



The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Brad Clarno, at 9:00 AM on February 12, 2025, in the district office.

The Directors present were Tom Burke, Brad Clarno, Brian Lepore, and Jeff Larkin. Craig Horrell, Secretary - Managing Director, Jon Skidmore, Deputing Managing Director; Jenny Hartzell-Hill, HR Manager; and Jessi Talbott, Water Rights Director, all attended in person. Matt Singer, General Counsel; Heidi Dennison, Finance Consultant; Kelley O'Rourke, Internal Operations Manager; Cary Penhollow, Water Master; Doug Watson, Hydro Manager; Erin Bathke, Accounting and Administrative Assistant; and Mikaela Watson, Water Rights Project Assistant participated via zoom. Guests via Zoom were Marty Hicks, Brian with Ni-Lah Sha Village Homeowners Association, and Emily Ecoreton Cook. In-person guests are listed in Exhibit "A".

1. OPEN FORUM:

Steve Hansen, Patron #388 on Davison Way, Terrebonne. He presented to the board that he has some problems with the property that he has been working with COID staff to resolve. He has no EFU access to his property currently. There is a bridge crossing, but it needs repaired. He contacted COID in 2023 to repair the bridge. He was informed that he needs to get an easement to access the bridge from the property owner that the bridge is on. He spoke with the neighbor, and she was fine with the easement but did not want to pay for the easement and work. He paid for an attorney and surveyor to draft the easement. When he went to get the easement signed by her, she refused. He is requesting that COID provide all information regarding the transfer of water rights into his name. His 5 minutes were up, and he submitted his statement and correspondence into the record. See Exhibit B. He was informed that his matter is on the agenda under New Business, and it would be discussed, and the Board could ask him questions at that time.

Carol Maley, Powell Butte Patron. She told the Board that she requested to get her ditch cleaned last year and it still hasn't happened. Tom Burke offered to help her get it taken care of.

Brian with Ni-Lah Sha Village Homeowners Association informed the Board that they are having issues with cross contamination with COID water and City of Redmond water. He explained that they have been working to find a solution, but all options have challenges. They are proposing to remove COID water rights from the HOA and all the homeowners. Craig recommended setting up a meeting between the HOA and COID staff to determine options. Brian will contact Jessi Talbott to get that scheduled.

2. MINUTES:

The minutes of the 1/14/25 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 Jeff Larkin the motion was approved unanimously. Brian Lepore abstained because he was not at the 1/14/25 meeting.

3. TRANSFERS / INCLUSIONS:

The water rights memorandum was provided to the Board prior to the meeting, Exhibit "C". Jessi Talbott updated the Board on current standings. She also provided the board with the annual Water Management and Conservation Plan, Exhibit "D".

4. **REPORTS:**

- A. Watermaster Report –
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Cary Penhollow joined the Board and discussed current reservoir levels and flows in the river. Due to repair work on the Central Oregon Canal, it is expected that a stock water run may be possible at the end of February or first part of March. Next month we will discuss season start up.
- B. Operations and Maintenance Report –
A written report (Exhibit “F”) 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. Sink hole repairs on the Central Oregon Canal are underway. We have some equipment down, so we are working at a decreased rate until the fleet is back up and operating. Baxter informed the Board that staff have been researching a sleeve repair kit to have in our inventory for emergency repairs and unforeseen issues. This kit is approximately \$35,000. Staff will provide more information to the board for a Capital ask at next month’s board meeting.
- C. Hydro Report -
A written report (Exhibit “G”) 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 generated 15 days in January. They are currently wrapping up some big projects and should be able to generate in the coming weeks. FERC has moved the submittal to the commission for consideration and a decision on the map amendment should follow.
- D. Internal Operations & Communications-
A written report (Exhibit “H”) was provided to the Board prior to the meeting. A joint town hall has been set for March 19th at Ridgeview High School, Redmond. All the DBBC districts want to participate in the meeting.
- E. Finance -
The written report (Exhibit “I”) was provided to the Board prior to the meeting. Craig Horrell reported that everything is looking good. At the direction of the Board, the loans were paid off and they were less than we were thinking because it was done before interest was added.
- F. Manager Report-
Craig Horrell brought up that the tariffs are affecting us. With the change in administration, we have lost some of the funding that we thought we had. Steel and crude oil have increased so we are still working on the projects and determining how much we can get done. We are optimistic that we will get the funding, we will have to wait until the agency positions are settled. Criag and the construction team are continuing to research pipe. We are still working on the EIS process.

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 have a draft EIS submitted to NRCS. It is now in the 30-day review process, but due to staff and administration changes it may be 90 days. 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 earlier that the FERC submittal has been moved to the commission for consideration.

• **USDA Water Savings Grant Program**

Craig Horrell, we have some technical assistant funding available from this, so staff and construction team will be touring some pipe plants in the upcoming weeks.

• **New Grant Awards**

We are on hold with funding due to administration changes. Our lobbyists are working hard, and Craig Horrell will go to DC in April to make the pitch for the new staff. Jon Skidmore updated the Board that COID was selected for the EV Pick-up grant. The receiving and installation of charging stations are in process. Also, a fire fuels reduction and fuel breaks grant has been applied for the SPP property.

• **Central Oregon Canal/Stock Water Run/Further Geotechnical**

Craig Horrell discussed this in the water and maintenance reports.

7. **NEW BUSINESS**

• **Construction Easement at North Canal Dam for NUID**

The Bureau of Reclamation is requiring NUID to get a temporary easement for access to their facilities for construction/repairs of their facilities which is on COID property. Board was in agreement to grant the request.

• **2024 Audit**

We have received the letter agreement letter from Richard Winkle to perform the 2024 audit. Board is in agreement to proceed.

• **Patron Matters – Steve Hanson**

Bridge replacement request. Craig Horrell informed the Board that COID cannot repair the bridge if the underlying property owner does not grant easement. The current bridge, which has been in place for at least 40 years, needs repair. The next issue is that the delivery ditch has been altered and was unable to receive water. Baxter Davies provided a map to the Board of the subject property, Exhibit J. He has researched this matter and found that the pipe that was installed to aid in delivery had been removed which prevented delivery of water. He explained that a pipe was installed through the culvert and due to an unknown water event it was washed out. Staff in the past year cleaned out the ditch but the pipe was not replaced. In the past week staff have reinstalled the pipe and should function fully moving forward. Potential access points have also been researched as a possibility to eliminate the bridge crossing and repair need. Baxter

discussed these possibilities. Steve then discussed bridge access and history and the challenges of the other access options. The Board has heard the request and will take the request into executive session for consideration. Staff will contact him after the meeting and let him know what was determined.

- **OPB Public Information Request Fee Waiver**

Emily Cook with OPB has submitted a very detailed and voluminous request for public information. Due to it being a media request they have requested consideration to waive the production fee. It is estimated that the internal time and fees to produce the documents will be approximately \$4,000. This will be discussed in the executive session. It was determined that the waiver of fees will be granted.

EXECUTIVE SESSION:

Brad Clarno recessed the regular session to go into Executive Session at 10:31 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 12:04 p.m.

8. BOARD COMMENTS:

Tom Burke asked about the \$39,000 payment to BlackRock that was listed in the billings. It was for the G Lateral design grant which COID gets reimbursed by DRC.

Brian Lepore asked about response to the rate increase. Staff informed the board that a few patrons have requested removal of water rights.

The meeting was adjourned at 12:08 p.m. following a motion by Tom Burke and a second by Jeff Larkin.

Craig Horrell, Manager

Tom Burke

Brad Clarno

C.B. Foss

Jeff Larkin

Brian Lepore