

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

The Board of Directors of the Farmers Irrigation District met on Wednesday, November 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; Administrative Assistant, June Brock and Attorney Jeff Baker.

Vice Chairman Allan Henderson called the meeting to order at 11:00

MONTHLY BUSINESS:

The minutes of the October 20, 2010 board meeting were presented and discussed. It was moved by Bob Nickelsen and seconded by Tim Annala to approve the minutes as presented. The motion passed with all in favor.

The O&M bills for the month of November 2010 were presented and discussed. It was moved by Don Chandler and seconded by Tim Annala to approve the bills in the amount of \$236,681.93. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: none

CORRESPONDENCE:

Patient Protection and Affordable Care Act (PPACA), (see attached). This information regarding employees' dependents health care enrollment was provided by SDAO.

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the district has received \$99,830.26 in payments since the October board meeting. The A/R balance is at 16% versus 13% last year.
The end of month balance for October was projected at \$1,757,207.96 with an actual ending balance of \$1,905,662.78. Cathy also informed the board that we have submitted Disbursement #1 for the Forebay 2 Retrofit Project (F2RP) to DEQ.
- b) Hydro production – October's production was projected at 1,850,000 kWh. Actual production was 1,077,988 kWh. Hydro revenue for October was projected at \$220,340.80. Actual revenue was \$142,357.96.
- c) Power Sales Contract- Mike presented an Interim Power Purchase Agreement to the

board requiring a signature from the Board's Chairman Steve Benton. This interim agreement assures that PacifiCorp will purchase the District's power as of January 1, 2011. The reason for engaging in an interim power purchase agreement was due to the District's Interconnection Agreement not being finalized. During much discussion Mike received a phone call from Laura Raypush of PacifiCorp's Interconnection Transmission Services. Mike was informed by Ms. Raypush that PacifiCorp would be sending Mike a finalized Interconnection Agreement today. A motion was made by Don Chandler and seconded by Allan Henderson that Chairman of the Board Steve Benton sign the interim power purchase agreement. The motion passed with all in favor.

- d) Mike informed by Board that Gary Marcus has offered to be the BETC pass-through partner for the BETC project # 13765 (Lower District Pressurization Project), in the amount of \$96,918. Mr. Marcus informed Mike that he would like the District to join the North West Hydro Association at a cost of \$5000.00 for five years. Inclusive of this amount Gary also asked that the District pay approximately \$15,000 in the effort to make the District's Renewable Energy Tax Credits available to be qualified for sale in California. A motion was made by Don Chandler and seconded by Bon Nickelsen to allow Gary Marcus to be the BETC pass through partner. The motion passed with all in favor.
- e) After much discussion regarding the Renewable Energy Tax Credits (REC's). A motion was made by Don Chandler and seconded by Tim Annala that the District joins a coalition that may be advantageous to the sale of the District's Renewable Energy Tax Credit's. The motion passed with all in favor.

LEGAL:

2009 Audit - Copies of the 2009 Audit are now available at the front office.

OTHER BUSINESS: None

ADJOURNMENT: There being no further business, the meeting was adjourned at 12:10 p.m.

Signed: _____
Tim Annala, Secretary

Attest: _____
Steve Benton, Chairman