

FARMERS IRRIGATION DISTRICT
BOARD MEETING MINUTES
WEDNESDAY, JUNE 20, 2012

The Board of Directors of the Farmers Irrigation District met on Wednesday, June 20, 2012, at the District office for the purpose of conducting its regular monthly business. Those in attendance were directors Don Chandler, Tim Annala, Steve Benton, Allan Henderson and Bob Nickelsen; District Manager, Jer Camarata; Project Manager, Jerry Bryan; Financial Administrator, Cathy Roberts; Administrative Assistant, June Brock and Attorney Jeff Baker. Also present were Julie O'Shea, FCA; Pat McAllister, Manager Hood River Supply; and Budget Committee member Randy Franz.

Chairman Steve Benton called the meeting to order at 12:00 p.m.

MONTHLY BUSINESS:

The minutes of the May 16, 2012 board meeting were presented and discussed. It was moved by Allan Henderson 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 June 2012 were presented and discussed. It was moved by Don Chandler and seconded by Tim Annala to approve the bills in the amount of \$102,069.82. The motion passed with all in favor.

BUSINESS FROM THE FLOOR:

FCA – Julie O'Shea gave a positive update to the Board; royalties will be coming in for 5 screen projects (see attached). FCA has been receiving many calls from interested parties, mostly for medium sized screens ranging from 15-30 cfs. A municipal screen was installed for the City of Corbett. Pending screen projects for 2013 include Sevenmile Creek (Klamath) 18 cfs, Threemile Creek (Wamic) 20 cfs, and Mill Creek (Warm Springs) 14 cfs. FCA has also received a grant to update their website. Julie thanked the Board for their continued support.

Hood River Supply – Pat McAllister requested permission from the Board to hook into an existing drain line on 12th Street/Tucker for the new Hood River Supply building and parking lot. Mr. McAllister provided the Board with a Storm Water Management Plan (see attached), maps, and other documentation. After much discussion it was moved by Allan Henderson and seconded by Bob Nickelsen that the District had no interest in getting into the drainage district business, but should accommodate the project via Resolution 09-12 (see attached). The motion passed with all in favor.

Randy Franz, contractor for Hood River Supply asked if he could purchase as much silt/dirt/fill that was available from the District. Mr. Franz was willing to pay approximately \$3.00 per cubic

yard and have it hauled away at his expense. It was moved by Tim Annala and seconded by Don Chandler to permit the purchase of the material via Resolution 10-12 (see attached). The motion passed with all in favor.

CORRESPONDENCE: None

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the District has received \$19,795.63 in payments since the May board meeting. Accounts receivable stands at 93% this year versus 94% last year. Cathy provided a list of delinquent accounts for the 2012 irrigation season. It was moved by Tim Annala and seconded by Don Chandler to proceed with the lien process on delinquent accounts. The motion passed with all in favor.

Hydro production for the month of May was projected at 1.8 million kWh, with an actual production of 2,841,802 kWh. Hydro revenue was projected at \$117,000.00 with actual revenue of \$183,919.85. The District’s end of month balance for May was projected at \$1,417,211.72 with an actual balance of \$1,176,432.88.

- b) Manager’s report – Jer Camarata reported that the reservoirs are full and spilling. Snow Water Equivalent (SWE) readings are above average.

Hydro Report- Jer reported that as of the end of May the District has produced approximately 1.237 million kWh and has reached approximately 100.57% of our projected trending annual hydro revenue (see attached).

Insurance/FEMA Status Update – Jer reported that FEMA has provided the District with completed Project Worksheets for the Ice Storm. SDAO has provided the District with a Statement of Loss, Jer was concerned because SDAO excluded coverage for Lowline. Jer has emailed and spoke with Mike Hackbart regarding these issues, and until the claim has been resolved, the District cannot complete the FEMA or OEM claims.

LPFP – Large Pipe Facilities Project Status – Jer announced that the new loan documents from DEQ have been fully executed by Mr. Benton. Jerry Bryan was then asked to provide the Board with an update on the project. The Lowline Phase of the project is on schedule and moving along nicely. DEQ plans, specifications, and contract documents are to be completed by July 2nd. A Request for Proposal will be advertised on July 10th and 11th and submitted RFP’s will be accepted at the District

by August 1st at 3:00 p.m. A mandatory pre-proposal conference is scheduled for July 20th 10:00 a.m. at the District office. The District will procure the pipe early in an attempt to buy the current petroleum dip, and bids will be accepted at the District office by June 27th at 3:00 p.m.

Currently, District staff is working on upgrading existing air-vacs that will handle the new pressures that a fully piped canal will produce. Piping of the Farmers Canal from Forebay 2 through the McCurdy reach and beyond will be addressed in 2013, but some preliminary planning will commence this summer.

LEGAL:

Attorney Jeff Baker informed the Board that new legislative rules have not affected the RFP process, but that District CRB rules have been updated per the latest legislative changes. It was moved by Don Chandler and seconded by Allan Henderson to move into Contract Review Board session. The motion passed with all in favor.

CONTRACT REVIEW BOARD

Attorney Jeff Baker presented Resolution 07-12 declaring exemption of the Large Pipe Facilities Project from competitive bidding requirements of ORS 279C.335 (2). The Resolution is attached.

Attorney Jeff Baker presented Resolution 08-12 a Joint Resolution of the Board of Directors and Local Public Contract Review Board amending Resolution 09-08 establishing Public Contracting Rules in conformance with legislative amendments to the Oregon Public Contracting Code for the Farmers Irrigation District. The Resolution is attached.

It was moved by Tim Annala and seconded by Allan Henderson to recommend that Farmers Irrigation District adopt Resolution 07-12 and Resolution 08-12 as presented. The motion passed with all in favor.

It was moved by Don Chandler and seconded by Tim Annala to direct Manager Jer Camarata and a Board member to be present on June 27th at 3:00 p.m. for the opening and selection of the Low Line Pipe bids. The Board advised directing Manager Jer Camarata to accept the lowest bid. The motion passed with all in favor.

It was moved by Don Chandler and seconded by Tim Annala to move out of Contract Review Board session. The motion passed with all in favor.

It was moved by Don Chandler and seconded by Allan Henderson to accept the Contract Review Board recommendation to adopt Resolution 07-12 and Resolution 08-12 as presented, and to also assign Manager Jer Camarata authority to select and accept the lowest Low Line Pipe bid. The motion passed with all in favor.

OTHER BUSINESS:

MRPS Building – Attorney Jeff Baker informed the Board that he received another letter from Mr. Trammel dated June 1, 2012 (see attached). After discussion with Hood River County Planning it was found that in order for the District to repurpose the building, originally permitted for “primary irrigation use as a pump facility,” current ordinance makes it difficult, and possibly does not allow the building to be repurposed for storage because it is no longer an accessory to its primary use intention. Pat McAllister asked why the building could not be removed or demolished and it was explained that it cost more to demolish the building than to keep it. After much discussion it was moved by Bob Nickelsen and seconded by Allan Henderson to move forward with an agreement with Mr. Trammell to transfer ownership of the building to him, AS-IS, with the District paying him a Not To Exceed (NTE) amount of \$7,000 in exchange for absolving the District of any associated future liabilities. A roll call vote was requested. Steve Benton, Allan Henderson and Bob Nickelsen voted Aye, Don Chandler and Tim Annala voted Nay. The motion carried. Much discussion ensued. It was then moved by Bob Nickelsen and seconded by Allan Henderson to draft up and execute Resolution 11-12 (see attached) giving legal counsel and management authority to negotiate and draw up such an agreement between Farmers Irrigation District and Mr. Trammel. The motion carried.

ADJOURNMENT: There being no further business, the meeting was adjourned at 1:53 p.m.

Signed: _____
Tim Annala, Secretary

Attest: _____
Steve Benton, Chairman