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The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, at 9:05 AM on June 14, 2016 in the District office.

Directors present were Terry Blackwell, Robert Borlen, Paul Kasberger, Thomas Burke, and Carroll Penhollow. Also attending were Craig Horrell, Secretary-Manager; Danee Phillips, Assistant Secretary; Larry Roofener, Operations Manager; Cary Penhollow, Water Master; Leslie Clark, Water Rights Manager; Rick Nichols, Project Manager; Joshua Peed, Hydro Manager; Shon Rae, Communications Manager; Jenny Hartzell-Hill, Administrative Assistant; Matt Singer, Legal Counsel. Also in attendance as visitors see Exhibit "A":

**1. OPEN FORUM:**

None.

**2. MINUTES:**

A motion to approve the minutes for the May 10, 2016 Regular Session Board Meeting was made by Robert Borlen. Following a second by Terry Blackwell the motion passed unanimously. A motion to approve the minutes for the June 09, 2016 Emergency Board Meeting was made by Robert Borlen. Following a second by Carroll Penhollow the motion passed unanimously.

**3. TRANSFERS / INCLUSIONS:**

A water management report was provided to the Board prior to the meeting, Exhibit "B".

**4. REPORTS:**

- A. Watermaster Report –  
A written report (Exhibit "C") was provided to the Board.
- B. Capital Projects –  
A written report (Exhibit "D") was mailed to the Board prior to the meeting.
- C. Operations and Maintenance Report –  
A written report (Exhibit "E") was mailed to the Board prior to the meeting.
- D. Hydro Report -  
A written report (Exhibit "F") was mailed to the Board prior to the meeting.
- E. Public Relations/Communications-  
A written report (Exhibit "G") was mailed to the Board prior to the meeting.
- F. Finance Report-  
A written report (Exhibit "H") was mailed to the Board prior to the meeting. Danee Phillips reviewed the legal budget with the Board. There are a few miscellaneous legal matters that are causing the budget to increase. She also

reviewed the HCP legal fees and we are running above the projection on that mater as well. COID received \$25,000 from SDAO for the Injunction and the Board was asked where to deposit the funds. It was determined that it should be accounted for under the line item.

The Collections Status Report (Exhibit "T") was provided to the Board by mail prior to the meeting.

F. **Manager Report-**

Craig Horrell informed the Board that he has been working with the Park and Recreation Districts to improve our partnership with them. The trail systems within the Central Oregon Communities has been a topic with both entities.

5. **BILLINGS & PAYROLL:**

Robert Borlen made a motion to accept the payroll registers and billings as presented. Following a second by Terry Blackwell the motion passed unanimously.

6. **OLD BUSINESS:**

• **Cline Falls Update**

Craig Horrell provided details to the board regarding the clean-up process. Matt Singer is working on compiling letters to take before the Deschutes County Historic Committee. The clean-up process will be done in two phases. Phase 1. Out of water work (land clean-up), and Phase 2. In-water work.

• **System Improvement Plan (SIP) Status**

Craig Horrell updated the Board and explained that all loss studies are complete. The Pilot Butte Canal has more loss than the Central Oregon Canal. Exhibits and cost break downs for each phase will be presented by the end of June.

Craig proposed to the Board creating a portfolio for the project that sums up the details that can be presented to potential funders. Craig does not have a cost for such portfolio, but he will get a proposal and a sample to present to the Board and request funds at a later date.

• **North Canal Dam Update**

Craig Horrell updated the Board on the status and the bid awards for the Fish Ladder construction. Once the permits are issued by the City of Bend and Army Corp of Engineers then the construction can begin.

• **A-1 Remnant Parcel**

Rick Nichols updated the Board on the status. The proper Easements have been recorded and construction can now begin.

• **Willard Road Property Status**

Larry Roofener updated the Board on the current status. Deschutes County has approved the Lot Line Adjustment as submitted by Mr. Green. Staff will proceed with preparing the sale documents.

- **COID Yew Avenue Canal Property (encroachment)**  
Larry Roofener updated the Board on neighboring property construction.
- **RCPG Grant**  
We are in process with this grant and have deadlines approaching. See Exhibit “J”.

7. **NEW BUSINESS:**

- **2015 Audit Review: CPA Presentation John Barnett**  
John Barnett presented the summary and findings for the 2015 Audit. See Exhibit “K”.
- **Merkley PL 566**  
Craig Horrell explained to the Board that Senator Merkley is working to get funding for the conservation projects that are being projected. He is looking for \$50,000,000 for the Basin projects. The projection is the money would be available in 2017-18.
- **Juniper Ridge 2 Funding: Proposal**  
BOR contacted COID regarding status of the JR II project. They are requesting that we move the JR II funding to the Siphon Power (project name?) on the CO. It would be a pilot project. The Bureau would like this to be the example of what these projects will look like. We will need to re-write the grant. Craig asked the Board to approve funds for a grant writer to put the. Bob moved Tom second to approve authorization to move the JR 2 funding from BOR to the CO project. Approved.
- **Review Public Records Policy and Fees**  
Danee Phillips presented the Public Records Policy and Fees to the Board prior to the meeting (Exhibit “L”) with proposed updates. She explained that the policy has been reviewed and has proposed updates to the policy based on updated wages. Robert Borlen made a motion to accept the Public Records Policy increase as proposed. Following a second by Terry Blackwell the motion passed unanimously. Discussion followed regarding the current Fee Schedule. Staff will review fees and bring a proposal back to the Board.
- **Plat Signing Authorization for Project Manager**  
Craig Horrell explained the current process of plat signing and proposed giving authorization for Rick Nichols and Larry Roofener to sign a plat in Craig’s absence. Discussion followed. It was determined that Craig Horrell will continue to be the only signor on plats.
- **DBBC Donor List Review**  
Shon Rae explained that the DBBC has launched a fundraising campaign. The donor list was presented (Exhibit “M”) and asked that the Board review the list and offer to assist with asking the donors for sponsorship if they have a connection with anyone listed.

At 10:42 AM the Board recessed the General Session and moved into Executive Session per:

- ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.
- ORS 192.660(2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.
- ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Executive Session, recessed and the Regular Session of the COID Board was reconvened at 12:22 P.M.

**8. BOARD COMMENTS:**

None.

The meeting was adjourned at 12:23 p.m. following a motion by Robert Borlen that was seconded by Paul Kasberger.

ATTEST: CENTRAL OREGON IRRIGATION DISTRICT

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Craig Horrell, Secretary-Manager

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Carroll Penhollow, President

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Terry Blackwell, Treasurer

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Robert Borlen

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Paul Kasberger, Vice-President