

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE  
EAST COLUMBIA BASIN IRRIGATION DISTRICT

October 5, 2016

The regular meeting of the Board of Directors of the East Columbia Basin Irrigation District was called to order at 10:00 a.m. in the Board Room of the District Office in Othello by President Mark Booker.

Present were:

Directors

Mark Booker  
Bernie Erickson  
Orman Johnson  
Don Osborne  
Boe Clausen

Staff

Craig Simpson  
Anna Franz  
Steve Kimble  
Nate Andreini  
Levi Johnson  
Rosa Dekker  
Wendy Lange

President Booker opened the hearing of petition for Inclusions of Lands, the hearing will remain open until the end of the meeting.

Visitors: Toni Turner, Bruce Loranger and Jennifer Hickenbottom, USBR; Mike Schwisow, Government Relations Consultant; Tim Culbertson, CBHP; Jake Wollman, Jr., Paul Wollman, Alison May, Michele Kiesz, Kevin Lyle, Lee and Margaret Davis, Brian Kuest, Patrick Boss, Tana Ring Gridley, Eli Stahl, Landowners.

Visitors

Minutes of the regular meeting of September 7, 2016 and the continued meeting of September 27, 2016 had been mailed to the Directors. Mrs. Sandy Booker joined the meeting to give President Booker his personal recording device and then left the meeting. President Booker began recording the meeting with his personal recording device. Attorney Franz suggested removing the last sentence on page 2016-86 through the 2<sup>nd</sup> sentence on page 206-87 and sentences 8 and 9 also on page 2016-87, stating they did not pertain to the discussion and were not appropriate for the minutes. President Booker and Director Johnson pointed out a couple spelling errors. Following discussion, Director Clausen moved to approve the minutes of the regular meeting of September 7, 2016 and the continued meeting of September 27, 2016 with the changes as stated and discussed. Director Osborne seconded and the motion carried.

Minutes  
Approved

Ms. Alison May reported, per the Board's request (see minutes of September 7, 2016), she had contacted her title company for the contact information for Bank of America to request them to pay the back assessments and interest owed on her property she purchased. She reported she did not have any luck in obtaining contact information.

Ms. May requested the Board allow her to pay the 2016 assessments and relieve her of the delinquent assessments and interest owed with the release of her water allotment. Following discussion, Director Erickson moved to authorize release of Ms. May's delinquent assessments including interest along with the 2016 assessment. Director Johnson seconded and the motion carried.

Ms. Tana Ring Gridley joined the meeting to discuss receiving notice of foreclosure proceedings due to delinquent assessments. Ms. Gridley informed the Board that her neighbor has made it so she can no longer receive water. She stated she is unable to afford the delinquent assessments and has listed her house for sale. Treasurer Kimble reported the foreclosure proceedings have only just begun and are a lengthy process. Director Erickson questioned whether it would be reasonable to forgive the assessments owed until the sale of the property so the land doesn't lose the water and the value of that water. Director Clausen informed Ms. Gridley we would contact her to go over the situation and help her. Following discussion, Director Erickson moved to suspend the foreclosure proceedings until further action by the Board. Director Johnson seconded and the motion carried.

CBHP Manager Culbertson reported CBHP has received an insurance payment for bearing damage at Summer Falls in the amount of \$114,000.00. The check is made out to the three irrigation Districts and CBHP. CBHP Manager Culbertson requested authorization for the President or Manager to endorse the check. Following discussion, Director Erickson moved to authorize the President or Manager to endorse the check, as requested. Director Osborne seconded and the motion carried.

CBP Hydropower Development

Manager Simpson presented the following contracts a. through c. for approval:

District Improvements

Contracts

- a. Permanent Release of Water Allotment, Lazaro and Lidia Martinez, Lot 4, Villarreal Hwy 26 Short Plat, Block 49, Farm Unit 33, 1.2 acres
- b. Interruptible Water Service Contract for Temporary Deferred Lands Renewal, WHB Trust, 290-016, 207 acres
- c. Interruptible Water Service Contract for Temporary Deferred Lands Renewal, Johnson-Reaugh, LLC, 290-019, 35 acres

Following discussion, Director Clausen moved to approve contracts a. through c. as presented. Director Osborne seconded and the motion carried with Director Johnson abstaining.

Assistant Manager Andreini presented the following permits a. through c. for approval:

Permits

- |    |                           |                   |                  |
|----|---------------------------|-------------------|------------------|
| a. | Big Bend Electric(Booker) | Overhead Crossing | WSC 290-002-806  |
| b. | Lee Davis                 | New Turnout       | WSC 390-027-808  |
| c. | Frank Ochoa               | Encroachment      | Block 46, FU 189 |

Following discussion, Director Erickson moved to approve permits a. through c. as presented. Director Johnson seconded and the motion carried.

Manager Simpson presented the following agreements a. through c. for approval:

Agreements

- a. Consent to Water Delivery Changes, Brad and Kristi Boersma, Block 42, Farm Unit 156
- b. Consent to Water Delivery Changes, Brad and Kristi Boersma, Block 42, Farm Unit 297
- c. Consent to Water Delivery Changes, Stephen B. Connors, etal, Block 43, Farm Unit 100

Following discussion, Director Osborne moved to approve agreements a. through c. as presented. Director Erickson seconded and the motion carried.

Vouchers audited and certified by the Auditing Officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required by RCW 42.24.090 have been recorded on a listing, which has been made available to the Board. After reviewing the vouchers submitted for payment approval, Director Clausen moved to approve for payment check nos. 306273 through 306584 in the amount of \$1,227,747.55 and electronic Payroll and AP transfer in the amount of \$516,568.97 for a total of \$1,744,316.52 from the O&M Fund. Director Johnson seconded and the motion carried.

Approve  
Vouchers

President Booker stated the purpose of forming a landowner committee is for landowners to meet and determine a contract price that would get 100% participation and to discuss a solution to the requirement of landowners having to join a District delivery system and efficient communication process between landowner groups and the District. The committee will consist of two landowners from each proposed delivery system and two Directors, who will sit in and listen. Manager Simpson questioned if the committee would include the delivery system to Marlin Hutterian Brethren ground and if it was a good idea to include staff in the meetings. President Booker stated the committee would work better if staff did not attend. Ms. Kiesz stated she is in the process of putting a list of members together and contacting them. She also stated she would like the flexibility of staff joining the meetings, either Manager Simpson or Assistant Manager Andreini. President Booker assigned himself and Director Johnson to the committee and Director Clausen and Director Erickson as alternates.

Landowner  
Committee

Manager Simpson presented the following Order of Hearing for Petition for Inclusion of Lands a. for approval:

- a. WHB Trust

Order of Hearing  
for Petition for  
Inclusion of  
Lands

Following discussion, Director Clausen moved to approve Order for Hearing of Petition for Inclusion of Lands a., as presented. Director Erickson seconded and the motion carried.

Manager Simpson reported USBR assent was not received for the following Order for Petition for Inclusion of Lands a.:

- a. WHB Trust

Hearing of  
Petition for  
Inclusion of  
Lands

Manager Simpson reported no action was taken on the Public Comment Period Policy draft resolution at the last meeting. He stated if there wasn't any Board interest it will be left off the agenda from now on. Director Osborne stated he thinks a public comment period policy is necessary to keep the meetings moving along. Manager Simpson read the resolution and policy out loud. Director Osborne stated the policy is just limiting the time for public comment due to time not being managed properly. Manager Simpson expressed concern over the need for such policy. Following discussion, Director Clausen moved to adopt Resolution 2016-16, ECBID Public Comment Period Policy, setting a public comment period not to exceed 60 minutes and providing each person a 5 minutes to make a statement. Director Osborne seconded and the motion carried with Director Erickson voting nay.

ECBID Public  
Comment Period  
Policy, Draft  
Resolution

Manager Simpson presented Resolution 2016-15, Surplus Equipment. Following discussion, Director Erickson moved to adopt the surplus equipment Resolution 2016-15 as presented. Director Johnson seconded and the motion carried.

Resolution 2016-  
15

President Booker discussed a Big Bend Electric Cooperative document he had and how they can provide power, new substations and the length of time involved up to 8 ½ years. Manager Simpson reported the document will be reviewed.

OGWRP

USBR Ephrata Field Office (EFO) Operations Manager Turner reported the amended MWSC is in USBR's Regional office and will be submitted to the District this week.

Ms. Michele Kiesz reported on a meeting with Senator Schoessler and Gary Chandler. She stated their preference was to have the District build the EL47.5 delivery system to full capacity. Director Erickson moved to authorize design for the EL47.5 delivery system to include all eligible acreage. President Booker stated he would second if he wasn't President. Director Osborne commented design for all eligible acres would make the cost go up for those who have already signed contracts. Director Clausen commented there are not enough acres under contract to support the additional costs this would bring. He stated the landowners have said they did not want to bear the additional cost for an oversized design. Manager Simpson reported changing the design now would likely delay the water delivery date to 2018. Discussions continued on the possibility of additional funding from the State. The motion failed to receive a second. Discussions continued on the pump plant structure sizing, costs associated with over sizing the system and additional capacity.

The meeting recessed for lunch at 11:55 p.m. and reconvened at 1:00 p.m.

Manager Simpson reported the District has received the audited financials and has had a second call with Moody's. Moody's rating is expected next week. The Preliminary Official Statement will be finalized after the rating is received and will be published next week also. Manager Simpson reported the bond sale is scheduled for October 27<sup>th</sup> and the closing date for November 10<sup>th</sup>.

a. EL47.5  
Delivery System

Manager Simpson reported the MOA with USBR regarding OGWRP activities has not been completed at this time. Jennifer Hickenbottom reported USBR's suggested edits were sent to Staff Engineer Gable just yesterday.

President Booker continued to record the Board meeting with his personal recording device.

Assistant Manager Andreini reported HDR Task Order No. 2, EL47.5 Electrical Design is being revised and will be ready to present to the Board soon.

1) HDR Task Order No. 2

Assistant Manager Andreini reported staff continues to work on EL47.5 designs. He reported the concrete structure for the sumps will be built this winter. Assistant Manager Andreini reported the pipeline design continues and staff is working on the details of the turnout locations. The plan is to meet with landowners to stake out turnouts. He reported the legal documents for easement acquisition have been completed and are being reviewed by staff.

b. Development Office Report

Assistant Manager Andreini reported at the last meeting the Board directed staff to determine the cost of the pipeline to serve a WHB and Scone & Connors contract. Adding this stub pipeline is estimated to cost an additional \$450,000.00. Mr. Paul Wollman stated he would get a quote for the pipeline. Assistant Manager Andreini reported adding the pipeline impacts scheduling but could accommodate the pipeline within the timeline.

Assistant Manager Andreini reported he met with Big Bend Electric Cooperative (BBEC) regarding temporary power for construction purposes. BBEC is designing a structure for temporary power and permanent power. He also reported he met with landowners and with a company called Watertronics and discussed control scenarios.

Assistant Manager McCourtie reported the new 10,000 gallon fuel tank has been placed in the Warden yard. He reported crews are preparing the earthen blanket for seepage control up stream of the Warden Check. Maintenance has been performed on heavy equipment and is ready for winter construction work.

Manager Simpson reported interviews for the Development Coordinator position were held last week. Mr. Jed Crowther was offered and accepted the District's Development Coordinator position and will begin on October 24<sup>th</sup>. Manager Simpson reported Staff Engineer Gable has agreed stay on with the District as a remote employee to run the Warden Siphon Project. He reported a recently hired Project Manager has left due to a more desirable offer elsewhere.

Manager Simpson reported he has spoke with Marlin Hutterian Brethren regarding their water service contract area. He will meet with them after they have completed harvest in a few weeks. Manager Simpson reported the Warden Siphon precon is scheduled for October 11<sup>th</sup>. Kirby White has been hired as the inspector again. He reported Mr. Gable will be performing construction contract administration from Spokane and will be onsite once a week.

Assistant Manager Andreini requested authorization to execute the contract with Rotschy, Inc. for the Warden Siphon project for the amount of \$1,714,625, including sales tax. He reported the contract allows for monthly progress payments. Following discussion, Director Clausen moved to authorize execution of the Rotschy, Inc. contract for the Warden Siphon project as requested. Director Johnson seconded and

the motion carried.

Assistant Manager Andreini requested authorization to pay a K&N Electric invoice in the amount of \$62,297.49 for progress completed per contract. Following discussion, Director Johnson moved to authorize payment to K&N Electric in the amount of \$62,297.49 as requested. Director Osborne seconded and the motion carried.

Manager Simpson presented the 2017 Operation and Maintenance Budget. The budget has been developed by District staff with recommendations from the Assessment Committee, and presented to the Board of Directors. The budget estimates the 2017 basic Part 1 O&M expenditures to be \$12,399,000 and the 2016 basic Part 1 O&M income to be \$12,399,000. The budget estimates Part 2 System Improvement expenditures to be \$15,028,740 and the 2016 Part 2 System Improvements income to be \$14,947,832. At this time it is estimated that the 2016 O&M budget will finish the year with basic O&M expenses of \$12,014,179 and income of \$12,566,353. The 2017 O&M Budget proposes an average O&M assessment of \$66.30 per acre, an increase of \$1.80 per acre over 2016. Following discussion, Director Osborne moved to approve the recommended 2017 budget. Director Johnson seconded and the motion carried.

2017 Budget

Assistant Manager Andreini presented the following September 2016 pipe bids for Board consideration:

Quotes and Bids

Supplier	Bid
Engineer's Estimate	\$60,859.60
Skone	\$47,385.25
RJB Wholesale	\$48,916.44
Ferguson Waterworks	\$49,318.77
HD Fowler	\$49,375.46
Lad Irrigation	\$52,897.78

Assistant Manager Andreini reported Skone did not submit tech specifications for the equipment as requested in the bid documents and RJB Wholesale did not include all materials listed in the bid documents, therefore these bids do not meet the District bid specifications. Following discussion, Director Clausen moved to declare the bids from Skone and RJB Wholesale non-responsive for not meeting District's bid specifications as stated and to accept the bid from Ferguson Waterworks as the lowest responsive bid in the amount of \$49,318.77, plus sales tax. Director Osborne seconded and the motion carried.

Assistant Manager Andreini reported eight SOQs were received for Materials Testing and Quality Assurance Services for the Warden Siphon project and EL47.5 delivery system construction work. Assistant Manager Andreini requested authorization to begin contract negotiations with Forsgren Associates, Inc. Following discussion, Director Johnson moved to authorize contract negotiations with Forsgren Associates, Inc. as presented and requested for Materials Testing and Quality Assurance Services

for the Warden Siphon project and EL47.5 delivery system construction work. Director Clausen seconded and the motion carried.

Assistant Manager Andreini requested authorization to call for pipe inspection camera bids. Following discussion, Director Clausen moved to authorize a call for pipe inspection camera bids, as requested. Director Osborne seconded and the motion carried.

Assistant Manager Andreini requested authorization to call for GPS surveying equipment quotes. Following discussion, Director Erickson moved to authorize a call for GPS surveying equipment quotes, as requested. Director Johnson seconded and the motion carried.

Assistant Manager Andreini requested authorization to call for EL47.5 concrete bids. Following discussion, Director Clausen moved to authorize a call for EL47.5 concrete bids, as requested. Director Osborne seconded and the motion carried.

Assistant Manager Andreini requested authorization to call for EL47.5 reinforcing steel bids. Following discussion, Director Clausen moved to authorize a call for EL47.5 reinforcing steel bids, as requested. Director Johnson seconded and the motion carried.

Assistant Manager Andreini requested authorization to call for EL47.5 concrete form quotes. Following discussion, Director Clausen moved to authorize a call for EL47.5 concrete form quotes, as requested. Director Osborne seconded and the motion carried.

Assistant Manager Andreini requested authorization to call for EL47.5 concrete pumping services quotes. Following discussion, Director Clausen moved to authorize a call for EL47.5 concrete pumping services quotes, as requested. Director Osborne seconded and the motion carried.

Mr. Daniel Whittred, Operations Manager for Coleambly Irrigation Cooperative Limited located in Australia, presented a slideshow for the Board, staff and visitors explaining their system automation and water entitlement system.

CICL Exchange

Manager Simpson reported on the Tri-State meeting he attended. Some topics of discussion were the Keys Partnership and the Columbia River Treaty.

Tri-State Meeting Report

As called for in statute and by District policy, Secretary Simpson announced that the filing period was now open for Director Division No. 5, Incumbent Orman Johnson. The Petition for Nomination, signed by at least 10 qualified voters from the division, must be filed in the East District's main office by 5:00 p.m. on Monday, November 7, 2016. The election date is Tuesday, December 13, 2016. A news release will be sent to area newspapers.

Announcement of Director Elections

EFO Operations Manager Turner reported public comments were due on October 3<sup>rd</sup> on the MWSC and none were received. The MWSC is currently at the solicitor's office for review and should be sent to Manager Simpson on October 7<sup>th</sup>.

USBR Report

Manager Simpson presented the monthly safety report.

Safety Report

Assistant Manager Andreini reported design is complete on most of the conservation pipeline projects. He reported BPA sent an informal notice that the projects submitted for consideration quality for incentive funding by BPA. The District is estimated to receive \$263,000.00 in incentive funds from BPA.

Engineer Report

Assistant Manager Andreini reported he met with members of the Fox family regarding granting new easements to USBR for the Block 47 pipelines projects. He reported those present understood the District's position.

Treasurer Kimble presented the monthly Treasurer's report. He reported that one investment was made and there were no maturities during the month. Treasurer Kimble reported the audit is complete and the audited financials and accountability reports have been distributed to the Directors, Attorney and USBR.

Treasurer Report

Manager Simpson gave the monthly O&M report.

Assistant Manager O&M

Manager Simpson requested authorization to call for Vanquish and Vision herbicide quotes. Following discussion, Director Erickson moved to authorize a call for Vanquish and Vision herbicide quotes, as requested. Director Johnson seconded and the motion carried.

Manager Simpson reported on past and upcoming meetings and conferences he will be attending.

Manager Report

Manager Simpson reported the error found in the Reserved Works billing has been corrected and updated billings are expected.

Manager Simpson reported the District had been notified in August that Block 44 has paid out it's construction obligation to the USBR.

Director Erickson moved to authorize the Board, Manager Simpson and appropriate staff to attend 5<sup>th</sup> Annual Operations and Management Workshop, February 1-2, 2017, Crowne Plaza Phoenix Airport Hotel, Phoenix, AZ. Director Johnson seconded and the motion carried.

Authorize Travel

President Booker declared an executive session at 4:40 p.m. for approximately 20 minutes to discuss personnel performance. The Board came out of executive session at 5:00 pm. and President Booker declared additional executive session for approximately 30 minutes. The meeting returned to regular session at 5:30 p.m.

Executive Session

Following the discussion of the manager's wages, Director Clausen moved to increase Manager Simpson's salary by 5% annually, retroactive to the September 7<sup>th</sup> Board meeting. Director Johnson seconded and the motion carried with Director Erickson not voting.

Manager's Salary

At 5:32 p.m., there being no further business to come before the Board at that time, President Booker continued the Hearing for Petition for Inclusion of Lands and

Meeting Adjourned

adjourned the meeting.

  
Secretary

  
President

MINUTES OF THE SPECIAL MEETING OF THE  
BOARD OF DIRECTORS OF THE  
EAST COLUMBIA BASIN IRRIGATION DISTRICT

October 20, 2016

The special meeting of the Board of Directors of the East Columbia Basin Irrigation District began at 10:00 a.m. in the Board Room of the District Office in Othello.

Present were:

Directors

Mark Booker  
Bernie Erickson  
Orman Johnson  
Don Osborne  
Boe Clausen

Staff

Craig Simpson  
Richard Lemargie  
Steve Kimble  
Nate Andreini  
John McCourtie  
Rosa Dekker  
Wendy Lange

Visitors: Mike Schwisow, Government Relations Consultant; Jake Wollman, Sr., Paul Wollman, Michele Kiesz, Dennis Swinger, Sr., Eli Stahl, Brian Keys, Heath Gimstead, Blake Higley, Ron Fode, Steve Connors, Jeff Schibel, Matt Kagele, Edward Stahl and Kevin Lyle, Landowners.

Ms. Michele Kiesz began by restating the purpose of the landowner committee. She reported they had met on October 13<sup>th</sup>. The committee discussed bonds, input in contracts with the District, working along side the District and cost feasibility. Ms. Kiesz presented a booklet of landowner's issues to the Board and staff. Ms. Kiesz stated the landowners do not want the bonding, they want to pay for the system themselves privately and they want the system built to full size of 11,000 acres. Mr. Steve Connors commented the committee does not reflect all of the landowners on the EL47.5. This was the first he has learned of this point of view of EL47.5 landowners. Director Johnson stated the bonds are at a low now and delaying any longer will impact the cost. He also stated bonding now could benefit all systems by securing a low interest rate.

Visitors

Mike Schwisow spoke regarding future appropriations. He explained the request process for legislative consideration. Mr. Schwisow talked on support of Ecology's 2021 budget and the need for the District and landowners to demonstrate commitment to the project. He commented the District needs to move forward with bonding and construction of the EL47.5 delivery system. President Booker stated, with permission of the Board, the Power Revenue Fund has \$5M available and other reserves available. He stated this would be enough for the EL47.5 winter projects but the intent is to get grants for early expenses.

Ms. Kiesz presented a Big Bend Electric Cooperative memo to the Board and staff. Discussions were had on power, priority and use of water for deep well replacement.

Representative Mary Dye joined the meeting to give a funding update. She reported Senator Schoessler had stated there was a commitment to obtain substantial State funding for water. Representative Dye spoke available funding from BPA. She also mentioned Senator Schoessler said to not slow this project down. Director Clausen stated the emphasis is on moving forward with a normalized system, beginning in good faith by getting something on the ground now and the need to show progress. He mentioned that requests for more State and Federal funding should not stop.

Discussions continued on when power would be available for future pumping plants, addendum to contracts, interest rates, tooling costs for landowners, maximum amount landowners can pay, normalized cost, EIS, Weber Siphon Complex, the supplemental feed route, the prepayment option to avoid paying interest, responsibility of repaying the bond, bond sales, water rights, BPA irrigation assistance and reserved power.

Ms. Kiesz voiced having an issue with the Board not listening to landowner requests. She stated landowners are interested in a process to provide input to the District, the ability to negotiate contracts with the District and a say in the design process. Director Johnson commented the Board listens but just doesn't always agree. President Booker stated he agreed with Ms. Kiesz. Director Clausen stated the Directors represent many landowners on all systems throughout the District.

President Booker requested the landowner committee report be added to the November agenda.

At 12:02 p.m., there being no further business to come before the Board at that time, President Booker adjourned the meeting.

Meeting  
Adjourned

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
President