



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, Chairman at 9:02 AM on April 9, 2019 in the District office.

Directors present were Carroll Penhollow, Paul Kasberger, Tom Burke, Terry Blackwell and Brad Clarno. Also attending were Craig Horrell, Secretary - Managing Director; Shon Rae, Deputy Managing Director; Leslie Clark, Water Rights Director; Cary Penhollow, Watermaster; Kelley Hamby, Operations and Maintenance Manager; Joshua Peed, Hydro Director; Bronwyn Bailey, Accounting Manager; Kelley O'Rourke, Land Use Technician; Jenny Hartzell-Hill, Executive Assistant; Matt Singer, Legal Counsel; Brian Meece, Realtor of Record. Visitors Present, See Exhibit "A".

1. OPEN FORUM:

Steve Younger, lives between Ferguson and 15th in Bend. He has been a long-time resident along the canal. He provided some background regarding trespassing and people passing through his property on the canal road. Ten plus years ago he and his neighbors installed gates which were not to the requirements of the District. Approximately 10 years ago gates as required by COID were installed. He then provided the history of the lawsuit that has taken place over the past year regarding the removal of the gate. He came before the board to inform them that that he is upset that his gates are down, but gates are being installed on other sections of the same canal. He claims gates were removed recently, and he has concerns as to why they were removed. COID legal counsel, Matt Singer, informed him that the actual gates have not been removed and he may close the gates as they exist. Matt clarified that the extension to the gate posts that extended to the canal edge were removed per the settlement agreement to the law suit.

2. MINUTES:

Tom Burke made a motion to approve the minutes for the March 12, 2019 General Session and the Special Session on March 26, 2019. Following a second by Terry Blackwell the motion was approved 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 permanent transfers as presented. Following a second by Tom Burke the motion was approved unanimously. Temporary Transfers were reviewed, Carroll Penhollow made a motion to approve the temporary transfers. Following a second by Tom Burke, the motion was approved unanimously.

4. REPORTS:

A. Watermaster Report –

A written report (Exhibit "C") was provided to the Board prior to the meeting. Cary Penhollow provided a verbal update to the Board. Both canals have been opened slowly and water is moving through the system. As the demand increases, we will increase the flows. In the years to come we will have a Special Board

Meeting a week to two weeks prior to the start-up of water to determine the date each year.

- B. Operations and Maintenance Report –
A written report (Exhibit “D”) was provided to the Board prior to the meeting. Kelley Hamby gave a verbal follow-up regarding current projects and a summary of finalizing projects.

- D. Hydro Report -
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Joshua Peed provided a verbal report on the current production. Two units are up and operating now, it has been a slow start-up. Juniper Ridge will start up in the next couple of days. Craig Horrell informed the Board of a bill going through state legislation regarding hydro generation.

- E. Internal Operations & Communications-
A written report (Exhibit “F”) was provided to the Board prior to the meeting. Shon Rae updated the Board on a Pancake Feed scheduled for April 13, 2019 for Divisions 4 and 5 from 7:00 a.m. to 11:00 a.m. at the Powell Butte Farmers Club. Crook County Soil and Water District is wanting to work with patrons in the Powell Butte area and they have funds available for on-farm improvements.

- F. Finance Report-
A written report (Exhibit “G”) was provided to the Board at the meeting. Bronwyn Bailey provided a review of the finance report and the new format.

- G. Manager Report-
Craig Horrell informed the Board that staff has met with Linda Ziveny for an update on the Endowment investment. Linda will present at the May Board Meeting and provide an update. Craig also provided an update on the on-farm program that staff has been working on. It is proposed that COID partner with DRC to implement a matching grant program that would be administered and house at DRC. The Board was asked to consider contributing \$100,000 for the start-up of the grant program. In addition it was proposed that COID would house and implement a loan program with \$100,000. This would provide patrons a benefit and would work towards achieving on-farm improvements in the District. Board discussion followed.

5. **BILLINGS & PAYROLL:**

Terry Blackwell made a motion to approve the Billings and Payroll as presented. Following a second by Tom Burke the motion was approved.

6. **OLD BUSINESS:**

- **Merkley PL 566**

Craig Horrell updated the Board on the status of the project. 30% design is progressing and should be completed by the end of this month. Watershed Plan is still in process, public comment period should be in May or June.

- **Capital Request**

Craig Horrell explained that at the beginning of the year Capital Requests were not included in the budget. The list was provided to the Board prior to the meeting, Exhibit “H”. Craig provided details for the requests. He also explained that the dump truck is in the shop and is inoperable without repairs. A new dump truck is \$153,000. A used truck with low mileage is approximately \$100,000. Our current dump truck is worth \$15,000. The repairs will be made, which is estimated to be \$5,000. The Board was asked how they would like to proceed. Board discussion followed. It was proposed to approve \$80,000 - \$100,000 to find a replacement truck and to bring that information back to the Board at the May meeting. The Board was in agreement of this proposal.

Tom moved to approve a new a/c unit as proposed at \$16,150.00. Following a second by Terry Blackwell the motion passed with four yes votes and one opposed by Paul Kasberger.

Tom Burke made a motion to approve the capital ask of \$118,000 as follows: On Farm grant program contribution to DRC at \$100,000 and the itemized list for \$18,000. Following a second by Terry Blackwell the motion was approved.

7. **NEW BUSINESS:**

- **Patron Matter / Gate Proposal**

An email and map of the proposed gate was provided to the Board prior to the meeting, Exhibit “I”. Kelley Hamby provided a summary of the request. Board Discussion followed. Board agreed to allow this request. Tom Burke made a motion to allow the gate crossing request per COID requirements at her expense. Following a second by Terry Blackwell the motion was approved unanimously. COID staff will follow up with the Patron.

- **On Call Policy**

The On-Call Policy was provided to the Board prior to the meeting, Exhibit “J”. Tom Burke made a motion to Adopt the On-Call Policy. Following a second by Brad Clarno the motion passed unanimously.

- **Resolution 2019-4: Volunteer Resolution**

Carroll Penhollow reviewed the resolution provided prior to the Board meeting, Exhibit “K”. Discussion followed. Terry Blackwell made a motion to approve Resolution 2019-4. Following a second by Tom Burke the motion was approved unanimously.

- **A-1 Lateral**

Craig Horrell provided the history on this lateral and explained the development of this area. Staff has been working with Pahlisch Homes and Avion to deliver water to the patrons that are on this lateral and we are able to eliminate the A-1 lateral ditch in exchange for delivering the water right to the Avion Pettigrew pumping station for the 2019 season. When the season is over it can be re-evaluated how to move forward. Pahlisch is taking on the burden of building the new water line. There may be a cost consideration to bring to the Board next month.

8. BOARD COMMENTS:

At 11:11 AM the Board recessed the General Session and asked the Board to convene into Executive Session per:

- ORS 192.660(2)(a) to consider the employment of an officer, employee, staff member or agent.
- 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 12:23 P.M.

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

Carroll Penhollow, President

Paul Kasberger, Vice-President

Terry Blackwell, Treasurer

Thomas Burke

Bradly Clarno

Craig Horrell, Secretary-Manager