



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 8:31 AM on May 14, 2024, in the District office starting with a Special Session and the Regular Session to follow at 9:00 a.m.

Directors present were Tom Burke, Brad Clarno, C.B. Foss, Jeff Larkin, and Brian Lepore. Craig Horrell, Secretary - Managing Director, Jenny Hartzell-Hill, HR Manager; Kelley O'Rourke, Internal Operations Manager; and Jessi Talbott, Water Rights Director attended in person. Heidi Dennison, Finance Consultant; Cary Penhollow, Water Master; Doug Watson, Hydro Manager; Baxter Davies, Water Distribution Analyst; and Erin Bathke, Accounting & Administrative Associate; participated remotely by Zoom. Matt Singer, General Counsel attended via Zoom. In-person guests are listed in Exhibit "A".

1. SPECIAL SESSION:

The quarterly budget review was presented to the Board by Heidi Dennison, Exhibit B. The details of the budget were reviewed, and the board asked questions and provided input. The Board discussed line items and details. Craig informed the Board that Lone Pine Irrigation District has made the first payment to COID for the days over on the contract for the L Lateral construction project. The second payment will come in at the beginning of 2025. The funds will go into the LGIP account. Tom Burke brought up negotiations with Bend Park and Recreation and ODFW. His concerns are that they need to pay COID when they want to encroach on our easements.

2. OPEN FORUM:

None.

3. MINUTES:

The minutes from the 4/4/24 Regular Meeting, and the 4/17/24 Special meeting were provided prior to the meeting. A motion was made by Tom Burke to approve both meeting minutes as presented. Following a second by CB Foss the motion was approved unanimously.

4. TRANSFERS / INCLUSIONS:

The water rights memorandum was provided to the Board prior to the meeting, Exhibit "C". Jessi Talbott updated the Board on the transfers. Tom Burke made a motion to approve the transfers as presented. Following a second by Brian Lepore the motion was approved unanimously. Jessi also informed the Board that 4th year non-use letters have been sent out. Jessi will also break down the non-use patrons per division and report back to the Board. Jessi also brought the annual consideration of the Central Oregon Canal moratorium. Tom Burke made a motion to keep the Central Oregon Canal moratorium active. Following a second by CB Foss the motion passed unanimously.

5. REPORTS:

A. Watermaster Report –

A written report (Exhibit "D") was provided to the Board prior to the meeting. Cary Penhollow joined the Board and discussed reservoir levels and river flows. Cary has ordered water to bring the flows up to 100% by the end of the week per our certificate. Tom Burke has concerns that the ramp up structure doesn't allow

some users to use their pivots until the flows are at 100%. He is suggesting that next year storage from Wickiup Reservoir is used to increase the Central Oregon Canal flows during ramp up to get patrons to the levels that they can run their systems. Tom Burke also has a neighbor that cannot start up until flows are to 75% or better.

- B. Operations and Maintenance Report –
Craig Horrell updated the Board on Operations and Maintenance. Kelley Hamby has been out on medical leave.
- C. Hydro Report -
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Doug Watson joined the meeting in-person to update the Board. He informed the Board that a tour is scheduled for the first week of June.
- D. Internal Operations & Communications-
A written report (Exhibit “F”) was provided to the Board prior to the meeting. Craig Horrell updated the Board on the television commercial and the result of it is that we are seeing increased traffic to our website. Craig was also on the news last night to discuss future piping projects. Craig provided handout to the Board that was used when talking with legislators in DC about DBBC needs.
- E. Finance -
The written report (Exhibit “G”) was provided to the Board prior to the meeting. Heidi Dennison joined via Zoom. She had nothing to add to the report.
- F. Manager Report-
Need to move the June meeting to: June 17th or 18th 9:00 a.m. as Craig will be out of town. Craig Horrell also updated the board on Lane Dickson, our lobbyist from DC, was in town last week to tour the Deschutes Basin. Craig also informed the Board that there is an RCPP funding grant for the I-Lateral project is available and he will bring the details to the Board for consideration at the June Meeting.

6. **BILLINGS & PAYROLL:**

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

7. **OLD BUSINESS:**

- **Merkley PL 566**

EIS Update: Craig Horrell updated the Board. The federal government has reduced the amount of money in that bucket, Merkley is looking into why. Our EIS is still in process. Public meetings will be held in the fall. Archaeological studies are taking place this week within the stretch of the district to meet the requirements of EIS.

- **SPP Property Update**

Craig Horrell updated the board on the property sale. We are still waiting on FERC to approve our easement and remap submittal. Craig and Matt Singer will work on a strategy on how to move this through. June will be 1 year since the submittal to them.

- **Union Meeting Update**

Craig Horrell updated the Board that he has a meeting scheduled with the Union next week, June 23rd. We will bring the Board an update in June.

- **DRC On-Farm Pilot J & L Laterals**

Craig Horrell updated the Board. The Board approved the pilot 4-1 at the special meeting. DRC has determined that they do not want to move forward with the Board stipulation that the whole district is the benefactor of the money and not the individual participating patron. The Board allowed Paul Kasberger to speak to the stipulation as a patron that would be involved in the pilot. If he saves 1 acre foot and sends it to North Unit he would not get any incentive or benefit from conserving the water. Craig Horrell then brought to the Board that DRC is starting a pilot program with NUID and it is to provide a water bank to trade water between NUID patrons. They have been doing this in the past and continue to do it at the price of \$250 to \$500 per acre foot. Craig told the DCR Board that we are going to wait to see how this works in NUID and then COID can decide how they would participate in the future. Board discussion followed. Meters will be monitored on 2 patrons for 2024 season to measure what they save.

L-Lateral Piping Project – LPID has agreed to pay COID \$44,000 for the number of days that were beyond the completion date in the contract. LPID is also working with SDAO on the claims from patrons.

8. **NEW BUSINESS**

- **Royal Oaks HOA – Formal Complaint**

Matt Singer provided the background on this matter. This is a development that is delivered through Avion. When the subdivision was built the delivery system to properties did not meet the standards of Avion. So, with that they billed the patrons for the water conveyance and COID has always billed for their water delivery. They weren't being double billed; they were being billed for two different services. The HOA has discussed this with Avion, and Avion is now willing to take on the delivery. COID will then bill Avion for the delivery and then they will only be billed by Avion for all. COID is in favor of this path. Matt Singer will work with staff on this potential change.

- **Resolution 2024-6 Volunteer Resolution**

The resolution was provided to the Board prior to the meeting as Exhibit "H". Tom Burke made a motion to approve Resolution 2024-6 as provided. Following a second by Jeff Larkin the motion was approved unanimously.

EXECUTIVE SESSION:

Brad Clarno recessed the regular session to go into Executive Session at 11:25 a.m. under the following ORS:

- ORS 192.660(2)(d) to conduct deliberations with persons you have designated to carry on labor negotiations.
- 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 12:22 p.m.

9. BOARD COMMENTS:

Tom Burke requested better communication between the Board and the office regarding what is going on. Example: Would like a heads up on when water is being turned up/on. Wants information ahead of time when something becomes issue and are brought to them by patrons in their division.

CB Foss, asked about the rate schedule for 1 acre or less. He had a patron ask about this extra fee. Craig explained the background on how that was determined.

The meeting was adjourned at 12:30 p.m. following a motion by Tom Burke and a second by CB Foss.

Craig Horrell, Manager

Tom Burke

Brad Clarno

C.B. Foss

Jeff Larkin

Brian Lepore