The regular meeting of the Board of Directors of the Central Oregon Irrigation District (COID) was called to order by Carroll Penhollow, Chairman at 9:03 AM on October 8, 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; Matt Singer, Legal Counsel; and Brian Meece, Realtor of Record. Visitors present, see Exhibit “A”.

1. OPEN FORUM: None.

2. MINUTES: Terry Blackwell made a motion to approve the minutes for the September 10, 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.
   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 current projects.
   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.
   D. Internal Operations & Communications A written report (Exhibit “F”) was provided to the Board prior to the meeting. Shon Rae updated the board about the upcoming fish rescue that goes along with ramp down. Ron Nelson gave an overview of a 5-year plan that he will bring to the Board in January 2020 for the on-farm program. Craig Horrell informed the Board that the HCP Public Meetings are in the upcoming weeks and it is important for COID to be prepared to respond to the questions and comments that are to come. Ron Nelson also shared that the governor announced a 100-year
initiative to talk about Oregon’s water needs. She has scheduled visits around the state and one of them is in Bend on October 25th. DRC has been invited to go to this and they extended an invitation to COID as well.

E. Finance Report
A written report (Exhibit “G”) was provided to the Board at the meeting. Bronwyn Bailey updated the Board about our new hire, Kristen Fitch. She then presented the Board a sample payment letter and schedule that Kristen developed to send out to our patrons.

F. Manager Report-
Craig Horrell informed the Board that he went to DC two weeks ago with Mike Britton from North Unit Irrigation District. While in DC they interviewed a couple of government affairs professionals to replace Rich Golb. One of the candidates, Valerie West, has a conflict of interest. Laurie Hettinger provided a proposal/bid for the HCP and she has great connections. Craig will approach the DBBC to consider hiring her. It was a good trip overall and worth the investment. There are congressional committees that are looking for pilot projects and we need to be proactive in seeking these opportunities out. We need to make sure we are always in a position to capitalize on the money that we spent.

5. BILLINGS & PAYROLL:
Paul Kasberger made a motion to approve the Billings and Payroll as presented. Following a second by Terry Blackwell 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 has gone out. The watershed plan is still in process and is expected to be finished in November. It will be reviewed by the watershed committee in DC. Craig then discussed the Section 106 process verses the Programmatic Agreement process; due to timing we may need compartmentalized within the watershed plan as a 106 for the Smith rock and King Way project. Craig thinks that the 106 proposal could be as much as $20,000 but could be less. The estimated time for the Section 106 process is one to two weeks. He has asked if it can be paid for out of our 30% design loan with the DEQ, but he hasn’t heard back from them yet.

- Employee Handbook Revision
  A memo was provided to the Board prior to the meeting, Exhibit “H”. Tom Burke made a motion to approve the revisions as presented. Following a second by Paul Kasberger the motion was approved unanimously.

- Strategic Planning – October 24th
  Reminder that the Strategic Planning session is Thursday, October 24th at 8:30 at the Redmond Chamber of Commerce.
7. NEW BUSINESS:

  Carroll Penhollow read the resolution, Exhibit “I”. Paul Kasberger made a motion to approve the resolution as read. Following a second by Tom Burke the motion was approved unanimously.

- **City of Bend IGA**
  Craig Horrell informed the Board that we are working with City of Bend on an Intergovernmental Agreement. He explained that it is very complex with multiple layers. He and Kelley O'Rourke had lunch with Eric King and they agreed that a simple IGA is best. Eric is going to set up a project task force. We are going to keep this to a project level instead of a franchise level in order to recoup costs most efficiently.

- **2018 Audit**
  Should have draft financials to review by end of day 10/8/2019. Bronwyn Bailey will distribute these drafts for review at the strategic planning meeting.

- **Siphon Pipe Concrete Pier Repair Project**
  The SPP Concrete Pier Repair Project was put out for bid and the submittal deadline was October 3rd. High bid was $275,500, the second bid was $261,441, and low bid was $159,838. The low bid was from Cascade Civil. The timeline is set to be 4 weeks. The plan is to go with Cascade Civil for this project. Total project should come in around $200,000. Paul Kasberger made a motion to approve Cascade Civil as the contractor for the job with their bid of $159,838 with an additional $20,000 approved for special inspections. Following a second by Tom Burke the motion was approved unanimously.

8. BOARD COMMENTS:

None

At 10:05 AM the Board recessed the General Session and 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 10:56 A.M.
The meeting was adjourned at 11:02 A.M. following a motion by Paul Kasberger and a second by Terry Blackwell.

Carroll Penhollow, President

Paul Kasberger, Vice-President

Terry Blackwell, Treasurer

Thomas Burke

Bradly Clarno

Craig Horrell, Secretary-Manager