



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Paul Kasberger, at 9:01 AM on April 13, 2021 in the District office.

Due to COVID-19 the meeting was restricted to in person participation and done virtually. Directors Paul Kasberger, Brad Clarno, Tom Burke, Dan Ellingson and Carroll Penhollow participated in person in the COID Conference Room logged into Zoom. Craig Horrell, Secretary - Managing Director; Shon Rae, Deputy Managing Director; Erin Bathke, Accounting Assistant; Jenny Hartzell-Hill, Executive Assistant; and Heidi Dennison, Accounting Consultant participated in person. Participating remotely by Zoom were Kelley O'Rourke, Land Use Technician; Leslie Clark, Water Rights Manager; Cary Penhollow, Water Master; Kelley Hamby, Operations and Maintenance Manager; and Joshua Peed, Director of Hydro. Also attending in person, Matt Singer, Legal Counsel. Attending via Zoom, Brian Meece, Realtor of Record, Todd Peplin with NRCS and Karen Baxter.

1. OPEN FORUM:

None.

2. MINUTES:

A correction was made to the 3/9/21 minutes in the Open Forum section, sentence three, changed the word access to "assess". Tom Burke made a motion to approve the minutes as corrected for the March 9, 2021 Regular Meeting, the March 16, 2021 Special Meeting and April 1, 2021 Special 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 "A". Carroll Penhollow made a motion to approve the transfers as presented. Following a second by Tom Burke the motion was approved unanimously.

4. REPORTS:

A. Watermaster Report –

A written report (Exhibit "B") was provided to the Board prior to the meeting. Cary Penhollow provided a verbal update regarding the status of start-up. Snowpack is at 101%. All districts in the basin are on. Live flow is low because there is no runoff yet due to the cold temps up in the Cascades. Discussion followed regarding the potential need use storage water until runoff increases.

B. Operations and Maintenance Report –

A written report (Exhibit "C") was provided to the Board prior to the meeting. Kelley Hamby provided a verbal update on the current projects and the homeless situation and clean-up. Kelley is proposing fencing in a specific area to prevent them from coming back. Clean up and removal is expensive and takes a lot of staff time. Kelley has requested a bid for the fencing and it will be fenced as quickly as possible. He also explained that during the clean-up we are required to store any items of value for 30 days so they can be claimed by the owner if they so desire. This adds to the process with having to deal with storage and disposal

of the items if they are not claimed. J lateral is near completion and restoration plan development is underway for the area that has been piped. Options would be to put a gravel road down to mark the pipe, fence it or find a way to mark it. COID has the easement and is getting some push back on any plans to mark it. carsonite markers are an option. Board discussion followed. A plan was developed: the first option is a gravel swath over the pipe, if they do not want gravel a letter will be given to the property owner with the description of where the pipe is located and they can plant grass. Kelley also brought to the Board a situation where a contractor has not completed a project on or before April 1st so it is impeding the delivery of water to patrons. A Board policy is proposed for consideration for these types of situations to fine the entity performing the construction. Staff will bring a proposal to the Board in the upcoming months.

- C. Hydro Report -
A written report (Exhibit “D”) was provided to the Board prior to the meeting. Joshua Peed provided a verbal update to the board on production and maintenance. We are running hydro currently in both facilities. The question was asked regarding finding a buyer for our power. At this time we do not have any potential buyers.
- D. Internal Operations & Communications-
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Carroll Penhollow asked if we could do a educational piece to put in the new patron packets to encourage responsible irrigation practices. Staff will work on a brochure or educational insert.
- E. Finance -
The written report (Exhibit “F”) was provided to the Board prior to the meeting. Heidi Dennison reviewed the financial statement that was sent out. She will be providing a 1st quarter report with the budget for comparison. That will be in the March financial statements. The audit is underway, and the preliminary reports have been sent to Richard Winkle. This year it is a single federal audit which will be a little more in-depth compared to past audits because of federal funds received. A quarterly budget meeting will be scheduled for 8:00 a.m. prior to the May Regular Meeting.
- F. Managers Report-
Craig Horrell clarified the current offer that is under contract with Pahlisch Homes on the SPP Property off of Brookwood Blvd. The park district will be involved with the trail system through the proposed development. The only way the contract could be changed is if Pahlisch and COID were in agreement with accepting an outside offer for the property. We are still working on cleaning up the title on the property and the deal is still in process. Craig will respond to the email to the Board from a Bend resident.

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**

The Environmental Impact Study has been awarded to Parametrics for \$699,000 and FCA for the watershed plan for \$220,000. The grant is for \$970,000 leaving \$50,000 contingency. Craig has signed the agreements per Resolution 2020-6.

• **SPP ODFW Contract Renewal**

Craig Horrell reported that he has not received anything from ODFW regarding the renewal.

• **Remnant Parcel Update**

Cary Penhollow updated the Board and we will be moving forward with the remnant parcel process. The remnant parcel belongs to Patron Joan Jacobs, Patron ID 359680, address: 2508 NW 10th St, Redmond. Legal counsel will help with the process.

• **On-Farm Patron Loan Program**

This will be discussed in executive session.

7. **NEW BUSINESS:**

• **2020 Audit Engagement Letter**

The 2020 Audit Engagement letter was provided to the Board prior to the meeting, Exhibit "G". The Board is in agreement to proceed and have Paul Kasberger and Craig Horrell sign the Engagement Letter.

• **NUID Pilot 50**

Leslie Clark and Craig Horell updated the Board on the current status of the plan. The agreement is going before the NUID Board today at their meeting. Need signing authority for Craig by the Board. Tom Burke made a motion to grant Craig Horrell signing authority on the NUID Pilot 50 Agreement. Following a second by Dan Ellingson the motion was approved unanimously.

• **East Bend Rezone**

The application for the east Bend property rezone is ready to submit. The application fee is \$17,000. Tom Burke made a motion to allocate funds from the endowment fund to pay for the rezone fees. Following a second by Brad Clarno the motion was approved unanimously.

• **Economic Study/5 Year Planning**

Staff presented to the Board the steps for developing a 5 year plan for the district. The ask is for \$5,000 (capital) to engage Angie Sanchez on the Financial Plan. Angie assisted COID on the Economic Study and would be the best person to run updated numbers and help with the formulas for the 5 year plan. Board discussion followed regarding the need for the plan. Timeline would be immediate start.

At 10:32 AM the Board recessed the General Session and asked the Board to convene into Executive Session per:

- ORS 192.660(2)(d)

- 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 12:05 p.m.

Tom Burke made a motion to approve the union contract. Following a second by Brad Clarno the motion was approved 4 to 1 with opposition from Paul Kasberger.

The Board granted Craig Horrell authorization to negotiate with ODOT to move their location on COID's 9th Street Property.

Tom Burke made a motion to approve \$5,000 from the Capital Budget to do the financial study for the 5-year plan. Following a second by Dan Ellingson the motion was approved 4 to 1 with opposition from Paul Kasberger.

The Redmond Airport is not interested in selling their water rights back in regarding the Redmond East property, Matt Singer is working on this. The City of Redmond has agreed to pay the assessment.

The On-Farm proposal will be presented at the next meeting.

8. BOARD COMMENTS:

Ponds: COID staff will get clarification from OWRD on ponds.

The question was asked: Can you do a conserved water project and create a storage pond for later use? That is under review by OWRD.

The meeting was adjourned at 12:14 P.M. following a motion by Tom Burke and a by Brad Clarno.

Craig Horrell, Manager

Tom Burke

Brad Clarno

Dan Ellingson

Paul Kasberger

Carroll Penhollow