

## MANAGER'S REPORT - JANUARY 2017

This report provides an overview of District issues and projects that we have been working on since the last board meeting.

**UNION CONTRACT:** We have reached an agreement with the Union as they accepted our last offer. I will have the contract at the Board meeting for our approval and signature.

**WINTER WORK:** The IPS project is complete, except for Daryl Frederickson's work on the manifold. The crew has been working on the shop area during the snowy weather. Perhaps we can take a look at their work after the Board meeting on Monday. Several other small projects were completed.

**SNOW/LIEU DAYS:** One day the first week of January and several days the second week, the crew has been off, taking snow days. You may recall that we will allow a snow day as a lieu day so the crew can be OFF and make up the day later. This benefits both as the crew member gets a full paycheck and we can have the time made up when the weather is better. We plan to work extra hours and Saturdays to make up the time.

**PIPING PROJECTS:** The piping project to complete the Lateral 7 project (installing 8-inch pipe to pickup the northern portion of Lateral 5), is delayed due to weather. Lateral 11 is on hold for both us and the County. The County is ready to do their work once the weather clears.

**CANAL WORK/PRISON CREW:** We have held off the prison crew during this time. As soon as we can, the first prison crew will come in to start the lateral cleaning. We plan to have both Walt and Casey on the cleaning the main canal so we can work daylight hours and Saturdays on the canal as soon as the weather breaks. We will bring in a second prison crew starting February for the canal concrete work.

**WATER START-UP:** Target date for water start-up for the main canal is Monday, March 20. We plan to continue into Boardman on March 23. The Irrigon system will start April 5.

**NORTHEAST OREGON WATER ASSOCIATION:** JR Cook will attend our Board meeting and bring an intern that will be working with him. He wants to introduce her to the area and give us an update on what NOWA has been doing.

**IRRIGON WATER RIGHTS PROJECT:** Lisa and I are getting ready to work on the Irrigon Water rights project. This will be a complete overview of irrigation in Irrigon, sending letters to those who are not irrigating areas of their property or at all. These letters are "four-year non-use letters" that notice the landowner of the intent of the District to remove the water right from their property. We sent about 60 "warnings" last fall. About 50% of those have responded, stating they will irrigate in 2017.

**OFFICE COPY MACHINE:** We will be sending aerial photos out with the water right notices, and it will help to have colored copies. Our copy machine vendor gave us notice a year ago that parts are no longer available for our copy machine. We have gotten along fine, but we can actually save some costs if we replace our current machine with a colored copier. I've been putting this off, but with the WR project looming, I think it's time to consider going to a colored copier. I'll have information on this at the Board meeting.

**LEGAL:** I contacted attorney, Douglas MacDougal, just after our last Board meeting and laid out our plan for legal and consultant work for 2017. Basically, we will reach a holding pattern on the various issues we are working on, have funds for a hydrologist as needed, and stay as involved as possible in the CTUIR water right settlement.

**RESOLUTIONS:** Annually, we do resolutions setting our monthly Board meetings for the year and adopting the annual budget. We also need to do a resolution anytime we change our annual O&M Fees. Although we did not raise our rates this year, we moved \$2 from the Legal fee to O&M. This is why we need a resolution for setting the annual rates. That is the only change on that resolution from the past.

**RATES – 7-year Review:**

	2011	2012	2013	2014	2015	2016	2017
Base	260.00	260.00	300.00	300.00	350.00	350.00	350.00
O&M/per acre	47.00	47.00	49.00	50.00	50.00	52.00	54.00
Pressurized/acre	25.00	25.00	25.00	25.00	25.00	25.00	25.00
IPS Improvement	7.50	9.50	9.50	9.50	14.50	14.50	14.50
MC Improvement	2.50	4.50	4.50	4.50	9.50	9.50	9.50
Legal Fee/acre	7.00	7.00	7.00	7.00	7.00	7.00	5.00
Special Assmnt		2.00			2.00	5.00	5.00

Note: The increases in 2015 (increase \$50 Base and \$5 each improvement) were to repay the loan for the IPS system and funds for enclosing the Boardman laterals. We have increased our operating budget by \$2 per acre since 2014. We will need to look at an increase for 2018.

**THE SQUARE:** We are going to the “Square” this year. It will allow us to put the transaction fee (typically 2.75%) on each transaction and there is no monthly fee. We did the research and discussed with our auditors about the type of electronic format we will use. We will use one of our current bank accounts or set up a new one for the electronic transactions. That part is still under discussion.