



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, at 8:01 AM June 13, 2017 In the District office.

Directors present were Carroll Penhollow, Tom Burke, Terry Blackwell, Paul Kasberger and Robert Borlen (via conference call). Also attending were Craig Horrell, Secretary-Manager; Jenny Hartzell-Hill, Executive Secretary; and Matt Singer, Legal Counsel (via conference call).

The meeting moved into Executive Session at 8:04 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.

Following the Executive Session, the Regular Session of the COID Board was reconvened at 8:57 A.M.

Joining the meeting at 8:50 a.m. was Danee Phillips, Assistant Secretary; Larry Roofener, Operations Manager; Cary Penhollow, Water Master; Leslie Clark, Water Rights Manager; Joshua Peed, Hydro Manager; and ShanRae Hawkins, Communications Consultant. Visitors present see Exhibit "A".

1. OPEN FORUM

Diana Hopson, property owner at 2552 SW 35th Court, Redmond OR 97756. She is a property owner along the Pilot Butte Canal in Redmond. She is requesting a waiver for a crossing/encroachment license to put up a fence. See attached email, Exhibit B. Craig Horrell informed the board that we have had many situations similar to this. Staff and the Board will discuss this request and review the issues and make a decision at the July 11th Board meeting and get back to her.

Billie Gale, Patron in Alfalfa, came to the Board to discuss how much water she is getting on a regular basis. They are only getting a portion of their water. In the a.m. they have their water and by the end of the day the level has dropped and this causes their pumps to kick off. Staff explained to the Board that they have been out and measured the amount going over the weir. Staff will continue to monitor this delivery and do spot checks to see if we can determine if there is a cause. Craig Horrell then explained the dynamics of the entire system and how modernization will help with these issues in the future.

2. MINUTES:

A motion to approve the minutes for May 9, 2017 Regular Session was made by Terry Blackwell. Following a second by the motion passed unanimously Tom Burke.



3. TRANSFERS / INCLUSIONS:

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

4. REPORTS:

- A. Watermaster Report –
A written report (Exhibit “D”) 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 “E”) was mailed to the Board prior to the meeting.
- B. Operations and Maintenance Report –
A written report (Exhibit “F”) was mailed to the Board prior to the meeting. Larry Roofener added that the District is receiving about 800 utility locates a month with the increase in development in the area, this has increased work load for staff.
- C. Hydro Report -
A written report (Exhibit “G”) was mailed to the Board prior to the meeting. Joshua Peed reported that transients have been using outlets at the SPP, so turning the breaker off has been the best option. Road erosion issue; repairs are complete.
- D. Public Relations/Communications-
A written report (Exhibit “H”) was mailed to the Board prior to the meeting. ShanRae Hawkins updated the Board on all the happenings. We have the Fish Passage Ribbon Cutting tomorrow at 11:00 a.m. and the Community Meeting at 6:00 p.m. at the Pump House. Craig Horrell presented the map and an overview for the Community Meeting. The Board was in agreement to increase the social media outreach efforts.
- E. Finance Report-
A written report (Exhibit “I”) was mailed to the Board prior to the meeting. Danece Phillips updated the Board on the audit. John Barnett, Barnett & Company CPA, will present a summary at the July Board Meeting.
- E. Manager Report-
Craig Horrell will report in the Executive Session.

5. BILLINGS & PAYROLL:

Paul Kasberger made a motion to accept the payroll registers and billings as presented. The motion was seconded by Tom Burke and passed unanimously.



6. **OLD BUSINESS:**

• **Realtor of Record Consideration**

Brian Meece presented to the Board. He introduced himself and then reviewed the listing of the Quince Property. He then reviewed the 9th Street, Redmond property, and explained that this property will most likely need to be broken down into smaller parcels to increase their value and marketability.

• **Merkley PL 566**

Schedule: June 14, 2017 Patron Outreach meeting. The Public Meeting for the Watershed meeting is July 10th. We are waiting to hear back on public bonds, we should know within the next week or so. We are awaiting a response to the question, “Does WaterSmart money count as a match?”. We are looking for match of \$20,000,000. The first step in this process is to submit a PIR with the Watershed Public Meetings to follow. The DBBC should have notice and a contract in place by August 28, 2017. The funding should be in our account by October 16, 2017. Project details were discussed.

Capital Request: Craig Horrell asked the Board for approval to apply for the DEQ Clean Water State Revolving Fund Loan in the amount of \$20,000,000. Craig provided the Board the details of how this program works. The DEQ application due date is August 11, 2017. Paul Kasberger made a motion to approve the request to apply for the DEQ Clean Water State Revolving Fund Loan. Following a second by Terry Blackwell, the motion passed unanimously.

Craig also introduced the outlook for 2nd year funding and how that will work and the necessity to partner with the other Districts in the Basin to get projects completed.

• **System Improvement Plan and On-Farm Efficiency Report Approval**

The detailed report was presented to the Board. Approval of the detailed report was requested. Tom Burke made a motion to approve the full System Improvement Plan and the On-Farm Efficiency Reports as presented, Exhibit “J”. Following a second by Terry Blackwell the motion passed unanimously. The capital plan is the final step in this process. Kevin Crew, Black Rock Consulting, presented the overview of the Capital Plan. It is a 20-year plan for the system improvement and this includes hydro facilities. The Capital Plan draft will be included into the July Board Packet.

7. **NEW BUSINESS:**

• **Resolution 2017-10 Credit Card Policy**

- The Credit Card Policy was presented to the Board. Terry Blackwell recommended adding “Central Oregon Irrigation” before district in the first sentence, the change was made, Exhibit “K”. A motion was made by Terry Blackwell to approve as changed. Following a second by Tom Burke the motion was approved unanimously.

• **Cline Falls: Contractor Award Approval**

Staton Company submitted a bid for the Cline Falls dam removal in the amount of \$231,054. Terry Blackwell made a motion to approve the capital request and award the



contract in the amount of \$231,054 to Staton Co. Following a second by Tom Burke the motion was approved unanimously.

RDG is the consultant doing the design work and the building demo. An addendum to their contract was submitted for an additional \$14,800 to cover the building demo and the follow-up environmental work. Terry Blackwell made a motion to approve the proposed addendum and grant Craig Horrell signing authority. Following a second by Tom Burke the motion passed unanimously.

- **Patron Outreach**
June 14, 2017 at 6:00 p.m. at The Pump House Meeting Room, Terrebonne OR. See event flyer, Exhibit “L”.
- **Fish Passage Ribbon Cutting**
June 14, 2017 at 11:00 a.m. at North Canal Dam in Bend OR.
- **Public Land Management Plan – Redmond Area**
The draft Public Land Management Plan – Redmond Area as submitted by Deschutes County was presented to the Board, see Exhibit “M”. Discussion followed.

At 11:24 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 12:13 P.M.

8. BOARD COMMENTS:

Paul Kasberger brought before the Board maintenance issues and asked for clarification as to when does COID perform work beyond the point of delivery and how those determinations are made. Staff will evaluate procedures and report back to the Board.

The meeting was adjourned at 12:23 P.M. following a motion by Terry Blackwell that was seconded by Tom Burke.

Carroll Penhollow, President

Paul Kasberger, Vice-President



Terry Blackwell, Treasurer

Robert Borlen

Thomas Burke

Craig Horrell, Secretary-Manager

APPROVED