

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE OWYHEE IRRIGATION DISTRICT**

December 17, 2024

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on December 17, 2024, at Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 10:02 a.m. Vice-President Frank Ausman, presiding.

The following Directors were present:

Bruce Corn	Gregory Clark
Eric White	Frank Ausman

Also present were: Clancy Flynn, District Manager; Michael W. Horton, Attorney; Steve Smith, OID Employee; and Darla Sebasto and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on December 11, 2024.

PLEDGE OF ALLEGIANCE. Vice-President Frank Ausman led the pledge of allegiance.

MINUTES. The minutes of the meeting of the Board of Directors held on November 19, 2024, were mailed to the Directors prior to the meeting. A motion was made by Director White, seconded by Director Clark, and unanimously carried approving the minutes as mailed.

DISTRICT FINANCIAL REPORT. Mr. Flynn handed out a financial report for the month. The Directors reviewed and discussed the financial report. Mr. Flynn said that it looks like the District will be overbudget a bit for the year.

DISTRICT ACCOUNTS PAYABLE. A list of District accounts payable for the month, together with a breakdown of credit card charges, was included in the Directors' packets. The Directors reviewed the accounts and credit card charges. Questions on some of bills were asked and answered. Mr. Flynn explained some pipe supply purchases which were made for a couple of projects. He explained new radio/internet accessory purchases for connection from the Dam Compound to the Nyssa office. A motion was made by Director Corn, seconded by Director Clark, and unanimously carried approving payment of the accounts payable.

MITCHELL BUTTE POWER PROJECT:

Financial Report. A financial report for the Mitchell Butte Power Project was handed out. The Directors reviewed the report. Mr. Flynn said that the estimate to repair the one unit is between \$50,000 to \$70,000. He said there is damage to the bearings and shaft. The impact on the budget was discussed. Cutting back potential distributions to the District from the Mitchell Butte Power Project was discussed.

Accounts Payable. A list of accounts payable for the Mitchell Butte Power Project was included in the Directors' packets. A motion was made by Director White, seconded by Director Clark, and unanimously carried approving payment of the accounts payable.

SURPLUS PROPERTY. Mr. Flynn presented a list of property he would like to have surplus. He summarized the list. The potential surplus property was discussed. After discussion, a motion was made by Director Corn, seconded by Director White, and unanimously carried that the property listed on Exhibit "A" attached to these minutes be surplus and the manager is authorized to sell, donate, or otherwise dispose of such property.

2025 BUDGET. Mr. Flynn passed around a revised budget for 2025 which is based upon an annual incurred charge of \$76.50. He noted the revisions he made to the draft budget since last month. He said that he is pushing out the repair to the radial gate to next year. The matter was discussed and it is the consensus of the Directors to do so. The Directors reviewed and discussed the draft budget. They suggested some changes to the draft.

PL 566. Mr. Flynn said that the time is getting close to when the public hearings on the PL 566 Plan will be needed. He said that he is thinking of either February or March for the hearings.

KINGMAN LATERAL PIPELINE PROJECT. Mr. Flynn said that work has started on the Kingman Lateral Pipeline structural cuts. He said that the request for proposals for the pipe materials is out and the opening is scheduled for January 10.

KOMATSU. Mr. Flynn said that the engine has been installed in the Komatsu.

GRANT APPLICATION RESOLUTIONS. Mr. Flynn presented Resolution 2024-6 and 2024-7 both which propose to apply for grants. Resolution 2024-6 is for a Bureau of Reclamation Water Smart Grant to improve pumping plant efficiencies. Resolution 2024-7 is for authorization to pursue a Bureau of Reclamation Water Smart Grant for phase #1 of automating waste way gates on the Shoestring Canal. The proposed resolutions were reviewed and discussed. After discussion, a motion was made by Director White, seconded by Director Corn, and unanimously carried that Resolution 2024-6, a copy of which is attached to these minutes as Exhibit "B" and Resolution 2024-7, a copy of which is attached to these minutes as Exhibit "C", be adopted.

B2H. Mr. Flynn said that the Bureau of Reclamation went forward with their proposed agreement and license with Idaho for the B2H transmission line without the District's consent or signature to the agreement.

PUBLIC COMMENT. Linda Henderson said that she would like to see an annual patron meeting this year. She explained her reasons why she would like to see the meeting. The matter was discussed. The consensus of the Directors is to have an annual patron meeting perhaps in February.

BOAT CHECK STATION. Director White said that he understands that there is some potential legislation being looked at for a boat check station for the Owyhee Reservoir. The matter was discussed.

EMPLOYEE WAGES. Mr. Flynn said that the employees were happy with the wage increase the Directors passed last month.

RECESS. At 11:55 p.m., Vice-President Ausman declared the meeting in recess to be reconvened after lunch.

MEETING RECONVENED. At 1:49 p.m., the meeting was reconvened. Dallas Waldo and J.L. Eldred joined the meeting.

INSURANCE RENEWAL. Dallas Waldo with Waldo Agency, the District's insurance agent of record, handed out information on renewing the District's property and liability insurance policy. The Directors reviewed and discussed the handout as Mr. Waldo reviewed it. The proposal includes a 14.39% increase in premiums. Mr. Waldo was asked to check into increasing the deductible. Mr. Flynn said that the increase is within his draft budget. Mr. Waldo said that other insurance companies could be looked at. He said that he received a quote on cyber insurance for a \$1,000,000 policy which ranges in cost between \$2,800 to \$3,900 per year. The proposed insurance renewal was discussed. After discussion, a motion was made by Director White, seconded by Director Clark, and unanimously carried that the District's deductible be increased if it can and that the policy be renewed.

2025 BUDGET (Continued). The Directors discussed the billing from Martin Manufacturing on the Mitchell Butte Power Plant work. Mr. Flynn said that he spoke to Mr. Martin and he agreed that the District can pay the past invoices he submitted over two years, with half being paid in 2025 and the other half in 2026. Mr. Flynn said that he put this into the budget and made the other changes the Directors had requested. He then submitted the budget for approval which is based upon an annual incurred charge of \$76.50 per acre. A motion was made by Director Corn to approve the budget as presented. The motion was seconded by Director Clark. A vote on the motion was had. Directors Corn, Clark, and Ausman voted in favor. Director White voted against and the motion passed on a vote of three to one. Director White explained that the reason he voted against the budget is that he does not want to see small increases in the budget which later result in a much larger increase.

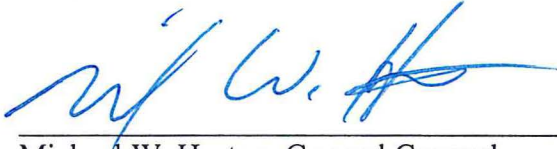
EXECUTIVE SESSION. Mr. Horton said that an executive session is needed to conduct the evaluation of the Manager Clancy Flynn unless he wants the evaluation to be done in open session. Mr. Flynn said that he would prefer that the evaluation be done in executive session. At 2:22 p.m., the Board entered executive session pursuant to ORS 192.660(2)(i) and Mr. Eldred, Mr. Smith, Mrs. Sebasto, and Mrs. Henderson left the meeting.

RECONVENED REGULAR SESSION. At 2:48 p.m., the Board returned to regular session.

DISTRICT MANAGER'S SALARY. A motion was made by Director White, seconded by Director Clark, and unanimously carried that Mr. Flynn's salary be increased by 3%, plus another 2% performance bonus for a total increase of 5% effective January 1, 2025.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 2:50 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED:

**MINUTES OF MEETING OF JOINT COMMITTEE
OF THE OWYHEE PROJECT**

December 17, 2024

A meeting of the Joint Committee of the Owyhee Project was held on December 17, 2024, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 1:00 p.m. Eric White, Chairman of the Joint Committee presiding.

The following members of the Joint Committee were present:

Eric White	Bruce Corn
Gregory Clark	Frank Ausman
Chris Landa	Bret Nielson

Also present were: Clancy Flynn, Manager of the Hydro Projects; Michael W. Horton, Secretary and Legal Counsel; Steve Nash, South Board Director; J.L. Eldred, OID Watermaster; Steve Smith, OID Employee; and Darla Sebasto and Linda Henderson, Members of the Public.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on December 11, 2024.

PLEDGE OF ALLEGIANCE. Chairman Eric White led the Pledge of Allegiance.

MINUTES. The minutes of the November 19, 2024, regular meeting of the Joint Committee were mailed to the Committee members prior to this meeting. A motion was made by Mr. Corn, seconded by Mr. Ausman, and unanimously carried approving the minutes as mailed.

INSURANCE PRESENTATION. Dellas Waldo of Waldo Agency, the Joint Committee's Insurance Agent of Record, made a presentation on insurance for the hydros. He passed around a handout which the Committee members reviewed. He explained the problems he has been having in getting property coverage. He said that SDIS is increasing the premium by 15.8%. The potential to increase the deductibles was discussed. The insurance policy was discussed. After discussion, a motion was made by Mr. Nielson, seconded by Mr. Ausman, and unanimously carried that the District's deductible be increased if it can and that the policy be renewed.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Flynn handed out a financial report for the Tunnel #1 Power Project which was reviewed by the Committee members.

Tunnel #1 Power Project Accounts Payable. The Committee members reviewed the accounts payable report included in their packets. A motion was made by Mr. Corn, seconded by Mr. Landa, and unanimously carried approving payment of the accounts payable for the Tunnel #1 Power Project.

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Flynn handed out a financial report for the Owyhee Dam Power Project which was reviewed by the Committee members.

Owyhee Dam Accounts Payable. The Committee members reviewed the accounts payable report included in their packets. A motion was made by Mr. Landa, seconded by Mr. Clark, and unanimously carried approving payment of the accounts payable for the Owyhee Dam Power Project.

B2H. Mr. Flynn reported on his discussions with the Bureau of Reclamation on the B2H powerline. He said that the Bureau went ahead with the licensing and crossing agreement with Idaho Power even though the Districts were against the proposed agreements and specifically the locations of the proposed crossings. The matter was discussed.

DAM COMPOUND UPDATES. Mr. Flynn said that the septic updates are just about completed. The matter was discussed.


OWYHEE DAM POWER PLANT. Mr. Smith explained an issue with the software on starting up the Owyhee Dam Power Plant.

WEATHER FORECAST. Mr. Flynn said that one of the forecasts he has seen is based upon previous years' ocean temperatures. He said that the ocean temperatures right now are similar to 1967 which resulted in a 527,000 acre foot inflow and similar to the years 1993 and 2017, which resulted in 1.1 million acre feet of inflow. The matter was discussed.

LIDAR FLIGHT GRANT. Mr. Nielson asked about the potential Lidar Flight Grant. The matter was discussed.

ADJOURNMENT. There being no further business to come before the Committee, the meeting was adjourned at 1:47 p.m.

Respectfully submitted,



Michael W. Horton, Secretary

APPROVED: _____