

FARMERS IRRIGATION DISTRICT  
BOARD MEETING MINUTES  
WEDNESDAY, APRIL 17, 2013

The Board of Directors of the Farmers Irrigation District met on Wednesday, April 17, 2013, at the District office for the purpose of conducting its regular monthly business. Those in attendance were directors Don Chandler, Tim Annala, Rich Hanners, Pete Siragusa and Erick von Lubken; District Manager, Jer Camarata; Financial Administrator, Cathy Roberts; Administrative Assistant, June Brock; Attorney, Jeff Baker and Insurance Broker, Julie Hammond

Chairman Don Chandler called the meeting to order at 12:00 p.m.

**MONTHLY BUSINESS:**

The minutes of the March 20, 2013 board meeting were presented and discussed. It was moved by Erick von Lubken 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 April 2013 were presented and discussed. It was moved by Tim Annala and seconded by Pete Siragusa to approve the bills in the amount of \$45,818.82. The motion passed with all in favor.

**BUSINESS FROM THE FLOOR:**

Insurance Update – Julie Hammond, the District’s insurance broker of Beecher-Carlson introduced herself to the new board members. Jer gave the board members a briefing as to last year’s debacle with the District’s previous insurance broker and discovered lack of adequate coverage. Julie provided the board members with our current insurance policy and gave an overview (see attached). Julie informed the board that the District’s property, public entity liability, auto, workman’s comp and excess liability are still with SDAO. Business Interruption, Plant 2, Plant 3, switchyard, transmission lines, penstock and hydro pipelines are covered under G-Cube. Julie also covered deductibles, premiums, exclusions and umbrella coverage. Much discussion ensued regarding lack of coverage for the dams. Julie and Jer will look into options and address it in the coming months. To Jer’s knowledge, the dams have never been covered by insurance, which is another reason to keep No Trespassing signs posted. This fall, District staff will re-adjust and evaluate the existing insurance program and present more options to the board. The District currently has a very high deductible. Julie suggested that the District have a risk management analysis/loss control study done. Legal counsel inquired about terminated employee coverage. Julie will return in September to review the coverage for next year’s policy. Julie was asked by the board to inquire about the timeline (number of days) for business interruption to kick-in and what the associated deductibles would be for making adjustments in either direction. The Board thanked Julie for her work and presentation.

**CORRESPONDENCE:** None

**REPORTS AND DISCUSSION:**

- a) A/R report – Cathy Roberts reported that the District has received \$135,297.48 in payments since the March board meeting. Accounts receivable stands at 83% this year versus 82% last year. Hydro production for the month of March was projected at 3 million kWh, with an actual production of 2,929,279 kWh. Hydro revenue was projected at \$191,430.00 with actual revenue of \$189,965.02. The District’s end of month balance for March was \$1,120,596.04.
  
- b) Manager’s Report – Jer Camarata reported that the Hood River is flowing approximately 1,100 cfs and both reservoirs are full and spilling. The North Green Point Snotel snowpack/snow water equivalent (SWE) is still lingering about 10% below average. On Wednesday, April 10<sup>th</sup> the Farmers Canal and Forebay 2 were shut down and drained for sediment removal. Plant 2 had some electrical issues associated with the shutdown; Craig DeHart of MFID was available to help troubleshoot the problem which turned out to be a bad 24V power supply. Overall, the shutdown and repairs lasted 1.5 days before we were back up and running. Plant 3 was knocked offline for a couple of hours, but for the most part, ran during the duration of the shutdown.

Jer is on standby to provide oral testimony regarding OPUC’s Docket # 1610 which would take place near the end of May. Jer will also be meeting with the Director of the Department of Energy in May to express the District’s concerns about proposed changes in policy.

Jer sold \$5,250 worth of 2012 REC’s to NextEra. Jer continues to work with Shell on a partial 2013 REC contract for \$14,000. The process of negotiating with Shell is very slow.

The District received a letter from the Oregon Department of Agriculture (ODA) regarding the Goodman property on Portland Dr (see attached). Ms. Goodman has until May 15, 2013 to be in ODA compliance and provide photographic evidence. Until then, the irrigation lock is to remain in place until compliance is proven.

Jer was happy to inform the Board that DEQ/EPA investigations/conversations have led the District to being eligible for receiving unreimbursed ARRA funds due to an error on behalf of Amiad Filter’s non-compliance of the “Buy American Act.” If the District is able to provide proof of unreimbursed dollars tied to the ARRA project, we will submit for DEQ/EPA’s review. Cathy is further investigating this opportunity.

User Group Subsidy (Draft #3) - The Board reviewed and discussed the attached Draft #3 content and policy update. It was moved by Tim Annala and seconded by Erick von Lubken to adopt Draft #3 as-presented as policy to end subsidies to User Groups as of 2014. The motion passed with all in favor. An addendum to the existing Memorandum of Understanding with User Groups will need to be drafted and sent along with Draft#3 (approved final) letter reflecting the policy change. Jer and Mr. Baker will work on the addendum and staff will put the change into effect for the 2014 season.

Personnel Policy 2013 (April 2013 Draft) - The Board reviewed the attached draft personnel policy. Resolution 07-01 (Education Policy) was removed from the policy and other minor changes were proposed. Legal Council and Management determined that a rescindment of Resolution 07-01 was not necessary. It was noted and reiterated that no "Flex Time Policy" exists, except during times of emergency. Vacation policy stands at "Use it or Lose it" within twelve months of being given, and is not allowed to rollover unless authorized in writing by Jer. Existing accrued roll-over vacation hours will be used as soon as practical. Legal Council informed the staff and board that new legislative statutes are in place regarding Military and Family Leave Laws. Staff will check with SDAO to confirm that the District is in compliance. Employment and Public Contract laws may possibly change in the up-coming legislature. It was moved by Pete Siragusa and seconded by Tim Annala to adopt the April 2013 Personnel Policy as presented. The motion passed with all in favor.

**LEGAL:** None

**OTHER BUSINESS:** None

**ADJOURNMENT:** There being no further business, the meeting was adjourned at 1:54 p.m.

Signed: \_\_\_\_\_  
Rich Hanners, Secretary

Attest: \_\_\_\_\_  
Don Chandler, Chairman