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

December 16, 2025

A regular meeting of the Board of Directors of the Owyhee Irrigation District was held on December 16, 2025, at the Owyhee Irrigation District office located at 422 Thunderegg Blvd., Nyssa, Oregon, at 10:00 a.m. Vice-President Bruce Corn presiding.

The following Directors were present:

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

Also present were:

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

MEETING NOTICE.

The meeting agenda showed that public notice of the meeting was given on December 11, 2025.

PLEDGE OF ALLEGIANCE.

Vice-President Corn led the Pledge of Allegiance.

MINUTES.

Minutes of the meeting of the Board of Directors held November 18, 2025, were mailed to the Directors prior to this meeting. A motion was made by Director White, seconded by Director Davis, 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 said that the fuel costs for the year are down and similar to the year 2018. The charges from Old Owyhee Ditch Improvement District were discussed. Mr. Flynn said that the credit card rewards were used to pay the December credit card bill.

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 NAPA bill was discussed and it was noted that the crew needs to shop around for parts. A motion was made by Director Clark, seconded by Director White, 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 he anticipates no needed repairs for this off season.

Accounts Payable.

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

SHOP WORK.

Director Clark asked if one person is in charge of all of the work being done on the vehicles. Mr. Flynn said that one person is in charge of all of the vehicles at this time. He said that once the lift gets installed, that the individual ditch riders will be responsible for the oil changes on their own trucks, but that the shop foreman will still be overseeing the work.

MANAGER REVIEW.

Vice-President Corn said that it is now the time for the annual review of the District Manager. He asked Mr. Flynn if he wanted to have the review done in executive session or in open session. Mr. Flynn said that he would prefer the review to be conducted in open session. Mr. Flynn said that he is happy with his current compensation. He summarized the District's accomplishments for the year. He said that one thing he is trying to work on is his patience with patrons and he feels like he did a better job on this than he did the previous year. Vice-President Corn said that he thinks that Mr. Flynn has done really, really well in getting grants for the District. He said that he reacted well to issues which arose relating to the District's aging infrastructure. He agreed with Mr. Flynn that he does need to continue on working on dealing with patrons. Director Clark said that he thinks Mr. Flynn is doing a great job and that he especially likes that Mr. Flynn is involved in most of the projects throughout the District. Director White said that he appreciates Mr. Flynn's willingness to meet with the Board members on an individual basis. Director Davis expressed his appreciation for Mr. Flynn's ability to plan ahead. Mr. Flynn's salary was discussed. Vice-President Corn said that the Board typically provides the same wage increase as provided for employees. He said that the employee wages have not been determined yet and once they are determined, the Board will set Mr. Flynn's salary.

INLET TO TUNNEL SIPHON.

Mr. Flynn said that the concrete work on the inlet to the tunnel siphon will be starting soon.

JASMINE ROAD.

Mr. Flynn said that the concrete work on the Jasmine Road repair job will be finished up today. He said that pipe still needs to be laid for the overflow, along with work on the slide.

SNIVELY SLIDE AREA.

Mr. Flynn said that he got a quote for repairing the Snively Slide area from the company that did the previous work. He said the quote is for $374,000 for 100 feet. He said this work will be similar to what was done before when the wall was tied back in.

DEAD OX TRANSFORMER.

Mr. Flynn said that he is still looking for a backup transformer for the Dead Ox Pumping Station. He said that the South Board of Control has an extra transformer, but they are unwilling to part with it.

EMPLOYEE GROUP.

Director White said that he met with the Employee Group and they would like a 3% raise with an additional potential 1% based upon performance. The matter was discussed.

2026 BUDGET.

The budget for 2026 was discussed. Mr. Flynn said that the bigger increases over the years have been insurance. He said the projected increase in insurance costs is 8%.

The Directors discussed potentially setting a 4-year special assessment for the transformers and Snively Slide. Mr. Flynn said that the District would need to borrow money as there is not enough in reserves to cover these projects. He said he will research getting a USBR loan and potentially scheduling work on the Snively Slide for October through November of 2026. The Directors discussed the potential of implementing a $2.00 special assessment for 4 years to cover these expenses. Linda Henderson questioned how special assessments work. Director Clark suggested using galvanized pipe for the drainage system at the slide area this time.

Mr. Horton pointed out that reserves for FERC for Mitchell Butte need to be kept in mind. Director Corn said that there is still time before consultation is necessary for the license, which will be in 2039, with a 2044 renewal. Mr. Flynn said the consultation on the Owyhee Dam Hydro Project will need to start in 2029.

The Directors continued to discuss the budget and potential cost increases to the District. Equipment needs for the District were discussed.

KINGMAN LATERAL PIPELINE PROJECT.

Mr. Flynn said that the SHIPPO meeting was held, but that he still cannot seem to get answers. He explained the issues he is having with SHIPPO and how they keep getting additional 30 days to respond. He said that he did get authorization to pay the gravel contractor for some of their bill. Mr. Flynn said that EPA gave approval for phase 2 of the project.

EMPLOYEE WAGES.

The Directors discussed the employees' request for a 3% increase, with an additional 1% incentive. They noted that the last time they discussed the matter, they discussed a 2% wage increase, with a 1% incentive. After discussion, it was the consensus of the Directors to have Director White go back to them with the proposal to increase wages by 2%, with an additional 1% incentive. Director Davis asked Mr. Flynn if he had checked into life flight insurance for the employees. Mr. Flynn said that he did and it would cost $75.00 per employee for two years of life flight insurance. The potential of providing this benefit to the employees was discussed.

FIBEROPTICS.

Mr. Flynn said that he met with Roland Springer at USBR with regard to charging the fiberoptic companies for engineering and oversight of fiberoptic installations. He said that after the meeting,

USBR staff are now providing construction oversight on the first two FMTC crossings and said that they will provide the District with a $10,000 deposit. Mr. Flynn said that he will be meeting again with the local USBR representative.

MEETING RECESS.

At 11:55 a.m., Vice-President Corn declared the meeting in recess, to reconvene after the Joint Committee meeting this afternoon.

MEETING RECONVENED.

At 1:40 p.m., the meeting was reconvened.

INSURANCE RENEWAL.

Dellas Waldo, insurance agent, joined the meeting. He gave a handout on insurance renewal, which he went through and explained. He said that the renewal will include an 8% premium increase. The total premium for 2026 will be $214,904 with a 25% deductible. He said that a property valuation is being done now by SDIS.

At 1:43 p.m., Director Clark left the meeting.

Discussion on the insurance renewal was had. After discussion, a motion was made by Director White, seconded by Director Davis, and unanimously carried to renew the insurance as proposed.

ADJOURNMENT.

There being no further business to come before the Board, the meeting was adjourned at 1:46 p.m.

Respectfully submitted,

Michael W. Horton, General Counsel

APPROVED: