

Arnold Irrigation District  
Monthly Board Meeting

March 12, 2024

The meeting was called to order at 3:00 pm by Bob Schuur. Board members present were Bob Schuur, Walt Warchol, and Roger Fadness. Staff members present were Colin Wills, Juanita Harvey, and Steve Johnson via conference phone. Also present was the District's attorney Mark Reinecke, patrons Steve Keffer, and Chris Errington, Brian Wilkinson of AKS Engineering, and Ana Bozich on behalf of Pahlisch Homes.

1. OPEN FORUM: Since there were people in attendance that were there to speak to the board, Bob suggested that they present to the board prior to the other agenda items.
  - a. Brian Wilkinson of AKS and Ana Bozich were there on behalf of Pahlisch Homes to request a decrease in the amount of the Release of Easement fee which was calculated by the District for the property referred to as Pahlisch-Easton at Steve Wilson's property. They did not request a response at the meeting but thought that what the District was charging was more than what they pay to other utility companies for a release of easement. Brian and Ana thanked the board for their time and left the meeting at 3:20 pm.
  - b. Christopher Errington, a patron of the District requested a decrease in the 2024 assessment for the reason that his property was being used for the staging area for the piping project and his property would not be returned to a growing/irrigation area until some time in June. Bob motioned that the District would accept half of his assessment for the 2024 irrigation assessment. The Errington's would pay the full amount and the District would write them a check for half the amount. If done in this manner, it would be easier to track. Roger seconded his motion. The vote was unanimous in favor. Chris thanked the board and left the meeting at 3:50 pm.
  - c. Steve Keffer inquired about the Estes piping not being backfilled yet. Colin assured him that it would be back filled before the water came on.
2. APPROVAL OF FEBRUARY BOARD MEETING MINUTES AND FEBRUARY 16, 2024, SPECIAL MEETING MINUTES: Roger motioned, and Walt seconded his motion to approve both meeting minutes. The vote was unanimous in favor.
3. APPROVAL OF ACCOUNTS PAYABLE: Walt motioned, and Roger seconded his motion to approve the accounts payable. The vote was unanimous in favor.
4. MANAGER'S REPORT:
  - a. PROJECTED 2024 IRRIGATION SEASON START DATE: After some discussion, Bob motioned that the start-up date for the irrigation season should be April 14<sup>th</sup>. Roger seconded his motion. The vote was unanimous in favor.

- b. WATER REPORT: Using the old water report, Colin discussed the water situation in the basin. Wickiup should be at 150 to 155 AF by April 15<sup>th</sup>. Cascade Summit is above normal with precipitation and snow accumulations above normal. Summit Lake is at 100" with air temperatures at a good range. Irish Taylor is at 99". Last year it was at 103" at this time.

We have had a lot of precipitation, a lot in the form of rain.

Bob wants to give the patrons a forecast when we broadcast the starting date. Bob and Jon will review the communication before it goes out to the patrons.

- c. FINANCIAL REPORT: Colin reported on the balances in the LGIP (Local Government Investment Pool) accounts.

Colin stated that there is nothing unusual in the financial reports. Next month he will have a running budget.

Steve and Colin worked on 3 grant submittals over the weekend.

- d. MODERNIZATION PROJECTS:

- i. MAIN CANAL PROJECT: All the pipes are now in the ground and our team has completed all of the turnout connections.

On March 13<sup>th</sup>, the electrical will be let into the house to wire for the inlet. The trench will be dug by TNW (Taylore Northwest). Trenching for power versus a pole was a much cheaper route to take.

The power for the inlet where the auto screen needs temporary power will be complete soon. The meter at the outlet will be installed on March 21<sup>st</sup>. The transformer and power drop will go in after the 21<sup>st</sup>. There will be a backup generator at the inlet.

- ii. DIVERSION GATE AUTOMATION & WATER MEASUREMENT: OS Engineering will be doing the testing next week.

- e. WATER MARKETING REPORT:

- i. AVION WATER LLC – SOMERSET & ARROWHEAD + 6:

- APPROVAL OF AVION AGREEMENT: Approval was not granted for the Avion agreement since there were more issues that needed to be ironed out. There is no lien site to use as collateral with Avion.

Steve spoke with OWRD (Oregon Water Resources Department) about the transfer of water rights. The mitigation credits will be in Avion and that

is when AID's name will come off. AID's name cannot be on the mitigation credits after the credits have been transferred to permits.

Since the mitigation credits will be assigned to well permits, we can request to have the interest of the wells assigned to AID.

Once Avion exits all the water rights and they pay all of the exit fees, we wouldn't have a responsibility for the water rights.

There was discussion of what we could ask for as collateral. This was left unresolved.

- LETTER TO LANDOWNERS: Steve will prepare a letter to the Arrowhead and Somerset + 6 patrons regarding the affidavits of consent which need to be signed and notarized. The communication committee along with Avion can help with this correspondence. The letter should tell these patrons that if they do not sign the affidavit of consent they will not receive water and their water right will become a remnant parcel.

ii. GW MITIGATION PROPOSAL TO AVION AND CITY OF BEND:

- CITY OF BEND PROPOSAL: The City of Bend is on board, and it will not be until May timeframe before they get through the approval process.
- AVION PROPOSAL: The goal is to get the "Somerset and Arrowhead + 6" transaction completed first and then we will move to working on the 50 acres offered to Avion along with the 59 acres they purchased in the past and have already exited out of the District.

5. OPERATION MANAGER'S REPORT: The Ropp-Billadeau lateral was lined through the Antonious property (Penhollow lateral patron). It was a 300-foot section, and the patrons of the lateral piped an additional 110 feet with pipe they purchased from JLWard Co.

The East Ward and Rastovich laterals have been cleaned.

We purchased a small HDPE Welder which can weld 2" to 6" pipe.

The February safety meeting was on hearing loss prevention and customer service.

6. OFFICE REPORT:

- a. ASSESSMENTS: One patron deeded back 1.05 ac. water right. Assessment reminders will be going out in the mail tomorrow.

As of 3/11/24, we have received \$263,943.76 in assessments. The balance owing in assessments is \$582,650.38.

- b. EASEMENT ENCROACHMENTS/EASEMENT RELEASES/REMNANT PARCELS: There have been no requests for easement releases. Also, there have been no easement encroachments which needed to be recorded and the last remaining “remnant parcel” patrons have not come forward to relinquish their water rights.

7. OLD BUSINESS: There were no old items of business which needed further discussion.

8. NEW BUSINESS:

- a. APPROVAL OF COLIN WILLS EMPLOYMENT AGREEMENT: Since adjustments have been made to the original employment agreement, the board needed a vote on the final agreement.

Colin picked up 4 weeks of vacation and 40 hours sick time with health benefits as soon as possible. A salary of \$115,000 was negotiated.

Bob motioned, and Walt seconded his motion to approve the updated negotiated agreement. The vote was unanimous in favor.

9. EXECUTIVE SESSION: The board will suspend the regular session and call to order an Executive Session pursuant to ORS 192.660(2)(e) to conduct deliberations with persons we have designated to negotiate real property transactions and ORS 192.660(2)(h) to consult with our attorney regarding our legal rights and duties in regard to current litigation that is more likely than not to be filed.

10. ADJOURNMENT: The executive session being adjourned, at 5:35 pm, Walt called to adjourn the regular board meeting. Bob seconded his motion. The vote was unanimous in favor.