

FARMERS IRRIGATION DISTRICT
BOARD MEETING MINUTES
WEDNESDAY, JUNE 16, 2010

The Board of Directors of the Farmers Irrigation District met on Wednesday, June 16, 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; Water Rights Specialist, Rick Brock; Attorney, Jeff Baker and Administrative Assistant June Brock. Julie O'Shea of FCA and Richard Leonard (District user) were also in attendance.

Vice Chairman Allan Henderson called the meeting to order at 11:07 a.m.

MONTHLY BUSINESS:

The minutes of the May 19, 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 June 2010 were presented and discussed. It was moved by Don Chandler and seconded by Tim Annala to approve the bills in the amount of \$76,543.07. The motion passed with all in favor.

ICCP Disbursement #7 was presented and discussed (see attached). It was moved by Tim Annala and seconded Don Chandler by to approve the payments in the amount of \$11,208.45. The motion passed with all in favor.

LDPP Disbursement #12 was presented and discussed (see attached). It was moved by Tim Annala and seconded Don Chandler by to approve the payments in the amount of \$22,990.00. The motion passed with all in favor.

BUSINESS FROM THE FLOOR:

- a) Richard (Dick) Leonard introduced himself to the board. Mr. Leonard informed the board of his concerns and issues with Crestline Construction during the construction of the Indian Creek Corridor Project. Mr. Leonard's issues varied from track vehicles on his property, (rubber tired vehicles are only to enter his property) easement alignment, right of ways, permits and applications, difficulty of entrance to property, power poles, power panels, irrigation pump, removal of concrete walls and box, culvert, high water table on his property, standing water on east end of property, etc. Mr. Leonard currently has a law suit against Crestline Construction. There was much discussion. Attorney Jeff Baker informed the board that Leonard's attorney previously sent a tort

claim to the District regarding injuries he claims to have suffered. Mike informed the board that a meeting is being scheduled with Sarah Kelly of the Division of State Lands, Jerry Bryan, FID project manager; and Yani Viavoda of Crestline Construction in the coming weeks to discuss Mr. Leonard's complaints. Mike assured the board that all the necessary permits were obtained for the work done near the Leonard property and every effort was made to ensure the Mr. Leonard's property was not damaged in the course of the work on the Indian Creek Corridor Project.

- b) FCA Update – Julie O'Shea was happy to inform the board that Farmers Screen had passed the USGS testing, (see attached). 99.6% of all fish tested passed over the screen without hesitation or delay. It was estimated that the fish testing would cost approximately \$40,000; to date the testing is estimated at \$22,000. Julie also informed the board of current pending projects and projects under development. Unfortunately due to a funding shift, FCA has reduced its staff hours to maintain cash flow. Hopefully this will be short lived.

CORRESPONDENCE:

The Board of Directors reviewed a Memorandum of Understanding from the Cannon Winds Water Group (see attached). It was moved by Allan Henderson and seconded by Don Chandler to approve the application. The motion passed with all in favor.

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the district has received \$18,882.84 in payments since the May board meeting (88% this year compared to 92% last year). The end-of-month balance for May was projected at \$2,192.000 with an actual ending balance of \$2,027.335.00.
- b) Water Supply and Production – Hydropower production for May was projected at 1.6 million kWh. Actual production was 2,841,967 kWh. Hydro revenue for May was projected at \$193,301.88. Actual hydro revenue was \$329,412.12. Reservoirs are full and spilling 7cfs. Plant 2 is flowing 91.8 cfs, Plant 3 is flowing 26.7, LDPP (High School) line is flowing 116 gpm, ICCP (MRPS) line is flowing 220 gpm, 24" gravity (Tucker) line is flowing 1,723 gpm. Currently there is a low demand for irrigation water due to the rain and cooler temperatures.
- 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 will keep the Board apprised.

LEGAL:

Attorney Jeff Baker informed the board that he has sent out seven foreclosure warning letters to the district's delinquent accounts.

OTHER BUSINESS: None

ADJOURNMENT:

There being no further business, Chairman Benton adjourned the meeting at 12:07 p.m.

Signed: _____
Steve Benton, Chairman

Attest: _____
Tim Annala, Secretary