

MANAGER'S REPORT - FEBRUARY 2015

This report provides an overview of District issues and projects.

OFFICE: Notices to landowners went out regarding rate increases, City of Hermiston water, inmate work crews and request for contact information. Billings should go out on the 20th. Website not up yet – will meet with webmaster on Feb. 24.

IPS METER: We received a notice from WRD that we had gone over our water allotment for 2015 of 4518 af. We knew this wasn't true and did some investigating. It turns out that the meter at the IPS reads flow in both directions. We ended the year with a reading of 4350.8 AF (new meter installed 4/16, just a week after start-up). The reading now is 4644.3. WRD asked that we program the meter prior to start-up to correct this.

SDAO CONFERENCE: I attended the SDAO conference over the Feb. 6 weekend. I focused on forums about employee management and board interaction. SDAO is the entity that provides our health, workers comp and liability insurance. They have a self-insured program for workers comp and liability that is well established. 2014 was the first year of the self-insured health program and they reported lower premiums at renewal (June) maybe in the double digits. So, good news there.

SDAO LIABILITY INSURANCE: SDAO is continuing the program it started last year by asking managers and employees to do more hands on training, follow best practices and have certain policies in place for better management. We have received the following discounts;

2012	\$2962	9.66%
2013	\$2950	9.69%
2014	\$2815	9.62%
2015	\$3416	9.49%

We will have the DVDs that the Board needs to view at the office soon. We would like to get a Board training scheduled in this area in the late fall.

The longevity credit, which began in 2012, continues. It was \$3952 for 2012 and 2013. It will be \$3585 for 2014 and 2015. They anticipate this will continue.

WATER RIGHT TRANSFERS: We are collecting water right transfer requests for 2015. We have one permanent transfer almost ready to be filed.

CITY OF HERMISTON WORK: The contractor has started work on the main canal. When I looked at it earlier this week, based on a call from Ray, I wasn't happy with what I saw and asked Reclamation to contact them. In a nutshell, we found that the contractor had not followed the plans by not putting in rock behind and under the canal for drainage and not doing any compaction. They have had to dig out their work and redo the canal sections. Reclamation is checking them every day now. DEQ has not issued its permit to the City yet, but we still think they will meet their target of May 1.

BOARDMAN MASTER PLAN (BMP): I have had discussions with Ben and Alex, our engineers. We would like to continue the work on the BMP now that we have momentum going. I will get with them next week to discuss what we want. Here is what I think:

- 1) Complete the development of the three areas we worked on for the WaterSMART grant. They were 1) Laterals 17 & 18; 2) Laterals 5, 7, 9 3) Laterals 12, 13, 15 and add 4) Laterals 11, 10 We have the basic design and pipe costs, but our pump station costs are very broad at this time. We will have a complete plan and cost for pressurizing these four areas which represents half of Boardman.
- 2) Design the same areas for gravity flow. This way we can compare costs.
- 3) Develop landowner costs as best we can to compare the pressure vs gravity
- 4) Have a meeting with a small number of affected irrigators and the Board to review and discuss the two options. Select an option from that meeting.
- 5) Continue developing the rest of the plan for Boardman, based on the Board's direction and rewrite the BMP. I can do a lot of the rewrite as it will be updated.

The application for small interest loans through the DEQ revolving loan program is April and we should be targeting that. Updating the document will be helpful for this and other grants such as NRCS.

Proposed Timeline:

	Feb	March	April	May	June
Complete areas for analysis and comparison	XXXX	XXXX			
Board review & Small group meeting		XXXX			
Apply DEQ funding		XXXX	XXXX		
Rewrite BMP		XXXX	XXXX		
Board review & public meetings			XXXX	XXXX	XXXX
Board adopt updated plan					XXXX

ROBBINS LAWSUIT: The case goes to jury trial in Heppner, Sept. 16, 17, 18.

SUE KIELE: Sue is very ill and facing serious medical challenges. I would like the Board to approve a six month leave of absence for him starting Feb. 1. This will get things in motion for him to apply for disability and other health care options. I am working with Mike Wick to assure he has health coverage in the meantime. If he can come back to work, Mike is willing to hold his job. Sue has been with us since 1997 on the BPA crew.