**MEDFORD IRRIGATION DISTRICT**

**ROGUE RIVER VALLEY IRRIGATION DISTRICT**

**Joint District Board Meeting Minutes**

**December 13th, 2023 @ 2:30 pm**

Present MID: Sean Naumes, Dennis O’Donoghue, Henry Vaninetti, Dave Urton, Matt Borman, Jack Friend: Manager/Secretary

Present RRVID: Bryan Baumgartner, Larry Martin, Gerald May, Brian Hampson: Manager/Secretary

**Call meeting to order:** Chairman Naumes called the meeting to order at 2:33 p.m.

**Engineering Firm Selection (DOWL), contract agreement, and payment requirements for service.**

President Baumgartner: We wanted to ensure that both districts are on the same page with the project and the engineering firm selection. Any contract agreements and requests for services that we will be responsible for. Is each district going to write their check respectively per their percentage or are we going to do like we do RBWUCI? These are some of the items we wanted to clarify before moving forward. We are all aware that the selection committee has done its work and DOWL ended up making the selection.

Manager Friend: We have been supplied the document from FCA regarding the funding memo. We have a meeting with DOWL tomorrow regarding the funding memo. When we conclude this meeting, we can one of the selected scenarios and we can start the contract agreements with DOWL so that they can start their preliminary engineering. We do not want to complete the majority of the work until we have the loan agreement signed and the funds in hand. Based on this meeting should kickstart the beginning of the process.

Manager Hampson: It falls back to the EPA with the 5m that we do not have in hand as of yet. The issue is, how can we let an engineering firm start their work without having funds in hand? We are hoping to have funds by January to be able to begin the engineering work.

Manager Friend: We can begin to discuss what the MID board has decided and continue from there. Option 1: 20% match through the DEQ, CWRS loan which would be split the 1/3-2/3. The EPA grant covers 80% and the DEQ would cover 20% which would not be reimbursable by the grant. Based on DOWL’s preliminary engineering we would be on the hook for about 60K. The understanding is that it would be split 1/3-2/3. MID would be responsible for about 40K and RRVID 20K. This would keep the project moving without a delay of a year or so. Our board was unanimous in wanting to keep the project moving, choosing option 1. This way EPA can do their environmental determination. When we meet with DOWL in the morning we can let them know we have agreed with the scenario that both districts agreed upon.

**Project Funding – EPA Funds update.**

**DEQ State Revolving Fund Loan update.**

**MID & RRVID Repayment Obligation for outstanding balances not covered by grants & percentage split (1/3, 2/3).**

Manager Hampson: We are definitely on board with the same option 1. We have always covered these 50/50 going through but now this is what I call real money coming out of our bank account. Before everything was covered by grants and work with each other to get reimbursed. Now that we are going into real money, it needs to be the 1/3-2/3 split. From here on out, beginning January 1st, we can make that split on everything.

Manager Friend: As we start utilizing these grant funds, I believe that MID is the one on the financial side of the project for the billing. We will be getting the invoices and paying them, and for items not covered by these grants and loans, we would need to agree to the 1/3-2/3 split. Most everything is going to be funded by a grant or loan.

President Baumgartner: Our board had a discussion about this with the same memo you received. Option 1 was our take as well. We need to keep things moving as fast as possible.

Manager Friend: Once we get the preliminary engineering finished, the 60K number will change due to work beginning. This is where the funding comes in and match as well. The application must be completed and submitted by January 17th, 2024.

David McKay: The OWRD funding is due January 17th. The Water Resource Commission will decide in June. A grant agreement would likely be executed (funding available) end of July to August for the state money. When the state money comes in you wouldn’t need to rely on the CWSRF money anymore, you would have a matched source now that could match the EPA money.

Director O’Donoghue: So the 60K is just an estimate?

Manager Friend: The original estimate was 579,000.00 and 775,000.00 for their overall costs for the engineering project. We are meeting with them tomorrow to get clarity on the final figures.

Director O’Donoghue: I was just wondering if we were going to set aside a little extra just in case they are over budget and we need to keep the project moving. Engineering firms generally come in over budget. If we set aside 5% management reserve for any surprises that may arise. It needs to be discussed if the budget does go beyond the estimated figures, that there is a reserve. We may need to pay for the needed items upfront and pause other parts of the project until we get the other funding.

President Baumgartner: We need to know if they are going to need any money upfront.

Manager Hampson: My experience with them is no. We’ll work through it and pay as we go. When we worked with them in a prior project they came in under budget and we did have a buffer for emergencies.

Manager Friend: Should we have a motion moving forward for the matching funds and the buffer?

Manager Hampson: I don’t have a problem not exceeding our funds of 70K of a 1/3-2/3 split.

Director Borman: We can also do a buffer between 5% and 10% and do 8%.

President Baumgartner: I make a motion not to exceed 70K for the DEQ match funds for engineering, Director O’Donoghue seconds the motion, motion carries.

Chairman Naumes: Is the billing going through MID?

Manager Friend: Yes, we have been doing the 1/3-2/3 split for years and will continue with this project.

**Letters of Support for Project – List of supporters, Assign each District to respective supported on the list & start date.**

Director Martin: We went through this process with the Bradshaw drop project. We sent in approximately 30 letters of support with that application. It is helpful to have a variety of letters of support for projects like this one. Ones that are allocating the funds can see it’s more than just a couple of irrigation districts trying to get some money. It is well supported by the community. It benefits a lot of people who can see where the money is going. Brian and I have been working on the list and thinking of other organizations that we don’t know about that would like to write a letter of support would be helpful.

**Adjourn:** President Baumgartner motions to adjourn the joint district meeting at 3:09 pm, Director O’Donoghue seconds the motion, motion carries.

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Sean Naumes – Chairman Jack Friend – District Manager/Secretary