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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 9:01 AM April 11, 2017 In the District office.

Directors present were Carroll Penhollow, Tom Burke, Terry Blackwell, and Robert Borlen. 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; Jenny Hartzell-Hill, Administrative Assistant; ShanRae Hawkins, Communications Consultant; Matt Singer, Legal Counsel. No visitors were present.

**1. OPEN FORUM**

None

**2. MINUTES:**

A motion to approve the minutes for March 14, 2017 Regular Session, the March 21, 2017 Special Session and the January 16, 2017 Special Session was made by Robert Borlen. 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 "A". Carroll Penhollow made a motion to approve the transfers as presented. Following a second by Tom Burke, the motion passed unanimously. An update on 2017 instream leases was provided to the Board. Leslie Clark introduced the new Beneficial Use Technician, Abby Centola, to the Board.

**5. REPORTS:**

A. Watermaster Report –

A written report (Exhibit "B") was mailed to the Board prior to the meeting. Cary Penhollow provided a verbal update to his report.

B. Capital Projects –

A written report (Exhibit "C") was mailed to the Board prior to the meeting.

B. Operations and Maintenance Report –

A written report (Exhibit "D") was mailed to the Board prior to the meeting. Larry Roofener verbally reported on a Patron request to graze COID property at J-3 in Terrebonne. Board discussion followed. This request will be placed on the May Board of Directors meeting agenda. Larry also provided information to the Board regarding easement encroachment issues. Board discussion followed. It was recommended that COID Management issue a letter to the property owners along the area of concern to notify them that the section of canal adjacent to their property will be cleaned and remind them of the easement.

- C. Hydro Report -  
A written report (Exhibit “E”) was mailed to the Board prior to the meeting. Joshua Peed updated the Board and informed them that production at SPP is catching up. Staff is also working through some capacity payment discrepancies.
- D. Public Relations/Communications-  
A written report (Exhibit “F”) was mailed to the Board prior to the meeting. ShanRae Hawkins updated the Board on current outreach program scheduling; this will include a speaking series as well as a tour series. June 10<sup>th</sup> is a tour that will highlight water.
- E. Finance Report-  
A written report (Exhibit “G”) was mailed to the Board prior to the meeting. Danee Phillips updated the Board on a loan update.
- E. Manager Report-  
Craig Horrell updated the Board on the reorganization of the Deschutes River Conservancy (DRC) and their new charter and direction of the organization.

6. **BILLINGS & PAYROLL:**

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

7. **OLD BUSINESS:**

• **Merkley PL 566**

This is still in process and on track. Craig Horrell will be in Washington DC the end of April to meet with our State Representative. It is expected that the money will be available in September. Staff is working with outside contractors to get projects ready to go.

• **Exit Fee Review**

Staff will have a proposal next month for the Board.

7. **NEW BUSINESS:**

• **Resolution 2018-8 WaterSmart Grant Authorization**

Craig Horrell provided the details of the proposed grant. The grant will be awarded in the Fall of 2017. Robert Borlen made a motion to approve the proposed resolution. Board discussion followed. Following a second to the motion by Terry Blackwell the motion was approved unanimously. See Exhibit “H”.

• **Public Records Request from Earth Justice**

Craig Horrell provided the Board with the background of this request and the March 29, 2017 letter, Exhibit “I”. Craig suggested to the Board to waive the internal costs (COID staff time fees), but charge for our fees to obtain the requested information that will be requested and obtained from our 3<sup>rd</sup> party consultants. Board discussion followed.

- **Realtor of Record Consideration**

Craig Horrell proposed a change in the listing agent for the COID commercial property listings. Craig provided a suggested agent to the Board, Brian Meece, he has a deep understanding of agriculture property and commercial property. It was suggested that he would take on the current listings we have. Terry Blackwell made a motion to approve Brian Meece as the listing agent on currently listed COID properties. Following a second by Robert Borlen the motion was approved unanimously.

- **WOTUS – Waters of the United States**

Army Corp of Engineers oversees the Waters of the United States. They met with Rick Nichols to tour the new fish ladder and while there they requested a tour of the Central Oregon Canal system. The research of wetlands within our canal system is being analyzed by them. Legal counsel is engaged in this issue and research is being done.

At 10:41 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 12:07P.M.

The Board revisited the Public Records Request from Earth Justice. Robert Borlen made a motion to waive the internal costs (COID staff time fees), but charge for our fees to obtain the requested information that will be requested and obtained from our 3<sup>rd</sup> party consultants. Following a second by Tom Burke the motion passed unanimously.

Robert Borlen made a motion to have Terry Blackwell review the appraisal on Pleasant Ridge property and provide a recommendation to management on how to proceed with the offer on the table. Staff will then follow through with the recommendation. Following a second by Tom Burke the motion passed unanimously. Terry Blackwell recused himself from the vote.

**9. BOARD COMMENTS:**

None

The meeting was adjourned at 12:09 P.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

APPROVED