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The regular meeting of the Board of Directors and Board of Equalization of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, at 9:04 AM on February 14, 2017 In the District office.

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

**1. OPEN FORUM**

None.

**2. MINUTES:**

A motion to approve the minutes for the January 10, 2017 Regular Session and Board of the Board of Directors and Board of Equalization Meeting was made by Terry Blackwell. Following a second by Robert Borlen the motion passed unanimously.

**3. TRANSFERS / INCLUSIONS:**

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

**5. REPORTS:**

A. Watermaster Report –

A written report (Exhibit “C”) was mailed to the Board prior to the meeting. Cary Penhollow provided a verbal update to his report. A stock run is scheduled for the week of February 20 – 24, it may not be a full 5 day run due to potential flooding.

B. Capital Projects –

A written report (Exhibit “D”) was mailed to the Board prior to the meeting. Staff proposed to the board a capital budget request of \$36,168 for Upper Deschutes Watershed Counsel to continue with the contract for the Cline Falls project. Robert Borlen made a motion to approve the capital budget request. Following a second by Tom Burke, the motion passed unanimously. Staff also informed the Board that Larry Roofener and Rick Nichols met with City of Redmond to discuss future development and working with the District regarding development near COID facilities.

B. Operations and Maintenance Report –

A written report (Exhibit “E”) was mailed to the Board prior to the meeting. Larry Roofener also updated the Board on current projects with other irrigation districts.

- C. Hydro Report -  
A written report (Exhibit “F”) was mailed to the Board prior to the meeting. Joshua Peed updated the Board regarding the inability to operate during the cold weather and those challenges. The turbine at Juniper Ridge is leaking and requires repairs, the repairs are estimated at \$20,000 prior to the season. Tom Burke made a motion to proceed with the repairs and allow \$20,000 in the Capital Budget for this request. Following a second by Robert Borlen the motion passed unanimously.
- D. Public Relations/Communications-  
A written report (Exhibit “G”) was mailed to the Board prior to the meeting. Shon Rae updated the Board on COID working with a collaboration to put together a new position for on farm education and this position will be housed at the OSU Extension Office. Shon also informed the Board that she will be leaving COID for another venture. Her last day will be March 3, 2017.
- E. Finance Report-  
A written report (Exhibit “H”) was mailed to the Board prior to the meeting. The Annual notice from the CPA was provided to the Board to be included in the Finance Report. Dannee Phillips also informed the Board that Barb Fehl is retiring after 40 years with the District and her last day will be March 31, 2017. The job was posted, interviews were conducted and a new hire is scheduled to start on March 6, 2017. Craig Horrell also announced that a new Beneficial Use specialist has been hired, Abby Centola. Kelley Hamby will now be Assistant Watermaster starting February 21, 2017.
- E. Manager Report-  
Craig Horrell updated Board on staff changes. The remainder of his report is in executive session.

6. **BILLINGS & PAYROLL:**

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

7. **OLD BUSINESS:**

• **Merkley PL 566**

Still in process. Craig Horrell explained to the Board that staff is working to have three projects ready to move on when the funding is available and ready. It is expected that the money will be available in September.

• **IPS Draft Review**

The Board was presented with the current Investment Plan and the draft update for review and consideration, Exhibit “I”. Matt Singer provided a summary of his review and comparison of the two documents. The Board will review and discuss at the March Board meeting.

**8. NEW BUSINESS:**

• **Resolution 2017-5 Property Disposition – Surplus Property**

Craig Horrell provided an update to the Board and details and location of the property was provided. Discussion followed. Paul Kasberger made a motion to accept the resolution as presented, Exhibit “J”. Following a second by Terry Blackwell the motion passed unanimously.

• **Drought Management Plan**

The Draft Management plan was provided to the Board (Exhibit “K”). The Board will review and bring changes or suggestions to the next Board Meeting.

At 10:00 AM the Board recessed the General Session and asked the Board to convene 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 regards to current litigation or litigation likely to be filed.

Following the Executive Session, the Regular Session of the COID Board was reconvened at 11:08 A.M.

**9. BOARD COMMENTS:**

The Board discussed the letter from a Patron. Staff will reply to the letter with an explanation.

Terry Blackwell attended the Special Districts Training for Board Members. He brought a few items for the Board to consider for future meetings.

Bob Borlen had a Patron request having a “coffee talk” with staff and a Board member. ShanRae Hawkins will coordinate these.

The meeting was adjourned at 11:25 A.M. following a motion by Terry Blackwell that was seconded by Tom Burke.

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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