



SWALLEY IRRIGATION DISTRICT BOARD MINUTES

October 21, 2020

The Board of Directors of the Swalley Irrigation District met on October 21, 2020 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, manager Jer Camarata, and counsel Steve Shropshire. In attendance from the public was Todd Peplin.

Prior Minutes

Minutes from the September 16, 2020 Board Meeting were reviewed and on motion made and seconded, unanimously approved.

Financial/Hydro Report

The Board reviewed the accounts payable list, financial reports, and hydro report as prepared. Brief discussion ensued. On motion made and seconded, the accounts payable list was unanimously approved.

Business from the Floor

Todd Peplin announced that the Deschutes Soil and Water Conservation District (DSWCD) has received a grant for mapping out and assessing private irrigation infrastructure within the Deschutes Basin. The District will be working with the DSWCD to help refine project scope within Swalley to hopefully make progress towards on-farm efficiency efforts as also outlined in the District's Private Ditch Policy. Todd thanked the Board and left the meeting.

Old Business

The District has received a fully executed copy of a PL566 Agreement from the Natural Resources Conservation Service (NRCS) allocating 75% federal funds (\$2,221,165) to the Main Canal Piping Project – Phase #7 (MC-7). Camarata explained that after a loss assessment and design engineering for the project have been completed, the District could then use that information to try and raise the required matching project funds. Accordingly, Camarata asked for approval to execute the MC-7 Design Engineering Agreement (\$70k) as well as the MC-7 Loss Analysis Agreement (\$7k), decisions that that the District has had tabled for several months. Discussion ensued regarding reimbursement from NRCS for design engineering. On motion made and seconded, it was unanimously approved to authorize Camarata to sign the MC-7 Design Engineering Agreement as well as the MC-7 Loss Analysis Agreement and to allocate the necessary support funds (\$77k) out of the District's Annual 2021 Budget.

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New Business

-Camarata declared President McCarrel the sole nominee and winner of this year's election for Director at Large Position #2. Camarata presented a signed Certificate of Election for Director at Large, Position #2, which on motion made and seconded was unanimously accepted retroactive to 10/12/2020.

-Camarata announced new business not on the original agenda. The City of Bend is proposing that an Intergovernmental Agreement (IGA) be signed with the District for design of the Purcell Road Expansion Project as it relates to the crossing of the District's Kotzman Lateral Pipeline. The City has provided a draft IGA for consideration, however, the proposed terms of the draft agreement appear to deviate from District policy regarding reimbursement of expenses. The Board agreed that it should be clear in the IGA that the District will require reimbursement for any expenses related to reviewing and potentially approving the City's project. Counsel will assist Camarata in working to strike an acceptable agreement with the City on the matter.

Manager's Report

- 1) The Poe Sholes Safety Fence project is complete.

- 2) The District continues to work on future renewable energy sales ideas and options through a consortium of like-minded irrigation districts within the Oregon Water Resource Congress. Ideas are being pursued and vetted through the Oregon Public Utility Commission and it is possible that legislation embracing some of those ideas will be pursued during this year's legislative session.

- 3) The District has applied for and been awarded grant funds through the Coronavirus Relief Fund, up to \$250,000 for COVID-19 related reimbursable expenses incurred March 2020 through December 2020.

- 4) The District has purchased a new truck. Brief discussion ensued regarding either repurposing or selling the truck that has been replaced.

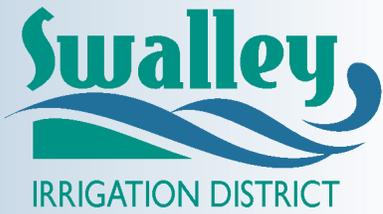
- 5) The District's tentative winter stock run dates have been announced on its website.

- 6) A native reseeding effort over the Rogers Lateral Pipeline has commenced per direction from the Board given at the previous Board Meeting. Advice and on-site support from the Deschutes County Weed Department has occurred and the revegetation effort is nearly complete.

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Legal

Counsel updated the Board regarding ongoing discussions with the City of Bend in working towards an amenable Crossing Agreement for the City's North Sewer Interceptor Project. The Board was made aware of certain indemnification and crossing fee terms that the Central Oregon Irrigation District (COID) has been discussing with the City. After lengthy discussion, the Board asked Counsel to try and encourage the City to accept indemnification terms similar to those that may be agreed upon by COID, and in return, the Board would agree to the substantially reduced crossing fee that the City has proposed. If the City accepts such terms per Counsel's lead, then Camarata is authorized to sign such a Crossing Agreement.

Adjournment

Being no further business, the meeting was adjourned at 10:40 am.

Attest: _____ Director McCarrel

Attest: _____ Secretary Camarata