



BOARD MEETING MINUTES

WEDNESDAY, MAY 16, 2018

The Board of Directors of the Farmers Irrigation District met on Wednesday, May 16, 2018, at the district office for the purpose of conducting its regular monthly business. Those in attendance were directors Erick von Lubken, Tim Annala, Don Chandler, Bill Munk and Pete Siragusa; District Manager, Les Perkins; Office Manager, June Brock; and Attorney, Ruben Cleaveland.

Chairman Erick von Lubken called the meeting to order at 12:00 p.m.

MONTHLY BUSINESS:

The minutes of the April 18, 2018 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 May 2018 were presented and discussed. It was moved by Tim Annala and seconded by Pete Siragusa to approve the bills in the amount of \$400,569.46. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: None.

CORRESPONDENCE: None

REPORTS AND DISCUSSION:

a) A/R Report – Les reported that the district has received \$992,923.97 to date representing 95% of total 2018 assessments charged versus 93% last year.

b) Hydro Production – April's production was projected at 2.8 million kWh. Actual production was 2,957,403 kWh (see attached). Hydro revenue for April was projected at \$206,276.00. Actual revenue was \$221,298.65. EOM balance for April including reserves as of May 10 was \$2,066,997.15.

c) Manager's Report – Les reported that both upper and lower reservoirs are full and spilling. There is a miniscule leak in the dam, which we are monitoring, and the leak has been reported to the Dam Safety Commission. The spill way is holding steady. Irrigation lines are charged throughout the district. Several district users have called in to report broken lines and/or valves in their private systems. The crew repaired and realigned a 4" line at Red Barn's Country Club orchard, and the Avalon Drive/Avalon Way repair has been paved. Zach has received quotes for the O&M parts inventory, parts will now be stored at Plant 3 which is a locked site.



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Reservoir Enhancement Project – On Friday May 18th, the Army Corp of Engineers along with the Division of State Lands will be on site at the reservoir to discuss wetland delineation. OWRD’s seasonal varying flow results set exorbitantly high base ecological flows which are not consistent with the flow records the District has on file. OWRD completed the SVF analysis in consultation with ODFW and the Tribes. The ecological base flow was based on modeled optimum habitat, not on actual flow. Niklas has spreadsheets with flow data collected by Joe May (10 years’ worth) and is compiling data to provide to OWRD. Les will be working with Niklas, Rick, and Alexis Vaivoda to push OWRD to reconsider their conclusions. At this point in time, the proposed base ecological flows (below which we can’t use the new water storage rights) would essentially render the new water rights useless. If OWRD isn’t willing to reconsider, then it would be unreasonable to continue with the reservoir expansion.

Les attended a meeting with DSL, Regional Solutions, Business Oregon, Crystal Springs and the Port of Hood River to discuss the potential for a creating wetland mitigation bank for the Hood River Basin. Les and Anne Menedenbach from the Port will work on an outline of a proposed mitigation bank concept.

Les provided the board with a draft Real Estate Exchange Agreement between FID and HR County, Legal Counsel Ruben Cleaveland would like to see changes on Page 4, Section K regarding the terms of “Exhibit D” and also the campground clause. Much discussion ensued. Doug Theises, HR Co. forestry manager will attend the June board meeting. FID has fabricated gates to be installed at the reservoir to prevent public access. Unfortunately there has been a hold up with the Reservoir and Road Closed signage due to the Kingsley road being a public works road and therefore any signs must meet ODOT standards (MUTCD). Hopefully this will be resolved prior to the Memorial Day week-end.

The Timber Sale is currently on hold until the land exchange is completed and the SVF and ACOE permitting issues are resolved.

Energy Market/PPA – Les discussed the new avoided cost rates, electric vehicle charging stations and battery storage. The recently filed avoided cost rates from PacifiCorp, PGE, and Idaho Power are dismal, beginning at 2.5 cents per kWh. The market is changing rapidly and we will need to stay up to speed.

On Tuesday Les met with managers from the Dalles Dam and gave them a tour of the Dead Point screen to see the functionality of a working screen. The managers left the tour with much interest.

A legislative tour took place on May 10th attended by members from the Oregon House of Representatives, DEQ, OWRD, OWRC, FCA, and the Farm Bureau. They visited Plant 3, the Reservoir, Middle Fork Irrigation District, East Fork Irrigation District, Dead Point Creek, Kiyokawa’s orchard and the new sorting facility at Diamond Fruit in Odell.

Les received a quote from Sierra Controls, NV in the amount of ~\$43K, for upgrading the PLC’s for the pump station at Plant 3. The current system is not repairable as the system is outdated and FID does not



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have the ability to access the original programming. This is something that needs to be upgraded before we have a major issue with the pumps.

LEGAL: Draft Real Estate Exchange Agreement discussion.

OTHER BUSINESS: FCA signed an agreement with the Bureau of Reclamation for the fabrication and install of a 600CFS screen on the Truckee River, Reno, NV.

ADJOURNMENT: There being no other business, the meeting was adjourned at 12:50 p.m.

Signed: _____ Erick von Lubken, Chairman

Attest: _____ Bill Munk, Secretary