

# MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE OWYHEE IRRIGATION DISTRICT

*January 20, 2026*

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on January 20, 2026, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 10:00 a.m. President Frank Ausman presiding.

The following Directors were present:

- Bruce Corn
- Gregory Clark
- Joseph Davis
- Eric White
- Frank Ausman

Also present were:

- Clancy Flynn, District Manager
- Michael W. Horton, General Counsel
- Linda Henderson, Member of the Public
- Darla Sebasto, Member of the Public

## MEETING NOTICE.

The meeting agenda showed that public notice of the meeting was given on January 15, 2026.

## PLEDGE OF ALLEGIANCE.

President Ausman led the Pledge of Allegiance.

## MINUTES.

Minutes of the meeting of the Board of Directors held December 16, 2025, were mailed to the Directors prior to this meeting. A motion was made by Director White, seconded by Director Clark, and unanimously carried approving the minutes as mailed.

## DISTRICT FINANCIAL REPORT.

Mr. Flynn handed out a financial report for the month. The Directors reviewed and discussed the report. Staffing for the District was discussed. Mr. Flynn pointed out that he does not budget for depreciation in the report.

## DISTRICT ACCOUNTS PAYABLE.

A list of District accounts payable for the month, together with a breakdown of credit card charges, were included in the Directors' packets. The Directors reviewed the accounts and credit card charges. The Directors questioned some of the accounts payable. Specifically, a barbeque grill, which was purchased for one of the cabins, was listed as a smoker. Mr. Flynn checked into it and said it was in fact just a grill. The Directors questioned how the credit card rewards being used to pay the credit card bill are listed in the accounts payable report and Mr. Flynn explained. Mr. Flynn also explained that there has been a staffing change after an insufficient funds check issue arose. A

motion was made by Director Clark, seconded by Director Davis, and unanimously carried approving payment of the accounts payable.

#### MITCHELL BUTTE POWER PROJECT:

##### Financial Report.

A financial report for the Mitchell Butte Power Project was handed out by Mr. Flynn. The Directors reviewed and discussed the financial report. Mr. Flynn said that there are no major issues coming up this year.

##### Accounts Payable.

Accounts payable for the Mitchell Butte Power Project were listed on the agenda. A motion was made by Director Corn, seconded by Director Davis, and unanimously carried approving payment of the accounts payable.

#### REORGANIZATION.

President Ausman stated that it is time to reorganize the Board.

#### ELECTION OF PRESIDENT.

President Ausman opened nominations for the election of President. Frank Ausman was duly nominated and elected as President.

#### ELECTION OF VICE-PRESIDENT.

President Ausman opened nominations for the election of Vice-President. Bruce Corn was duly nominated and elected as Vice-President.

#### ELECTION OF SECRETARY.

President Ausman opened nominations for the election of Secretary. Gregory Clark was duly nominated and elected as Secretary.

#### JOINT COMMITTEE REPRESENTATIVES.

Mr. Horton said that the Directors need to identify and appoint which of them are to serve as representatives on the Joint Committee. Following discussion, Gregory Clark, Eric White, Frank Ausman, and Joseph Davis were appointed to serve as representatives of OID to the Joint Committee and Bruce Corn was appointed to serve as an alternate representative to the Joint Committee.

#### APPOINTMENT OF LEGAL COUNSEL.

Mr. Horton said that he and his firm are willing to continue as legal counsel for the District for a monthly retainer in the amount of \$1,700.00, which will be for up to 6.5 hours of work during the month, with any additional hours in such month to be billed at \$300 per hour, with travel time to be billed at half the hourly rate, and that out of pocket expenses are to be reimbursed by the District. A motion was made by Director Corn, seconded by Director Clark, and unanimously carried appointing Michael W. Horton and the law firm of Five Rivers Law, P.C., as attorneys for the District for the year 2026, and authorizing that a monthly retainer be paid in the amount of \$1,700.00, which shall be for up to 6.5 hours of work per month, with any additional hours in such month to be billed at \$300.00 per hour, with travel time to be billed at half the hourly rate, and that out-of-pocket expenses be paid by the District in addition to the retainer amount.

INSURANCE AGENT OF RECORD.

A motion was made by Director White, seconded by Director Davis, and unanimously carried appointing Waldo Agency as the District’s insurance agent of record with Dellas Waldo as the contact person.

DISTRICT BANKING.

A motion was made by Director Corn, seconded by Director White, and unanimously carried that the following individuals have signing authority on all bank accounts with two signatures required for all District checks:

Bruce Corn	Director
Eric White	Director
Frank Ausman	Director
Gregory Clark	Director
Joseph Davis	Director
Clancy Flynn	Manager
Michael W. Horton	Attorney

and that any required form banking resolution is hereby adopted.

AGENT OF RECORD.

The Directors appointed Five Rivers Law, P.C., as agent of record for the District.

FUNDING OF SPECIAL PROJECTS.

Mr. Flynn said that the time for applying for grants for the Snively Siphon and transformers through USBR for 2026 has already expired. He said that he went ahead and applied for a low-interest loan through the Oregon DEQ Revolving Loan Program for \$900,000. He said that the loan typically carries interest of 1% to 1.5% and that most of the time half of the loan amount is forgiven. He said that in order to complete the work on the Snively slide during this offseason, the company needs the go-ahead by mid-February and he was up against a timeline to get funds for the Snively slide.

The Directors discussed the loan application and after discussion, they unanimously ratified and approved Mr. Flynn’s application to DEQ.

Mr. Flynn said that the transformers for Dunaway Pumping Plant are supposed to show up tomorrow. He said that they are still running a generator at the plant. He said that the pad needs redone because of a different footprint size for the transformers. The amount of a potential special assessment was discussed.

2026 BUDGET AND ASSESSMENT.

The 2026 budget and assessment were discussed. President Ausman expressed concern about potential assessment increases and potential decreases in hydro revenue. The potential snow and water supply was discussed. Director Davis said that he would like to see the water deliveries held off until later in the season to conserve water. He said that he would be in favor of a special assessment, if it is needed, for Snively slide and pumping plant transformers. Potential special assessments and assessment increases were discussed. President Ausman said that the Dam Compound upgrades could potentially be put on hold, as could the new shop building at Nyssa. Director White said that it is difficult to maintain the O&M charge without an increase because of

uncontrolled costs. He said that the farms all have to have water in order to farm and he would like to see the hydro generation money not included in the O&M budget since it is too variable. He said that he does not agree with holding off on increases in dry years only to have big increases the next year.

#### KINGMAN PIPELINE PROJECT.

Mr. Fynn said that the SHIPPO process is still ongoing. He said that their response is due February 11. He said that he has entered into an agreement with the pipe company to have them manufacture the pipe, but delay delivery until the funding arrives. He said the company will remain responsible for the pipe until it is delivered. Director Corn said that the bad thing is that this was a perfect winter to get the project done, but idiots have been holding it up.

#### PL566.

Mr. Flynn said that the PL566 Plan is still being worked on.

#### INLET TO TUNNEL SIPHON.

Mr. Flynn said that they are ready to do the first pour of concrete on the inlet to the tunnel siphon later this week.

#### JASMINE ROAD.

Mr. Flynn said that the last part of the work on the Jasmine Road Project still needs to be done. He said that the slide is ready for the concrete pour.

#### FIBEROPTICS.

Mr. Flynn said that he is trying to push USBR to set the fees and approve the fiberoptic crossings. He explained a situation towards Vale where the company that is doing the construction crossed the District infrastructure without approval. He said that he will be checking into that.

#### DIRECTOR COMMENTS.

Director Davis said that a field that he sees when driving by in his area has a wet spot that needs fixed. He said that he will get with Mr. Flynn to provide specifics on the situation. Mr. Flynn explained previous situations that have arisen when wet spots show up in fields.

#### MEETING RECESS.

At 12:00 p.m., President Ausman declared the meeting in recess, to reconvene after the Joint Committee meeting this afternoon.

#### MEETING RECONVENED.

At 1:37 p.m., the meeting was reconvened.

#### ANNUAL INCURRED CHARGES.

The Directors discussed setting the annual incurred charges for the District for the 2026 water year. Following discussion, a motion was made by Director Corn to set the base annual incurred charge at \$77.80 per acre, with a special assessment for the Snively slide and transformers at \$1.50 per acre for this year, for a total incurred charge of \$79.30 per acre, with no change in the small acreage surcharge. The motion was discussed. Following discussion, the motion was seconded by Director

White. A vote on the motion was had. Directors White, Corn, and Davis voted in favor. Directors Clark and Ausman voted against. The motion passed on a vote of three to two.

OPERATING RESERVES.

The Directors discussed operating reserves for the District. Mr. Flynn said that the reserves are typically bumped up to whatever the USBR minimum reserve requirement is once it is determined in mid-February.

VEHICLE LEASES.

Mr. Flynn said that he is still waiting for fleet numbers from General Motors before he can get quotes on vehicle leases. The matter was discussed.

PUMPING PLANT FUNDING.

Mr. Flynn said that he has grant funds available from the State of Oregon for variable speed pumps for the pumping plants, but that he is still trying to find federal funding to match the state grant amount. He said that he did apply for some federal funding.

GREEN CREDITS.

Mr. Flynn said that he is still looking into the potential of the Joint Committee being able to sell green credits without having to install fish screens.

GRANT WRITER.

The pros and cons of hiring a grant writer were discussed.

ADJOURNMENT.

There being no further business to come before the Board, the meeting was adjourned at 2:10 p.m.

Respectfully submitted,

Michael W. Horton, General Counsel

APPROVED:

February 17, 2026