



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, Chairman at 9:00 AM on June 11, 2019 in the District office.

Directors present were Carroll Penhollow, 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. Visitors Present, See Exhibit "A".

1. OPEN FORUM:

Shon Rae presented an email from Patron Nadine Carey regarding a request to remove interest charges on the 2019 Assessments, Exhibit "B". This request will be discussed in new business.

2. MINUTES:

Terry Blackwell made a motion to approve the minutes for the May 14, 2019 General Session. Following a second by Tom Burke the motion was approved unanimously. Terry Blackwell made a motion to approve the Special Session on May 16, 2019. Following a second by Brad Clarno the motion was approved unanimously.

3. TRANSFERS / INCLUSIONS:

A water management report was provided to the Board prior to the meeting, Exhibit "C". No transfers were presented.

4. REPORTS:

- A. Watermaster Report –
A written report (Exhibit "D") was provided to the Board prior to the meeting. Cary Penhollow provided a verbal update to the Board.
- B. Operations and Maintenance Report –
A written report (Exhibit "E") was provided to the Board prior to the meeting. Kelley Hamby gave a verbal follow-up regarding current projects.
- D. Hydro Report -
A written report (Exhibit "F") was provided to the Board prior to the meeting. Joshua Peed provided a verbal report on the current production. Production is less than average for both plants. This is due to less water running through our system due to the increased rain fall so far this season. SPP also had a mechanical issue which resulted in the plant being down for 2 – 3 days.

- E. Internal Operations & Communications-
A written report (Exhibit “G”) was provided to the Board prior to the meeting. Shon Rae informed the Board that the Water Marketing grant has been accepted. Now staff is working on the next phase. The PB-1 new patrolman will start July 1st. There is a new campaign for the DBBC in the works and will be brought to the board at a later date.
- F. Finance Report-
A written report (Exhibit “H”) was provided to the Board at the meeting. Bronwyn Bailey updated the Board on the audit and will have a draft to present at the July meeting.
- G. Manager Report-
Craig Horrell informed the Board that he will be traveling to Washington D.C. next week and will be meeting with NRCS to discuss timeframes on turnaround times on funding and process.

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. The 30% design will be complete by the end of June. Next step is to have public meetings on the 30% design plans.

• **Updated Gate Policy**

Kelley Hamby presented the draft Gate Policy, Exhibit “I”, to the Board. Legal Counsel will review the draft and a final will be presented at the July meeting.

• **Linda Zivney – Endowment Fund**

Linda Zivney presented to the Board an Investment Overview, Exhibit “J” and explained the details of the portfolio. She explained that the Investment Policy Statement (IPS) is not going to get a 5% return, so the Board may consider making that more realistic and revise the IPS to be a 4% return rate.

• **Regional SDAO Board of Directors & Management Staff Training**

The training is August 13, 2019 which is the same date as the August Board meeting. The program itinerary was provided to the Board prior to the meeting, Exhibit “K”. Brad Clarno will attend the training and the regular board meeting will be as scheduled.

7. **NEW BUSINESS:**

• **Programmatic Agreement**

Craig Horrell provided an overview of the Programmatic Agreement. Board authorization is needed to approve and designate Craig Horrell as a signor. Tom Burke made a motion to approve the Programmatic Agreement and designate Craig Horrell as the signor. Following a second by Terry Blackwell the motion was approved unanimously.

- **Resolution 2010-4: Amendment to Confiscation Policy Discussion**
Leslie Clark provided background regarding the attached Policy, Exhibit “L. Board discussion followed. It was recommended to update the policy language to reflect the ORS and OAR. Staff will work on this and present to the Board in July.
- **G-4 Project Funding**
Shon Rae provided the background for this request. In 2018 the Board approved funding for the G-4. The 2018 ask for funding was not included in the 2019 Budget. To move forward with this project the Board will need to approve funding the project or we can apply for another loan with CWSRF. Board discussion followed. The estimate is \$250,000 for the project. Staff will present an itemized estimate for the project at the July meeting.
- **Union Contract COLA**
The COLA for 2019 is 2.9%. Terry Blackwell made a motion to approve the 2.9% increase for the Union employees per the Union Contract. Following a second by Tom Burke the motion was approved unanimously.
- **Medical Expense Reimbursement Plan**
Shon Rae provided the background for the Medical Expense Reimbursement Plan and explained the calculations in the union contract were off due to a math error a few years ago. This has been corrected, the total has been updated, and the Union is in agreement of this adjustment. Shon will provide the Board with the spreadsheet showing how the calculations have worked. The board agreed that the number of employees on this plan is 29. Clarification was made that the early retirement plan employees are not included in this benefit. FireMed was also brought up to offer to employees, staff will research this service.
- **Oregon Savings Growth Plan**
Shon Rae asked the Board to approve adding the Oregon Savings Growth Plan as a retirement/comp plan offering to our employees. Tom Burke made a motion to approve adding Oregon Savings Growth Plan to COID’s Benefits offering. Following a second by Terry Blackwell the motion was approved unanimously.
- **DRC Update**
Ron Nelson will attend the July Board Meeting and provide an update.

8. BOARD COMMENTS:

At 10:28 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 1:22 P.M.

Patron Request: Tom Burke made a motion to remove the interest payments as requested by patron Nadine Carey. Following a second by Terry Blackwell the motion was approved unanimously.

The meeting was adjourned at 12:24 P.M. following a motion by Tom Burke and a seconded by Terry Blackwell.

Carroll Penhollow, President

ABSENT

Paul Kasberger, Vice-President

Terry Blackwell, Treasurer

Thomas Burke

Bradly Clarno

Craig Horrell, Secretary-Manager

APPROVED