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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 February 10, 2026, in the district office.

The Directors present were Tom Burke, Brad Clarno, Jeff Larkin, CB Foss, and Jim Fields. 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". Additional participants on Zoom: Emily Cook and Michael.

**1. OPEN FORUM:**

None.

**2. MINUTES:**

The minutes of the 1/13/26 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". Mikaela Watson provided a summary of water rights, and projects. CB Foss made a motion to approve the transfers as presented. Following a second by Jeff Larkin 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 meeting and updated them on levels at Crane Prairie and Wickiup. We are at 22% snowpack and 60% precipitation for the season. The request for drought declaration letters were sent to all three counties' commissioners. The outlook for the 2026 season is not promising.

B. Operations and Maintenance Report

A written report (Exhibit "D") was provided to the Board prior to the meeting. Baxter Davies informed the Board that construction projects that are occurring around and in our facilities are on track and will be completed by March 15<sup>th</sup>. Following the last stock run an additional sink hole was discovered about 40 feet from the one that was found prior to the stock run on the Central Oregon Canal. It has been repaired.

C. Hydro Report -

A written report (Exhibit "E") was provided to the Board at the meeting. Doug Watson joined the Board meeting and updated them on operations.

It was recommended that a hydro plant tour be planned in the fall for the Board members following a monthly board meeting.

D. Internal Operations & Communications-

A written report (Exhibit “F”) was provided to the Board prior to the meeting. Craig Horrell informed the Board that March 17<sup>th</sup> 5:00 pm at Redmond Senior Center is the final EIS Public meeting. The DBBC Town Hall with Season Outlook for 2026 is March 18<sup>th</sup> at 5:00 p.m. at The Riverhouse in Bend. We will also update the website with the drought declaration request that was sent to the tri-county areas from the DBBC.

E. Finance -

The written report (Exhibit “G”) was provided to the Board prior to the meeting. Heidi Dennison joined the meeting to answer any questions. She also informed the Board that the 2025 audit is about to begin.

F. Manager Report-

Jon Skidmore, Baxter Davies, and Craig Horrell traveled with representatives from Taylor Northwest and Black Rock Engineering last week to a pipe company in Lake Charles, Louisiana to see the welding process for the installation of pipe.

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 the EIS is in final stages. Timeline: public meeting March 17<sup>th</sup> and then there is a 45-day window for public comment. After that, expect a final record of decision. We are working to get this piece completed, as it is a tight timeline to allow us to get pipe ordered so we can begin in the fall.

• **Grant Funding Update**

- RCPP Grant has been awarded – working with DRC on the negotiation level to make sure the funding fits the project.
- IRA Funding – Working to get a contract. When Craig goes to DC in April, he will work on this.
- USDA Funding – Craig has a meeting February 25 to work on this.

• **DBWC**

Craig Horrell updated the Board that staff are still participating in the meetings. The Boards concerns have been conveyed to the group.

• **Central Oregon Canal –Intake Project**

Jon Skidmore 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 within the next year.

**8. NEW BUSINESS**

- **2025 Audit Engagement Letter**

The Audit Engagement Letter was provided to the Board prior to the meeting, Exhibit “H”. Tom Burke moved to authorize Craig Horrell and Brad Clarno signing the Engagement letter. Following a second by CB Foss the motion passed unanimously.

- **Fee Waiver Request for Public Records**

Nunzi Gould requested a fee waiver for the Board to consider \$30.00 The Board agreed to not waive the fee per her request.

- **Brasada Crossing**

Cary Penhollow provided the background of this matter. Jerry Jones with Brasada had approached COID to allow horseback riders with Brasada to cross at the siphon pipe area and waste way in a designated area and at agreed times. Jerry has started working on a crossing license. This would be a 3-party agreement and joint road use with BLM, COID and Brasada. This is on J Lateral. An adjacent patron, Dave McMichael, brought concerns and issues regarding the crossing and increased horse, foot and motorcycle traffic to the January Board meeting. Board discussion followed. Matt Singer provided some legal perspective. Discussion on this matter will continue in executive session.

Brad Clarno recessed the regular session to go into the Executive Session at 10:13 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 12:24 p.m.

**9. BOARD COMMENTS:**

None.

The meeting was adjourned at 12:25 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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Jim Fields

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C.B. Foss

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Jeff Larkin