

MANAGER'S REPORT - MAY 2014

This report provides an overview of District issues and projects.

OPERATIONS: We ran into a problem with the contractor that was to do the work on the new meter in Irrigon. Titan Pumps caused a problem with one of the circuits (there are three) on the system. It will cost \$2400 to repair. They left the job and did not return. Apparently, they contacted PGG trying to get them to take the blame, but no go. Gary from PGG was not on site, but was called in by them after the fact. There are a couple of things left to complete on the job. New cables for the meter, installing the telemetry, and completing the cover for the concrete box. We have not paid any funds on the project. The bid was \$5500 (approx.) for the meter and \$3000 for their work. They did not send a certificate of insurance for the job and are not answering calls. I sent a letter to them two weeks ago, asking for a contact to complete the work. Our next step is a demand letter. Ferguson has given us terms to June 15 to pay the meter, although the meter was ordered by Titan. Since we have possession of the meter, it seems reasonable to pay it and try to get them to replace the two damaged cables. We can complete the job for close to \$3000, including the repair. So, should we call this a wash and move ahead? We could turn it over to our insurance (for the damaged part), but this will take time. Guidance please.

ROAD MAINTENANCE INTO THREE MILE DAM: We are taking bids for the road maintenance into Three Mile Dam. That work is typically done twice yearly, sometimes more work than others. Westland ID has taken responsibility using BPA funds over the past few years, but we have confirmed with Reclamation that it is our project to manage. The split for the cost is 20% WEID, 20% BOR, and 60% BPA. This was decided years ago at River Ops. There is an issue with a berm that Wayne Reffett put along the canal road off Powerline that is causing us some extra maintenance – mainly the need for weed control. We have decided to remove that berm and properly work the road to help protect the adjacent landowners from run-off. Reffett will be billed for the work, in accordance with the Consent to Use agreement he has with Reclamation and WEID. We have discussed this with Reclamation, and they stand behind our decisions.

2013 AUDIT: The auditors will be at the office May 27 and 28.

WELL USER GROUP: I meet with the well users earlier this month. They are pleased that we will continue for another year. We discussed the Irrigon Fish Hatchery water. JR and the NOWA group will put the political pressure behind that if we want. ODF&W has some concerns about their wells. We discussed this with the well users and they are willing to enter into a financial agreement with us, if this is a possibility. I will keep you updated as it moves along.

100th ANNIVERSARY CELEBRATION: We are ready for the Thursday, May 22 event. I ask the Board members to arrive around 10 am and stay until after the speeches and unveiling of the plaque. That should be completed by 1:30. Speakers for the event are Gary Burke (CTUIR), Ed Brookshire (City of Hermiston), Steven Jarsky (Deputy Director BOR), and Phil Ward (Director, WRD). These folks plus the ODF&W will have displays.

C87872 MCKAY CERTIFICATE: We met with WRD in late April and presented our preliminary information to them about return flows. They are concerned about how wells will be identified and what authority they have to shut off wells without proof of interference. We

Manager's Report

expected this “push-back”. Reclamation has been working with us and brainstorming for ways to move WRD along.

ARMY DEPOT SITE: I have asked Reclamation to request that the small NW corner of the Army Depot site where it crosses our canal be transferred to Reclamation rather than to other public ownership. They are working on this. It involves about 4 acres, including the canal right-of-way.

REFFET ISSUES: The Board has received copies of a letter from Reffett. I am in the process of preparing an answer that will lay out the facts of the issues. We can have discussion about this, if the Board wants.

EMPLOYEES: The employees have requested discussion with the Board about general issues and concerns. This is not part of negotiation.

EXECUTIVE SESSION:

REVIEW OF ROBBINS CLAIM: I have e-mailed copies of the claim and you have a copy of the court filing. Discussion at meeting, if desired.

UNION NEGOTIATIONS: We have received an offer and countered. We do not have agreement yet and the Union has turned down the latest offer. We have three weeks before we can go to mediation, so there is time for at least one more negotiation meeting. The offers and a breakdown of health insurance costs are in the Board packet. Our consultant wants us to review the offers and provide guidance to him.