



SWALLEY IRRIGATION DISTRICT BOARD MINUTES

December 2016

The Board of Directors of the Swalley Irrigation District met on December 21, 2016 at the District office for the purpose of conducting its monthly business.

Call to Order

President McCarrel called the meeting to order at 9:05am. Those in attendance were directors Steve McCarrel, Kelly Patrick, and manager Jer Camarata. Gen Hubert, Deschutes River Conservancy (DRC) was also in attendance.

Minutes of the November 16, 2016 board meeting were reviewed and on motion made and seconded, unanimously approved.

Business from the Floor/Public Comment

-Gen Hubert, DRC initiated a discussion regarding the DRC-Swalley Annual Water Rights Leasing Program and introduced an option to expand the program to include fourth year water leasing. There followed a discussion on the need to institute a cap on the amount of acres able to be leased annually as a means to not cause operational issues with tail-water and transmission losses with a fourth year water lease. No decisions were made. The board requested that a copy of the COID Water Leasing Policy be obtained for review and that further research be conducted by Camarata. Ms. Hubert thanked the board and left the meeting at 9:40pm.

Financial

The board reviewed the accounts payable list and financial reports as prepared. On motion made and seconded, the accounts payable list was unanimously approved.

Old Business

1) A 3rd draft of the 2017 budget was presented and reviewed in depth. After careful contemplation the board unanimously voted to approve Resolution #16-08, attached hereto, thereby adopting the 2017 annual budget and setting the 2017 assessment rates.

Discussion ensued regarding an opportunity to purchase a new hydroelectric runner with unspent expense funds and above expected development and grant award revenues from the 2016 budget. No decisions were made. The board will revisit the conversation in subsequent months once the 2016 ending budget balance is known.

New Business

None

Manager's Report

1) Energy Trust of Oregon (ETO) will be conducting a post-project audit in Swalley examining the above market costs of renewable energy projects in general, and the relative success of the Ponderosa Hydroelectric facility project specifically. Camarata says that such an audit could potentially lead to the creation of an ETO program that helps districts finance upgrades to underperforming renewable energy facilities.

Phone 541/388-0658
Fax 541/389-0433

64672 COOK AVENUE
SUITE ONE
BEND, OREGON 97701

www.swalley.com



- 2) A large water rights transfer application involving the US Forest Service has been successfully submitted to the Oregon Water Resources Department. The associated Bend Parks & Recreation District transfer application submitted last month has made it through the public review process with no comments.
- 3) The December stock run was cancelled due to snow, ice, and cold weather.
- 4) The Fish Ladder Project is scheduled to be complete by December 31st, subject to weather related delays.
- 5) Status of the PL566 Program, Watershed Plan, and potential 2017 grant applications for potential piping projects was discussed. The District submitted a competitive loan application to the DEQ-SRF Program on December 9th in the hopes of securing potential match funding to support any of the funding applications should they be awarded and available to the District in 2017. Camarata will begin patron outreach and education efforts regarding the District's new System Improvement Plan in early 2017.
- 6) General Commercial Liability Insurance has been renewed for 2017, which includes Business Interruption for the hydro facility.
- 7) Some needed mechanical and electrical repairs have been made to the Ford pickup.
- 8) Camarata asked the board their thoughts on giving staff (Kathy, Karl, and Duane) \$200 Christmas bonuses for all their hard work this year. The board agreed that the bonuses were appropriate.

Legal Report

None

Other Business

None

Adjournment

There being no further business, President McCarrel adjourned the meeting at 11:34pm.

Attest: _____ President McCarrel

Attest: _____ Secretary Camarata