

FARMERS IRRIGATION DISTRICT
BOARD MEETING MINUTES
WEDNESDAY, JANUARY 16, 2013

The Board of Directors of the Farmers Irrigation District met on Wednesday, January 16, 2013, at the District office for the purpose of conducting its annual meeting and monthly business. Those in attendance were directors Don Chandler, Tim Annala, Pete Siragusa and Erick von Lubken; District Manager, Jer Camarata; Financial Administrator, Cathy Roberts; Administrative Assistant, June Brock; and Attorney, Jeff Baker. Rich Hanners was available via conference phone. Also in attendance was guest Gordon Cook.

Secretary Tim Annala called the annual meeting to order at 11:58 a.m.

ANNUAL BUSINESS:

Directors Don Chandler, Tim Annala, Pete Siragusa and Erick von Lubken took official oaths of office. Rich Hanners took his official oath on January 8th, 2013.

Secretary Tim Annala opened the nominations for Chairman.

A motion was made by Tim Annala to nominate Don Chandler for Chairman. Erick von Lubken seconded the motion. It was moved by Tim Annala and seconded by Erick von Lubken to close the nominations and cast a unanimous ballot for Don Chandler as Chairman. The unanimous ballot was cast with Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken voting aye.

Chairman Don Chandler opened the nominations for Vice-Chairman.

A motion was made by Erick von Lubken to nominate Tim Annala for Vice-Chairman. Pete Siragusa seconded the motion. It was moved by Erick von Lubken and seconded by Pete Siragusa to close the nominations and cast a unanimous ballot for Tim Annala as Vice-Chairman. The unanimous ballot was cast with Don Chandler, Rich Hanners, Pete Siragusa and Erick von Lubken voting aye.

Chairman Don Chandler opened the nomination for Secretary.

A motion was made by Erick von Lubken to nominate Rich Hanners for Secretary-Treasurer. Tim Annala seconded the motion. It was moved by Erick von Lubken and seconded by Tim Annala to close the nominations and cast a unanimous ballot for Rich Hanners as Secretary-Treasurer. The unanimous ballot was cast with Don Chandler, Tim Annala, Pete Siragusa and Erick von Lubken voting aye.

BUDGET COMMITTEE:

The budget committee members will be elected in the near future.

DEPOSIT OF FUNDS:

A motion was made by Tim Annala and seconded by Erick von Lubken to adopt Resolution 01-13 appointing Columbia State Bank as the District's depository for 2013 with additional funds to be held at Oregon State Treasury, Local Government Investment Pool. The Board of Directors, Manager, and Water Rights Specialist are authorized to sign on the accounts with two signatures required, one of which must be from a director. The Director of Administration is authorized as Custodian of Records and will make Local Government Pool account transactions per established guidelines. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

REGULAR MEETING DATES:

A motion was made by Tim Annala and seconded by Erick von Lubken to adopt Resolution 02-13 setting the regular meeting days for 2013 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. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

Due to conflicts, the February 2013 board meeting will be held on Thursday, February 21st.

ANNUAL BOARD MEETING DATE:

A motion was made by Rich Hanners and seconded by Erick von Lubken to adopt Resolution 03-13 establishing January 15, 2014, at 12:00 p.m. as the date of the Year 2014 Annual Board Meeting. The meeting will be held at the District office located at 1985 Country Club Road, Hood River, Oregon. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

BILLING AND COLLECTION OF CHARGES:

It was moved by Tim Annala and seconded by Erick von Lubken to adopt Resolution 04-13 citing the specific manners in which the District will charge for required funds. The motion

passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

AGENT OF RECORD:

It was moved by Erick von Lubken and seconded by Tim Annala to designate Julie Hammond of Beecher-Carlson as Agent of Record for the District's General Liability Coverage. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

ATTORNEY OF RECORD:

It was moved by Pete Siragusa and seconded by Erick von Lubken to designate Jeff Baker of Annala, Carey and Baker as Attorney of Record for the District. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

AUDITOR OF RECORD:

It was moved by Erick von Lubken and seconded by Tim Annala to designate Arens & Associates as Auditor of Record for the District. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

ENGINEER OF RECORD:

It was moved by Pete Siragusa and seconded by Tim Annala to designate Anderson-Perry as Engineer of Record for the District. The motion passed with Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken in favor.

MONTHLY BUSINESS:

Chairman Don Chandler called the monthly meeting to order at 12:08 p.m.

The minutes of the December 19, 2012 Board meeting were presented and discussed. It was moved by Tim Annala and seconded by Erick von Lubken to approve the minutes as presented. The motion passed with all in favor.

The O&M bills for the month of January 2013 were presented and discussed. It was moved by Tim Annala and seconded by Pete Siragusa to approve the bills in the amount of \$73,378.03. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: None

CORRESPONDENCE:

An irrigation report was submitted by James Irrigation Improvement Group (small user group) thanking the District for another successful irrigation season (see attached).

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the District has received \$238,361.42 in payments since the December Board meeting, the district has collected 55% in accounts receivable versus 55% last year.

Hydro report – Hydro production for the month of December was projected at 3.57 million kWh, with an actual production of 3,135,196 kWh. Hydro revenue was projected at \$232,375 with actual revenue of \$201,899.09. The District's end of month balance for December was \$1,264,182.96.

- b) Manager's Report – Jer Camarata reported that the Hood River is currently flowing around 790 cfs and flows are dropping due to cold clear weather. The snow pack at Greenpoint is 31" and Tilly Jane is 84", within a 10 year average.

Two weeks ago Farmers Canal was shut down for a short period to remove rocks and debris from the flume; fortunately we have not encountered any ice build-up in the canal during the last few weeks of cold weather.

Year-end Hydro Report – In December the District produced 3.13 million kWh closing the year at a total approximate production of 24.37 million kWh. Our historic 5-year annual average is nearly 23 million kWh, so we did very well considering the down time associated with the 2012 January/February Ice Storm. Jer provided the Board with 2013 hydro projections with his goal being 25 million kWh (see attached).

The District's fuel consumption for 2012 was down by approximately 1,100 gallons.

District staff are researching fuel cell technology (or other means) to look at the potential of offsetting irrigation pumping costs -- a value of approximately \$41,000 per year.

On January 7th the District's domestic water line at the office was hooked up to Ice Fountain Water District's system as a reaction to the recent E.coli findings and "boil water notice" in the Oak Grove Water Company's delivery system.

The District's DEQ State Revolving Fund loan fees for 2013 and 2014 received a reduction of 0.25% which resulted in a savings of \$41,000. This was a result of the hard work of the OWRC State Legislative Committee recommendations that renewable projects be given a dedicated slice of the funds. Jer will continue to participate and attend meetings with various OWRC committees as time allows.

LFPF Status Update – To date the District has spent approximately \$1.9 million on the project, completing the Low Line Canal conversion and purchasing a chunk of pipe for Schedule A of the Farmers Canal conversion. District staff and engineers have been reviewing and updating the Farmers Canal project drawings and coming up with innovative ideas regarding sediment removal and incidental storm water inlet systems. A copy of the Farmers Canal project schedule was circulated to the board members. A mandatory pre-proposal conference is set for February 4th at 10:00 a.m. with proposal submittals due on February 13th by 3:00 p.m. Selection of the contractor will take place at the February board meeting on Thursday, February 21st.

LEGAL:

Legal Counsel informed the board that only 2 board members can be represented on the Contract Review Board Committee. The Request for Proposal public notice for the Farmers Canal will be published on January 28th and 29th. Since the last update in 2012 there have not been any applicable legislative amendments to the RFP process.

OTHER BUSINESS: None

ADJOURNMENT:

There being no further business, Chairman Don Chandler adjourned at 12:42 p.m.

Signed: _____
Rich Hanners, Secretary

Attest: _____
Don Chandler, Chairman