

December 14, 2021

Arnold Irrigation District
Monthly Board Meeting

The meeting was called to order by Bob Schuur at 3:07 pm. Board members present were Bob Schuur, Walt Warchol, Jon Smith, and Rob Rastovich via conference phone. Office staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also present was the District's attorney Mark Reinecke and patrons Ed & Lynne Connelley.

1. APPROVAL OF NOVEMBER MEETING MINUTES: Jon motioned, and Walt seconded his motion to approve the minutes from the regular monthly meeting,. The vote was unanimous in favor.
2. APPROVAL OF DECEMBER 6, 2021, SPECIAL MEETING MINUTES: Jon motioned, and Walt seconded his motion to approve the minutes of the special meeting. The vote was unanimous in favor.
3. MANAGER REPORT:

- a. WATER REPORT/STORAGE: Based on current inflows, Wickiup could fill to 128,000 AF. Last year it filled to 115,807 AF. Benham is at 414 cfs but it is not enough to have a stock run. With 450 cfs a stock run would be possible with a rotation.

The forecast is calling for snow with a lot of moisture.

The teacup chart shows 81% precipitation year to date. Snowtel is showing that we are 25% below average but there is possibility of changes due to weather conditions.

Mark asked if there was a water shortage, does the District have a policy to not allow leasing water? Steve answered that the District did not have such a policy but what AID normally leases is not a significant amount.

- b. HCP (HABITAT CONSERVATION PLAN) UPDATE: On the 31st of December we will have completed the first year of the HCP. There are conservation measures that must be met each year by all Districts.

Marty Vaughn, Biota Pacific Environmental Sciences is the Biological Consultant hired by the DBBC (Deschutes Basin Board of Control) who worked on the HCP is retiring. Mount Hood Environmental will be taking over to fulfill the required measures of the HCP.

- c. FINANCIALS AND CASH BALANCES: At this point we will make it through the end of the year it through the end of the year using 97.82% of our budget. The net income in our budget is larger.

With the operating cash balance, we will have all of November and December accounts payables paid, two payrolls in December and the January John Deere excavator payment covered.

We are still working closely with Local Ledgers getting invoices to them in a staggered fashion in order to provide a draft financial for the past month versus two months past. This will provide a more current and truer financial statement each month.

- d. OWRC (OREGON WATER RESOURCES CONGRESS) ANNUAL CONFERENCE AND REPORT: The annual conference is a valuable experience and when possible it would be good for all board members to go.

Bob spoke to his experience and how it helped him understand water and all the districts and entities in the Basin. The communications and networking aspect was helpful.

- e. GOAT FARM LATERAL PIPING PROJECT: An email was received from the contractor, and they will be starting the work toward the end of January. The contracts are ready to sign.

4. FIELD SUPERVISOR REPORT: The field crew constructed a new canal structure on the McArdle lateral. There are no new check structures which will be built this year.

A repair was made on the Main canal in DRW (Deschutes River Woods). The bank height was increased, and the edges were cleaned up and added to the sides of the bank. Field crew also removed brush willows as part of the clean-up. No rock was added but for the base to stay we need to add $\frac{3}{4}$ minus.

The Estes lateral going through Gary English's property was cleaned up through the entire open area of the canal.

Metal weir tags which were missing or illegible on the headgates were replaced with new ones along with broken valve handles.

The stock run went well especially with the extra day. The shut off also went well and it was good training for the new employees.

In the next month, the employees will continue to work on maintenance projects as well as any yard maintenance. It is likely we will perform our own yard maintenance to save out of pocket costs going forward.

The safety meeting held this month was to train on power tool and hand tool safety.

The annual flume repair is in progress. There are many areas where the deterioration is quite bad. Chris brought a piece of a flume section into the shop for the board to see the deterioration and where it was occurring in the flume pieces. The evaluation of two different types of sealant is ongoing to discern any merit of rust inhibition and better protection of the galvanized flume sections.

Steve and Chris are working with the Horse Butte Equestrian Center owners and realtors to remove an existing canal crossing causing significant debris collection and water impedance. Will be working with the landowner on options for a new crossing to District standards.

5. OFFICE REPORT: Delinquent account balances information regarding properties requiring liens will be sent to BLJ (Bryant, Lovlien & Jarvis) to begin filing liens and foreclosures as required. Mark reported on the one account which is in foreclosure status. BLJ has received a Writ of Execution and the property can now go to public auction. Mark will make one more attempt to send another letter to the owner and lender with a deadline date and the copy of the writ of execution. To date BLJ has not received any communication from the owner or the lender.

2022 assessments have started to come in. Juanita is also working on the OWRD (Oregon Water Resources Department) audit. It is quite time consuming because of changes made to water rights and tax lot numbers being changed by the county.

6. NEW BUSINESS:

- a. ADOPTION OF DEVELOPMENT HANDBOOK: The development handbook was revised in 2017 but it was never officially adopted by the Board in the minutes.
- b. USER HANDBOOK: The last revision of the handbook was made in 2012 and was not officially adopted by the Board in the minutes.

Jon motioned and Walt seconded his motion to formally ratify and adopt the 2012 Revised User Handbook and the 2017 Revised Development Handbook as revised along with a commitment to review and make revisions as necessary and present to the Board no later than the April 2022 Board meeting. The vote was unanimous in favor.

- c. WATER BANK: Steve explained that there are many parcels with water rights that are difficult to deliver to and carry increased costs and are a waste of water. It takes a lot of water to deliver a small amount and operationally consumes a lot of man power. If there is a demand for these water rights, we could use elsewhere where it is more easily and efficiently deliverable.

The District can get mitigation credits for surface water rights transferred or converted to ground water rights. This would make the transfer of these water rights permanent, but an annual assessment would still be paid by the entity using the water rights

We also have an Exit Policy which can be put into place for water that would leave the District. The District could keep the interest in 25 acres of water rights we currently have in our bank and solicit bids for the remaining 50 acres.

- d. NORTH LATERAL: Another problem in the District is that the North lateral suffers from substantial losses. The District delivers approximately 160 acres on the North lateral and we use 6 cfs to deliver those acres when we should only be using 2 cfs. The difference is from substantial seepage loss and delivery complications caused by urbanization.

The District has a remnant policy for expensive and wasteful District water delivery situations. The District may have to resort to using that policy for 13 or more of the parcels on the North Lateral. Steve will reach out to Avion, the City of Bend and Roats to see which of these companies supplies domestic water to 13 of the parcels in question. This also involves two parcels north of Reed Market Road where COID has difficulties delivering on Arnold's behalf

7. OLD BUSINESS: There were no items of old business brought up for discussion.

8. OPEN FORUM:

- a. INSTREAM LEASES: A new MOA (Memorandum of Agreement) was sent to us from the DRC (Deschutes River Conservancy) for continuation on same terms with their instream leasing program. Bob motioned and Walt seconded his motion giving Steve the authorization to sign the MOA agreement on behalf of the District. The vote was unanimous in favor.
- b. Steve and Juanita are working on updating the webpage based on what was discussed with the Communications committee. Juanita will place hyperlinks on the webpage with a helpful description written by Steve of what information can be found at each link.

During a meeting with Streamline, the company who hosts our webpage, they were able to give us a quick tutorial on how we would be able to have our patrons use the webpage for their water ordering. Juanita is working on that and is hoping to have it up and running before the March stock run.

Steve will be working with ShanRae Hawkins (Stingray Communications) to set up a survey we can send out to our patrons with approximately 10 FAQ options they can choose from to let the staff and board know what information they are most interested.

Bob will be away for the January board meeting. Since we only have four board members, and Bob will be away, we will need to make sure we have a quorum available for the meeting.

9. ADJOURNMENT: The meeting adjourned at 6:26 pm.

ARNOLD IRRIGATION DISTRICT

_____	_____
_____	_____
