



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 8:15 AM on July 9, 2024, in the District office. Which went into Executive Session per ORS 545. To discuss Personnel Matters. At 9:39 a.m. the executive session was recessed to move to the General session of the regular meeting at 9:40 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; Jessi Talbott, Water Rights Director; and Matt Singer, General Counsel attended in person. Heidi Dennison, Finance Consultant; Cary Penhollow, Water Master; Baxter Davies, Operations and Maintenance Manager; participated via zoom. In-person guests are listed in Exhibit "A".

1. **OPEN FORUM:**

2. **MINUTES:**

The minutes from the 6/19/24 Regular Meeting was provided prior to the meeting. A motion was made by Tom Burke to approve the meeting minutes as presented. Following a second by CB Foss the motion was approved unanimously.

3. **TRANSFERS / INCLUSIONS:**

The water rights memorandum was provided to the Board prior to the meeting, Exhibit "B". Jessi Talbott updated the Board on the transfers. Tom Burke made a motion to approve the transfers as presented. Following a second by CB Foss the motion was approved 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 discussed current flows. Flows are holding at this time. Could potentially have to curtail if flows drop out, hoping to make it to late July/early August before we have to do that. We will update the website as things change.

B. Operations and Maintenance Report –

A written report (Exhibit "D") was provided to the Board prior to the meeting.

Baxter Davies updated the Board on Operations and Maintenance. Over the weekend there was an emergency at the SPP. The sensors in the powerhouse were not operating properly, which shut down the power plant which caused the inlet to overflow and a section of the canal to breach. K & E Excavation was called in to help with the repairs to the canal. Hydro staff was able to get the system back up and running. The repair costs will come out of the hydro budget. Baxter updated the Board that a few pieces of equipment have been down, waiting on parts for repairs. Mowing will resume as the mower has been repaired. He reviewed homeless issues and the car in the canal at the Juniper Ridge Hydro facility.

- C. Hydro Report -
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Doug Watson is currently out so Craig Horrell updated the Board on summer staffing to cover on-call and current production.
- D. Internal Operations & Communications-
A written report (Exhibit “F”) was provided to the Board prior to the meeting. Craig Horrell updated the Board on an upcoming House Committee meeting that has been scheduled to take place here in Central Oregon in the Fall. ShanRae Hawkins will be assisting Craig with the outreach and public communications for that meeting.
- E. Finance -
The written report (Exhibit “G”) was provided to the Board prior to the meeting. Heidi Dennison joined the meeting in person. She updated the Board that the audit is in New Business, and she will review the summary from Richard Winkle. The ODFW M & E Fund amount was discussed, and it was explained that it can vary depending on what the committee votes on. It covers projects designated by ODFW. The original intent of the agreement and this fund was to be used for river improvement projects. The past few years it has been used for a funded position at ODFW. It is difficult to dispute the use of the funds and the increased amount due to the agreement that was made when the SPP was built. It was discussed that this mismanagement issue be presented to the Secretary of State for investigation.
- F. Manager Report-
OWRC was in the area this past week and toured the basin. He also informed the Board that we have funding approved for some lateral piping.

5. **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.

6. **OLD BUSINESS:**

• **Merkley PL 566**

EIS Update: Craig Horrell updated the Board. The internal draft is completed and circulating. Matt Singer and Craig Horrell have been working with SHPO regarding their review and sign-off. The historic section that is designated in Redmond needs to be piped to get the amount of water that is agreed upon to NUID. SHPO is now directing us to do mitigation with a federal board to dispute that SHPO is not allowing us to touch the bed and bank of the existing historic canal designation section. ACHP is a federal dispute resolution board to work out a new mitigation plan. Craig and Matt will have to go before the Board in DC to determine if there is a mitigation plan update to work through the issue. The ACHA process can run parallel with the EIS process, and we can move forward with doing the EIS public meetings in the fall. Parametrix will come to the Board with the presentation prior to the public meetings.

• **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. Matt Singer sent an email to the FERC representative asking for the status. He did receive a response that she is working on

getting the request moving forward and that it is a priority. We have not received anything additional.

- **Union Meeting Update**

Craig Horrell updated the Board that we have been meeting with the COID representative to work through things. They will come to the Board once they have a formal proposal in the upcoming month.

- **Royal Oaks HOA – Formal Complaint**

Craig Horrell and Matt Singer are working on this with the patrons and Avion. Matt Singer provided the background and the arrangement with Avion for delivery and billing. Avion has proposed that COID does not bill the patron and not update the amount we charge Avion for this or add those patrons to the billing. Jessi Talbott has responded with the options that COID would agree to. Which are, agree to add the additional charges to Avion's annual bill or COID will move to remnant parcel the 9 properties, which can then be put to better, higher use. The Board had questions about how COID works with Avion and the agreement. Cary Penhollow joined the meeting to discuss. We have not received any response from Avion.

7. **NEW BUSINESS**

- **2023 Audit Review**

Heidi Dennison joined the meeting to review the Audit/Financial Summary Draft provided by Richard Winkle, Exhibit "H". He made no recommendations for process improvements from his test and review. He did note PERS and the complexity of this program and how it will work in the future. He can join the Board next meeting to answer questions regarding this matter or Heidi can ask him how it will work and how it will affect the District. Tom Burke made a motion to approve the audit. Following a second by Jeff Larkin the motion was approved unanimously.

- **COID Rotation Education**

Staff will provide a presentation at the August Board meeting.

- **Resolution 2024-7 Financial Authorization Update**

Resolution 2024-7 Financial Authorization was provided to the Board prior to the meeting, Exhibit "I" for consideration. Tom Burke made a motion to approve the resolution as presented. Following a second by CB Foss the motion was approved unanimously.

EXECUTIVE SESSION:

Brad Clarno recessed the regular session to go into Executive Session at 10:59 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 12:14 p.m.

8. BOARD COMMENTS:

Following executive session Matt Singer explained the annual review of the manager was conducted. The Board authorizes the chairman to add an addendum to the managers contract to match the IRS scale. Tom Burke made a motion that as a board they authorize the chairman to add an addendum to the managers contract to match the IRS scale for the vehicle allowance. Following a second by Brian Lepore the motion was approved unanimously.

CB Foss brought up maintenance issues. He would like to learn more about how maintenance work is scheduled and managed. Efficiency improvement is the goal of COID management and Kelley, Craig and Jon will evaluate the current processes and develop a plan. It was suggested to schedule a work session to bring in the maintenance team and learn from them how they do things and find out what they need.

The meeting was adjourned at 12:26 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