

Arnold Irrigation District
Monthly Board Meeting

February 13, 2024

The meeting was called to order at 3:00 pm by Bob Schuur. Board members present were Bob Schuur, Walt Warchol, Jon Smith, and Roger Fadness. Staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also, present Mark Reinecke, the District's attorney, Craig Horrell, Central Oregon Irrigation District Manager, and patron Steve Keffer.

1. APPROVAL OF JANUARY 2024 BOARD MEETING MINUTES AND THE JANUARY 23, 2024, STRATEGIC PLANNING MEETING MINUTES: Jon motioned, and Roger 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'S REPORT:
 - a. WATER REPORT: The snowpack is at 91% water equivalent down from 94%. Stream flows are at 96% in January. Wickiup is at 104,000 AF, Crane Prairie is at 45,000 AF and is at the fullest it can be now. Crescent is at 7,600 AF.
 - b. FINANCIALS: The Challenge to Modernization is off. Operations are below budget. Employee expenses are up \$21,000. We still have a positive cash balance.
 - c. MODERNIZATION:
 - i. MAIN CANAL PROJECT: The TNW (Taylor Northwest) activity report shows all the pipes are in the ground. Phase 1 should be complete by the end of this week or next week. We received the OWEB Grant agreement for Phase 2, and we are already under agreement for Phase 3 & 4 (last phase). We have an agreement from NRCS for \$675,000 for design planning and project management.

The application for match funds was sent to OWRD and accepted. We requested an increase in the amount on our application. We believe we are good on our match funds but of course it will depend on the bids for Phase 2.
 - ii. DIVERSION GATE: The gate is complete. We are waiting for the water to come on for a final test. The SCADA's are both done by the same contractor.
 - d. WATER MARKETING REPORT: Steve continues to work with Garrett at BLJ on the loose ends of the agreement. Since Avion is a private entity we cannot lien the

property owners as we would be able to with other District patrons. There is no land that we can lien if they do not pay. We need collateral so we need to find a property that was not pledged as collateral already. We need more collateral.

We need 20 years of assessment plus a prorated amount of debt. We need to move forward with this agreement, but we need more collateral. A surety bond but real property is preferable. Possibly property with \$500,000 assurance with possible exits of 25% per year for the next 5 years.

We have offered 50 acres to the City of Bend and also to Avion. City of Bend will not move forward until May after they get approved for this transaction.

Avion definitely would like the 50 acres and it would be paid out in a lump sum.

4. FIELD SUPERVISOR'S REPORT: A repair on the main canal upstream of Woodside Rd was made. Rocks were removed and the bank was reshaped. 7 yards of reject material was hauled in to build the bank up. The shotcrete patch was 10 yards of concrete. For a minimal cost, the canal was repaired until the piping goes in after irrigation season this year.

The Sundance lateral received a much-needed cleaning with removal of several truckloads of willows that have started to block the flow of water. We will continue with the cleaning of the east side laterals as time permits.

Per the request of the power company, the removal of trees has been underway to allow the power company room to place the power pole.

The January safety meeting was held on Friday, the 19th and the topic was Aerial Lift Safety.

The microwave in the rental house was replaced because the tenant stated they had to shut it off and unplug it after each use.

Geo-form flume liner arrived and that liner will be used on a 300 foot section of the Billadeau-Ropp. This is the section that is believed to be losing water. The district will be covering the cost of materials and installation, and the patrons will be assisting on this project. This project is all weather dependent.

5. OFFICE REPORT: To date we have received \$175,420.85 in assessments. Reminder assessment notices will be going out at the beginning of March.

One easement release was completed and recorded receiving \$6,800.00.

Juanita requested the authority to pay the Kubota payment online instead of with a check because Kubota would not change the due date and they would receive the payment late each month if a check were mailed. The board gave the approval to go ahead with monthly online payments.

Juanita also requested the approval to purchase a new phone system which would be an app that each employee would have on their phone where you could answer calls from up to 5 devices per person. The board also approved Juanita to go ahead with the new system.

6. OLD BUSINESS: There weren't any old items of business brought up for discussion.
7. NEW BUSINESS: There weren't any new items of business brought up for discussion.
8. OPEN FORUM: There weren't any items brought up for discussion.

Steve Keffer left the meeting at this time.

9. EXECUTIVE SESSION: At 4:37 pm, Bob called to suspend the regular session and call to order an Executive Session pursuant to ORS 192.660(2)(a) to consider the employment of a public officer, employee, staff member or individual agent and pursuant to 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: At 5:20 pm, Bob called to re-convene the regular meeting. Walt motioned to adjourn the meeting. Roger seconded his motion. The vote was unanimous in favor.