

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

May 24, 2016

A meeting of the Joint Committee of the Owyhee Project was held at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, 106 Main Street, Nyssa, Oregon, on May 24, 2016, at 7:00 p.m. Eric White, Chairman, presiding.

The following members of the Joint Committee were present:

Bruce Corn	Jerry Nagaki
Dan Tschida	Chris Landa
Eric White	Brett Nielson

Also present were: Jay Chamberlin, Manager of the Hydro Projects; Harvey Manser, OID Assistant Manager; John Eells, South Board Manager; Michael W. Horton, Secretary and General Counsel; Frank Ausman, OID Alternate; and Larry Meyer, Argus Observer Newspaper.

MEETING NOTICE. The meeting agenda showed that public notice of the meeting was given on May 17, 2016.

MINUTES. The minutes of the meeting of the Joint Committee held on April 19, 2016, were mailed to the Committee members prior to the meeting. A motion was made by Mr. Corn, seconded by Mr. Nagaki, and unanimously carried approving the minutes.

TUNNEL #1 POWER PROJECT.

Tunnel #1 Financial Report. Mr. Chamberlin handed out a financial report for the Tunnel Power Plant which the Committee members reviewed.

Tunnel #1 Power Plant Hydro Report. Mr. Chamberlin said that the Tunnel Power Plant is running good. He said there always seems to be a few bugaboos.

Tunnel #1 Power Project Accounts Payable. The Committee members reviewed the accounts payable listed on the agenda for the Tunnel #1 Power Project. A motion was made by Mr. Nagaki, seconded by Mr. Nielson, and unanimously carried approving payment of the following accounts payable:

Oregon Idaho Utilities	\$223.96
AT&T	46.00
Nichols Accounting	<u>325.00</u>
TOTAL	\$595.13

OWYHEE DAM POWER PROJECT.

Owyhee Dam Financial Report. Mr. Chamberlin handed out financial reports for the Owyhee Dam Power Project which the Committee members reviewed.

Owyhee Dam Hydro Report. Mr. Chamberlin said that between 147 to 150 cfs is being run through the Dam Power Plant. He said Old Owyhee got work done on the ramp flume. He said they are still working in another area. He said the Dam Power Plant is running good.

Owyhee Dam Accounts Payable. The Committee members reviewed the accounts payable listed on the agenda for the Owyhee Dam Power Project. A motion was made by Mr. Nielson, seconded by Mr. Tschida, and unanimously carried approving payment of the following accounts payable:

AT&T	\$41.87
Stunz, Fonda, Kiyuna & Horton	1,110.00
Allied Insurance	348.00
FERC	25.00
Oregon Idaho Utilities	588.08
Nichols Accounting	<u>325.00</u>
Total	\$2,437.95

WATER ALLOTMENT. Owyhee Reservoir storage and inflow reports were included in the Committee members' packets. A motion was made by Mr. Corn, seconded by Mr. Nielson, and unanimously carried setting the water allotment for the season at 4 acre feet. Mr. Nielson asked if stream flows are still ahead of the drafting of water. Mr. Chamberlin said the reservoir storage is still holding as storms have been coming through. The Committee members discussed inflows and expected water usage.

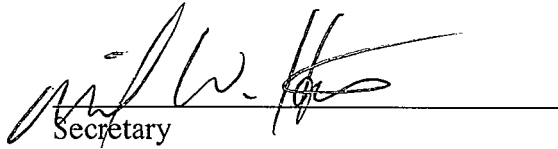
EXCESS WATER. Mr. Tschida said that if there is excess water running out of the ends of the ditches, it may be better to sell excess water than to let this happen. The Committee members discussed the matter. After discussion, it was the overall consensus of the Committee that they have already made the decision that there will be no excess water this year and they decided to leave that decision as is. Mr. Corn said the Committee will also want to take an early look at the end-of-season turnoff date so that word can get out early to the water users. The end of season was discussed. Mr. Ausman said that he wants to see the Committee stick to its decision on no excess water.

RULE ADVISORY COMMITTEE HEARING. Mr. Chamberlin said that the Rule Advisory Committee Hearing for the Malheur River is coming up and then the Owyhee River will be after that. He said the matter goes to Oregon Water Resource Commission and then to the Oregon Department of Agriculture. Mr. Corn and Mr. Chamberlin explained the process and why the water reservation is being done.

WATER RESOURCE COMMISSION. Mr. Corn, who is a Commissioner on the Oregon Water Resource Commission, reported on recent Commission activities.

ADJOURNMENT. There being no further business, the meeting was adjourned at 7:35 p.m.

Respectfully submitted,


Secretary

APPROVED: _____

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

May 24, 2016

The regular monthly meeting of the Board of Directors of the Owyhee Irrigation District was held on May 24, 2016, at the offices of Stunz, Fonda, Kiyuna & Horton, LLP, 106 Main Street, Nyssa Oregon, at 7:40 p.m. Jerry Nagaki, President of the District, presiding.

The following Directors were present:

Jerry Nagaki	Bruce Corn
Dan Tschida	Eric White
Frank Ausman	

Also present were: Jay Chamberlin, District Manager; Michael W. Horton, Attorney; Harvey Manser, OID Assistant Manager; and Larry Meyer, *Argus Observer Newspaper*.

MEETING NOTICE. The meeting agenda showed that public notice as to the meeting was given on May 17, 2016.

JOINT COMMITTEE REIMBURSEMENT. Mr. Chamberlin said that he received an email from Tyler Sweet regarding the Joint Committee's need to reimburse OID for monies advanced to the Joint Committee before the SELP payment is made. Mr. Chamberlin said that he forgot to bring this up during the Joint Committee meeting and that it is important that the money be paid right away. The consensus of the OID Board members is that the money be paid since it is owed. Mr. Chamberlin said he will poll the Joint Committee members about the payment.

MINUTES. Minutes of the meeting of the Board of Directors held on April 19, 2016, were handed out to the Directors prior to the meeting. A motion was made by Director White, seconded by Director Tschida, and unanimously carried approving the minutes.

DISTRICT FINANCIAL REPORT. Handouts from Nichols Accounting with the monthly financial reports were provided to the Directors. The Directors reviewed the reports.

GOPHER FUND. Eric White noted that a lot of payments have been made out of the gopher fund. He said it looks like the funds will run out of money before the end of the year. The matter was discussed.

DISTRICT ACCOUNTS RECEIVABLE. Mr. Chamberlin said that he hopes to have a report on the delinquent accounts next month. He said payments seem to be coming in like normal.

DISTRICT ACCOUNTS PAYABLE. Two lists of the District's accounts payable for the month were included in the Directors' packets. The Directors reviewed the lists and asked

questions. A motion was made by Director Corn, seconded by Director Ausman, and unanimously carried approving and ratifying payment of the accounts payable.

MITCHELL BUTTE POWER PROJECT.

Financial Report. The financial report for the month for Mitchell Butte Power Project was in the Director's packets. The report was reviewed by the Directors.

Hydro Report. Mr. Chamberlin said that two units were running but now are just down to one because of water flows.

Accounts Payable. The agenda for the meeting listed accounts payable for the Mitchell Butte Power Project. A motion was made by Director White, seconded by Director Tschida, and unanimously carried approving payment of the following accounts payable:

AT&T	28.20
Verizon	50.08
Nichols Accounting	<u>110.00</u>
Total	\$188.28

MALHEUR SIPHON. Mr. Chamberlin said he has met with the engineer and USBR staff a couple of times on the Malheur Siphon engineering work. He said they are trying to get a manageable plan for off-season work. He said the engineer has been surveying the entire siphon. Mr. Chamberlin said that he feels that real progress has been made. He said they are trying to come up with a fix that will last another 40 to 50 years. He said he hopes to have a presentation for next month's Board meeting.

PUMPING PLANT BEARING ISSUE. Mr. Chamberlin reported on a pump motor which had to be fixed at the Dead Ox Pumping Plant. He said the bearing had been installed backwards and was causing heat buildup. He said Riverside Electric warranted the work. He said the pump motor is now back in and running.

OREGON SAVINGS GROWTH PLAN. Mr. Chamberlin said there are seven to eight employees who have signed up for the Oregon Savings Growth Plan. He said company representatives will be coming over to meet with employees tomorrow.

OLD OWYHEE DITCH COMPANY RAMP FLUME. Mr. Chamberlin reported on ramp flume work being done by Old Owyhee.

NYSSA RURAL FIRE SUBSTATION. Mr. Chamberlin said that he just received information back from USBR approving the proposed Nyssa Rural Fire Substation. Frank Ausman reported on the building plan. Mr. Chamberlin said that he saw where Ontario Fire District rate payers have recognized reduced insurance rates partly due to the Malheur Siphon tap. Director Ausman said that the Nyssa Rural Fire Substation should help lower some of the

District's patrons' insurance rates. Director White suggested that any new pressurized pipeline systems have plans for fire taps in them.

OWEB GRANTS. Director Corn stated that OWEB and OWRD have grants available that the District may want to look into. The matter was discussed.

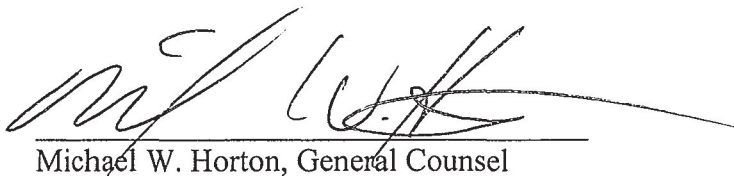
SNIVELY SIPHON. Mr. Chamberlin said that the work done on the Snively Siphon seems to be holding up well, but that the system is not filled up with water yet.

JAY CHAMBERLIN EMPLOYMENT CONTRACT. Mr. Chamberlin said that his employment contract needs to be reviewed and updated. He said he put evaluation forms in the Directors' packets to be completed and discussed at next month's meeting.

COUNTY BOAT RAMP AND OWYHEE RESERVOIR. Director Ausman asked about the status of the Malheur County boat ramp. Mr. Chamberlin said that the ramp is closed and he updated the Board on the status. Director Ausman suggested that Mr. Chamberlin check with Cliff Bentz on the boat ramp issue. The matter was discussed.

ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned at 9:40 p.m.

Respectfully submitted,



Michael W. Horton, General Counsel

APPROVED: _____