



**BOARD MEETING MINUTES
WEDNESDAY, JANUARY 15, 2020**

The Board of Directors of the Farmers Irrigation District met on Wednesday, January 15, 2020, 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; Watershed Manager, Megan Saunders; Attorney, Don Hull and Insurance Agent, Scott Reynier.

ANNUAL BUSINESS:

Chairman Erick von Lubken called the Annual Meeting to order at 12:00.

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 Don Chandler to retain the current slate of officers, Tim Annala 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.

CONSENT AGENDA:

A motion was made by Don Chandler and seconded by Bill Munk to consider the remainder of the Annual Meeting items under a consent agenda. Consent Agenda included: Deposit of Funds (Resolution 01-20), Regular Meeting Dates (Resolution 02-20), Annual Board Meeting Date (Resolution 03-20), Billing and Collection of Charges (Resolution 04-20), Agent of Record, Attorney of Record, Auditor of Record, and Engineer of Record. Motion passed with all in favor.

DEPOSIT OF FUNDS:

Resolution 01-20 appointing Columbia Bank as the District's depository for 2020 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.

REGULAR MEETING DATES:

Resolution 02-20 setting the regular meeting days for 2020 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.

ANNUAL BOARD MEETING DATE:

Resolution 03-20 establishing January 20, 2021, at 12:00 p.m. as the date of the Year 2020 Annual Board Meeting. The meeting will be held at the District office located at 1985 Country Club Road, Hood River, Oregon.

BILLING AND COLLECTION OF CHARGES:

Resolution 04-20 citing the specific manners in which the District will charge for required funds..

AGENT OF RECORD:

Scott Reynier of Columbia River Insurance as Agent of Record for the District's General Liability Coverage. Special District Insurance Services (SDIS) will remain the primary insurer for the District's health, vehicle and property coverage.

ATTORNEY OF RECORD:

Don Hull
of Annala, Carey and Hull as Attorney of Record for the District.

AUDITOR OF RECORD:

Onstott, Broehl & Cyphers, P.C. Auditor of Record for the District.

ENGINEER OF RECORD:

Niklas Christensen, P.E. as Engineer of Record for the District.

MONTHLY BUSINESS:

Chairman Erick von Lubken called the monthly regular meeting to order at 12:05 p.m.

The minutes of the December 18, 2019 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 2020 were presented and discussed. It was moved by Bill Munk and seconded by Pete Siragusa to approve the bills in the amount of \$239,490.03. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: Scott Reynier provided an insurance comparison report (see attached) to

the board, he explained the reason for rate increases in premiums for hydro and property insurance from SDIS. Increases for premiums for property insurance is a nationwide phenomenon as insurance companies have found that properties on the whole were undervalued and large-scale natural disasters around the country have produced increased costs that are spread across all insured properties. It is hoped that these premiums will stabilize over the next few years. Scott said to expect a much less robust increase next year (2021), more in the 1 to 3% range. Scott discussed the fact that FID's loss ratio is quite good and contributed to less of an increase than other insured properties may have seen. Scott plans to work with Les in the late spring to evaluate the market and consider shopping for other options if it appears to be prudent. The board thanked Scott for his presentation.

CORRESPONDENCE: None

MANAGER REPORTS AND DISCUSSION:

A/R report – Les reported that the District has received \$662,448.06 in payments since the December Board meeting representing 62% in accounts receivable vs 63% last year. End of month balance as January 9th was \$1,177,963.70 (including reserves)

Hydro report – Hydro production for the month of December was projected at 2.8M kWh, with an actual production of 2,201,800 kWh. Hydro revenue was projected at \$219,940 with actual revenue of \$174,319.98 (see attached). Overall our hydro production was down ~3.5 million kWh for 2019. The hydro projections for January are hoped to be back to normal as flows have increased in the past 6 days with more snow/rain in the forecast.

Audit – Ken Onstott informed Les that the 2017 and 2018 audits are complete. Les will finish the Management Audit letter to accompany the audits.

Les provided a SWE report (that Rick produced) to the board (see attached). The snow water equivalent (SWE) is the worst seen in many years. It was decided to start storing water in the upper reservoir and by partially closing the valve. This will allow storage of some water (around 5 cfs or 10 acre feet per day) while still passing some water for hydro generation. Depending on precipitation, SWE, and flows, it is likely that we will close the valve later this month or early February.

Projects:

SCADA/Telemetry: The SCADA and Telemetry upgrade is moving along, we are waiting for the radios, which are hoped to be here by the end of January. Once we have the radios to mount to the new tower at the Headgate, we can migrate the rest of Farmers Canal sites and Deadpoint onto the SCADA platform. This will allow us to completely move off of the ACS platform as well as eliminate the T1 connection at the Headgate. These two will save us nearly \$600 per month.

IT: Megan was able to download our server data and move our data over to Google Drive. Google Drive will be our new cloud storage/server. We are currently paying \$500 per month for the cloud server through Radcomp. Google Drive is faster, unlimited in storage, and about 1/10th the cost. We hope to move completely away from Radcomp soon. Megan and Zach will pick up much of the internal IT tasks such as regular software updates and creating and updating best practices for the rest of the crew. The only remaining question is regarding monitoring and upkeep of the firewall. Holly Cate has been consulting and providing review of our current system and future needs. Holly can provide support on an as needed basis for anything that is beyond the internal capabilities of FID.

Reservoir: SHPO received HRA's updated archaeological research/survey report. All reports were sent to the ACOE and DEQ. ACOE sent a letter stating a "No Effect" and asking for SHPO concurrence. SHPO indicated that their review could be completed late this week or early next week. Once concurrence from SHPO is received, ACOE can finalize and release the 404 permit. Once the 404 is issued, then DEQ will have a 30 day public comment period followed by a couple of weeks for review of comments and finalization. DSL removal fill extension has been filed, ODFW in-water work exemption has been granted, DOGAMI permit is filed and paid for, and 1200C permit is filed and paid for. It is expected that OWRD funds can be drawn from by late February and DEQ funds can be drawn from by April. Construction work is expected to begin in late April or early May depending on snowpack.

Puccinelli Line Replacment: Last Thursday, Les and district staff met with Bob and Charles Benton to discuss the layout of the re-routed Puccinelli Line. A new tap will be installed on Charles's property and Engineer, Niklas Christensen will provide definitive pipe size to accommodate the flows for all patrons on that line. Both Bob and Charles were supportive of the project and willing to grant easements to FID for the pipeline. All parties agreed to align the pipe outside of the ODOT ROW which may mean going inside one row of trees. Les will provide both parties draft easement language for review.

Derby Dam Status: The project is moving along very quickly. Granite Construction is ahead of schedule and is doing all of the work necessary during the canal outage (forebay and aftbay). Large concrete pours are happening every day. A construction camera is on site and streaming, Les will send links. FCA Director, Julie O'Shea will attend the February 18th board meeting, and will hopefully provide a royalty check for the District at that time.

DEQ 303(d) listing response: This letter was sent to DEQ from FID, MFID and EFID regarding their data methodologies regarding Oregon's 2018 Water Quality Report and List of Water Quality Limited Water (see attached). In a nutshell DEQ's methodology, public outreach, and reporting was not adequate or defensible.

District Manager Review: The board members are invited to meet with the manager at their leisure to discuss (but not limited to) goals, priorities, projects, accomplishments, performance etc. Les will provide a revised Personnel Policy and staff job descriptions for review at the March meeting. Les will also provide the board with financial modeling at the February 18th meeting. Les also informed the board of upcoming trainings and seminars, one of which the EPA is presenting.

LEGAL: None

EXECUTIVE SESSION: None

OTHER BUSINESS: None

ADJOURNMENT:

There being no further business, Chairman Erick von Lubken adjourned at 1:05 p.m.

Signed: _____
Bill Munk, Secretary

Attest: _____
Erick von Lubken, Chairman