

February 8, 2022

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. Staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also present were District's attorney, Mark Reinecke, patron, Steve Keffer, and Kevin Crew from Black Rock Consulting.

1. APPROVAL OF JANUARY 2021 BOARD MEETING MINUTES: Jon motioned, and Walt seconded his motion to approve the minutes. The vote was unanimous in favor.
2. APPROVAL OF ACCOUNTS PAYABLE: Walt motioned, and Jon seconded his motion to approve the accounts payable. The vote was unanimous in favor.
3. MANAGER REPORT:
 - A. WATER REPORT/STORAGE: The snow/water equivalent was between 120% and 125% of average last month. There has been no additional snowpack since then and has dropped to 86% currently.

Flows are dropping in the river at Benham Falls and as of today, the flows are at 431cfs and have averaged between 11-15% lower than last year.

Crane Prairie has filled to 44,600 AF to date and needs to fill to 48,000 AF for the District's 5,000 acre foot allocation. Wickiup is not filling well and Crescent is well below last year's levels.

Flows are low which means that the District probably will not be able to have a stock run as anticipated from March 13th through the 18th. We anticipate the flows will be better towards the end of the month and will reschedule the stock run from March 23rd through the 28th and we would anticipate starting up for the season on April 10th with a shut off scenario no better than last year and most likely earlier.

The crew has cleaned many canals which haven't been cleaned in years and will help transmit the water more efficiently with less seepage and vegetation draw.

Bob expressed the need to start communicating with patrons now with an irrigation season forecast. Steve said he would prepare a draft letter and have the communication committee review before we send it out to the patrons with the email broadcast service and post on the website.

Jon motioned and Rob seconded his motion to approve the irrigation season to tentatively begin on April 10th or earlier if possible based on river flows and weather. Bob voted in favor, and Walt abstained from the vote. The start of irrigation season dates will be posted to the website and via email broadcast and text service to our patrons along with the changes for the stock run dates of March 23rd to the 28th.

Rob began a discussion of contacting large water right holders to see what they would like to do this year if they knew of the grim water forecast. The goal is to speak to the top 20 largest water right holders in the District as they encompass over half of the District's water rights.

- B. FINANCIALS AND CASH BALANCES: The cash flow statement is complete until the end of December 2021 and showed a slight positive balance. The positive balance was noted despite having \$70,000 of unbudgeted expense to fix the major sinkhole last year.

While waiting for 2022 assessments to come in, the District did have to transfer \$20,000 of funds from the LGIP Reserves account to the checking account. Once more assessments come in, those funds will be returned into the LGIP account. The preliminary January financial statements were not ready due to the board meeting being so early in the month.

C. MODERNIZATION PROJECTS:

- i. GOAT FARM LATERAL: Kevin Crew, BlackRock Consulting, Inc. briefly discussed the project scope and described various processes including how the HDPE pipe is welded together along with the valves and meters. He stated it was going well and it was near completion. This project is eliminating a quarter mile of very porous ditch and a very old siphon that silted up daily. This project will conserve water, provide more reliable flows to patron deliveries and save on operating expenses.
- ii. MAIN CANAL PROJECT: The goal is to begin Phase 1 of the project in November of 2022. An agreement with BlackRock Consulting will be voted on in the New Business section of the meeting for Phase 1 design. Kevin went into detail about the schedule and milestone dates moving forward. A LIDAR flight has already been completed and will augment the on-ground survey work. The survey work will identify public utilities, elevations in and out of the canal, fences, power poles, crossings and trees in excess of two feet in diameter that may be present in the future work zone. Kevin will then use GIS to place the turnouts on the base maps and then work on the horizontal layout and alignment of the pipe in the canal.

Steve stated that the public comment process with the Watershed Plan – Draft EA has been completed and the process is moving forward with Farmers Conservation Alliance preparing responses to these comments to submit to NRCS-Oregon sometime this spring to then submit to NRCS in Washington DC by early summer for final approvals.

Project funding does require non-federal match funds of appx 25%. There are several potential sources thru the State or Oregon for this match and the District is preparing applications for submittal in April. Match funding sources include Oregon Dept of Environmental Quality - Clean Water State Revolving Fund, Oregon Water Resources Dept and Oregon Watershed Enhancement Board.

Kevin Crew left the meeting at this time.

- D. WATER BANK UPDATE: The water bank is a pilot program involving the Deschutes Basin Board of Control (DBBC) irrigation districts, Deschutes River Conservancy, COCO (Central Oregon Cities Organization), Roats Water, and Avion Water. This is an effort similar to the former Deschutes Water Alliance Water Bank that was active in the early 2007-2011 coordinating voluntary water transfers between DBBC members, to instream flows and groundwater mitigation for municipalities.

DBBC members will be meeting with COCO, DRC, Roats Water, and Avion Water prior to the next meeting to get their input regarding the water bank and the mitigation program. Steve proposed the District adopting a groundwater patron policy and updating its exit fee formula. Steve distributed a sample policy and a document describing the workings of the water bank program for consideration to be on the March agenda.

4. FIELD SUPERVISOR REPORT: Chris went through the Field Supervisor's report in detail with pictures of projects worked on the previous month. It has been a very productive and busy month. We will be posting pictures and a map to document the projects on the web site.

Annual flume maintenance was discussed including the quantity of sheet metal sections replace and the number of sections ordered for future replacement due to corrosion of the sheet metal. Currently there is only one known manufacturer of these flume sections and all the parts needed. The District will continue to evaluate alternative suppliers and materials to maintain the flume and follow up on Walt's suggestion to finding sealants that may cost effectively prevent corrosion.

5. OFFICE REPORT:

- A. ASSESSMENTS: Juanita reported that to date we have received \$220,319.41 which is not quite one-quarter of the total assessments.
- B. PATRON SURVEY: The results from the survey showed responses from 220 patrons. There were several categories, and each category was to be placed on a rating scale of what patrons are most interested in.

The survey showed the following results:

1. Modernization (Irrigation district improvements e.g., piping, remote water management)
2. Water Flows and Management in the Deschutes Basin
3. Snowpack Reports (Forecasting Water Supply)
4. District Maintenance Projects
5. Communication Opportunities (text alerts, e-newsletters, emails)
6. District Budget
7. District Easements (Canals and Canal Maintenance and Operation)
8. Water Rights (Transfers, Beneficial Use, Selling/Buying)
9. Habitat Conservation Plan (Endangered Species Act – Oregon Spotted Frog & Bull Trout)

There was also an area where a patron could write in an area of concern which wasn't listed.

Another copy of the spreadsheet will be sent out to the board along with the pie chart so the communication committee can identify which items we should start working on and what information we should be gathering and preparing to disseminate to the patrons and answer their questions.

- C. TRANSFERS & AUDIT/MAPPING: Juanita is working to complete the transfers and audit and getting ready to submit temporary transfers for 2022 irrigation season.
- D. INSTREAM LEASING: Because this season will be a very difficult water supply year it is thought it would be best to only lease water that is in jeopardy this year. Rob motioned and Jon seconded his motion to only lease water instream for the 2022 irrigation season that is in jeopardy. The vote was unanimous in favor.
- E. EASEMENT RELEASES: This item was tabled until the March board meeting.

6. OLD BUSINESS:

- A. REMNANT PARCEL ON THE NORTH LATERAL: Steve has had conversations with six of the eleven patrons notified they are considered remnant parcels. with certified letters this past month. Juanita will be working on preparing the quit claim deeds for the 10+ acres of water for these patrons.

7. NEW BUSINESS:

- A. APPROVAL OF BLACK ROCK CONSULTING AGREEMENT – MAIN CANAL PROJECT DESIGN/SURVEY: Steve noted that per the district’s procurement policy, any purchases \$50,000 and above need board approval for the manager to approve the contract. Rob motioned and Walt seconded his motion to authorize Steve as manager to execute the agreement with Black Rock Consulting. The vote was unanimous in favor.
- B. EXECUTIVE SESSION: At this time (6:10 pm) the regular board meeting will be suspended, and an executive session was called to order per 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.

Steve Keffer left the meeting at this time.

The regular session was called back to order at 7:26 pm.

- 8. OPEN FORUM: There were no items brought up for discussion.
- 9. ADJOURNMENT: The meeting adjourned at 7:26 pm.

ARNOLD IRRIGATION DISTRICT

