



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 9:06 AM on January 14, 2025, in the district office.

The Directors present were Tom Burke, Brad Clarno, C.B. Foss, and Jeff Larkin. Craig Horrell, Secretary - Managing Director, Jon Skidmore, Deputing Managing Director; Jenny Hartzell-Hill, HR Manager; Kelley O'Rourke, Internal Operations Manager; and Jessi Talbott, Water Rights Director., all attended in person. Matt Singer, General Counsel; Heidi Dennison, Finance Consultant; Cary Penhollow, Water Master; Doug Watson, Hydro Manager; Erin Bathke, Accounting and Administrative Assistant; and Mikaela Watson, Water Rights Project Assistant participated via zoom. In-person guests are listed in Exhibit "A".

1. COID BOARD ORGANIZATION

• **Oath of Office**

Oath of Office Division 4 – Brad Clarno stated his Oath of Office, and it was signed and notarized. Exhibit "B".

• **Board Officer Selection**

The Board was in unanimous agreement to keep the officers the same as the previous year.

Officers are as follows:

President: Brad Clarno

Vice-President: Tom Burke

Treasurer: Jeff Larkin

Secretary-Manager: Craig Horrell

• **Committee Selection**

The Board was in unanimous agreement to keep the committees the same as the previous year.

Committees are as follows:

Strategic Planning: Brad Clarno & Tom Burke

Real Estate: Jeff Larkin & Tom Burke

Finance: Tom Burke & Jeff Larkin

Labor: Brad Clarno & Jeff Larkin

Equipment: Tom Burke & CB Foss

• **Resolutions for District Business for 2025:**

○ **Resolution 2025-1 Financial and Investment Transactions**

Resolution 2025-1 Financial and Investment Transactions was provided to the Board prior to the meeting. Tom Burke made a motion to approve the resolution as presented. Following a second by Jeff Larkin the motion was approved unanimously. Exhibit "C".

○ **Resolution 2025-2 Public Meetings**

Resolution 2025-2 Public Meetings was provided to the Board prior to the meeting. Tom Burke made a motion to approve the resolution as presented. Following a second by Jeff Larkin the motion was approved unanimously. Exhibit "D".

- **Resolution 2025-3 General Administration**
Resolution 2024-3 General Administration was provided to the Board prior to the meeting. Tom Burke made a motion to approve the resolution as presented. Following a second by CB Foss the motion was approved unanimously. Exhibit “E”.
- **Resolution 2025-4 Water Rights Exit Policy Annual Calculation Approval**
Resolution 2024-4 was provided to the Board prior to the meeting. Tom Burke made a motion to approve the resolution as presented. Following a second by Jeff Larkin the motion was approved unanimously. Exhibit “F”

2. OPEN FORUM:

Brad Clarno Open the Board of Equalization for 1 hour starting at 9:16 a.m. for the period of one hour. No open forum presentations.

Kate Fitzpatrick with DRC introduced herself and reminded the Board that DRC strives to be a partner with COID and help with funding and grants with conservation as a common goal for all.

3. MINUTES:

The minutes of the 12/10/24 Regular Meeting and 12/18/24 Special Meeting are provided prior to the meeting. A motion was made by Tom Burke to approve both the meeting minutes as presented. Following a second by Jeff Larkin the motion was approved unanimously.

4. TRANSFERS / INCLUSIONS:

The water rights memorandum was provided to the Board prior to the meeting, Exhibit “G”. 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.

5. REPORTS:

- A. Watermaster Report –
A written report (Exhibit “H”) was provided to the Board prior to the meeting. Cary Penhollow joined the Board and discussed current reservoir levels and flows in the river. Snowpack is average; there is a good base. The next stock run will be determined based on flow and the planned repair to the Central Oregon Canal and maintenance projects.
- B. Operations and Maintenance Report –
A written report (Exhibit “I”) was provided to the Board prior to the meeting. Baxter Davies updated the Board on current maintenance projects and the bigger projects were listed in the report. The geo specialist is providing expertise on repairing the section of the Central Oregon Canal that has the sink hole that opened up again during the stock run. Our mini excavator is down for repairs. The Board was in agreement to rent a machine to keep things moving with projects until ours is up and running again.
- C. Hydro Report -
A written report (Exhibit “J”) was provided to the Board prior to the meeting. Doug Watson joined the meeting in person and updated the Board on the off-season maintenance status and processes. We have been generating but expect levels to dwindle and will need to shut off until the river comes back up.

- D. Internal Operations & Communications-
A written report (Exhibit “K”) was provided to the Board prior to the meeting.
Nothing additional.
- E. Finance -
The written report (Exhibit “L”) was provided to the Board prior to the meeting.
Heidi Dennison joined the meeting but had no additional information. She does
have everything prepared to pay off the loans as directed by the Board at the
12/18/24 Special Board Meeting. The estimate for the loan payoffs is \$2,500,000.
- F. Manager Report-
Craig Horrell had nothing additional.

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**

Craig Horrell updated the board that we have a draft EIS to submit next week to NRCS. Once it goes to NRCS it is a 30-day review process, but due to staff and administration changes NRCS may need additional time. Once the NRCS process is complete then we begin the public meetings and should have things completed by fall of 2025. Craig has been working with Taylor NW on a plan and timeframe for pre-construction and construction work.

• **SPP Property Update**

Craig Horrell updated the board on the property sale. There is no additional information. We are still waiting on FERC to approve our easement and remap submittal.

• **USDA Water Savings Grant Program**

Craig Horrell updated the board that we are in final steps of signing the final work plan. Staff and contacts have changed with the new administration, but things are on track.

• **2025 Budget**

Heidi Dennison joined the meeting and reviewed the final budgets that were provided to the Board prior to the meeting with the updated annual assessment rates, Exhibit M. Tom Burke made a motion to approve the 2025 Budgets. Following a second by Jeff Larkin the motion was approved unanimously.

• **2025 Annual Assessment Rates**

Craig Horrell reviewed the approved change in the rate increase from 11% to 6.5%. He then provided the communications plan proposal, see Exhibit M. Board discussion followed. The Board would like to change the box diagram by removing the 2026 column and note that moving forward rates will be reviewed and determined annually.

Brad Clarno officially closed the Board of Equalization at 10:18 a.m. following a motion by Tom Burke and a second by Jeff Larkin. The motion passed unanimously.

- **Real Property Transactions**

Lot 8 Juniper Ridge – They are getting the final agreement over to COID in the next week once the plans are approved by the City of Bend.

8. NEW BUSINESS

None.

EXECUTIVE SESSION:

Brad Clarno recessed the regular session to go into Executive Session at 10:25 a.m. under the following ORS:

- 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 the general session at 12:03 p.m.

9. BOARD COMMENTS:

Tom Burke noted that any future hydro revenue and potential power contract increases be used to pay back the \$2,500,000 that was used from the endowment fund to pay off the loans as approved at the 12/18/24 special board meeting.

Tom Burke asked how much water has been lost that accounts to lost revenue. Discussion followed.

The meeting was adjourned at 11:39 a.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