



SWALLEY IRRIGATION DISTRICT BOARD MINUTES
August 21, 2019

The Board of Directors of the Swalley Irrigation District met on August 21, 2019 at the District office for the purpose of conducting its monthly business.

Call to Order

President McCarrel called the meeting to order at 9:05 am. Those in attendance were directors Steve McCarrel, Dennis Gant, and general manager Jer Camarata.

Prior Minutes

Minutes from the July, 17 2019 board meeting were reviewed and on motion made and seconded, unanimously approved. Minutes from the August 9, 2019 Special Board Meeting were reviewed and on motion made and seconded, unanimously approved.

Business from the Floor

None.

Financial/Hydro Report

The Board reviewed the accounts payable list, financial reports, and hydro report as prepared. On motion made and seconded, the accounts payable list was unanimously approved. Discussion ensued regarding the District's Lien and Foreclosure list.

Old Business

None

New Business

1) Camarata provided a status update on the Deschutes Basin Habitat Conservation Plan (HCP). Discussion ensued regarding the final draft HCP Measure DR-1 as distributed. Discussion ensued. On motion made and seconded, it was unanimously approved to authorize Camarata to sign the Incidental Take Permit (ITP) Application currently being prepared by consultants, using the final draft HCP Measure DR-1 language as-presented and attached to the August 21, 2019 Board Packet.

2) Camarata presented upcoming HCP dates of interest and discussed the issue of severability of responsibilities within the context of the HCP and associated future ITP. A draft Memorandum of Understanding (MOU) between Arnold, Swalley, and Central Oregon Irrigation Districts regarding the issue of severability was also presented and discussed. The Board asked that the issue of severability of responsibilities within the HCP and associated future ITP be clearly and directly addressed within the HCP and also within a possible MOU, if an MOU is required by the US Fish and Wildlife Service, such that any one District would not be held responsible

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for another District's negligence in fulfilling their listed responsibilities within any given HCP Measure. Camarata will discuss the matter with the Deschutes Basin Board of Control (DBBC), HCP consultants, and the US Fish and Wildlife Service and report back to the Board. The MOU will remain unsigned and in draft form for now.

3) Camarata presented draft redline updates to the District's Development Handbook and associated Fees, Fines, and Assessment Policy documents. The last update to the Development Handbook was approved in 2016 and several recommended construction and engineering standards have changed since that time. Lengthy discussion and review of the Development Handbook ensued. The Board recommended: 1) that deletions to specific references to fees be made in Section 9.1.2 with deferral to the current Fees, Fines, and Assessment Policy, 2) adding a definition for the term "Landowner" within the Definitions Section, 3) replacing the word "solar" with the word "electrically" within Section 3.1.4, and 4) to accept the Engineer of Record, Kevin Crew's adjusted recommendation for setting sewer crossing vertical separation specifications to a minimum of 5-feet with a sleeving requirement extending a minimum of 40-feet beyond the pipe crossing on each side. On motion made and seconded it was unanimously approved that the District's Development Handbook Version 1.08—August 2019 and associated updates to the 2019 Fees, Fines, and Assessment Policy documents be approved with conditions that the four aforementioned modifications be incorporated prior to publishing. There were no recommended edits to the draft revision of the Fees, Fines, and Assessment Policy, and the recommended redline edits were approved as-is.

Manager's Report

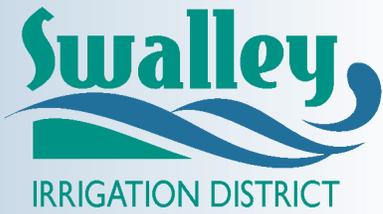
1) Camarata expects to execute the Rogers Lateral Piping Project (RLPP) contract documents with TaylorNW by August 30th. The RLPP Pre-Construction Meeting is set for September 11, 2019.

2) Camarata announced that the District's office building had recently weathered a substantial hailstorm causing obvious paint and window screen damage. Discussion ensued. It was generally decided that the building was due for painting anyways, but that a roofer should be brought in to assess any potential damage that might have been done to the now 30-year-old roof. On motion made and seconded it was unanimously approved to authorize Camarata to use unbudgeted reserve funds to have the District Office repainted and damaged window screens replaced as soon as possible. No limit was placed on the amount of funds that could be spent on repainting and window screen replacement, but Camarata explained that he would be frugal as always with District expenses. Camarata will report back to the Board regarding professional opinion as to the condition of the roof.

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3) An Easement Encroachment Agreement (EEA) has been signed with Pat Kehoe for a fencing encroachment. A separate EEA is complete and pending signature with Century Link for two small fiberoptic crossings.

4) Irrigation demand remains lower than normal this year and hydro production is starting to lag as a result of that demand plus a few unexpected breakdowns and storms that have occurred. Discussion ensued. A spare flow transducer for the hydro facility will be ordered this month and Camarata also plans to begin investigating Motif Force provisions to the District's Power Purchase Agreement.

Legal Report

No reports were given, however, discussion ensued regarding having counsel draft the Board a legal memorandum regarding stock water delivery responsibilities. The Board agreed that it would be a good idea to task counsel with such a request. Camarata will proceed accordingly.

Adjournment

There being no further business, Director McCarrel adjourned the meeting at 12:15 pm.

Attest: _____ Director McCarrel

Attest: _____ Secretary Camarata