



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 9:10 AM on April 11, 2023, in the district office.

Directors present were Brad Clarno, Paul Kasberger, Tom Burke, and Dan Ellingson. Craig Horrell, Secretary - Managing Director, Kelley O'Rourke, Internal Business Manager; Jenny Hartzell-Hill, HR Manager; and Erin Bathke, Executive Assistant to Finance & Accounting; participated in person. Participating remotely by Zoom were Cary Penhollow, Water Master; Kelley Hamby, Operations and Maintenance Manager; Heidi Dennison, Finance & Accounting Manager; Doug Watson, Hydro Manager; Leslie Clark, Water Rights Director; Gina Brooksbank, Assistant Water Rights Director; Jessi Talbott Assistant Water Rights Director; Baxter Davies, On-Farm Technician; Jessica Martin, Administrative Assistant; Spencer Stauffer, Land Use Technician; and Dan Downing, GIS Analyst. Matt Singer, General Counsel attended via Zoom. In-person guests are listed in Exhibit "A".

1. OPEN FORUM:

None.

2. MINUTES:

A motion was made by Paul Kasberger to approve the 3/14/23 Regular Meeting minutes and 03/29/23 Special Meeting Minutes. 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". Gina Brooksbank reviewed the transfers and the sales. Paul Kasberger made a motion to approve the transfers as presented in the report. Following a second by Tom Burke the motion was approved unanimously. Avion groundwater mitigation request was presented by staff for Board consideration. Leslie Clark provided the background and details of the request. More information will be provided as it comes up. Leslie also discussed the delivery of the spill to NUID, as a Conserved Water Application needs to be filed this year to meet the deadline requirements of the grant (5 years) so we don't lose the water. Staff discussion followed.

Paul Kasberger made a motion to file the Conserved Water Application with OWRD for the 5 cfs conserved with the SPP Property Piping Project. Following a second by Tom burke the motion passed unanimously.

4. REPORTS:

A. Watermaster Report –

A written report (Exhibit "C") was provided to the Board prior to the meeting. Cary Penhollow joined the Board and gave an update on season start-up. Cary also updated the Board on current snowpack and reservoir levels and discussed weather forecasts.

B. Operations and Maintenance Report –

A written report (Exhibit “D”) was provided to the Board prior to the meeting. Kelley Hamby updated the Board on current maintenance activities and updated the Board on future piping plans for the next phase. He also informed them that there has been some significant canal/right-of-way damage due to pigs entering and rooting in the canal. Livestock damage and repairs were discussed. The consensus was that if it is extensive damage, the patron responsible for the livestock can be billed for the repair costs per a previously passed resolution.

C. Hydro Report -

A written report (Exhibit “E”) was provided to the Board prior to the meeting. Doug Watson joined in person and reported that the maintenance that was performed over the winter is doing good. SPP has been running since the 1st of April and things are going well.

D. Internal Operations & Communications-

A written report (Exhibit “F”) was provided to the Board prior to the meeting. Craig Horrell discussed the Board-to-Board meeting and the communications proposal. NUID is not willing to engage with Stingray until the agreement is done. As a result, the communications plan is on hold.

E. Finance -

The written report (Exhibit “G”) was provided to the Board prior to the meeting. Heidi Dennison reported that she is working on getting the final numbers together for the end of first quarter. Next Board meeting there will be a special session 30 minutes prior to the Regular meeting to review the 1st quarter. The audit is in process and the Auditor will be in the office tomorrow.

F. Manager Report-

Craig Horrell had nothing new to report.

5. **BILLINGS & PAYROLL:**

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

6. **OLD BUSINESS:**

• **Merkley PL 566**

Craig Horrell updated the Board:

- Environmental Impact Study (EIS): Craig Horrell updated the board on the proposal of \$286,000 for additional services due to the delay and should be paid 100 % by an NRCS grant that we are working on. He reminded the board that the delay is due to SHPO reviews.

• **ARPA/RCPD Funding**

- J-Lateral – The project is complete, and it will be pressure checked once there is water in the Pilot Butte Canal. There will be a delay in those patrons’ delivery of water until that is complete.

• **Lone Pine Irrigation District Project Status – “L-Lateral”**

LPID representatives were expected to join the meeting at 9:30 but they did not show (as of 9:55 a.m.) Craig Horrell gave an update on the project. Currently they are working to

get the valve installed at the head of the L-Lateral. Once it is in, lock out tag out still needs to happen. COID needs to know when that will be complete. The next question is when will the L-Lateral project piping be complete to allow the COID patrons on that lateral to receive water? Matt Singer added that he has been in communication with their counsel and the agreement has been discussed. COID will do a demand letter to LPID. First and foremost a schedule must be provided for both the valve placement and the completion of the piping project. Following that schedule we will move forward with what the demand will be for damages.

- **On-Farm Loan Program Follow-up**

Heidi Dennison provided the Board with Exhibit “H”. She explained that the handout does not have any big changes since the last version. The main point of discussion is the interest rate. Board discussion followed. Craig Horrell proposed that staff bring back a spreadsheet that outlines the District cost to administer this program for consideration. Providing the cost analysis will help determine the administration fee and then 3 scenarios of what interest rates will look like for a project with different percentage rates. Risk factors were also discussed. This will be brought back to the May Board meeting. They also requested an industry analysis comparison with a credit union, Bank of America and Farm Credit Services fees (loan origination fees).

- **District Fee Update**

Craig Horrell discussed the proposed fees provided, Exhibit “I”. Board discussion followed. Paul Kasberger made a motion to approve the District Fee Update as presented. Following a second by Tom Burke the motion was approved unanimously.

7. **NEW BUSINESS:**

- **Employee Benefits Request**

Craig Horrell informed the Board that Leslie Clark is looking to retire in November 2023. She is asking for 4 months (following her retirement date) of insurance/benefits (medical/dental/vision) to cover the gap from retirement to when she can receive Medicare coverage. Tom Burke made a motion to approve the request for 4 months of insurance coverage for Leslie Clark following her retirement date. Following a second by Dan Ellingson the motion was approved unanimously.

- **Exit Fee Update**

Staff will bring a proposal at a later date.

8. **BOARD COMMENTS:**

Dan Ellingson – He updated the Board on his attendance at the SDAO Conference and informed them that there is concern about the Paid Leave Oregon Program implementation, and that more information is to come on that topic. He also attended the Family Farm Alliance Conference – He informed the Board that one of the topics that was interesting to him was carbon emissions credits for farmers. He explained that there are contracts for farmers to plant specific plants that put carbon back into the soil and then they sell the carbon points to make additional profit.

Brad Clarno – Brought to the Boards attention that there is a Mule Deer migratory overlay map that is being presented by Deschutes County/ODFW and COID property may be affected by this migratory mapping in the future.

Tom Burke– He brought a patron concern to the Board regarding the one acre or less service fee. Discussion followed regarding limitations on one-acre parcels and how the service fee is implemented. This will be brought to executive session in May to discuss further. He also has spoken with patron Carol Handcock in Powell Butte. Her husband passed away recently, and she has sagebrush along the ditch that needs to be removed. Tom asked if COID has equipment that can take care of these? It was determined that Tom will discuss this request with Kelley Hamby after the meeting.

At 10:46 a.m. the Board recessed the General Session and moved to Executive Session.

- 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 regard to current litigation or litigation likely to be filed.

The executive session recessed and returned to general session at 12:08 p.m.

The meeting was adjourned at 12:22 p.m. following a motion by Tom Burke and a second by Paul Kasberger.

Craig Horrell, Manager

Tom Burke

Brad Clarno

Resigned as Director 4/22/2023

Dan Ellingson

Paul Kasberger

Jeff Larkin