

Arnold Irrigation District

Monthly Board Meeting

June 13, 2023

The meeting was called to order by Bob Schuur at 3:02 pm. Board members present were Bob Schuur, Jon Smith, Roger Fadness, and Rob Rastovich via zoom. Staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also present were the District's attorney Mark Reinecke and patron Mike Penhollow.

1. APPROVAL OF MAY BOARD MEETING MINUTES: Roger motioned, and Bob seconded his motion to approve the May 2023 board meeting minutes. The vote was unanimous in favor.
2. APPROVAL OF ACCOUNTS PAYABLE: Jon motioned, and Roger seconded his motion to approve the accounts payable. The vote was unanimous in favor.
3. MANAGER'S REPORT:
 - a. WATER REPORT: The river is up 8% from last year but still not enough to run a full season. We will know by the end of June. The beginning of the season rain is what is helping.

If needed, the District has the 5,000 AF from Crane Prairie available to use 2 times in 7 years. After 23 – 25% in losses, there will be 3750 AF available at the diversion. Delivering water at 80 cfs and 4.25 gpm we would have 23 days of water supply.

- b. FINANCIAL REPORT:
 - i. AUDITED 2022 FINANCIALS – RICH WINKEL, CPA: Rich stated that they are giving a clean unmodified opinion.

Once over \$750,000 of federal grant money is spent, the auditor will have to do an audit specifically for the grant(s). This will be the case for the 2023 audit.

Once Rich had completed the presentation of the audit, Jon motioned to approve the audit as presented with modifications as noted. The modifications were to add Roger Fadness as board member to the list of board members, and the project funds received and expended from January 1, 2023 until June 13 will be added in. Walt seconded his motion. The vote was unanimous in favor

- ii. MONTHLY FINANCIALS: District is operating to budget year to date, except one item, which is a negative variance to budget of \$32,000 in legal fees because of the lawsuit.

The last deposit from assessments for the modernization fund was transferred to the LGIP account at the end of May.

c. MODERNIZATION PROJECTS:

- i. MAIN CANAL PROJECT: 2 applications to OWEB and OWRD for Phase 2 non-federal match funds were accepted as complete and will be evaluated early fall.

The District has been approved for NRCS TA funds for the 3rd and 4th phase of the project.

- ii. DIVERSION GATE AUTOMATION & WATER MEASUREMENT: The radial gate has been approved and finalized from Reclamation. Project will move forward upon receipt of a formal Notice to Proceed which is expected before the end of June.

- d. ROATS WATER COMPANY: The DRC is working on the application to the Oregon Water Resources Department and expected to be submitted by the end of July.

- e. AVION WATER, LLC – SOMERSET & ARROWHEAD + 6: Many of the Arrowhead and Somerset patrons have questions for Avion. The ball is in Avion's court right now as they try to get all the questions answered for the patrons. As soon as those issues are resolved, the District will move forward with consent documents with the property owners.

4. FIELD SUPERVISOR REPORT:

- Leaks were reported and located in the main canal which they are still working on.
- A thunderstorm washed out the road to the headworks. The road was repaired to it being drivable, but it still needs more gravel.
- Some farm equipment with a squeeze was stuck on the Brandon lateral. Another truck had to be used to pull it out. An invoice was sent to the landowner who hired the farm equipment.

5. OFFICE REPORT:

- \$848,878.76 assessments have been received to date. There are still 8 more accounts delinquent amounting to \$7,586.48.
- Juanita is working on completing more transfers.
- There is one more remnant parcel patron from the North of Knott Road group we are waiting documents.
- There are 2 easement encroachments in process.

6. OLD BUSINESS:

a. GEO-FORM FLUME PROJECT UPDATE: There is no motorized access to the flume on the first 1,300' of the flume down by the river so the District wishes to move forward with this portion this year at a cost of \$38,000. To manage the weight and dimensions of the rolled material, the rolls will be in 150 foot rolls which are easier to move. In order to get this started by October the company would need a P.O. within the next 30 days. No deposit will be required. The payment is due when the lining is shipped. Bob motioned and Roger seconded his motion to approve the pro-forma from Geo-form for the flume project. The vote was unanimous in favor.

7. NEW BUSINESS:

a. REMNANT PARCEL – 1748 NW STEIDL ROAD, BEND IN BEND: There is a parcel in downtown Bend which receives its water via direct river pump. That parcel is out of the District boundaries and well within the city limits. They currently have a 0.40 acre water right but recent construction has diminished the irrigable area down to 0.10 acres. The ditchriders do not have access to the property to read the meter on a monthly basis which is required by Oregon statute. Steve sent the landowner a letter in April and has received a letter in reply from the landowner's attorney. The board agreed that this water right could not stay on our certificate since it is definitely out of the District's service boundary and within the city limits. Jon motioned that we declare the Nippert property a remnant parcel. Roger seconded his motion. The vote was unanimous in favor.

8. OPEN FORUM: Tom & Patricia Stutheit own a property in Tillicum village which has a North Lateral easement along the property. They would like to fill in the lateral ditch since we do not deliver water through that canal any longer. They also have a couple of large trees which are being compromised because of lack of water and the ditch being empty. Their concern was the cost for the release of easement. Since the easement is between 2 properties, they were asking if the fee could be split between themselves and their neighbors on the other side of the canal. Steve agreed that would be a fair compromise and the Board agreed. If the other landowners decided they didn't want the easement released, then the Stutheit's would have to pay the entire fee. The documents would not be recorded until both

landowners came in and signed and paid their portion of the fee. The Stutheit's thank the board and left the meeting.

9. EXECUTIVE SESSION: The board will suspend the regular session and call to order an Executive Session pursuant to ORS 192.660(2)(h) to consult with your attorney regarding your legal rights and duties in regard to current litigation that is more likely than not to be filed. At 5:02 pm, the regular meeting was suspended, and the executive session was called to order.
10. ADJOURNMENT: At 5:40 pm, the executive session was adjourned, and the regular meeting called back to order. The regular meeting was adjourned immediately after.