



SWALLEY IRRIGATION DISTRICT BOARD MINUTES
September 18, 2019

The Board of Directors of the Swalley Irrigation District met on September 18, 2019 at the District office for the purpose of conducting its monthly business.

Call to Order

President McCarrel called the meeting to order at 9:00 am. Those in attendance were directors Steve McCarrel, Dennis Gant, Kelly Patrick, and general manager Jer Camarata.

Prior Minutes

Minutes from the August 21, 2019 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 District office repairs and improvements. The District office exterior was painted last week. The District is still waiting on responses regarding professional opinion as to the condition of the office roof and estimates for new flooring. Discussion then ensued regarding the District's future estimated power production, power rates, and power sales options.

Old Business

None

New Business

1) Discussion ensued regarding Resolution 19-01; Vote by Mail. On motion made and seconded, Resolution 19-01; Vote by Mail was unanimously approved.

2) Discussion ensued regarding an Intergovernmental Agreement (IGA) request from the City of Bend for consideration of its North Interceptor Sewer Crossing Project under the District's Main Canal Pipeline. The IGA request is being made in lieu of the District's standard Responsible Party Agreement (RPA) for development review requests. District staff proposed several recommended edits to the City's Draft IGA for the Board's consideration. Discussion ensued. On motion made and seconded, it was decided to unanimously approve of the Draft IGA with Staff's red-lined edits for presentation and rejoinder to the City in lieu of the District's standard RPA. Brief discussion ensued regarding a recap of the District's



standard sewer crossing specifications and fees as outlined in the District's Development Review Handbook and Fees, Fines, and Assessment Policy, as updated and approved at the August 12, 2019 Board Meeting.

Manager's Report

1) Camarata provided a very brief status update on the Deschutes Basin Habitat Conservation Plan (HCP) and Incidental Take Permit (ITP) applications that have now been applied for.

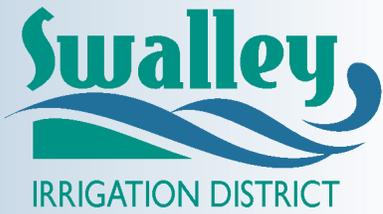
2) The District has executed the Rogers Lateral Piping Project (RLPP) contract documents with Taylor NW, conducted a Pre-Construction Meeting on September 11, 2019, and has issued a formal Notice to Proceed to Taylor NW. Construction schedule notices were mailed to landowners along the RLPP on September 17, 2019. Camarata shared a project financial tracking sheet with the Board, which will be provided at all future Board Meetings until the project has been closed out. Discussion ensued regarding current materials orders and project payment requests with grant funders.

3) Lengthy discussion ensued regarding staff workload, field staffing time-off and vacation support. Camarata reported that field staff need to work weekend shifts during irrigation season to keep up with District operational and safety demands which is causing personal hardship with employees' inability to travel out of town during the weekend and take time off. Further, during a year in which the District will be under construction all winter, it will be very difficult for staff to take their earned vacation time. Once an employee's earned vacation time balance hits 240 hours, it is considered capped and further vacation accrual benefits cease until the employee vacation balance drops below 240 hours. Two employees are currently maxed out on their vacation time balances and one has a balance above 200 hours. The Board discussed the probable root problem of staff having to work weekends and not being able to take much of their vacation time being due to the District likely being short an employee. Camarata said that the District could easily use an additional 0.5 to 1 full-time employee (FTE). The Board asked Camarata to investigate what it would cost to bring on another 0.5 to 1 FTE to support the field crew, and also to investigate possible ways in which such an expense could be paid for within the 2020 annual budget. Camarata then presented a possible one-time vacation buydown program with estimated costs to the District. Much discussion ensued. On motion made and accepted it was unanimously approved to extend an offer to all employees a one-time voluntary vacation buydown option for up to 50% of their current individual vacation balances. The voluntary vacation buydown option will apply to current vacation balances as of 9/18/2019 only and be executed during the regular 9/27/2019 payroll date. Funds will be expended from District reserves and coded under the standard payroll budget. Camarata expects that the total expense will not exceed \$10,650, be treated as a reduction of liability on the District's books and annual audit, and be a welcome opportunity for

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

64672 COOK AVENUE
SUITE ONE
BEND, OREGON 97701

www.swalley.com



employees who have been finding it increasingly difficult to take their earned vacation time off.

4) Camarata expects to begin work on the District's Draft 2020 Annual Budget in October, but has already begun projecting 2020 hydropower revenues.

Legal Report

-The Board is still waiting on a legal memorandum from counsel regarding stock water delivery responsibilities.

-The District received an inquiry from an attorney representing North Triangle Area developers and landowners regarding the location of the Rogers Sub-Lateral and possible re-location opportunities. The request for information has been handed over to District Counsel for review and response.

-The District received a letter from a water user's attorney requesting that the District's collection of charges and power of lien and foreclosure be waived due to special circumstances of "stacked water rights" on their land. The matter has been handed over to District Counsel for review.

Adjournment

There being no further business, Director McCarrel adjourned the meeting at 11:48 am.

Attest: _____ Director McCarrel

Attest: _____ Secretary Camarata