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The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 9:04 AM on July 14, 2023, in the District office.

Directors present were Brad Clarno, Paul Kasberger, Tom Burke, Jeff Larkin and Terry Blackwell. Craig Horrell, Secretary - Managing Director, Jenny Hartzell-Hill, HR Manager; Leslie Clark, Water Rights Director, attended in person. Heidi Dennison, Finance Consultant; Cary Penhollow, Water Master; Kelley Hamby, Operations and Maintenance Manager; Gina Brooksbank, Water Rights Manager; Jessi Talbott, Water Relations Manager; Baxter Davies, Water Distribution Analyst; participated remotely by Zoom. Matt Singer, General Counsel attended in person. In-person guests are listed in Exhibit "A". Guests on Zoom, a person by the name of Jeff.

**1. OPEN FORUM:**

Deanne Nash, Smith Rock Way/L- Lateral Patron. She utilizes flood irrigation and is not getting enough to push water. If she gets an inch, she can make it work, but she is not even getting that. She used to get 2". She has had to cut back on the amount of cattle she owns due to the lack of pasture and water. Due to Lone Pine Irrigation District (LPID) construction on the L-Lateral she did not start receiving water until May 15(which was minimal) and didn't start getting more until June 2<sup>nd</sup>. Her water is behind by 45 days, and she doesn't feel that she has even really started irrigation. Craig Horrell recommended keeping receipts from all hay, seed, and any other costs that can account for the damages due to the construction. COID will be having discussions with Lone Pine Irrigation District.

Ginger Mack, L-Lateral Patron. She was 48 days late on receiving water. She still isn't getting enough water to keep her system going. The field that she planted last year is struggling. Yesterday she had her water turned down and her patrolman did not come back out to turn it back up. Her pond goes dry daily. Craig Horrell asked if her fencing had been installed, she confirmed that the fence has been constructed. He also advised her to keep receipts and calculate damage and turn them into COID so that they can be taken to Lone Pine Irrigation District to figure and negotiate the damages. Paul Kasberger also explained that the flows in the Deschutes River are dropping, and it is causing the live flow to drop which is resulting in curtailment for all patrons. Staff will check into her delivery and see what is happening. Ginger asked what the timeframe will be on negotiating with Lone Pine Irrigation District. Craig explained that we need to have the documents and receipts from patrons to take to Lone Pine Irrigation District, so we have a place to start with determining the damages. Cary Penhollow also informed her that her patrolman, Nic is on his way out to her property now to check it out.

Todd Peplin, with Deschutes Soil and Water District, shared information on an upcoming Pivot Workshop on August 15<sup>th</sup> from 6-8 p.m. He will get the information to us so we can share the information on our website and Facebook.

Darrell Aaby, Terrebonne patron. He asked, "what is the benefit of improving their systems if they are not receiving enough water to make it efficient?" Craig Horrell explained that if patrons are making improvements to be more efficient on-farm it contributes to the goal of improving overall efficiency of the water in the large scheme of things. Craig explained that he understands

the thought behind this question and has also brought up the same in meetings with COID partners. As COID pipes the main system the goal is to get more efficiency in what is delivered to the patron. Board members explained that as we are experiencing extreme drought this year it will be very challenging for all. Craig gave an overview of what the other districts have been doing with their flows and curtailment. He also explained that the perception by patrons and the public is that COID is *giving water away* to North Unit Irrigation District, he stated that COID is not. He also stated that in a drought year COID has more staff time in drought years. It is recommended that patrons call the office to get the messages to the Patrolman so calls can be tracked and monitored by management staff.

Dave Holmberg, a patron on A-10. He gave the history of him owning his property. He is almost at the end of the line on that lateral. He explained some of the challenges over the years. He has worked to improve efficiency; he is now irrigating with handlines. They have also re-nozzled the sprinklers. He has a neighbor that has an unregulated delivery and takes all he wants whenever he wants. He believes he is overwatering. With the curtailments he is concerned that his neighbor is taking more than he should while he has to cut back on his property. He asked why other districts are still running if COID has the most senior water rights in the district. He also asked about instream leasing, he has been instreaming. Craig addressed the difficult neighbor issue and will have management staff look into this and address it. Craig also explained the COID senior water right question. He explained each irrigation district operates differently and gave the example of some operating off of storage water and when they are out of storage water they will be turned off for the season. He explained that COID operates off of live flow from the river and will have delivered more water to our patrons by the end of the season than the junior water rights district in the basin. He also said that A-10 lateral is a good candidate for piping.

### **2022 Audit – Richard Winkle**

The meeting moved to Old Business Topic: 2022 Audit and Richard Winkle joined via zoom. He shared the draft report with the Board. A hard copy was provided to the Board, Exhibit “B”. Paul Kasberger made a motion to approve. Jeff Larkin seconded the motion with the addition to the subsequent events section, adding the 2023 NUID/COID Agreement. Motion with the addition passed unanimously.

### **2. MINUTES:**

A motion was made by Terry Blackwell to approve the 6/13/23 Regular Meeting minutes. Following a second by Tom Burke the motion was approved unanimously.

### **3. TRANSFERS / INCLUSIONS:**

A water management report was provided to the Board prior to the meeting, Exhibit “C”. Gina Brooksbank explained that there are no current transfers. Tom Burke would like to see a summary of acres on each canal on each monthly report.

### **4. REPORTS:**

#### **A. Watermaster Report –**

A written report (Exhibit “D”) was provided to the Board prior to the meeting. Cary Penhollow and Kelley Hamby joined the Board and gave an update on current flows to update the Board and provided a lookback/comparison to where we are now verses the past 3 years. At this time the water in the river is low which requires us to divert less water into our systems. Currently it’s 130 cfs less than where we were last year at this time. The river was down 160 cfs yesterday. With

temperatures climbing, this will cause more strain on the river and our system. We are going to be running at approximately 60% in the next few days to meet the live flow available. Craig Horrell proposed that we message the curtailment later today to our patrons through text and email and inform them that we will be dropping to 60% on Monday. We will also work with OWRD, Jeremy Giffin, to get the information regarding the “why” to the general public through media outlets. The board was in agreement with the plan as proposed. Craig proposed having Jeremy Giffin, OWRD, come to the next board meeting to provide some details.

- B. Operations and Maintenance Report –  
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Kelley Hamby joined the meeting and provided an update, with the curtailment, ditch cleaning is the priority for our staff. Homeless issues will be ramping up as the planned sweeps begin and we are expecting them to relocate to our easements and properties.
- C. Hydro Report -  
A written report (Exhibit “F”) was provided to the Board prior to the meeting. Doug Watson is on vacation, so Craig Horrell updated the Board. The focus is on the SCADA project to make things more efficient.
- D. Internal Operations & Communications-  
A written report (Exhibit “G”) was provided to the Board prior to the meeting. Craig Horrell said a beneficial use presentation will be next month.
- E. Finance -  
The written report (Exhibit “H”) was provided to the Board prior to the meeting. Heidi Dennison joined the meeting and requested that the Board members move to doing direct deposit instead of physical checks. Also, a reminder that the August meeting will start at 8:30 to review the quarterly report.
- 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 Terry Blackwell the motion was approved unanimously.

6. **OLD BUSINESS:**

- **2022 Audit Review – Richard Winkle (Zoom)**

The presentation followed Open Forum. See notes on page one (1) of the minutes.

- **Exit Fee Presentation Review**

Leslie Clark reviewed the current Exit Fee and provided the history of the Exit Fee process and calculation. Terry Blackwell made a motion to approve Option 2 as provided in FCS report at the July meeting. He then added an amendment that the calculation be reviewed in January 2023. Discussion followed. Tom Burke made a second to the

motion. Motion passed unanimously. This topic will be added to the strategic planning agenda in the fall.

- **Merkley PL 566**
  - EIS Update: Craig Horrell updated the Board on visits from the Chief of NRCS next week and we are continuing to lobby for the funding. It is projected that pipe will be purchased in 2024 and groundbreaking in 2025. The Bureau is actively working to approve the EIS to allow us to get their funding.
- **Lone Pine Irrigation District Project Status – “L-Lateral”**

Craig Horrell proposed that a meeting be scheduled for Lone Pine and COID managers and legal to develop a plan on how to handle the damages and come up with a plan.
- **SPP Property Update**

Craig Horrell updated the board on the final submittal to FERC for approval on the trail. It will take a couple of months to get the ruling from FERC and then we could close within 2 weeks once we receive the ruling.

7. **NEW BUSINESS:**  
None.

8. **BOARD COMMENTS:**  
None.

At 11:39 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.
- ORS 192.660(2)(i) To review and evaluate the performance of an officer, employee, or staff member if the person does not request an open meeting.

The executive session recessed and returned to general session at 1:32 p.m.

The meeting was adjourned at 1:32 p.m. following a motion by Tom Burke and a second by Paul Kasberger.

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Craig Horrell, Manager

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Terry Blackwell

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Tom Burke

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Brad Clarno

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Paul Kasberger

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Jeff Larkin