
The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, Chairman, at 9:05 AM on April 10, 2018 in the District office.

Directors present were Carroll Penhollow, Terry Blackwell, Paul Kasberger, and Robert Borlen. Also attending were Craig Horrell, Secretary - Managing Director; Danee Phillips, Assistant Secretary - Director of Finance; Shon Rae, Deputy Managing Director; Cary Penhollow, Water Master; Kelley Hamby, Assistant Water Master; Leslie Clark, Director of Water Rights; Jenny Hartzell-Hill, Executive Assistant; Matt Singer, Legal Counsel.

1. **OPEN FORUM:**

None

2. **MINUTES:**

A motion to approve the minutes for the February 13, 2018 Board 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 "A". Carroll Penhollow read the transfers report and made a motion to approve transfers as read. Following a second by Robert Borlen the motion was approved unanimously.

Instream Leases were reviewed. Carroll Penhollow made a motion to approve Instream Leases as presented. Following a second by Robert Borlen the motion was approved unanimously.

4. **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. Operations and Maintenance Report –

A written report (Exhibit "C") was mailed to the Board prior to the meeting. Kelley Hamby provided verbal follow-up.

C. Capital Projects –

Rick Nichols provided details to the Board regarding the finalization of the SPP Piping Projects.

D. Hydro Report -

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

D. Internal Operations & Communications-

A written report (Exhibit "E") was mailed to the Board prior to the meeting. Shon Rae presented the twenty-year capital plan graphic that has recently been

published. She and Craig provided overview of the P3 Conference that they attended last week.

E. Finance Report-

A written report (Exhibit “F”) was mailed to the Board prior to the meeting. CPA will be here April 30th – May 4th.

F. Manager Report-

Craig Horrell provided the Board with a summary on the OWRC Presentation that he, Leslie Clark and Ron Nelson did in March regarding how to move water. The feedback has been very positive.

5. **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.

6. **OLD BUSINESS:**

• **Merkley PL 566**

Carroll Penhollow met with Senator Merkley and his staff at a community meeting last week. He said it was a positive meeting and Merkley was not aware of some of the challenges of piping.

• **System Improvement Plan Progressive Design Build**

Craig Horrell updated the Board on options for developing the progressive design build for the system improvement plan. It was determined that we will develop one RFP for an Engineer to design 30% design that subcontracts a contractor or has a contractor that is part of the engineering team to work with them on the design. Matt Singer reviewed with the Board the Procurement Policy in place for this process.

• **Siphon Power Property Piping Project Update**

- **DEQ Loan** - Craig Horrell updated the Board and explained that DEQ will do the CWSRF loan post project. April 11th starts a 30-day notification period that is required and after that the funding will be ready to release. Danee Phillips and Craig Horrell have had discussions with First Interstate Bank (FIB) regarding a short-term loan for \$1,500,000 for the gap funding. Options were discussed. Robert Borlen made a motion for staff to proceed with getting a loan with FIB. Following a second by Paul Kasberger the motion was approved unanimously.

• **Union Contract Negotiations**

Craig Horrell provided an update. The Union is working on their proposal.

7. **NEW BUSINESS:**

• **Resolution 2018-5: Building Preventative Maintenance Policy**

Danee Phillips provided a background on this resolution as requested for by SDAO. Carroll Penhollow made a motion to approve the resolution as presented. Following a second by Terry Blackwell the motion was denied unanimously. Exhibit “G” It was determined that some of the language was ambiguous and needed to be corrected.

- **Resolution 2018-6: OWRD Grant Authorization – G Lateral Piping Project**
Robert Borlen made a motion to approve the resolution as presented. Following a second by Terry Blackwell the motion passed unanimously. Exhibit “H”.
- **Foreclosure Offer / Cummins, Lisa Ann**
A staff memorandum was provided to the Board, Exhibit “I”. Board discussion followed. It was agreed to deny the offer and advise legal counsel to negotiate accepting \$2,500 and make payment arrangements. If that is not accepted, we will proceed with foreclosure.

9. BOARD COMMENTS:

Paul Kasberger brought to the Board patron Virginia Sanders complaint of a leak in the COID canal that passes through her property. Staff is aware of this issue and is evaluating the complaint.

At 10:57 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 11:31 A.M.

The meeting was adjourned at 11:31 A.M. following a motion by Terry Blackwell that was seconded by Robert Borlen.

Carroll Penhollow, President

Paul Kasberger, Vice-President

Terry Blackwell, Treasurer

Robert Borlen

Thomas Burke

Craig Horrell, Secretary-Managing Director