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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 9:01 AM on August 9, 2016 in the District office.

Directors present were Terry Blackwell, Paul Kasberger, Thomas Burke (arrived at 10:45 a.m.), 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:**

Ron Anderson, property owner, and Steve Byrd (son-in-law) property occupant, Patron in Terrebonne off of Smith Rock Loop came before the Board to express that he has not been getting his allotted water for the past 2 years. The water does not get from the POD to his property. He explained that there is a property that instreams their water between him and the POD and this creates a big problem for him and other people within the rotation. It appears that people on the rotation are not being responsible in taking and ending water during their rotation times. He does not get his water during his scheduled rotation time, he has worked out an arrangement with one of his neighbors and is getting some water but it is not during his scheduled time. It seems that there is confusion regarding his rotation and the rotations surrounding him. The Board Chairman determined that this matter needs to be moved to New Business and it will be discussed by staff and Board to determine how to move forward with this issue.

Casey O'Neil came before the District as a potential patron and explained that he is working to get a new delivery by next year. They have dug ponds and purchased irrigation equipment. They are ready for water. Staff confirmed that the District cannot get water to him until next year because a delivery structure will need to be installed during the off season.

Ben Huseby with Bend Endurance Academy, a non-profit organization for youth in Bend, came before the Board following a letter he received from Craig Horrell requesting that his organization seize the use of the COID SPP property for bike use. He provided the Board with information regarding Bend Endurance Academy and asked the Board for permission to access the SPP property for the trainers and youth to ride bikes. They would use the trail/property one to two days a week in the fall and the spring. They do not wish to use the jumps. They will provide an insurance certificate. They have offered to do trail clean-up days and help with anything that COID may need assistance with in this area in return for permission. It was determined that the Board will consider this request with legal counsel and get back to him.

Jack and Tara Ettinger, Patrons in Alfalfa area came before the Board. Mr. Ettinger expressed his appreciation for COID staff and all of the help they have given to him. He explained that they are relatively new to the district and are trying to understand how the District works. He expressed that COID is owned by the patrons and highlighted that the main purpose of the district is to

deliver water to the patrons. The function of the District and how the Federal/State/and District work together was explained by Board Members.

Karl Scronce, a Bend Patron, came to the Board to express his concerns about environmental issues that COID is facing. He has written an opinion piece for the Bulletin that was never published. He is concerned about how environmental issues will affect the irrigation districts and discussed the importance of educating people about water rights and the importance of irrigation water rights in our region. He would like to see COID do a better job of educating the general public on what COID does and how it plays into the community and the importance of the water rights.

**2. MINUTES:**

A motion to approve the minutes for the July 12, 2016 Regular Session Board Meeting was made by Terry Blackwell. Following a second by Paul Kasberger the motion passed unanimously.

**3. TRANSFERS / INCLUSIONS:**

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

**4. REPORTS:**

A. Watermaster Report –

Cary provided a verbal report and explained that we are in the same place we were last year as far as storage, see Exhibit "C". COID flows are up and canals are up but it will begin to back down in the next few weeks with weather fluctuation.

B. Capital Projects –

A written report (Exhibit "D") was mailed to the Board prior to the meeting. Rick Nichols provided additional detail. He explained that the RFP is out for Cline Falls clean-up. The Fish Ladder Project Water Overlay Zone license was approved by City of Bend and the project is underway.

C. Operations and Maintenance Report –

A written report (Exhibit "E") was mailed to the Board prior to the meeting. Larry Roofener updated the Board and explained that the A-1 lateral is up and running. Avion did not ask for their water until last Friday. Ryan Badley, Patrolman, has been working hard to balance out this ditch. The water is now also getting to Patron Merritt. He suggested that in the off-season the District may consider installing a divider in the box to allow for better regulation. He also updated the Board on the issue that Allison Evans brought before the Board in July. Staff met with the patron on-site and they did come up with a solution with her. Since the meeting with her she has not contacted staff.

D. Hydro Report -

A written report (Exhibit "F") was mailed to the Board prior to the meeting. Made the Board aware that there is a transient camp beyond the Juniper Ridge Hydro Facility and the entrance gate to the facility is being used as a supply drop off point for them. It appears that many of the campers are veterans and part of the veteran outreach program. Joshua suggested that the Hydro Facility be fenced in the future.

- E. Public Relations/Communications-  
A written report (Exhibit “G”) was mailed to the Board prior to the meeting. Shon Rae updated the Board on the latest events that COID has been a part of and what is going on in the future. COID staff volunteered at the Deschutes County Fair 4-H and FFA livestock auction event on Saturday and it was a good event to be supportive.
- F. Finance Report-  
A written report (Exhibit “H”) was mailed to the Board prior to the meeting.

The Collections Status Report (Exhibit “I”) 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 later in the agenda and executive session.

**5. BILLINGS & PAYROLL:**

Paul Kasberger 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. Phase I: In-Water Work is now out for RFP. Phase II: Out of water work will follow.

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

Craig Horrell updated the Board and explained that Kevin Crew has provided a technical system analysis. Craig is working on the executive summary of the analysis. The SIP has 3 components: 1) Main Canal and Laterals, 2) Hydro and 3) On-Farm. Each piece will have a budget and executive summary is being prepared. Craig Horrell asked the Board for a capital request for \$5,000 to put together the executive summary packet. Terry Blackwell made a motion to approve the transfer of \$5,000 for the executive summary packet. Following a second by Paul Kasberger the motion passed unanimously.

• **Willard Road Property Sale Update**

The sale is now in escrow and Craig Horrell will execute documents.

• **Merritt – 2016 Assessment Consideration**

Craig Horrell explained that water was not delivered to Patron Merritt due to the piping project until last week. The Board discussed assessment consideration due to the inability to deliver their water for the full season.

• **Merkley PL 566**

Craig Horrell updated the Board and explained that part of the capital request will help with the executive summary funding packets.

7. **NEW BUSINESS:**

• **Fall Strategic Planning Session**

Craig Horrell reviewed the topics from the 2015 planning session. Staff explained that the session would follow up the promotional campaign and also include additional topics such as: the implementation of the SIP; Rate Study; COID Branding roll-out.

October 25 is the proposed date. September Board meeting we will brain storm additional topics.

• **Board of Director Elections**

District 2 and 3 are up for Election. The applications are at the front desk and are due back by October 5, 2016.

• **Request for Moratorium - New Deliveries on the Central Oregon Canal**

Leslie Clark provided a written request (Exhibit "J") and explained to the Board the limitations of water in the Central Oregon Canal and how we have provided water in the past through temporary water transfers. Staff is asking the Board to put a moratorium on new delivery requests until we have a solution to get more water into the Central Oregon Canal. Discussion followed. Terry Blackwell made a motion to accept the moratorium as presented and review in April 2017. Following a second by Carroll Penhollow the motion passed unanimously.

At 10:29 AM the Board recessed the General Session and moved into Executive Session per:

- 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 12:26 P.M.

The Ron Anderson patron issue was discussed by the Board. It was determined that staff will do a site visit and follow-up with a letter of summary to the patron and copy to the Board.

Bend Endurance Academy request for access to the SPP property was discussed. Terry Blackwell made a motion to have legal counsel review the request and the appropriate documents and insurance information and if legal counsel's finds the request to be of minimal risk then COID staff could proceed with granting the request with a one-year license to be reviewed prior to any renewal. Following a second by Paul Kasberger the motion passed unanimously.

8. **BOARD COMMENTS:**

None.

The meeting was adjourned at 12:42 p.m. following a motion by Terry Blackwell that was seconded by Paul Kasberger.