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The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Paul Kasberger, at 9:00 AM on October 12, 2021, in the district office.

Attending the meeting were Directors Paul Kasberger, Brad Clarno, Tom Burke, Dan Ellingson and Carroll Penhollow participated in person in the COID Conference Room. Craig Horrell, Secretary - Managing Director; Shon Rae, Deputy Managing Director; Heidi Dennison, Accounting Consultant; Cary Penhollow, Water Master; Leslie Clark, Water Rights Manager; Kelley Hamby, Operations and Maintenance Manager; Doug Watson, Director of Hydro; Erin Bathke, Accounting Assistant; Jenny Hartzell-Hill, Administrative Assistant; Spencer Stauffer, Water Rights Technician; Jessi Talbott, Water Rights Technician. Staff participating via Zoom, Kelley O'Rourke, Land Use Specialist. Also joining the meeting in person: Matt Singer, Legal Counsel, Brian Meece, Realtor of Record, and Todd Peplin with NRCS. Visitors present, see Exhibit "A".

**1. OPEN FORUM:**

None

**2. MINUTES:**

Tom Burke made a motion to approve the minutes for the September 14, 2021, Regular Meeting. Following a second by Dan Ellingson 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 transfers as presented. Following a second by Tom Burke the motion was approved unanimously. Leslie Clark presented the summary of the 4<sup>th</sup> year fee for non-use since this was a new fee in 2020. Patrons have been charged but there are many outstanding invoices that have not been paid. The Board was asked staff for direction on how to proceed with this fee. Staff will evaluate this fee and the process and report back to the Board with a recommendation.

**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 regarding the season shut off and current storage numbers.

B. Operations and Maintenance Report –

Kelley Hamby provided a verbal update on maintenance work and provided a written report to the Board (Exhibit "D"). He verbally updated the Board on field staff changes and current piping prices. Staff is diligently patrolling COID properties to move the homeless camps along that appear on our properties and do cleanup. Kelley Hamby also passed out a map which is added to Exhibit D showing properties that are being developed. The request is to deem them as a remnant parcel as it is the last remaining property at the end of the ditch C-2-1.

The Board is in agreement to move forward with Remnant Parcel actions and have staff approach the patron regarding their options which would be 1. COID would purchase the water rights; 2. Patron has the option to pay for improvements and/or repairs moving forward to keep the water rights.

C. Hydro Report -

A written report (Exhibit “E”) was provided to the Board prior to the meeting. Doug Watson reported that the facilities are running below average due to the low flows.

D. Internal Operations & Communications-

A written report (Exhibit “F”) was provided to the Board prior to the meeting. Shon Rae updated the Board on the fish rescue. DRC is managing the Fish Rescue and the cost will be divided amongst the DBBC. It should start next week.

E. Finance -

The written report (Exhibit “G”) was provided to the Board prior to the meeting.

F. Manage Report-

Craig Horrell updated the Board on follow up from last meeting. Mark Malott emailed the staff with questions after last months Board meeting. Craig reviewed the questions with the Board. Round table discussion followed.

5. **BILLINGS & PAYROLL:**

Tom Burke made a motion to approve the Billings and Payroll as presented. Following a second by Brad Clarno the motion was approved unanimously.

6. **OLD BUSINESS:**

• **Merkley PL 566**

Craig Horrell updated the Board on the construction. Things are moving along, and pipe should begin being placed within the week. Staff is working on submitted an application for a loan with Business Oregon for gap funding that would supplement until the lottery bonds are sold. The lottery bond funds should be available in January. Board was in agreement to submit the application.

7. **NEW BUSINESS:**

• **Investment Update – Raymond James Financial**

Linda Zivney and Sheila King, portfolio manager of our account, joined the meeting via Zoom. Linda reviewed the portfolio summaries with the Board, Exhibit H. The Bond market is currently negative, and she reviewed the percentages and annual numbers. Sheila King provided more information on the bond market and how they have been trending.

• **Election for Division 4**

Only one petition was submitted for the Division 4 Election so Brad Clarno is unopposed as the Division 4 Director. A Certificate of Election was presented, approved and signed. See Exhibit I.

At 10:34 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.

The Board came out of Executive session at 11:39 a.m. to continue with the regular agenda.

A motion was made by Tom Burke to approve COID paying \$120,000 to the SPP Property Owners per the Settlement Agreement with Pahlisch Homes reimbursing COID for their half in the amount of \$60,000. Following a second by Carroll Penhollow the motion was approved unanimously.

**8. BOARD COMMENTS:**

Brad Clarno asked about the meeting with City of Prineville. Craig updated the Board on who attended and said that it will be discussed more at strategic planning.

The meeting was adjourned at 11:41 A.M. following a motion by Tom Burke and a second by Brad Clarno.

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Craig Horrell, Manager

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Paul Kasberger

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Tom Burke

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Brad Clarno

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Dan Ellingson

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Carroll Penhollow