



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

BOARD MEETING MINUTES

WEDNESDAY, NOVEMBER 19, 2014

The Board of Directors of the Farmers Irrigation District met on Wednesday, November 19, 2014, at the district office for the purpose of conducting its regular monthly business. Those in attendance were directors Don Chandler, Tim Annala, Bill Munk, Erick von Lubken and Pete Siragusa; District Manager, Jer Camarata; Office Manager, June Brock; Water Right Specialist, Rick Brock and Attorney, Jeff Baker.

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

MONTHLY BUSINESS:

The minutes of the October 15, 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 November 2014 were presented and discussed. It was moved by Erick von Lubken and seconded by Pete Siragusa to approve the bills in the amount of \$121,040.22. 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 Rhea and John Hergenrather. It was moved by Erick von Lubken and seconded by Bill Munk to accept the application. The motion passed with all in favor.

REPORTS AND DISCUSSION:

a) A/R Report – Jer reported that the 2015 Annual Billing was sent out on November 5th. To date, the district has received \$120,851.35 in payments. The A/R balance is currently at 12%. The migration with the new bookkeepers is going well.

b) Hydro Production – October's production was projected at 600,000 kWh. Actual production was 514,727 kWh (see attached). Hydro revenue for October was projected at \$41,112. Actual revenue was \$36,165.47. The District's trending percentage of actual to projected kWh for the year currently sits at 97.07%.

c) Manager's Report – Jer reported that the crew has completed their winterization chores.



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Plant 2 has been down for three days due to the cold weather and ice build-up at the headgates. Plant 3 is down to around 16cfs, but still running, which Jer credits to Lowline now being in pipe.

Emerson Electrical provided the district with its report on the annual testing of the main transformer. The report shows that the equipment is approved to be left in production, but should continue to be annually monitored due to its age. Jer brought up that the old transformer is a serious bottleneck in FID's hydropower production and that the district is pursuing purchase of a new transformer along with some new cable and fiber runs when the Plant 2 repowering project occurs next summer. The plan is that the current transformer would be used as a backup spare. Main transformers of this size are in the \$150-250k range and could take 6-12 months to manufacture.

The district has engaged an Electrical Engineer, Chris Ward to assist staff and engineering in the review of the Plant 2 repower electrical designs. Jer said that the Turgo project is progressing well, and on schedule. The next big project meeting is on November 20th. Jer anticipates that the 'dirt-contractor' RFP will be announced this winter.

Jer and Nik put together a Wey Valve Damages Claim which was submitted on November 6th. We are expecting Wey to reimburse the District for business interruption, and the extra parts and labor required to deal with the defective valve that they sent us. Jer said that the claim totaled approximately \$28k.

Major Partition Application – On November 17, 2014 the district received notification from the Hood River County Planning Dept that the major partition application has been tentatively approved. Jer and Don will be meeting with Ron Kaufmann on November 21st to discuss the railroad crossing at this location.

Jer has been working with DEQ to begin making interest-only payments on loan R32244 (LPFP and Turgo loan). An agreement has been reached and the first payment will be made in December for approximately \$123k. The other big loan payment that we will see in December (FlexLease loan) is for approximately \$149k. Jer said that these were not the actual numbers, and that he was roughly rounding.

The district's insurance broker, Julie Hammond will attend the December board meeting with new 2015 insurance quotes. SDIS recently sent out a questionnaire regarding business interruption. It may be possible that SDIS will reinstate this coverage.

Jer is in the process of performing the annual employee evaluations.

The board received copies of the 2013 Audit. It was moved by Tim Annala and seconded by Pete Siragusa to accept the audit as presented. The motion passed with all in favor.



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An updated Sustainability Plan for 2015 v.18 was also presented to the board.

LEGAL:

Adoption of Resolution 08-14 (see attached). It was moved by Erick von Lubken and seconded by Bill Munk to adopt Resolution 08-14 specifying that the board of directors adopt a Duties and Responsibilities Policy. The motion passed with all in favor.

Attorney Jeff Baker announced that he is working with staff to finalize the Request for Proposal (RFP) for the Turgo project.

EXECUTIVE SESSION: None

OTHER BUSINESS: Don announced that at the December board meeting, the manager's annual assessment will be up for review, and that if board members needed a copy of the contract that they should ask. Jer was asked to complete the District's Annual Accomplishments Report prior to the December meeting.

ADJOURNMENT: There being no other business, the meeting was adjourned at 1:17 p.m.

Signed: _____ Pete Siragusa, Secretary

Attest: _____ Don Chandler, Chairman