

October 12, 2021

Arnold Irrigation District
Monthly Board Meeting

The meeting was called to order by Bob Schuur at 3:01 pm. Board members present were Bob Schuur, Walt Warchol, Jon Smith, and Rob Rastovich. Office staff members present were Steve Johnson, Colin Wills, Matt Maurer, Chris Webb, and Juanita Harvey. Also present was the District's attorney, Mark Reinecke, patron Andy Jura, and Todd Peplin from the Deschutes Soil and Water Conservation District (DSWCD).

Bob began the meeting by thanking both Colin Wills and Matt Maurer for their time spent at the District and all the hard work they have put in even during the difficult times the District has been going through. Their time served is greatly appreciated and they will be missed. Steve and Jon also spoke thanking Colin and Matt for their service at the District.

Colin and Matt then both spoke thanking everyone for their years of service considering it an honor and privilege and a learning experience gaining many years of knowledge and making many acquaintances.

1. APPROVAL OF SEPTEMBER MEETING MINUTES: Rob motioned, and Jon seconded his motion to approve the minutes with minor changes indicated by Bob. The vote was unanimous in favor.
2. APPROVAL OF OCTOBER 5, 2021, SPECIAL MEETING MINUTES: Jon motioned and Walt seconded his motion to approve the minutes with minor grammatical changes noted by Bob. The vote was unanimous in favor.
3. CERTIFICATES OF ELECTION: There were no nominating petitions received for board member positions for Zones 2 and 4.
 - a. ZONE 3 – JONATHAN SMITH: One nomination petition was received from Jonathan Smith for the position of board member for Zone 3. A certificate of election was presented to Jon certifying him as the sole nominee and now elected board member for Zone 3 commencing at the January 2022 board meeting for a three-year period ending at the January 2025 board meeting.
 - b. ZONE 5 – ROBERT SCHUUR: One nomination petition was received from Robert Schuur for the position of board member for Zone 5. A certificate of election was presented to Bob certifying him as the sole nominee and now elected board member for Zone 5 commencing at the January 2022 board meeting for a three-year period ending at the January 2025 board meeting.
 - c. TERMS BY ZONE/PROCESS FOR NOMINATIONS AND ELECTIONS: Juanita briefly discussed the document which was in the packet discussing each board member's terms

and the process to appoint board members for Zones from which nominating petitions had not been received.

4. REPORTS:

a. MANAGER'S REPORT:

- i. WATER REPORT/STORAGE: Steve discussed the water levels in the Deschutes River and went over the teacup chart along with discussion of the levels of water in the reservoirs, and the stream flows.

There is 5,000 AF extra storage available from Crane Prairie for AID, North Unit and Lone Pine every once in 7 years. That water was already taken in the 2021 irrigation season, and we do not have the option to use that water again until 2027.

Anything that can be accomplished to help the flow of water has to be done. To that end, the check walls which were constructed were a tremendous help adding the pressure needed to get the water down the canal. One more check wall will be constructed this winter.

Steve discussed that climate models are being adjusted to the percentage of precipitation in rain rather than snow.

The articles from the press were briefly discussed.

The stock runs for this winter have been scheduled. AID can run simultaneously with Swalley but not Central Oregon Irrigation District (COID). The dates for the stock runs are November 14-19, 2021, January 9-14, 2022, and March 14-18, 2022.

Jon suggested that we do a survey with our patrons to determine how many patrons actually need stock water. The survey would be to stress that we save water when possible.

- ii. FINANCIALS: The end of the year financial status will be discussed further during the Budget discussion. We are hoping to be able to make it through to the end of the year without having to use any reserves.

Steve has been working with Local Ledgers to find a way to get a month closer in financial reports. Currently, the financial reports we receive for the board meeting are two months behind. If we can get the invoices to Local Ledgers as we receive them, they should be able to enter them and we may be able to have preliminary financials of the month previous to the meeting, so we have a better picture of our financial situation, i.e.. in November, we would have finalized September financials and preliminary October financials.

iii. SDAO BOARD ASSESSMENT SUMMARY/CONSULTANT'S IMPRESSIONS AND RECOMMENDATIONS: Steve reported that the board received an overall positive report card.

iv. OREGON WATER RESOURCES CONGRESS (OWRC) WATER LAW SEMINARY & BOARD MEETING: Steve reported that there is an attempt to create a bill this session create inter-district transfers a possibility. There are many moving parts, and it would be a very difficult process.

There was a suit brought against the Oregon Total Maximum Daily Load (TMDL) process. The process was not robust enough and Oregon had to start the process over again with the TMDL's.

AID will be recipients of a portion of the federal funding of \$300,000,000 which was granted as funding towards our modernization project.

v. COMMUNICATION COMMITTEE: An informal meeting was held with Steve, Jon Smith, Bob Schuur, and ShanRae Hawkins from Stingray Communications. Steve felt it was important and urged the board to adopt a communications committee to include 2 to 3 of the District non-board patrons and possibly non-patron homeowners who lived along the canal. A motion was made by Bob and seconded by Rob to form a Communications committee. The vote was unanimous in favor. Jon and Bob volunteered to be part of this committee.

b. FIELD SUPERVISOR'S REPORT:

i. MAINTENANCE PROJECTS TO DATE: Chris reported on projects completed between September 15th and 30th and discussed the 2021-2022 maintenance list. Photos of the projects which were completed were passed around for the board to view.

ii. ANDY JURA – DELIVERY: Andy Jura had previously met with Bob, Jon, and Walt to discuss the problem he stated he had with his water delivery. In summary, he stated that for 9 years he was in contention with his neighbor who he stated was taking his water without his permission.

Colin stated that on several occasions District staff told Andy that since this was a private delivery, past Arnold's point of delivery to the patrons, he and his neighbor would have to get together and hire an engineer. The private weirs could then be constructed per the engineer's plans to ensure that each party was getting the appropriate share of water. Andy did not follow through on that recommendation.

Andy stated that he did not do anything to stop his neighbor and that he did not call the sheriff which he could have done but instead he is bringing it up now that his neighbor has moved.

Jon, Walt and Bob all agreed that since this was a private delivery, beyond the District's jurisdiction, there is nothing the District could do and the matter could only be resolved by Andy and his neighbor.

Andy also had an issue with the water right transfer which he was asked to pay for to correct his water right. The fee is a standard \$965.00 District fee for a water right transfer. The Board agreed that many portions of the transfer fees are fees that have to be paid out to other companies but the District would waive it's \$300 fee. Andy did not accept this offer.

Andy left the meeting at 5:07 pm.

- c. OFFICE REPORT: Juanita noted that there were no changes in the number of delinquent accounts. Juanita asked Mark for an update on the account which may very well cause the patron's property to go into foreclosure. Mark discussed the process and where they were in the process. The lender has not come forward to pay on behalf of the property owner. Mark will make one more attempt to contact the lender.

The new bank signature card was passed and all board members completed the signature card. The new signature card will now update authorized signatures with the bank. Juanita will submit to the bank tomorrow.

5. APPROVAL OF ACCOUNTS PAYABLE: Walt motioned, and Rob seconded his motion to approve the accounts payable. The vote was unanimous in favor.

6. NEW BUSINESS:

- a. NEW AUDITOR PROPOSAL: Steve presented the quote with the letter received from another auditor for ½ the price of the current audit. This auditor specializes in Special Districts. The board agreed that it would be in the District's best interest to change auditors.
- b. INITIAL BUDGET FROM BUDGET COMMITTEE: Steve reported that the numbers have changed since the committee met to include income from developer fees and sale of District assets to include water rights.

Steve suggested that we may have to increase the assessments.

There was also a change in the cost of the Goat Farm lateral project. Due to the increase in prices of material and labor, the cost of the project has increased from the original proposed price of \$60,000 to \$100,000.

The Canal Systems Maintenance should be increased to \$30,000.

Flume parts are desperately needed and are included in the budget for 2022 under the Flume category.

Walt felt there needed to be contingencies included for certain categories but was pleased with the overall budget increase of 2.13%.

There will be one more budget meeting scheduled to discuss the various changes in the numbers since the last meeting.

7. OLD BUSINESS: Steve stated that there are discussions with Avion and Roats for temporary or permanent changes to their water rights. Rob is interested in attending meetings with Steve regarding this matter.
8. OPEN FORUM: There were no items brought up for discussion by any of the meeting attendees.
9. EXECUTIVE SESSION: At 6:14 pm, Bob called to suspend the regular meeting session and called an executive session to order pursuant to

ORS 192.660(2)(f), to consider information or records that are exempt by law from public inspection and

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.

Representatives of the news media and designated staff are allowed to attend the Executive Session. However, as a reminder, the news media are specifically directed NOT to report on any of the deliberations during the Executive Session.

Under the provisions of the Oregon Public Meetings Law, the proceedings of the Executive Session are for background information only and NOT for publication or broadcast.

The board re-convened in regular session at 7:12 pm.

10. ADJOURNMENT: The meeting adjourned at 7:13 pm.

ARNOLD IRRIGATION DISTRICT

_____	_____
_____	_____
