



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow at 9:02 AM September 8, 2017 In the District office.

Directors present were Carroll Penhollow, Tom Burke, Terry Blackwell, Paul Kasberger and Robert Borlen. Also attending were Craig Horrell, Secretary-Manager; Danee Phillips, Assistant Secretary; Shon Rae, Director of Business Management; 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. Visitors present see Exhibit "A".

1. OPEN FORUM

Matt McGowan with PayneWest Insurance presented a summary of their services and offered to bring a proposal to the District for consideration. Craig Horrell provided additional information regarding insurance needs. We will go out for RFP for insurance renewal for 2018.

2. MINUTES:

A motion to approve the minutes for August 8, 2017 Regular 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 "B". Carroll Penhollow made a motion to approve the inclusion as presented. Following a second by Tom Burke the motion passed unanimously.

4. 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.

B. Capital Projects –

Rick Nichols reported that things are moving forward on the SPP piping project. Rick also updated the Board on Mrs. Hopson's fence encroachment fee reduction request from the June 13, 2017 Board Meeting. She has installed a fence and did not follow through with the fee and the crossing agreement. Staff asked for direction as to how to deal with this type of issue. It was suggested that a letter be sent to her from the manager with an agreement and a fee request or the fence will need to be removed, staff will proceed as directed. Rick is in discussions with Bend Metro Park and Recreation District regarding trails that are within the COID system as they would like to update and repair the trails. It was suggested that signage be included on these trails recognizing COID/BMPR partnership. All other projects are in progress.

- C. Operations and Maintenance Report –
A written report (Exhibit “D”) was mailed to the Board prior to the meeting. Larry Roofener verbally updated the Board on matters. Transients have opened/cut the fences that we recently closed and are causing a lot of public stir.
- D. Hydro Report -
A written report (Exhibit “E”) was mailed to the Board prior to the meeting. Joshua Peed updated the board on current production. Transients are also a concern at Juniper Ridge. They have pushed through the gate and are causing congestion at the entrance. We are working with COVO (Central Oregon Veteran Outreach) to allow them entrance to help these people. Staff is working on a grant application for the gate and surveillance equipment with Special Districts of Oregon for Juniper Ridge. Joshua also informed the Board that the Renewable Energy Coalition has a workshop in Madras on September 21, 2017 at 10:00 a.m. Joshua will attend and requested a Board member attend with him. Paul Kasberger volunteered.
- E. Public Relations/Communications-
A written report (Exhibit “F”) was mailed to the Board prior to the meeting. ShanRae Hawkins reported to the Board about public education. Fish Salvage is coming up in October. Social media outreach is increasing and aiding in what the community concerns are. She also discussed the handouts that Craig will take with him to DC next week.
- F. Finance Report-
A written report (Exhibit “G”) was mailed to the Board prior to the meeting. Danee Phillips provided additional information to the Board. A new Patrolman has been hired to fill the PB-4 position, he will start Monday. Danee also provided an update regarding the Bank Transition from Bank of the Cascade to First Interstate Bank due to buy out.
- G. Manager Report-
Craig Horrell updated the Board regarding staff changes, due to staff retirement.
6. **BILLINGS & PAYROLL:**
Robert Borlen made a motion to accept the payroll registers and billings as presented. The motion was seconded by Tom Burke and passed unanimously.
7. **OLD BUSINESS:**
- **Merkley PL 566**
Craig Horrell provided an update on the process. We are working on the Watershed Plan and responses to written comments. It is expected to have a signed contract with NRCS by next week. Dates to be fully funded are expected to be January 2018. We are working through details and requests regarding the DEQ Clean Water Revolving Fund loan.
 - **Public Land Management Plan – Redmond Area**
This update was provided in the Operation Report.

- **Cline Falls Update**
 - Kiosk Options:
Lisa Lee presented to the Board the design options and cost estimates, Exhibit “H”. Lisa has been researching grants and funding options. The Board is in agreement that Option 2 is the desired design. Board gave permission to seek funding for Option 2.
 - Larry Roofener provided an update on the restoration process. It is on hold until the soil tests are back. Should be underway in 2-3 weeks.
- **Siphon Power Property Piping Project**
Craig Horrell updated the Board on the status of the piping project.
- **Verizon Lease Renewal Consideration**
Under review by legal counsel.
- **Fee Schedule Draft**
Rick discussed with the board the approach to updating the fee schedule. Staff will have a final draft prepared for the October Board meeting for approval.

7. **NEW BUSINESS:**

- **Banking: Bank of the Cascades / First Interstate Bank**
Danee Phillips provided an update on the bank transition.
- **Resolution 2017-11 Conserved Water Policy Review**
Leslie Clark explained the formality of this resolution and the requirements. Carroll read the resolution as presented, Exhibit “I”. Robert Borlen made a motion to approved the Resolution as read. Following a second by Terry Blackwell the motion was approved unanimously.
- **Ryan Ranch Update**
Craig Horrell provided the update to the Board on the benefits of Ryan Ranch and how well it is working. USFW is now looking for funds and have asked if the Districts are willing to offer equipment and time to the project to offer as matching funds. If COID can get credit for the HCP with this type of offering COID would be interested in partnering with this process. See Exhibit “J”.
- **Fall Strategic Planning Session**
Dates are being reviewed, October 24th was purposed 8:00 a.m. -2:00 p.m. potential agenda items were discussed.
- **Resolution 2017-12: 2017 Elections for Divisions 1 & 5 Vote by Mail**
Terry Blackwell made a motion to approve Resolution 2017-12: 2017 Elections for Divisions 1 & 5 Vote by Mail, Exhibit “K”. Following a second by Robert Borlen the motion was approved unanimously.

- **End of Season shut off and stock water run schedule**
Cary Penhollow reported that we will have more information after the Water Managers Meeting next week.
- **End of Season BBQ – October 10, 2017**
- **Fish Salvage**
Shon Rae is working on this project with the partners and outlining details.

9. BOARD COMMENTS:

Bob Borlen commented on how he is pleased with the public outreach and the positive comments he is hearing in the community.

At 10:53 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 12:20 P.M.

Verizon Lease:

Terry Blackwell made a motion to renew the Lease Option if the monthly payment continues as \$900.00 per month. Following a second by Robert Borlen the motion was approved unanimously.

The meeting was adjourned at 12:34 P.M. following a motion by Terry Blackwell that was seconded by Paul Kasberger.

Carroll Penhollow, President

Paul Kasberger, Vice-President

Terry Blackwell, Treasurer

Robert Borlen

Thomas Burke

Craig Horrell, Secretary-Manager