

MEDFORD IRRIGATION DISTRICT

Regular Board Meeting Minutes

September 20th, 2023 @ 1:30 pm

Present: Sean Naumes, Dennis O'Donoghue, Matt Borman, Jack Friend-Manager/Secretary

Absent: Dave Urton, Henry Vaninetti

Call meeting to order: Chairman Naumes called the meeting to order at 1:35 p.m.

Minutes: Chairman Naumes asks if there are any comments or corrections to the minutes. Chairman Naumes called for a motion to approve the regular board meeting minutes. Director O'Donoghue motions to approve the August 9th, 2023, minutes, Director Borman seconds the motion, and the motion carries.

Financials: Friend: Some of the things that we have noticed this year are that the lien searches are down almost 50%, obviously since the market has slowed down. It's less than usual but it is offset by the interest increase in our government pool account this year. There are the pass-through funds and if any of you have any questions just let me know. We did have some expenses earlier this year with vehicle repairs and equipment repairs that put those expenses that put in the 70-80% for the year. We shouldn't have any large equipment repairs for the rest of this year. We needed to replace the undercarriage on the excavator. We had a \$4800.00 engine repair on the foreman's vehicle. We look to be doing very well for this time of year. Some of the increased revenue has offset the adjudication fees and any extra-legal fees that we have incurred.

Chairman Naumes: Normally are we 77% of the budget this time of year or should we be running higher? We did have the extra body for the first six months, but we have had one employee retire so it should be offset by the end of the year. Fuel is anticipated to go higher.

Chairman Naumes called for a motion to approve the financial reports. Director O'Donoghue motions to approve the August 9th, 2023, financials, Director Borman seconds the motion, and the motion carries.

Delinquent Accounts: Flanakin: The grand total at this point has increased because of interest and liens that we placed. There are about 22K for this year's fees that haven't been paid. I'm going to turn it over to Vanessa Anderson for the foreclosure accounts status.

Ms. Anderson: We have 2 active foreclosure lawsuits that we have recently resolved. The first is Jeanie King, that case has been abated until the forecasted end of the payment plan which is July 2026. That case is on pause and Tammi will let me know if they miss a payment and we can reactivate that case if needed. The second that we are discussing today is Taylor/Miner, the court just signed the final judgment last week. We were awarded the 11K+ with costs of attorney fees, interest, and the fees due for the assessments. What we are discussing today is what you would want to oppose a payment plan to Ms. Taylor and Ms. Miner, they contacted the district for a payment plan, and the other option is proceeding with the foreclosure process. I prepared for what that would look like and it's a rough timeline for doing that. I can answer any questions you may have about a payment plan, but it is really up to the board to propose. Keep in mind that the district pose a payment plan to Jeanie King, so maybe stay consistent with what that proposal was.

Chairman Naumes: Consistency is what we would like to continue with.

Flanakin: I did speak with Ellen Taylor to inform her that the board will need to decide whether to make a payment plan or sell the property. I ran a plan of 12 months and 18 months, she would have to pay the attorney fees upfront, pay the yearly assessments on time in addition to the ongoing monthly payments. I calculated reasonable monthly payments. 18 months were around three hundred something a month. I asked her if either of those would work, and Ms. Taylor said she would make it work.

Chairman Naumes: I would tend to lean toward the 18 months.

Director Borman: Assuming she stops and is unable to make the payments, are we setting ourselves up to have to start the whole process again?

Ms. Anderson: We have a court judgment. We have completed the legal process. Now it's just the sheriff that would sell the property. We can start that at any point.

Friend: Should we talk about the agreement we want to have? Do we want to have a specific grace period for a late payment? When do we want to reactivate this foreclosure process?

Flanakin: There is a late clause in the agreement of not more than 5 days.

Ms. Anderson: I would like you to take a look at that agreement again and make some changes before you send it to them.

Friend: Is there anything we should know if they do become late and we restart the process, out of these 4 points, is there anything that the board wants clarity on or is there anything you want to let us know about the process? Timewise, how long does this take? Are they able to protest or stop the process?

Ms. Anderson: I don't believe they are able to protest. They didn't do so during the lawsuit. It is a little difficult to estimate the time. My estimate is about 5 months the sale could occur from start to finish. Might be faster depending on the sheriff's office. The redemption happens after the sale, but a junior lienholder may purchase the property from the district.

Friend: There is a memorandum from Shultz's office about the water rights issue with delinquent accounts and the possibility of removal of rights. This process sounds like a more difficult way to collect delinquent assessments. Water rights can be protested and, in a sense, can create many hurdles to overcome. This is not a recommended tool to use for collecting delinquent assessments. The foreclosure policy is working and seems to be the best way to accomplish this.

Elections: Flanakin: I have resolution 2023-10 to be voted on. This is a resolution for a vote by walk-in election. If it comes time and we do have an election, we need to have a signed resolution stating the type of voting election. Chairman Naumes called for a motion to approve the 2023-10 Resolution for a vote by walk-in election. Director O'Donoghue motions to approve the Resolution, Director Borman seconds the motion, and the motion carries.

Administration: Friend: As you can see on the graphs, the southern supply finished the season off in much better shape than last year. At 32K A/F, we are still below the 50K A/F average. The northern supply is at 4100 A/F, which is about 50% of the average. We utilized all of the Fourmile water this year. Fish Lake is at 34% of capacity and 92% of the average for this time of year. We were able to make full deliveries until September 15th. We began ramping down the diversions and had everything shut off on Tuesday the 19th. The crews are busy winterizing the system and organizing their work lists for this maintenance season. We have a few shotcrete jobs that we intend to get done before the weather changes. We made an award selection for the engineering RFP we put out for the Joint System Canal Phase 1 project. We had two very good proposals. The selection committee recommended DOWL for the award based on past performance, experience with the Districts, and local relationships with JSWCD, etc. We will be starting negotiation meetings with them this month. EPA has made its decision on the Cost Share Waiver. We were not eligible for the waiver, and I have attached the memo outlining the reasoning for the determination. We will be looking at accessing the \$50 million in lottery bonds that OWRD will be opening up an application period to find our 1.25 million in match funding for this phase. In the meantime, we may need to look at ways to get the engineering started while providing a 20% match to every invoice. I will have more up-to-date information about those decisions at the October meeting. We can use the District Portal to walk through the watershed plan EIS updates/status as well as the Solar Project. There will be automatic email reminders sent out for updates.

Transfer Off: David Reitz Chairman Naumes called for a motion to approve the transfer off for David Reitz. Director O'Donoghue motions to approve the transfer off, Director Borman seconds the motion, and the motion carries.

Old Business: Make updates and send a clean copy out and Rules & Regulations are next to review.

RBWUCI: We have 2 bills since the meeting was postponed a week. July's bill is \$1,301.76 and August's bill is \$2,504.55. We do expect a few more bills that will be a little larger. We will be going to court here soon. The OWRD filed on some of the points of the PJR. We have 30 days from the 6th to find out where the trial is going to be and when. There will be more updates at the next meeting. Chairman Naumes called for a motion to approve the two RBWUCI bills. Director O'Donoghue motions to approve the two RBWUCI bills, Director Borman seconds the motion, and the motion carries.

Adjourn Regular Session: Meeting adjourned at 2:24 pm

Sean Naumes – Chairman

Jack Friend – District Manager/Secretary