



**BOARD MEETING MINUTES  
WEDNESDAY, JANUARY 17, 2018**

The Board of Directors of the Farmers Irrigation District met on Wednesday, January 17, 2018, at the District office for the purpose of conducting its annual meeting and monthly business. Those in attendance were directors Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken; District Manager, Les Perkins; Office Manager, June Brock and Attorney, Don Hull.

Chairman Erick von Lubken called the annual meeting to order at 11:58 a.m.

**ANNUAL BUSINESS:**

Directors Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken took official oaths of office.

Erick von Lubken opened the nominations for Chairman.

A motion was made by Pete Siragusa to retain the current slate of officers, Don Chandler seconded the motion. The motion included Erick von Lubken as Chairman, Pete Siragusa as Vice-Chairman, and Bill Munk as Secretary-Treasurer. The vote was unanimous in favor of the motion.

**BUDGET COMMITTEE:**

The directors announced that the budget committee members will remain the same as last year.

**DEPOSIT OF FUNDS:**

A motion was made by Don Chandler and seconded by Bill Munk to adopt Resolution 01-18 appointing Columbia Bank as the District's depository for 2018 with additional funds to be held at Oregon State Treasury -- Local Government Investment Pool. The Board of Directors, General Manager, and Water Rights Specialist are authorized to sign on the accounts with two signatures required, one of which must be from a director. Office Manager, June Brock has been instructed and authorized by the General Manager, Les Perkins to serve as Custodian of Records and will make Local Government Pool account transactions per newly revised guidelines and protocols. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**REGULAR MEETING DATES:**

A motion was made by Don Chandler and seconded by Bill Munk to adopt Resolution 02-18 setting the regular meeting days for 2018 on the third Wednesday of each month according to the following schedule:

January through December—12:00 p.m.

Any necessary changes to the schedule will be posted via public notice.

All meetings will be held at the District office located at 1985 Country Club Road, Hood River, Oregon. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**ANNUAL BOARD MEETING DATE:**

A motion was made by Don Chandler and seconded by Bill Munk to adopt Resolution 03-18 establishing January 16, 2019, at 12:00 p.m. as the date of the Year 2019 Annual Board Meeting. The meeting will be held at the District office located at 1985 Country Club Road, Hood River, Oregon. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**BILLING AND COLLECTION OF CHARGES:**

It was moved by Bill Mink and seconded by Tim Annala to adopt Resolution 04-18 citing the specific manners in which the District will charge for required funds. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**AGENT OF RECORD:**

It was moved by Pete Siragusa and seconded by Don Chandler to designate Julie Hammond of Brown & Brown as Agent of Record for the District's General Liability Coverage. Special Districts Insurance Services (SDIS) will remain the primary insurer for the District's health, vehicle and property coverage. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**ATTORNEY OF RECORD:**

It was moved by Pete Siragusa and seconded by Don Chandler to designate Don Hull of Annala, Carey, Thompson and Vankoten as Attorney of Record for the District. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**AUDITOR OF RECORD:**

It was moved by Pete Siragusa and seconded by Don Chandler to designate Onstott, Broehl & Cyphers Auditor of Record for the District. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**ENGINEER OF RECORD:**

It was moved by Pete Siragusa and seconded by Don Chandler to designate Niklas Christensen, P.E. as Engineer of Record for the District. The motion passed with Tim Annala, Don Chandler, Bill Munk, Pete Siragusa and Erick von Lubken in favor.

**MONTHLY BUSINESS:**

Chairman Erick von Lubken called the monthly regular meeting to order at 12:07 p.m.

The minutes of the December 20, 2017 Board meeting were presented and discussed. It was moved by Pete Siragusa and seconded by Bill Munk to approve the minutes as presented. The motion passed with all in favor.

The O&M bills for the month of January 2018 were presented and discussed. It was moved by Pete Siragusa and seconded by Bill Munk to approve the bills in the amount of \$33,648.79. The motion passed with all in favor.

**BUSINESS FROM THE FLOOR:** None

**CORRESPONDENCE:** None

**MANAGER REPORTS AND DISCUSSION:**

A/R report – Les reported that the District has received \$679,890.36 in payments since the December Board meeting representing ~65% in accounts receivable vs 60% last year. End of month balance as a February 11<sup>th</sup> was \$1,595,893.27 (including reserves)

Hydro report – Hydro production for the month of December was projected at 2.65M kWh, with an actual production of 2,814,430 kWh, (amended PacifiCorp report). Hydro revenue was projected at \$181,578.00 with actual revenue of \$194,749.50 (see attached). This is the fourth time in history that the total kWh for the year has been in excess of 25M kWh in the 30 years of District hydro operations.

On-going maintenance and chores are being performed throughout the District by crew members including PRV maintenance, valve removal and replacement. The Rand Road line relocation is near completion with PRV's on Sherman and at the north end of 30<sup>th</sup> St. Sterr's orchard PRV has been upgraded and a valve relocation on York Hill is in process.

The Headgate tunnel is once again full of rocks, causing a minor shutdown and clean-out. The crew has found that by pulsing water through the tunnel it has moved smaller rocks through without a complete shutdown. Les is looking into the cost of 2 sluice gates, one before the headgate and one immediately after the tunnel. The sand/silt that has accumulated at the Headgates is being tested for use in Phase II, dam raise portion of the Reservoir Expansion Project. If the sand can't be used for the reservoir project, the District will need to find alternative locations for the sand. In any case, the District will need to contract for additional dump trucks to haul the material.

Bob Anderson of Reed Road stopped by the office and inquired if the District would fix his washboard driveway/property entrance? Ever since the 2012 Farmers Canal pipe project, there has been an issue with the angle to which his driveway was positioned. Much discussion ensued. As directed by the Board, Les will look into the cost of paving the washboard area and also have Mr. Anderson sign off on a completion order.

**Reservoir Expansion Project:**

Crestline Construction Change Orders

It was moved by Tim Annala and seconded by Don Chandler to move into Contraction Review Board Session. The motion passed with all in favor.

Contract Review Board Session

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The Board discussed the five change orders presented from Crestline Construction LLC in the amount of \$262,526.00. The change orders were for additional geotechnical testing, borrow site development and

restoration, clearing, grubbing topsoil stripping, compaction of reservoir embankment, installation of inlet valve and screening of existing dam material. None of these items were in the contract and were a result of the inability to use the material that was removed from the dam due to poor quality and inability to meet the geotechnical specifications.

Post discussion, it was moved by Tim Annala and seconded by Pete Siragusa to move out of Contract Review Board session. The motion passed with all in favor.

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Back in the regular meeting it was moved Bill Munk and seconded by Tim Annala to accept the Contract Review Board’s recommendations to pay the change orders as presented. The motion passed with Erick von Lubken, Tim Annala, Bill Munk and Pete Siragusa voting aye. Don Chandler abstained.

Les provided the Board with a DRAFT Instream Flow Protection Proposal (see attached), this is to meet the needs of the OWRD Grant Agreement regarding instream flow protection legal and volume requirements. The majority of the IFP requirements can be met with the remainder of the Conserved Water from the earlier agreement on the NGP Pipeline phase. The remainder would be just under 45 acre feet. To meet this, the District can either find 14.88 acres to remove water from in the Upper District or release just under 45 acre feet from the reservoir. While not ideal for anyone, the recommendation is to release from the reservoir to avoid injury to the District patrons.

A contract agreement was submitted to the District from The Confederated Tribes of Warm Springs (CTWS) regarding the matter of providing funds for the District to acquire rock for the Reservoir Expansion Project in exchange for donation of fish logs with the roots attached. The contract would be not to exceed \$50,000 and specifies minimum diameter and bole length as well as delivery requirements.

**LEGAL:**

**EXECUTIVE SESSION:** At 12:40 p.m. the Board moved into Executive Session to consider negotiation of terms regarding acquiring real property for the reservoir expansion project.

**OTHER BUSINESS:**

Manager Review – Les provided the board with the 2016 and 2017 goals, priorities and projects and associated accomplishments from the same time period for their review (see attached). The Board provided feedback on the performance of the Manager during the first 27 months of employment. A pay increase was approved based on cost of living adjustments and performance. The Board determined that an annual review of the Manager would be conducted.

**ADJOURNMENT:**

There being no further business, Chairman Erick von Lubken adjourned at 1:28 p.m.

Signed: \_\_\_\_\_  
Bill Munk, Secretary

Attest: \_\_\_\_\_  
Erick von Lubken, Chairman