

FARMERS IRRIGATION DISTRICT
BOARD MEETING MINUTES
WEDNESDAY, MARCH 17, 2010

The Board of Directors of the Farmers Irrigation District met on Wednesday, March 17, 2010, at the district office for the purpose of conducting its regular monthly business. Those in attendance were directors Steve Benton, Don Chandler, Tim Annala, Bob Nickelsen and Allan Henderson; District Manager, Mike Kleinsmith; Financial Administrator, Cathy Roberts; Water Rights Manager Rick Brock; Attorney, Jeff Baker and Administrative Assistant, June Brock. Also in attendance was Julie O'Shea from FCA.

Chairman Steve Benton called the meeting to order at 11:02 a.m.

MONTHLY BUSINESS:

The minutes of the February 17, 2010 board meeting were presented and discussed. It was moved by Bob Nickelsen and seconded by Allan Henderson to approve the minutes. The motion passed with all in favor.

The O&M bills for the month of March 2010 were presented and discussed. It was moved by Don Chandler and seconded by Allan Henderson to approve the bills in the amount of \$55,736.63. The motion passed with all in favor.

The ICCP Disbursement #3 was presented and discussed (see attached). It was moved by Don Chandler and seconded by Bob Nickelsen to approve the payments in the amount of \$1,051,952.82. The motion passed with all in favor.

The ICCP Disbursement #4 was presented and discussed (see attached). It was moved by Don Chandler and seconded by Bob Nickelsen to approve the payments in the amount of \$150,625.04. The motion passed with all in favor.

BUSINESS FROM THE FLOOR:

FCA – Julie O'Shea informed the Board that FCA continues to market the Farmers Screen and work toward final approval of the District's technology as a NMFS-approved criteria screen. One more fish study is to be tested at Herman Creek at the end of April. Julie also informed the Board of current projects and projects under development (see attached), with numerous screens being installed in Montana, Idaho and Wyoming. On March 22nd and 23rd Oregon Public Broadcasting (OPB) will be visiting FCA and conducting an interview. Julie will continue to keep the Board updated, and the Board thanked Julie and the FCA staff for their work.

CORRESPONDENCE: None

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the district has received \$25,232.41 in payments since the February board meeting (56% this year compared to 62% last year). The end-of-month balance for February was projected at \$1,910,591.38, with an actual ending balance of \$1,278,221.70. This ending month balance does not include the outstanding BETC funds.
- b) Water Supply and Production – Hydroelectric production for February was projected to 2,500,000 kWh. Actual production was 2,730,245 kWh. Hydropower revenue for February was projected to \$288,831.55 with actual revenue at \$318,187.15.
- c) Manager’s Report-Mike Kleinsmith reported to the board that both reservoirs are closed and Plant 2 is running at 96 cfs. Hydro production for March may be short due to spray water demand and Plant 3 was shut down for a few days due to construction by Crestline. Snow pack at Green Point is below average.
- d) Power Sales Contract (see attached email for the latest happenings)
- e) The Indian Creek Corridor project is 90-95% complete. Mike informed the Board that the District may also seek additional stimulus (ARRA) funds, \$800,000 to \$1,000,000 to retro fit forebay 2 with a new debris screen and the piping of the Farmers canal upstream towards Portland Drive.
- f) The Ryan Juice (Johnsrud Trucking) lawsuit has been turned over to SDAO.

LEGAL:

- a) Jeff Baker discussed with the Board and staff the issue of four district users that are in Foreclosure status and going on five years of non-beneficial use of water. Currently Rick Brock is checking with OWRD regarding a confiscation policy and removal of water rights from these properties.
- b) The property damage claim made by Leroy Leonard of Barrett Road was paid by Crestline Construction.
- c) A Release of Easement was received from Dennis and Cynthia Cannarile (see attached).

OTHER BUSINESS:

Don Chandler inquired as to how long the District would be retaining John Lowe for his services. Mike informed the Board that the Power Sales Contracts negotiations were near

completion; hopefully he would have more information after his meeting with Mr. Lowe this Friday.

ADJOURNMENT: There being no further business, the meeting adjourned at 12:20 p.m.

Signed: _____
Steve Benton, Chairman

Attest: _____
Tim Annala, Secretary