



The meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Craig Horrell, at 9:00 a.m. on January 13, 2026, in the district office.

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

1. COID BOARD ORGANIZATION

• **Oath of Office**

Oath of Office Division 2 – Jeff Larkin stated his Oath of Office, and it was signed and notarized. Exhibit "B".

Division 3 Appointment and Oath of Office – Tom Burke made a motion to appoint Jim Fields to serve as Director for Division 3. Following a second by Jeff Larkin the motion passed unanimously. Jim Fields stated his Oath of Office, and it was signed and notarized. Exhibit "C"

• **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 2026:**

○ **Resolution 2026-1 Financial and Investment Transactions**

Resolution 2026-1 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 “D”.

○ **Resolution 2026-2 Public Meetings**

Resolution 2026-2 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 “E”.

○ **Resolution 2026-3 General Administration**

Resolution 2026-3 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 Jeff Larkin the motion was approved unanimously. Exhibit “F”.

○ **Resolution 2026-4 Water Rights Exit Policy Annual Calculation Approval**

Resolution 2026-4 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 “G”

2. OPEN FORUM:

Brad Clarno Open the Board of Equalization for 1 hour starting at 9:11 a.m. for the period of one hour.

Oakley Taylor, has been a COID patron for over 20 years. She came to address the board about the less than one acre service fee associated with annual assessments. She explained that she has always been a good patron and always paid her bill on time and is here to appeal the service charge. Board discussion followed. The Board explained that beyond the point of delivery, cleaning ditches and tree trimming is the responsibility of the patron. The Board will discuss this in executive session and let her know.

Dave McMichael, a Powell Butte patron, has concerns with Brasada Ranch horseback riders and the issues he is having with them. He requested that COID not allow them access across the COID easement along the canal. He said that he is also discussing this matter with BLM. The locks have been cut on gates, gates have been left open, and cattle could get out. Board discussion followed. The Board will have this added to the agenda for the February Board meeting and request that Dave attend as well as a representative from Brasada.

3. MINUTES:

The minutes of the 12/09/25 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.

4. TRANSFERS / INCLUSIONS:

The water rights memorandum was provided to the Board prior to the meeting, Exhibit “H”. Jessi Talbott provided a summary of water rights, and projects. Tom Burke made a motion to approve the transfers as presented. Following a second by Jeff Larkin the motion was approved unanimously. Tom Burke made a motion to approve the purchase of Central Oregon Canal water in the amount of \$15,000. Following a second by CB Foss the motion was approved unanimously.

5. **REPORTS:**

- A. Watermaster Report –
A written report (Exhibit “I”) was provided to the Board prior to the meeting. Cary Penhollow joined the Board meeting and updated them on the Central Oregon Canal Stock Water Run and the river flow forecast.
- B. Operations and Maintenance Report
A written report (Exhibit “J”) was provided to the Board prior to the meeting. Baxter Davies informed the Board that the maintenance crew has been working on cleaning and maintenance.
- C. Hydro Report -
A written report (Exhibit “K”) was provided to the Board prior to the meeting. Doug Watson joined the Board meeting and updated them on operations. He was able to generate power during the rain event over Christmas. There is one unit down and they will get it repaired in the upcoming months.
- D. Internal Operations & Communications-
A written report (Exhibit “L”) was provided to the Board prior to the meeting. Craig Horrell informed the Board that DBBC communication plan is coming together. The rate increase messaging was sent out to patrons. The new internal software program has been launched in office this week. Things are going well.
- E. Finance -
The written report (Exhibit “M”) was provided to the Board prior to the meeting. Heidi Dennison joined the meeting to answer any questions the Board may have.
- F. Manager Report-
Will be discussions in old business and new business.

6. **BILLINGS & PAYROLL:**

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

7. **OLD BUSINESS:**

• **Merkley PL 566**

Craig Horrell updated the board that now that the government shut down has ended, things are moving fairly quickly, and things are lining up. The EIS public meeting will be the first part of March. Hoping to begin pipe procurement and getting contracts in place by early summer 2026. The EIS is through the Department of Agriculture and they are fully funded.

• **Grant Funding Update**

RCPP Grant has been awarded. Craig Horrell is asking the Board to approve using \$500,000 for technical assistance to finish the final designs, obtain permits and get the contracts signed. Tom Burke made a motion to approve using \$500,000 of the grant for technical assistance to complete the final designs, obtain permits and get the contracts signed. Following a second by Jeff Larkin the motion was approved.

- **DBWC**
Craig Horrell updated the Board that staff is still participating in the meetings. A draft document is in the work and will be presented to the board when it is ready. The tribes have opted to not part of the collaborative but will still participate in the meetings.
- **Central Oregon Canal –Intake Project**
Craig Horrell updated the Board that we are still working with FERC on getting through the federal process. This will take time. Hopefully we can get this completed by the end of 2026.

8. NEW BUSINESS

- **Desert Meadows HOA Request – John Lawton**
A summary was provided to the Board prior to the Board meeting, Exhibit “N”. Jessi Talbott summarized the history of the cross-contamination issues with the three HOA’s. John Lawton, representing Desert Meadows HOA, is requesting that COID forgive the 2025 season assessment. He claimed that they did not know that COID recommended instream leasing the water while they were working through their research to keep the water. They are requesting to remove the 12 acres of municipal water rights and to have the 2025 assessments forgiven. The Board will discuss this in Executive Session.
- **Patron Matter – Marla Gibson**
Jessi Talbott provided the history of Marla Gibson’s requests and what the Board has offered her in 2025 and 2026. Craig Horrell summarized that he had hoped that Marla would come with a request. Marla provided a packet of historic documents yesterday to the Board. Craig summarized the history of confiscation and then summarized what COID has offered in October 2025 and 2026. That is to temporary transfer water onto her property to get her over the 1-acre threshold and remove the acre or less fee for the past 3 years and waive the temporary transfer fee of \$345. In return she would need to prove the transfers of .65 acres in 2026. She explained that she could have issues with proving it up if the deer come in and eat the new seedling. The Board will discuss this in Executive Session and staff will update her with the Board decision.
- **2026 Memorandum of Action to Foreclose**
The 2026 Memorandum of Action to Foreclose was provided to the Board, Exhibit “O”. Jeff Larkin made a motion to approve the Memorandum of Action to Foreclose. Following a second by Tom Burke, the motion passed unanimously.

Brad Clarno recessed the regular session to go into the Executive Session at 10:34 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 12:30 p.m.

9. BOARD COMMENTS:

Jeff Larkin made a motion to re-establish that the Pleasant Ridge Property is deemed Surplus/Excess property. Following a second by CB Foss the motion passed unanimously.

The meeting was adjourned at 12:33 p.m. following a motion by Tom Burke and a second by CB Foss.

Craig Horrell, Manager

Tom Burke

Brad Clarno

Jim Fields

C.B. Foss

Jeff Larkin

APPROVED