



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

BOARD MEETING MINUTES

WEDNESDAY, DECEMBER 17, 2014

The Board of Directors of the Farmers Irrigation District met on Wednesday, December 17, 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, Pete Siragusa and Erick von Lubken; District Manager, Jer Camarata, and Office Manager, June Brock. Also in attendance were Julie O'Shea and Julie Hammond.

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

MONTHLY BUSINESS:

The minutes of the November 19, 2014 board meeting were presented and discussed. It was moved by Bill Munk 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 December 2014 were presented and discussed. It was moved by Erick von Lubken and seconded by Tim Annala to approve the bills in the amount of \$209,520.13. The motion passed with all in favor.

BUSINESS FROM THE FLOOR:

FCA Update – Julie O'Shea of FCA gave an update to the board. Julie was excited to announce that 4 screens have been installed this year, 3 in Oregon and 1 in Montana, ranging in size from 2.5 cfs to 15 cfs. 7 screen installations have been committed for 2015, with the possibility of a 500 cfs screen for the Electron Dam in Puyallup, WA. Julie expressed FCA's concerns regarding patent infringement. Much discussion ensued. The FID board of directors would like to meet with FCA's board members at the January board meeting to discuss this topic further and hear everyone's opinion before making any decisions on the matter. The board thanked Julie for the update.

2015 Insurance Renewal – Insurance Broker, Julie Hammond of Brown and Brown presented the board with coverage options for 2015 (see attached). Julie gave an overview of the District's current policy. Much discussion ensued regarding deductibles, premiums, exclusions, business interruption, and coverage for open canals and pipelines. Special Districts Insurance Services (SDIS) covers the District's property and auto coverage, while G-Cube is used to place insurance (currently placed with Lloyds's of London) covering the District's hydro plants, hydro-related business interruption, earthquake, and flood coverage. After reviewing the proposed options the board asked Julie to obtain more information and alternative quotes before the end of the month. No decisions were made at this time, except that if alternate quotes did not pencil out within the 2015 budget, that the board was agreeable to staying the



course with the existing coverage option. The board asked that Jer and Julie follow up over the holidays and narrow in on a decision, poll the board if necessary, and make sure that there is no lapse in coverage. The Board thanked Julie for her presentation and on-going support.

CORRESPONDENCE: None

REPORTS AND DISCUSSION:

a) A/R Report – Jer reported that the district has received \$320,512.40 to date and the A/R balance is at 31%. One lien has been satisfied.

b) Hydro Production – November’s production was projected at 2,950,000 kWh. Actual production was 2,127,107 kWh (see attached). Hydro revenue for November was projected at \$202,434.00. Actual revenue was \$146,889.34, trending at 93.65% for the year. Jer estimated that we would come up short of our annual projection for the year even if December goals were met. Jer said that the District has been unable to get Plant 3 up to capacity due to a lack of available water in the upper system, and that more snow and rain is what is needed. All hydro systems are operating smoothly otherwise.

c) General Project Report – The Wey Valve (Plant 3) claim has still not yet been resolved, but Jer and Nik are being diligent and making progress. Jer reported that the Wey people have verbally agreed to help us out with the claim, and that Nik feels very confident that they will honor their word. District staff and engineer have been working on the OWRD Reservoir Expansion Study. Jer provided the board with the latest Reservoir Data/Status Tracking Tool concept design. Jer is also working on updating the O&M Pressurization Policy, which will be provided prior to the January board meeting. Jer also mentioned that he is updating the Internal Control Process documentation now that bookkeeping has been outsourced. All other policies have been updated this year. Jer has been making good progress with the bookkeeping transition and provided the board with a Balance Statement and overview of the process; principal payments and revenues still need to be added to the balance sheet report to be 100% complete, but Jer stated that the new bookkeepers were narrowing in on dialing in a comprehensive list of financial reports and that we are very close to making it through the transition. Final, updated financial reports will be available for review at the January meeting, after which time Jer will then begin working on the 2015 actuals versus projected monthly reports. Jer informed the board that a survey/analysis of other irrigation district’s auditing costs was done for comparison purposes. Jer will be pursuing sale of the Plant 2 Francis units at the beginning of the year.

LEGAL: None

A motion was made by Tim Annala and seconded by Pete Siragusa to move into Executive Session. The motion passed with all in favor.



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EXECUTIVE SESSION: 2:40 p.m. The board moved into executive session as per ORS 192.660 (2). There was discussion about personnel. Post discussion, 2:49 p.m. A motion was made by Erick von Lubken and seconded by Tim Annala to move out of Executive Session. The motion passed with all in favor.

OTHER BUSINESS: None

ADJOURNMENT: There being no other business, the meeting was adjourned at 2:51 p.m.

Signed: _____ Pete Siragusa, Secretary

Attest: _____ Don Chandler, Chairman