

FARMERS IRRIGATION DISTRICT
BOARD MEETING MINUTES
WEDNESDAY, JULY 21, 2010

The Board of Directors of the Farmers Irrigation District met on Wednesday, July 21, 2010, at the district office for the purpose of conducting its regular monthly business. Those in attendance were directors Steve Benton, Don Chandler, Bob Nickelsen, Tim Annala and Allan Henderson; District Manager, Mike Kleinsmith; Financial Administrator, Cathy Roberts; Attorney, Jeff Baker and Administrative Assistant June Brock.

Chairman Steve Benton called the meeting to order at 11:00 a.m.

MONTHLY BUSINESS:

The minutes of the June 16, 2010 board meeting were presented and discussed. It was moved by Don Chandler and seconded by Bob Nickelsen to approve the minutes. The motion passed with all in favor.

The O&M bills for the month of July 2010 were presented and discussed. It was moved by Allan Henderson and seconded by Tim Annala to approve the bills in the amount of \$412,297.67. The motion passed with all in favor.

ICCP Disbursement #8 was presented and discussed (see attached). It was moved by Allan Henderson and seconded by Tim Annala to approve the payments in the amount of \$163,706.35. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: None

CORRESPONDENCE: None

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the district has received \$8,852.98 in payments since the June board meeting (89% this year compared to 94% last year). The end-of-month balance for June was projected at \$2,560,799 with an actual ending balance of \$2,244,367.56. A lien list of delinquent accounts was presented to the board. It was moved by Don Chandler and seconded by Allan Henderson that staff proceeds with lien filing at the Hood River County. The motion passed with all in favor.

- b) Water Supply and Production – Hydropower production for June was projected at

950,000 kWh. Actual production was 2,309,920 kWh. Hydro revenue for June was projected at \$125,062.78. Actual hydro revenue was \$273,800.28. Reservoirs are full and spilling 6.7cfs. Plant 2 is flowing 48.2 cfs; Plant 3 is flowing 3.8 cfs. The Hood River is flowing 410 cfs at Tucker Bridge.

- c) Power Sales Contract - Mike informed that Board that he has been in contact with Mr. Griswold from PacifiCorp regarding our power sales contract. Mike displayed a proposal from PacifiCorp on June 29th for the board to review. Farmers Irrigation District will apply for levelization security in the amount of \$228,817 from Columbia State Bank. After much discussion it was moved by Don Chandler and seconded by Tim Annala to accept PacifiCorp's power purchase proposal. The motion passed with all in favor.
- d) Mike informed the board that a new Farmers screen will be built at Plant 3. Crestline Construction will perform this work along with FCA, this will complete our ARRA funded project. The final phase of the LDPP will be complete by Spring of 2011.
- e) Mike and the board discussed the purchase of a new truck for the District and the pros and cons of different makes and models.
- f) Mike informed the board that the Hood River Water Shed Group assistant from AmeriCorps would not be returning due to cuts in funding. Mike notified the board that the District will be funding an additional \$1500 per year to the Hood River Water Shed Group AmeriCorps assistant position.

LEGAL:

- a) Resolution 06-10 Name change from Columbia River Bank to Columbia State Bank was presented to the board. It was moved by Tim Annala and seconded by Allan Henderson to adopt Resolution 06-10. The motion passed with all in favor.
- b) Attorney Jeff Baker informed the board that Richard (Dick) Leonard met with Sarah Kelly of the Division of State Lands. Ms. Kelly informed Mr. Leonard that the District did not require a permit for the work performed near Mr. Leonard's property as it was under 50 cubic yards. Mr. Leonard currently has a tort claim against the District. Mr. Leonard's attorney has been inquiring as to the District's easement agreement on the Leonard property.

OTHER BUSINESS:

- a) Don Chandler acknowledged Steve Benton's illness.
- b) Don asked the board if the District would want to change the wording on our annual

billing statements, currently the System Reserve Account (SRA) is at \$200.00. Don proposes that we change this to read "Project Enhancement Fee" or something similar. This discussion was tabled until the next board meeting.

ADJOURNMENT:

There being no further business, Chairman Benton adjourned the meeting at 12:010 p.m.

Signed: _____
Steve Benton, Chairman

Attest: _____
Tim Annala, Secretary