

FARMERS IRRIGATION DISTRICT
BOARD MEETING MINUTES
WEDNESDAY, MAY 15, 2013

The Board of Directors of the Farmers Irrigation District met on Wednesday, May 15, 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; Project Manager, Jerry Bryan; Financial Administrator, Cathy Roberts; Water Rights Specialist, Rick Brock; Administrative Assistant, June Brock and Attorney Jeff Baker. District Manager, Jer Camarata was absent due to vacation.

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

MONTHLY BUSINESS:

The minutes of the April 17, 2013 board meeting were presented and discussed. It was moved by Erick von Lubken and seconded by Pete Siragusa to approve the minutes as presented. The motion passed with all in favor.

The O&M bills for the month of May 2013 were presented and discussed. It was moved by Erick von Lubken and seconded by Tim Annala to approve the bills in the amount of \$43,598.56. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: None

CORRESPONDENCE:

The Board of Directors reviewed an account inquiry ledger for Maxine and Larry Whitaker. On May 14th the District received a call from Mrs. Whitaker enquiring her account balance, the balance stands at \$2275.97. Rick explained to the Board that the Whitaker's water rights had been removed in 2011 due to forfeiture. Per phone conversation Mrs. Whitaker asked if the Board would remove any of the interest owing. After discussion it was moved by Erick von Lubken and seconded by Tim Annala that no interest was to be removed from the Whitaker account. The motion passed with all in favor.

REPORTS AND DISCUSSION:

- a) A/R report – Cathy Roberts reported that the District has received \$62,243.21 in payments since the April board meeting. Accounts receivable stands at 88% this year versus 89% last year.

Hydro revenue was projected at \$185,049.00 with actual revenue of \$190,220.99. The District's end of month balance for April was projected at \$1,390,184.34 with an actual ending balance of \$1,364,881.59.

- b) Manager's report – Chairman Don Chandler provided the manager's report in Jer's absence – Irrigation – The upper reservoir is full and spilling, lower reservoir is down 1". The reservoir weirs are flowing 5 cfs down to forebay #3, we are diverting 28 cfs from the middle district sources, current upper and middle district irrigation is 17 cfs or 48% of full demand. The Hood River is flowing at 1,150 cfs, we are diverting 73 cfs into Farmers Canal; Plant 3 is flowing 16 cfs to Plant 2, Plant 2 flow is 73 cfs. Current lower district use is 16 cfs or 40% of full demand. Residential irrigation is at 90% of demand.

Hydro Report- Hydro production for the month of April was projected at 2.9 million kWh, with an actual production of 2,921,142 kWh (see attached).

Water Quality Monitoring – As per legal council's approval and confirmation of compliance from the Oregon Department of Agriculture the irrigation lock was removed from Margo Goodman's property on Portland Drive. Monthly water samples will be taken from four locations within the District during irrigation season.

1610 Testimony – Jer authorized additional payment to The Renewable Energy Coalition for additional work being done on Docket No. UM 1610 (In the matter of Public Utility Commission of Oregon Investigation Into Qualifying Facility Contracting and Pricing). Jer has a meeting with the Director of the Department of Energy at the end of this month.

RECs – Jer sold \$5250.00 worth of RECs to Nextera Energy.

ARRA- Amiad Filters- In April of 2012, Mr. Dennis Williams of the EPA Inspector General's office visited the District to investigate the purchase and implementation of the Amiad Filters for the F2RP ARRA project. Subsequent to the investigation, Amiad was not in compliance with the "Buy America Act", and the District was informed by DEQ that up to \$156,000 unreimbursed dollars may be available to the District. The District was able to provide DEQ with \$72,698.63 of unreimbursable project costs. Final analysis is pending DEQ approval.

Don informed the Board that a letter will be sent out on July 1st to the User Groups regarding the District's decision to discontinue subsidies. This will allow patrons ample time to attend board meetings should questions/inquiries arise prior to 2014 billing cycle in October.

LPFP – Large Pipe Facilities Project Status – On April 17, 2013 three pipe and materials bids were received at the District office and opened at 3:00 p.m.

The bidders were Contech Engineering Solutions, Ferguson Enterprises, and HD Supply. The apparent low bidder was HD Supply in the amount of \$1,207,290.48. The engineers original estimate was \$1,601,257.00 (see attached bid tabulation). At 12:25 p.m. it was moved by Tim Annala and seconded by Erick von Lubken to move into Contract Review Board session. The motion passed with all in favor.

CONTRACT REVIEW BOARD SESSION

It was moved by Rich Hanners and seconded by Tim Annala to recommend to the board that the Large Pipe Facilities Project – Farmers Canal Pipe bid be awarded to HD Supply at the proposed price, subject to concurrence with the Department of Environmental Quality (DEQ). The motion passed with all in favor.

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

At 12:28 p.m. it was moved by Tim Annala and seconded by Erick von Lubken to accept the Contract Review Board's findings and recommendations for the Large Pipe Facilities Project – Farmers Canal pipe.

Sediment Management Facility – Project Manager Jerry Bryan gave the board an overview of the sediment management facility project. Currently, Anderson Perry is working on the final design, with permits and authorization documents being compiled and sought after. Tomorrow, Jerry will be meeting with Anderson Perry engineers, environmental agencies, ODFW, and Federal agencies to review the proposed sediment management facility. If funding allows the District would like to build the facility this year. Jerry explained that the facility would consist of eight bays with flush pipes that would be controlled via an automated system. The tunnel floor at the headgates would be lined with concrete for smoother flow prior to the sediment management facility. Jerry went on to discuss that district staff are looking into upgrading Plant 2, possibly removing both generators and replacing them with a single 3megawatt unit. Energy Trust of Oregon may possibly provide incentive dollars for this upgrade. An ROI and proforma are forthcoming this summer.

Health Insurance Renewal – Due to Jer being absent the Health Insurance renewal review has been extended to May 22nd at 2:00 p.m. Dot Thornton from Beecher-Carlson insurance will be present to provide an overview.

LEGAL: None

OTHER BUSINESS: None

ADJOURNMENT: The meeting was extended to Wednesday, May 22nd at 2:00 p.m.

Signed: _____
Rich Hanners, Secretary

Attest: _____
Don Chandler, Chairman