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The meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 9:02 a.m. on October 14, 2025, in the district office.

The Directors present were Tom Burke, Brad Clarno, Jeff Larkin, Brian LePore, and CB Foss. Craig Horrell, Secretary - Managing Director, Jon Skidmore, Deputing Managing Director; Kelley O'Rourke, Internal Operations Manager; Erin Bathke, Patron Relations Coordinator; and Jessi Talbott, Water Rights Director all attended in person. Heidi Dennison, Accounting Consultant; Cary Penhollow, Water Master; Baxter Davies, Operations Manager; Penny Nickel, Staff Accountant; and Matt Singer, General Counsel participated via zoom. In-person guests are listed in Exhibit "A".

**1. OPEN FORUM:**

Bruce Emerson is a COID patron located at 3259 NE Wilcox Ave. The past year and a half he and 20 other patrons have met to discuss the future of water and educated themselves by speaking with other outside entities that have interest in the future of water. He is asking for improvements with COID's communication. He stated the group feels that the information about how much water is delivered to specific areas is not available online and should be as it is public information rather than them having to call our office to ask the question. He stated he was aware of the water bank bill passing and expressed interest in working with COID on what that looks like with implementation. He also inquired about the best way to contact the board members individually, noting that their email addresses are not available on the website. CB Foss, board member representing Bruce's division, stated he has and will always be available if they would like to contact him.

John Lawton is the president of Desert Meadows HOA. He asked the board to waive the 2025, 2026 and 2027 assessment to allow them to work with grant funds to cover the costs of updating their system to the standards required to eliminate cross contamination. They would like to try their best to keep the water right and avoid using city water for irrigation. Craig asked John to produce a letter to the board in writing with his request and it will be added to the next board agenda to discuss further.

**2. MINUTES:**

The minutes of the 9/9/25 Regular Meeting were provided to the Board. 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 provided a summary of water rights and projects.

**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 informed them that Crane Prairie reservoir

is starting to increase with the ramp down. We started filling Wickiup yesterday. Arnold and NUID will shut off on Friday. We continue to check for the leak on the Central Oregon Canal. Stock runs will be determined as we go into the off-season dependent on construction projects.

- 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 maintenance projects. There are over 30 projects scheduled including private laterals and two large outside contractors’ projects that will take majority of winter to complete. We will work with the construction timelines to offer stock runs as availability allows.
- C. Hydro Report -  
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Craig Horrell informed the Board that Doug Watson is working with Pacific Power on extending our interconnection agreement to allow for time to consult with engineers for specific upgrades to the hydro facilities.
- D. Internal Operations & Communications-  
A written report (Exhibit “F”) was provided to the Board prior to the meeting. Craig Horrell informed the Board that in response to recent feedback, we will strive for a higher level of patron communication. Newsletters and the website will give updates spotlighting Point of Delivery work including private laterals.
- E. Finance -  
The written report (Exhibit “G”) was provided to the Board prior to the meeting. Heidi Dennison joined the meeting and updated the Board on the budget planning for 2026 draft budgets. The final draft budget will be sent out prior to the Strategic Planning meeting on October 27<sup>th</sup>. There will be an analysis of three scenarios forecasting rate increases for 2026 rates. Amber and Devin from Mainspring Investment Advisors gave a presentation analyzing the performance of the investments they oversee.
- F. Manager Report-  
Craig Horrell updated the board on his recent trip to Washington, DC. He asked our congressman to make a call to FERC to get an update on the review of the map revision for the SPP Property. He was notified that FERC is moving forward with the request. He met with NRCS to discuss the EIS process. He met with Family Farm to explore options to speed up the process moving forward. Also, he met with Speaker Johnson who is our natural resource person.

5. **BILLINGS & PAYROLL:**

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

6. **OLD BUSINESS:**

• **Merkley PL 566**

Craig Horrell updated the board that we are on track to get the public meetings scheduled for winter. The final draft for EIS will be finished this week and ready for submittal once the government is open. With the completion of the final draft review, public meetings

will be held in January, and we are anticipating the final recorded decision in April or May to receive funds. He is on a committee to streamline the NEPA process as it is a lengthy process and he feels there should be categorical exclusions to shorten the 5-year process that is currently in place.

- **Grant Funding Update**

Craig Horrell reported that we should be able to get all the funding that has been applied for. There are three buckets with DRC that are in the budget when the government is back in session.

- **DBWC**

Craig Horrell updated the Board that staff are still participating in the meetings. The chapters are still under review. Then it will come to the November DBBC and then the irrigation Boards for consideration.

- **Central Oregon Canal –Intake Project**

This was discussed in the M & O report. This is an emergency repair project. Craig explained that staff had been monitoring the intake and recently noticed it was progressively getting worse to the point that emergency repairs are necessary. Engineering is approved and our engineers are currently working on it so that we can get the work done during the off season.

- **Resolution 2025-6 Patron Call Out Fee**

The resolution was updated as discussed at the October meeting and was represented, Exhibit “H”. Tom Burke made a motion to approve. Following a second by CB Foss the motion was approved unanimously.

- **Strategic Planning – October 27, 2025**

9:00 a.m. – 2:00 p.m. at COID office.

- **Elections**

The Nomination Petition for Division 2 was received and met the requirements. It being the only petition received for this Division, a Certificate of Election was presented to Jeff Larkin, Exhibit “I”. No Nomination Petitions were received for Division 3, this position will be by appointment for 1 year.

## 7. **NEW BUSINESS**

- **Investment Funds Update – Mainsprings Investment Advisors**

Amber Billeter (in person) and Devin Loughlin (via Zoom) provided the board with a summary of the year and provided projections.

- **Water Pricing**

Jessi Talbott provided the board with a memo prior to the board meeting, Exhibit “J”. She provided details and discussion followed. With the recent increase in transfer fees with the state, there is cause to review the price of water. Jessi explained the process and outlined the needs and concerns of the district’s responsibility to utilize the water rights in how they were meant to be used. She asked the board to weigh the options and come to the next board meeting to discuss them further. She also reviewed the reason Desert Meadows is asking for the request.

Brad Clarno recessed the regular session to go into the Executive Session at 10:53 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 12:10 p.m.

**9. BOARD COMMENTS:**

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

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Craig Horrell, Manager

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Tom Burke

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Brad Clarno

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C.B. Foss

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Jeff Larkin

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Brian Lepore