



• 1985 Country Club Road, Hood River, OR 97031 Phone (541)-386-3115 Fax (541)-386-9103 www.fidhr.org •

BOARD MEETING MINUTES

WEDNESDAY, AUGUST 20, 2014

The Board of Directors of the Farmers Irrigation District met on Wednesday, August 20, 2014, at the district office for the purpose of conducting its regular monthly business. Those in attendance were directors Don Chandler, Bill Munk, Pete Siragusa; District Manager, Jer Camarata; Office Manager, June Brock; Water Right Specialist, Rick Brock and Project Manager Jerry Bryan.

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

Jer announced an editing correction in the agenda. Under section 7.0, Legal should read: "Any pending issues will be deferred to the *September Meeting*", not the *August* meeting.

MONTHLY BUSINESS:

The minutes of the July 16, 2014 board meeting were presented and discussed. It was moved by Pete Siragusa and seconded by Bill Munk to approve the minutes as presented. The motion passed with all in favor.

The O&M bills for the month of August 2014 were presented and discussed. It was moved by Pete Siragusa and seconded by Bill Munk to approve the bills in the amount of \$203,378.44. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: None

CORRESPONDENCE: Water Right Application – The board of directors reviewed a water right request application from Mary and Stanley Graves, after much discussion the topic was tabled until the September board meeting and Rick Brock was instructed to gather more information regarding private water rights in the area.

Water Right Application – The board of directors reviewed a water right request application from Glory Orchards. It was moved by Bill Munk and seconded by Pete Siragusa to accept the application. The motion passed with all in favor.

Correction request to already approved June minutes – A motion was made by Bill Munk and seconded by Pete Siragusa that the June minutes were to be left as written until such time that the board could discuss the request with legal counsel. The motion passed with all in favor.



REPORTS AND DISCUSSION:

a) A/R Report – Jer reported that the district has received \$5,819.73 in payments since the July board meeting. The A/R balance is currently at 96% versus 92% last year. Three liens have been satisfied.

b) Hydro Production – July’s production was projected at 800,000 kWh. Actual production was 880,413 kWh (see attached). Hydro revenue for July was projected at \$54,816. Actual revenue was \$61,220.08. The District’s trending percentage of actual to projected kWh for the year currently sits at 97.06%.

c) Manager’s Report – Jer reported that the upper reservoir is down 7.9 feet and that the lower reservoir is down 7 feet from spill. Such numbers indicate above average seasonal levels adequate for meeting irrigation demand at the current usage rates. Even in a normal, average water year, this is rare. Bill Munk asked why these numbers were high for this time of the irrigation season. Jer estimated that early season proactive capture measures, wet weather conditions, conservation efforts, extremely active management by the field crew, and an efficient Low Line Pipeline were all likely variables.

Pete Siragusa wanted to know if the district knew what was happening at the Hood River Golf Course as there is heavy equipment staged there. The district is unaware of any projects that might be irrigation related at this time, but Jer said that he had heard rumors that the Golf Course was considering building a storage pond. Jer said that the District would make an inquiry.

Plant 2 has had substantial issues with both Units 1 and 2 over the last two weeks. Issues were/are mechanical and electrical and related to the age of the equipment. A key cooling water filter failure as well as hydraulic clogging issues with the synchronous turbine bypass valve system caused a total hydropower outage for 4 days. Combined with last week’s lightning strike causing electrical and communication outages, a downed tree, and a small electrical wildfire located just outside of Plant 2, we have had diminished production for a total of 10 days so far. Unit 1 is still being worked on., but Unit 2 is finally back up and running. Jer estimates that production will be 15-25% down for the month.

Plant 3 - Due to the torrential downpour last week, and the emergency shutdown from the lightning strikes and electrical fire, the emergency spill way at Plant 3 was put into action. Jer says that the emergency spillway system worked like a charm, and has exceeded expectations.

OWRD Storage Feasibility Study Grant Application – The district is hoping to receive grant funding from OWRD for a study regarding potential expansion of Kingsley reservoirs. Jer will be accompanying OWRD commissioners on a tour of district facilities August 21, 2014, and the commissioners will be making a final decision on grant funding August 22nd. FID’s project partner is the local Hood River Watershed Group.



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Sale of old surplus district equipment – The District’s old backhoe (\$11,800) and a 1995 Toyota Tacoma (\$1,500) were sold to private parties. Both pieces of equipment were worn out and well past their lifespan. The old backhoe was replaced a couple of months ago with a newer, more efficient model. The truck was not replaced.

Canadian Patent – Jer and Julie have been in contact with a Canadian-based patent attorney. Unfortunately, the District owned Canadian patent lapsed coverage in March of 2011 and the District was not notified by its old patent attorney. Once a patent coverage has lapsed for over a year in Canada, it is deemed irrevocable. Jer will be meeting with two prospective patent attorneys in the upcoming weeks to find out if it is necessary to have a patent attorney procured for future, existing patent maintenance so that something like this can be avoided in the future. As it stands, both district staff and FCA staff have the upcoming patent maintenance schedules on their calendars and will be monitoring. Pete Siragusa asked if it was feasible to amend the existing patent and apply for a new one. This question will be forwarded to FCA for review. Jerry Bryan mentioned that FCA has been working with another alternative screen company, Hydrolox to market the screen.

Hood River Valley Parks and Recreation – The HRVPR has a parcel of land located by Barrett road. Currently HRVPR are building trails and a remote control airplane landing strip on the parcel. They are also in the process of repairing the parcel’s private, antiquated and damaged irrigation lines. Rick Brock contacted HRVPR and informed them that they must show beneficial use of irrigation water so as to not lose their irrigation rights on this parcel. As it sits, the parcel’s water rights are subject to forfeiture in 2015 if they are not put to beneficial use this year.

DEQ Inspection and Tour – DEQ’s Shanna Bailey, Kathy Estes and Todd Hesse were at the district on August 19th for a tour and site inspection of the LPFP Farmers Canal Pipeline Schedules A, C, D, E & G. Shanna also reviewed all the necessary DEQ compliance paperwork associated with this project. Both Shanna and Kathy enjoyed the tour and said that it is a great pleasure to work with FID; likewise, it has been a pleasure for us to work with these exceptional women....thanks DEQ. Shanna informed Jer that DEQ would like the district to consider DEQ-based financing for future on-farm efficiency and irrigation water metering projects. Jer will look into this further.

Jer informed the board that LPFP Disbursement #15 (\$703,238.94) was submitted to DEQ for processing on July 30th, and Disbursement #16 (\$863,386) was hand delivered on August 19 to Shanna. Once funds have been transferred into the district’s account, June will immediately make the international wire transfers necessary for keeping the Plant 2 repowering project on track.

Gilkes Turgo Update – Jerry Bryan gave an update to the board regarding the Plant 2 repowering project. To date, we are at the final design stage and materials are being fabricated and forged. Staff and our PE, Niklas have been working diligently with the Gilkes team on many different project components.



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One such major item is that the district is intending on installing a single turbine shut off ball valve rather than using a butterfly or gate valve. Staff and Niklas have also been working with Alstom (soon to become GE) on upgrading Plant 2's PLC's, wiring, communication links, main transformer replacement, primary power leads, motor control centers, access panels, and fiber communication cable designs from P2 to P3. So far, the project is going well and right on track.

OWRD & OWRC Tour - On August 21, 2014 Jer will be attending and leading a tour of district infrastructure for OWRD commissioners and OWRC board members. This is a Hood River Basin-wide tour of Farmers Irrigation District, East Fork Irrigation District, and Middle Fork Irrigation District. The tour will highlight innovative water efficiencies and conservation projects, diversion structures, fish screens and ladders, sediment management and debris separating facilities, pumping stations, and of course, hydro plants.

Jer planned on giving the board an update on the Tribal In-Stream Flow Agreement Proposal (TIFLA), however, this update has been tabled to the September meeting as Jer will be meeting with the tribes and DRC on September 16th, just prior to the September board meeting.

LEGAL: In absence of counsel, all pending legal issues have been deferred to the September board meeting.

OTHER BUSINESS: None

ADJOURNMENT: There being no other business, the meeting was adjourned at 1:34 p.m.

Signed: _____ Pete Siragusa, Secretary

Attest: _____ Don Chandler, Chairman