



BOARD MEETING MINUTES

WEDNESDAY, MARCH 18, 2015

The Board of Directors of the Farmers Irrigation District met on Wednesday, March 18, 2015, at the district office for the purpose of conducting its regular monthly business. Those in attendance were directors Erick von Lubken, Tim Annala, Don Chandler and Bill Munk; District Manager, Jer Camarata; Office Manager, June Brock; and Attorney, Jeff Baker.

Chairman Erick von Lubken called the meeting to order at 11:59 a.m.

MONTHLY BUSINESS:

The minutes of the February 18, 2015 board meeting were presented and discussed. It was moved by Bill Munk 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 March 2015 were presented and discussed. It was moved by Don Chandler and seconded by Bill Munk to approve the bills in the amount of \$306,027.22. The motion passed with all in favor.

BUSINESS FROM THE FLOOR: None.

CORRESPONDENCE:

An application to partition/subdivide on legal description 3N-10-34-SE/NW-0407 was submitted by Jeff Hunter (see attached). It was moved by Don Chandler and seconded by Tim Annala to approve the application as presented. The motion passed with all in favor.

REPORTS AND DISCUSSION:

a) A/R Report – Jer reported that the district has received \$724,380.53. The district has collected 71% of total assessments for the 2015 irrigation season.

b) Hydro Production – February's production was projected at 3 million kWh. Actual production was 2,806,813 kWh (see attached). Hydro revenue for February was projected at \$205,560. Actual revenue was \$196,013.82. End of Month balance including reserves as of March 16 was \$1,335,858.14

c) Manager's Report – Jer reported that both the upper and lower reservoirs are full and spilling. Snow pack at the Greenpoint Snotel site is non-existent, which Jer estimates will hurt late season (August-September) supplies to the upper and middle district. Experts are forecasting a moderate drought year and Jer has been working with other districts and preparing a 2015 draft curtailment plan. Many farmers



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have already requested spray/frost water and the crew has been charging lines and prepping for the upcoming irrigation season for over two weeks now. Several PRVs and service manifolds have been maintained and or upgraded. All critical irrigation maintenance and de-winterization projects have been completed.

On Sunday, March 15 a wind storm came through the valley and district staff had to emergency-remove a large fallen tree from the tunnel entrance on Farmers Canal to prevent a canal overtopping. A newly built telemetry station near McCurdy's farm was also spared by a close-call felled tree at that location. The internet was down for nearly 12 hours, but backup comms remained operational. Thankfully, no damage of significance was reported. Cleanup on several service roads and easements will be ongoing. Jer commented that this was precisely the type of storm that would have historically shut us down for days prior to having the bulk of our system in pipe.

A 2014 Thermal Impact Study was provided to the board members (see attached). This voluntary monitoring program is part of a 2011 MOA with the Oregon Department of Fish and Wildlife (ODFW) and the Department of Environmental Quality (DEQ) and supports FID's Low Impact Hydro Institute certification. In May of 2012 the Hood River Watershed Group took over Jer's data collection and analysis program in an effort to provide third-party assessment and corroboration. The study is available upon request. Jer explained how the LIHI certificate could be of immense value to securing future power sales renewable avoided cost rates.

On Wednesday, March 4th, Jer, Niklas, and Rick met with Margaret Matters of the Oregon Department of Agriculture to discuss the ongoing reservoir enhancement and expansion study. FID would be required to work with other local water districts to ask the 2016 or 2017 legislature for a new storage water reservation as the existing and expiring reservations are located outside of the Kingsley Reservoir drainages.

On February 26th, all staff completed SDIS's confined space training. Jer has also completed final draft of the new Confined Space Plan. New safety equipment has been ordered to support the safety program and crews will be conducting on-site vault and pipe entry drills once the equipment arrives.

Jer reported that fiber optic communication lines for the Plant 3 to Plant 2 communication upgrade project will be able to be pulled through an existing 2" conduit, which will keep costs dramatically down and have minimal impact on landowners. Jer says that project material costs are back down to original estimate levels of \$15-20k. Work is slated to commence in June.

Jer has been in contact and on tour with two interested parties regarding the sale of Plant 2's Francis Units. The Turgo equipment fabrication and RFP schedule is still on-track, but staff are dealing with an unexpected System Impact Study that PacifiCorp is now requiring.



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Weyerhaeuser Timber is investigating logging a unit around the district's Green Point Pipeline this spring. Jer and Doug will meet with Weyerhaeuser's project engineer and operations foreman to discuss the cut layout and logistics in an effort to ensure that the pipeline is adequately protected and or avoided. The pipeline is old and exposed, but critical for making water deliveries to the upper and middle district. The district has done nearly all it can to protect the pipeline within the scope of its resources, so Jer is asking Weyerhaeuser for support if the cut is to commence.

Jer discussed two bills, HB3220 and HB3219 that he recommends the district oppose during the current legislative assembly. Summaries are available upon request.

Bill Munk asked if there had been any news regarding FCA and the possible patent infringement issue that was discussed earlier this winter. Tim Annala replied that FCA is focusing on trademarking/copyrighting, sales and production of screens at this time, and that pursuing the infringement issue has become less of a priority. Jer confirmed that the logos and "Farmers Screen" names have been filed for trademarking. Jer also commented that he and Jerry will be making an international sales pitch for the screens in front of the three top Gilkes executives while in England next month. Several potential Farmers Screen sites are also slated for tour during the overseas trip.

LEGAL: Mr. Baker and Jer have been diligently working on the Heltzel Master Agreement details. Jeff and Tim Heltzel are now working on a draft Master Agreement and Jer is organizing the land survey and continuing to lead planning efforts. Surveyors should be on the ground within the next couple of weeks.

EXECUTIVE SESSION: None

OTHER BUSINESS: Tim Annala questioned management regarding the lack of snow pack and how the District was planning on dealing with potential shortages this year. Jer said that he, Rick, and Sal are currently brainstorming a 2015 drought curtailment plan that will roughly consist of asking for voluntary conservation, cutting water pressures back as necessary, and possibly isolating junior water right holders for potential rotation schedules as supplies become tight. Jer will distribute a written draft plan to board members upon completion.

ADJOURNMENT: There being no other business, the meeting was adjourned at 1:16 p.m.

Signed: _____ Erick von Lubken, Chairman

Attest: _____ Bill Munk, Secretary