The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, Chairman at 9:00 AM on September 10, 2019 in the District office.

Directors present were Carroll Penhollow, Tom Burke, Terry Blackwell, Paul Kasberger and Brad Clarno. Also attending were Craig Horrell, Secretary - Managing Director; Shon Rae, Deputy Managing Director; Leslie Clark, Water Rights Director; Cary Penhollow, Watermaster; Kelley Hamby, Operations Manager; Joshua Peed, Hydro Director; Bronwyn Bailey, Accounting Manager; Kelley O’Rourke, Land Use Technician; Jenny Hartzell-Hill, Executive Assistant; Matt Singer, Legal Counsel. Visitors present, see Exhibit “A”.

1. OPEN FORUM:
None.

2. MINUTES:
Terry Blackwell made a motion to approve the minutes for the August 13, 2019 General Session. Following a second by Tom Burke the motion was approved unanimously.

3. TRANSFERS / INCLUSIONS:
A water management report was provided to the Board prior to the meeting, Exhibit “B”. Carroll Penhollow made a motion to approve the transfers as presented. Following a second by Tom Burke 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 provided a verbal update to the Board. Expected shut off dates for the 2019 Irrigation Season will be the week of October 8-12, 2019.

B. Operations and Maintenance Report –
A written report (Exhibit “D”) was provided to the Board prior to the meeting. Kelley Hamby updated the Board on weed management. The Crane Prairie review is scheduled for next week.

C. Hydro Report -
A written report (Exhibit “E”) was provided to the Board prior to the meeting. Joshua Peed provided a verbal report on the current production. Concrete repair is scheduled to break ground on October 21, 2019 and should take 30 days.

D. Internal Operations & Communications
A written report (Exhibit “F”) was provided to the Board prior to the meeting. Shon Rae updated the Board regarding the DRC Water Marketing Plan and DBBC communications plan. The DBBC’s contribution for the communications plan is $20,000 and it would be divided up between the districts in the basin. The cost for COID is $4,000 to $5,000 this year and in 2020. This has been accounted
for in our budget. It was recommended to take an additional $5,000 out of the HCP budget for 2019 and 2020. So COID would contribute $20,000 over the next two years. The plan is to develop a shared message between (list all of the entities in the group) and launch a digital marketing campaign. This is a large communications plan to have a consistent message to the public. Kate Fitzpatrick with the DRC explained the goal of this communications campaign. The Board is in agreement that an additional $5,000 to this plan will be approved in the 2020 Budget.

E. Finance Report- 
A written report (Exhibit “G”) was provided to the Board at the meeting. Bronwyn Bailey updated the Board on the current status. The 2020 Budget is in draft phase and will be presented at the strategic planning meeting in October. The audit is still in progress. We are also interviewing for the Accounting Assistant position. We are working with PERS on a payment relief program through the Employer Incentive Fund.

F. Manager Report- 
Craig Horrell informed the Board that he is now the DBBC President. The DBBC is looking to hire another government affairs consultant as Rich Golbe has resigned. The Fish Salvage is being managed by Lisa with North Unit Irrigation District this year.

5. BILLINGS & PAYROLL: 
Tom Burke made a motion to approve the Billings and Payroll as presented. Following a second by Paul Kasberger the motion was approved.

6. OLD BUSINESS: 
• Merkley PL 566 
  Craig Horrell updated the Board on the status of the 30% design. The Request for Proposal for the CMGC will go out by the end of the year.

7. NEW BUSINESS: 
• Resolution 2019-7 2019 Elections Vote by Mail 
  Carroll Penhollow read the resolution, Exhibit “H”. Tom Burke made a motion to approve the resolutions as read. Following a second by Terry Blackwell the motion was approved unanimously.

• Employee Handbook Revision 
  The updated Employee Handbook and summary was provided electronically to the Board prior to the meeting, Exhibit “I”. Terry Blackwell made a motion to approve the updated Employee Handbook. Following a second by Tom Burke the motion was approved unanimously.

8. BOARD COMMENTS: 
Brad Clarno – commented on the participation and low number of patron attendance at the rate increase meeting. Brad also shared that he has had patrons voice concerns on how
COID is going to handle excess water in the system due to hemp growing. Discussion followed.

At 10:00 AM the Board recessed the General Session and asked the Board to convene into Executive Session per:

- 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 regards to current litigation or litigation likely to be filed.

Following the Executive Session, the Regular Session of the COID Board was reconvened at 12:46 P.M.

Tom Burke made a motion to proceed with the CMGC process for the Smith Rock to Kingway Piping project. Following a second by Terry Blackwell the motion was approved unanimously.

Tom Burke made a motion to have the COID Board go on record with the DBBC as not willing to pursue any role in developing or participating in the development of a local piping plant. For future pipe purchases the COID procurement policy will be followed. Following a second by Brad Clarno the motion was approved unanimously.

Terry Blackwell made a motion to make a counteroffer on the SPP Property, $10,000,000 for the 100 acres with 3.5% interest and $1,000,000 down payment. Following a second by Tom Burke the motion was approved unanimously.

The meeting was adjourned at 12:12 P.M. following a motion by Terry Blackwell and a seconded by Tom Burke.

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Carroll Penhollow, President   Paul Kasberger, Vice-President

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Terry Blackwell, Treasurer   Thomas Burke

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Bradly Clarno     Craig Horrell, Secretary-Manager