



A Special Session of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, at 10:05 AM on November 22, 2016 in the District office.

Directors present were Carroll Penhollow, Tom Burke, Paul Kasberger, and Terry Blackwell. Also attending were Craig Horrell, Secretary-Manager; Cary Penhollow, Water Master; Larry Roofener, Operations Manager; Joshua Peed, Hydroelectric Manager; Danee Phillips, Business Manager; and Jenny Hartzell-Hill, Administrative Assistant; and Matt Singer, Legal Counsel.

Draft Budget Review: Craig Horrell reviewed with the Board the 2016 budget and introduction to the 2017 Draft Budget (See Exhibit “A”).

- Operation Budget: Danee Phillips reviewed the format of the spreadsheet and provided details to the Board. The Board requested a total on how much comp time is accumulated over the year and how much is cashed out verses used to take time off. Danee researched the comp time question and informed the Board that the total through November was 1,989 hrs. (1,802 was field staff).
- Juniper Ridge Operations: Danee Phillips provided an overview.
- SPP Operations: Danee Phillips reported that we expect to see an increase in production but decrease in power payments in 2017.
- Hydro Capital: Joshua Peed reviewed the details of the draft and the requests were presented for each hydro facility. Joshua provided details regarding the siphon pipe supports replacement and the long-term plan for the replacement annually. The replacement can be prioritized by the physical evaluation and state of deterioration. Road erosion repair was discussed and the amount in the draft budget for the repair is on the high end. New site tractor was discussed to replace the aged tractor on site. Upgrade metering equipment was not done last year due to a change in the cost of this project so it has been updated and is on the list for consideration. Joshua explained the details of the increased amount. Board asked if insurance would help cover the replacement of our current meters. New hydro office space, the amount in the budget is to get engineering done to see if it is feasible to build a new office and research access options from this location. Craig explained to the Board that the requests are prioritized and numbered and the requests and the priorities change each year due to needs.
- OPS Capital Budget: Danee Phillips and Craig Horrell reviewed the details. Line item - District Performa Model was discussed. Staff will get more detailed information and present it at the December Board meeting. This will be added to the December Agenda. Powell Butte Siphon Pipe cathodic protection evaluation was discussed.

The Board will consider the draft budgets presented and discuss at the December meeting.

Public Hearing at 12:15 p.m.: (See Exhibit “B”)

Confiscation Hearing per ORS 540.572 – Patron Marla Gibson was allowed 20 minutes to provide testimony in defense of her water use followed by 10 minutes of questions from the Board members. Hearing closed at 12:45 p.m. Staff will notify her of the Board decision.

At 12:47 PM the Board recessed the Special Session and moved into Executive Session per:

- 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.

Following the Executive Session, the Regular Session of the COID Board was reconvened at 12:53 P.M.

The Board discussed the Water Confiscation hearing. Terry Blackwell made a motion to confiscate 0.61 acres of water from Marla Gibson. Following a second by Tom Burke the motion passed unanimously.

The Special Meeting was recessed for lunch at 12:56 P.M.

The Meeting returned to Special Session at 1:16 p.m.

The Special Meeting moved to into Executive Session at 1:16 p.m. per:

- 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.

The Special Meeting was reconvened at 3:47 p.m.

Tom Burke made a motion to approve and sign the Agreement to Mediate, see Exhibit "C". Following a second by Paul Kasberger the motion was approved unanimously.

The meeting was adjourned at 4:00 p.m. following a motion by Tom Burke that was seconded by Paul Kasberger.

Carroll Penhollow, President

Paul Kasberger, Vice-President

Terry Blackwell, Treasurer

Robert Borlen

Thomas Burke

Craig Horrell, Secretary-Manager