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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 9:02 AM on July 12, 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:**

Allison Evans, Powell Butte Patron, brought a few issues before the Board. 1. Weed Screen: She explained to the Board that she came in during the 2015 season to discuss the difficulty in cleaning the headgate at her point of delivery. She has to clean it multiple times a day at certain times of the season. In 2015 she requested a screen at her headgate and was under the understanding that COID was manufacturing a screen to install at this headgate that would allow her to clean it without entering the canal. This was not installed and she is still having problems with cleaning the headgate. It is a difficult area and she must physically enter the canal to clean the debris out of the headgate. Larry Roofener explained the pros and cons of installing such a unit due to the aquatic growth and said that it may not be helpful. She presented a photo of the headgate with the weeds and lack of water, see Exhibit "B". She proposed that it would be easier to clean a screen than it is to climb down into the ditch to clean it. It was explained that this is a district wide problem with a lot of deliveries due to the aquatic growth. Options to help her were discussed and it was directed by the Board to have staff do a site visit and research options to help with this issue. Rick Nichols, Cary Penhollow, and Larry Roofener will do a site visit and review the issue. 2. Water Loss/Breach: She also informed the Board up that there was water loss in the ditch a few weeks ago and after several phone calls to the District Office, she discovered that it was due to a breach in the ditch. It was explained that if there is a breach beyond the point of delivery it is the duty of the property owners to evaluate the private ditches and determine if the property owners need to repair the ditch. 3. Pump in Ditch: The next issue is that there was a pump in the ditch that should have not been there and was causing problems for other users through this stretch. She was concerned with the amount of time it took to get the pump removed after it was brought to the attention of COID. Staff will consider all the issues and provide an analysis.

**2. MINUTES:**

A motion to approve the minutes for the June 14, 2016 Regular Session Board Meeting was made by Terry Blackwell. Following a second by Tom Burke the motion passed unanimously.

**3. TRANSFERS / INCLUSIONS:**

A water management report was provided to the Board prior to the meeting, Exhibit "C". Carroll Penhollow reviewed the transfers and made a motion to approve the transfers as presented. Following a second by Robert Borlen the motion passed unanimously.

4. **REPORTS:**

- A. Watermaster Report –  
A written report (Exhibit “D”) was provided to the Board.
- B. Capital Projects –  
A written report (Exhibit “E”) was mailed to the Board prior to the meeting.
- C. Operations and Maintenance Report –  
A written report (Exhibit “F”) was mailed to the Board prior to the meeting.
- D. Hydro Report -  
A written report (Exhibit “G”) was mailed to the Board prior to the meeting. Graffiti has been painted on the SPP facility and staff promptly cleaned up the area. Game cameras have been installed and we have caught the person on camera. Staff is on the lookout and a police report has been filed. Signage is being considered that would state “Cameras are being used to monitor the facilities.”
- E. Public Relations/Communications-  
A written report (Exhibit “H”) was mailed to the Board prior to the meeting.
- F. Finance Report-  
A written report (Exhibit “I”) was mailed to the Board prior to the meeting. Danee Phillips provided clarification on a few questions. Bob made motion to payoff truck # - and self-finance/loan. Tom made second. Passed unanimously.  
  
The Collections Status Report (Exhibit “J”) was provided to the Board by mail prior to the meeting.
- F. Manager Report-  
Craig Horrell informed the Board that his report will be discussed in executive.

5. **BILLINGS & PAYROLL:**

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

6. **OLD BUSINESS:**

- **Cline Falls Update**  
Craig Horrell provided details to the board regarding the clean-up process. On-site schedule and pricing will be provided at the August meeting.
- **System Improvement Plan (SIP) Status**  
Craig Horrell updated the Board and explained that Kevin Crew has provided a technical system analysis. Now staff is working on an executive summary of the analysis. Craig will have this executive summary done within the next two weeks.
- **COID Yew Avenue Canal Property (encroachment)**  
No update.

- **Saturn Power MOA**

Larry Henry, Project Manager for Saturn Power, Oregon presented to the Board a Memorandum of Agreement (MOUA), Exhibit “K”. They planted rye Spring 2016 that germinated. They are in process of installing an irrigation system and intend to get it under irrigation by the end of this week. They will work closely with COID staff to document use and plan to instream the water back to the river in 2017 and then revisit options for use in the future. Robert Borlen made a motion to grant authorization for Craig Horrell and/or Carroll Penhollow to sign the MOA if it meets the standards of legal review. Tom Burke moved to second the motion. Discussion followed. COID does not want to set a precedence of supporting a change in the use of the land. The motion was withdrawn by Robert Borlen and Tom Burke. Terry Blackwell made a motion to authorize Craig Horrell to sign this Agreement with the approval of legal review and consideration of the Conditional Use Permit for the project if it is necessary for COID to provide an agreement in writing. Following a second by Tom Burke, the motion passed unanimously.

- **Merkley PL 566**

Craig Horrell updated the Board and explained that FCA is setting in place the EIS that COID and the other Districts in the DBBC will have to have in the future for Grants. COID hosted a tour two weeks ago with the Governor’s office and State Senators and they were a success in allowing us to tell our story. Craig is going to Washington DC at the end of September.

- **DBBC Donor List Review**

Shon Rae presented the DBBC flyer (Exhibit “L”) that will be used for the Ask from Donors. The Board was asked if they have any connections to do the asks, it was presented that Board Members be active in doing the presentations. The Board was asked to review the flyer and provide feedback to Shon.

- **Fish Salvage**

A bid for the Fish Salvage was provided to the Board (Exhibit “M”). Craig Horrell explained the bid and the partners for this process. Discussion followed. Craig will take this proposal to the DBBC and report back in August.

7. **NEW BUSINESS:**

- **Union Contract**

The Draft of the Bargaining Agreement was provided to the Board for review and Danee Phillips explained the details of the changes, (Exhibit N). Robert Borlen made a motion to accept the Bargaining Agreement as presented with the change on page 22 to eliminate the words “and benefits”. Following a second by Tom Burke, the motion passed unanimously.

- **Resolution 2016-007: WaterSMART Grant Authorization**

Craig Horrell explained that the resolution is a follow up to the June Board decision to move the WaterSMART Grant that we applied for Juniper Ridge 2 to the Central Oregon Canal Phase 10A, Exhibit “O”. Paul Kasberger made a motion to approve Resolution 2016-007. Following a second by Terry Blackwell, the motion passed unanimously.

- **Hydro Insurance Renewal**  
Dane Phillips reviewed the Hydro Insurance Renewal quotes put together by Beecher Carlson, see Exhibit “P”. Discussion of the details followed. Robert Borlen made a motion to accept option #2. Following a second by Tom Burke, the motion passed unanimously.

**8. BOARD COMMENTS:**

None.

At 11:17 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 12:57 P.M.

**Patron Matter - Tigner:** After the Board’s review of the correspondence between the Patron and COID Staff and consideration of the matter, Robert Borlen made a motion to have COID replace the existing cattle guard at COID expense. It was determined that the existing gate needs to be removed or replace and if the Patron desires a gate at this location he will need to provide a gate under the current COID Gate Policy and specifications at the Patron’s expense. The Board will entertain taking payments for the gate if the Patron so requests. Following a second by Tom Burke the motion passed unanimously.

The meeting was adjourned at 12:59 p.m. following a motion by Paul Kasberger that was seconded by Terry Blackwell.

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Carroll Penhollow, President

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Paul Kasberger, Vice-President

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Terry Blackwell, Treasurer

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Robert Borlen

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Thomas Burke

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Craig Horrell, Secretary-Manager