of the fuel for the landowners that helped out.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 9:30 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____

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

June 22, 2021

A meeting of the Joint Committee of the Owyhee Project was held on June 22, 2021, at the District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 7:00 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	Dan Tschida
Brett Nielsen	Chris Landa

Also present were: Jay Chamberlin, Outgoing Manager of the Hydro Projects; Clancy Flynn, Incoming Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; John Eells, South Board Manager; Jerry Nagaki (OID Alternate); Brian Richins, Auditor; and Linda Henderson, member of the public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on June 17, 2021.

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

MINUTES. The minutes of the meeting of the Joint Committee held on May 18, 2021, were reviewed by the Committee members. A motion was made by Mr. Corn seconded by Mr. Nielsen, and unanimously carried approving the minutes.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Chamberlin handed out financial reports which were 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. A motion was made by Mr. Landa, seconded by Mr. Tschida, and unanimously carried approving payment of the accounts payable as follows:

Stunz, Fonda, Kiyuna, Horton	\$758.50
AT&T	43.15
Oregon Idaho Utilities	113.08
SDIS	5,459.16
Nichols Accounting Group	<u>375.00</u>
Total	\$6,748.89

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Chamberlin handed out financial reports 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. Tschida, seconded by Mr. Corn, and unanimously carried approving payment of the accounts payable as follows:

Oregon Idaho Utilities	\$300.46
SDIS	2,239.17
Nichols Accounting Group	<u>375.00</u>
Total	\$2,914.63

2020 AUDIT ON HYDROS. Brian Richins, Auditor, handed out charts on the audit of the hydroelectric projects. He went through the charts as the Committee members reviewed them. He said the income and expenses are pretty consistent. He said the audit resulted in a clean report and that the books are in good order.

WATER OUTLOOK. Mr. Chamberlin said that users are starting to pull water pretty hard now. He said that even though it is raining outside right now, the wind is blowing pretty hard. He said the tunnel is pretty much maxed out. He said that OID is having problems getting water through the Dunaway Pumping Plant. He said the water levels in the Snake River are down. He said that Dead Ox Pumping Plant keeps losing its prime. He said that staffing for the pumping plants is difficult. He said that OID staff are going to work on the channel at the Dead Ox Pumping Plant. He said he does not know that he has ever seen the river this low this early. Mr. Chamberlin made a recommendation to hold the allotment at 3 feet for now. The Committee members discussed holding the course and waiting to see what happens next month.

HYDRO REPORT. Mr. Chamberlin said that all of the hydros are running, but there have been a few glitches along the way.

INVASIVE SPECIES. Mr. Chamberlin said that the Bureau has found a new invasive species called a "hydra" that is a microscopic jelly-like species that is in the reservoir. He said that right now, the numbers are pretty low. He said the species feeds off of quagga mussels.

GEM 2 PUMPING PLANT PUMPING COSTS. Mr. Chamberlin said that he wanted to make sure that the Committee was clear on the costs to the Districts on putting the Gem 2 Pumping Plant online. He passed around a letter from the Bureau of Reclamation which explains the costs in bringing the plant online. He said that next year the wheeling for the plant, if it is operating, could be approximately \$8,500. Mr. Horton explained the contract with the Bureau of Reclamation and how the power costs for the pumping plants are divided among the districts. Mr. Eells said that South Board will be paying the \$30,000 for the power costs for the Gem 2 Plant for this first year. The Committee members discussed the matter and after discussion, it was the consensus of the Committee members that the power costs for the Gem 2 Pumping Plant after this year will be paid and split according to the repayment contract with the Bureau since running the plant saves stored water for the projects as a whole.


CANAL SAFETY REVIEW. Mr. Chamberlin reported on a lawsuit in Colorado which the Bureau of Reclamation is now getting involved in involving a drowning in a district canal. He said the plaintiffs in the lawsuit are claiming that there were not enough signs warning people about the dangers of the canal. The Committee members discussed the costs of additional signage and the fact that the length of the canals throughout the project make posting signs cost prohibitive. Mr. Chamberlin said that Owyhee Irrigation District does post a warning on its website and does public service announcements on the dangers of the canals. He said he will get another public service announcement out next week. Mr. Chamberlin said that the Districts may be able to apply for funding from the Bureau and SDAO for some of the costs of signs.

OWYHEE SIPHON. Mr. Chamberlin said that he received a report that a pickup and camper next to the Owyhee Siphon burned up.

RELICENSING PROJECTS. Mr. Chamberlin said that once the hydro projects are paid off, the Joint Committee will want to begin looking at relicensing the projects with FERC. Mr. Horton explained the potential costs in relicensing the projects and that outside legal counsel will need to be obtained to assist in that relicensing process. Mr. Chamberlin said that once the projects are paid off, the agreement with Old Owyhee Ditch Company on sharing the revenues from the Hydro Projects will need to be looked at.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 8:00 p.m.

Respectfully submitted,



Secretary

APPROVED: _____