

**BOARD MEETING MINUTES**  
**August 8, 2017 10:00 a.m.**  
**TUMALO IRRIGATION DISTRICT OFFICE**  
**64697 Cook Avenue**  
**Bend, Oregon 97703**

**BOARD:** Ron Cochran, Shirley DeMaris, Steve Putnam, Martin Warbington  
**STAFF:** Kenneth Rieck, April Harris-Spath, Bob Varco, Chris Schull  
**ATTORNEY:** Mark Reinecke  
**GUESTS:** Brianna Cadwell, Beverly Morales, John Mayer, John Barnett, Tom Bishop, Dorbina Bishop

Chairman Cochran called the regular board meeting to order at 10:02 a.m. and appointed April Harris-Spath scribe.

**EXECUTIVE SESSION ANNOUNCEMENT**

At 10:02 a.m. the Board recessed the Regular Session and asked the Board to convene into Executive Session per:

- ORS 192.660(2)(e) to conduct deliberations with persons you have designated to negotiate real property transactions.
- ORS 192.660(2)(f) to consider information or records that are exempt from disclosure by law, including written advice from your attorney.
- 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.

**RECONVENE**

Following the Executive Session, the Regular Session was reconvened at 11:30 a.m.

**APPROVE MINUTES OF JUNE & JULY 2017 BOARD MEETINGS**

Director Putnam made a motion to approve the June and July board meeting minutes with the previously discussed correction to the executive session minutes for July and the suggested edit to the regular July minutes to include a definition of the term "scoping meeting." Director Warbington seconded the motion and it passed unanimously.

**2016 AUDIT REPORT**

Copies of the 2016 audit were provided to all board members in their monthly board packets. TID auditor, John Barnett, CPA, summarized the financial statements and briefly explained what was included in an audit. Barnett stated that he had found no issues and the only adjusting entries that had to be made were the normal entries that reoccur annually. Barnett commented that the District staff was very organized and contributed to the ease and success of this year's audit and that he did not find any issues with compliance or internal controls. However, he did state that with such a small staff, diversion of duties is always a challenge and encouraged the Board to continue to be attentive to the checks that are being signed. He noted that the District's capital had increased significantly last year due to the most recent piping project. Barnett stated that his main concern will always be the lack of reserve funds but he understood that this was a challenge that most public entities face. Manager Rieck stated that District staff plans to begin the process of updating all policies and procedures. Barnett commented that having update-to-date policies was important and highly encouraged the District to begin that process. Director

Warbington made a motion to approve the 2016 audit report presented by Barnett & Company CPAs. Vice Chair DeMaris seconded the motion and it passed unanimously.

### **WATER SUPPLY REPORT**

Manager Rieck reviewed the current water supply report and the attached graphs. He noted that Crescent Lake was 87% full and 92 cfs was currently being released from the lake.

### **WATERSHED PLAN – PL566**

Manager Rieck stated that the District will hold a second public meeting in September in order to accept comments on the final draft of the Watershed Plan. The location of this meeting has not yet been determined.

### **PHASE 5a & 5b UPDATE**

The District is currently in the process of completing the design for both Phase 5a and Phase 5b. This process will determine the amount of pipe and materials that will be needed and the exact route that will be taken. The largest question will be how much can be done in just one year, which will be based on the amount of funds available to the District, as well as the contractor's capabilities. Options are currently being discussed, such as exit strategies and whether it will be possible to run water next season without backfilling the pipeline and wait to complete the backfill the following winter.

### **HCP MEETING ANNOUNCEMENT**

Manager Rieck announced that the U.S. Fish and Wildlife Service (Service) will be holding four public scoping meetings\* to gather information to prepare a draft Environmental Impact Statement (draft EIS) related to the development of the Deschutes Basin Habitat Conservation Plan. The primary purpose of the scoping process will be for the public to assist the Service and HCP Applicants (Deschutes Basin Board of Control's Irrigation Districts and the City of Prineville) in developing a draft EIS by identifying important issues and alternatives related to the applicant's proposed action plan i.e. the Habitat Conservation Plan (HCP). These meetings will take place on August 14<sup>th</sup> and 15<sup>th</sup>.

Last October the board signed a settlement agreement to end the litigation over the Oregon spotted frog. The agreement was effective until July of this year, at which time a biological opinion was supposed to have been published by the Bureau of Reclamation. Manager Rieck stated that the biological opinion has not been completed yet but they now plan to finish it by October of this year.

### **PENTZ PROPERTY OFFER**

Jim Pentz expressed a desire to purchase the strip of land that he is currently leasing from the District. Land Use Attorney Garrett Chrostek informed Manager Rieck that due to the fact that the property is currently zoned for surface mining, no lot line adjustments can be made at this time.

### **DISTRICT POLICIES**

Manager Rieck reported that the District plans to begin the process of revamping the Districts Policies & Procedures, By-laws, and Rules & Regulations to ensure that they are correct and up to date. Once District staff has completed the process, their thoughts and ideas will be presented to the Board for review.

\*A scoping meeting is designed to determine the scope of a project or study. The website *dictionary.com* defines the word scope as "extent or range of view, outlook, application, operation, effectiveness, etc."

**PUBLIC COMMENT**

Patron John Mayer asked the Board if the District is working with KCDG to find a solution that would allow KCDG to use its irrigation water instead of using ground water. Mayer is concerned that if too much ground water is used, his personal well could dry up. Manager Rieck explained some of the history and the interface between ground and surface water. Rieck stated that he is not aware of any piping or lining projects over the years that have negatively impacted the deeper wells that are in the aquifer. In regards to Mayer's question of whether the District can do anything that would allow KCDG to fill their ponds with irrigation water, the Board directed the question to Attorney Reinecke, as the District is currently involved in litigation related to the KCDG ponds. Reinecke stated that those issues are currently being discussed and litigated. Mayer asked how might KCDG remove the water from the ponds when needed, if the ponds were approved for storage. Field Supervisor Bob Varco explained that it would not be difficult to use a pump to perform the task. Rieck pointed out that TID's participation in the project ended prior to any investigation into the specific type of equipment that could be used.

**OTHER**

As previously discussed, Attorney Reinecke submitted a letter to Ferguson Waterworks in Redmond, advising them that the material that they provided to the District for the third phase of piping the Tumalo Feed Canal did not meet the specifications that were represented by their supplier, Contech. Reinecke stated that he received a response from Ferguson and he will be reviewing the documents that the District has on file in relation to the contract. He will work with the District's engineer Kevin Crew in obtaining answers in regards to the logistics of piping.

Manager Rieck stated that Senate Bill 865 has passed, which requires county or city governing bodies to submit notice of tentative plans to certain special districts for district approval prior to approval by the governing body. This will prevent certain problems from occurring; such as structures getting built over easements or buried canals.

**MOTION TO APPROVE AUGUST 2017 VOUCHER LIST**

Director Putnam made a motion to approve the August 2017 voucher list. Director Warbington seconded the motion and it passed unanimously.

**ADJOURN**

The next board meeting date was set for September 12, 2017. Director Putnam made a motion to adjourn the regular board meeting at 1:00 p.m. Vice Chair DeMaris seconded the motion and it passed unanimously.