

Arnold Irrigation District  
Monthly Board Meeting  
November 12, 2019

The meeting was called to order by Matt Steele at 3:03 pm. Board members present were Matt Steele, Walt Warchol, Bob Schuur and Bren Hirschberg. Office staff members present were Colin Wills and Juanita Harvey. Also present were the District's attorney Mark Reinecke, Marc Thalacker representing the FCA, patrons Rena and Steve Keffer, Ron Nelson from the DRC, Brooke Snavelly, KOHD Central Oregon News Daily and Stephanie Russo from the USDA NRCS.

1. APPROVAL OF THE OCTOBER BOARD MEETING MINUTES: Bren motioned, and Walt seconded his motion to approve the minutes with changes as noted by Matt and Colin. The vote was unanimous in favor.
2. APPROVAL OF ACCOUNTS PAYABLE: Walt motioned, and Bren seconded his motion to approve the accounts payable. The vote was unanimous in favor.

Before going into the reports, Matt addressed the visitors and asked them to speak first.

3. NEW BUSINESS:

- a. RON NELSON – DESCHUTES RIVER CONSERVANCY (DRC) – Ron gave a brief introduction of himself and a brief history of the DRC and their mission. Their hope is to continue to work with all the Districts as a team for a common goal of restoring streamflow and improving water quality in the Deschutes Basin.

Mark Reinecke inquired if the mission of the DRC changed with the changes in the structuring of the board. Ron stated that the mission has stayed the same. He also stated that currently they have a 1.2-million-dollar budget and they are currently seeking re-authorization congressionally through the Bureau of Reclamation and the Department of Agriculture.

- b. MARC THALACKER – FARMERS CONSERVATION ALLIANCE (FCA): Marc was present to request a letter from the board outlining the District's conserved water policy and what the percentage will be of conserved water that will be allocated by the District to the State. The percentage is needed for the FCA to move forward with completion of the District's draft Watershed Plan. The current trend from other districts is 100% of saved water. The draft Watershed Plan is scheduled to be complete by January 6, 2020. At that point it will be submitted to the Water Management Center. Marc stated that an email from Colin regarding the conserved water would work for this requirement.

Marc visited the flume with Colin last week and he mentioned that part of the

flume is up off the ground. This area, when piped will have to be supported. Since the Watershed Plan must be updated every 5 years and the piping of the flume will follow the first 5-year period, engineering of the pipe support system will need to be included in the update of the Watershed Plan.

Ron Nelson and Marc Thalacker both left the meeting at 3:35 pm.

- c. STEPHANIE RUSSO – SOIL CONSERVATIONIST – US DEPARTMENT OF AGRICULTURE (USDA) NATURAL RESOURCES CONSERVATION SERVICE (NRCS): Stephanie introduced herself stating she was visiting all irrigation districts in the area familiarizing herself with each of their projects. As the districts move ahead Stephanie will be working with the landowners along the Arnold canal offering them cost sharing options for improvements to their irrigation systems. Upon completion of her introduction and her offer to assist with landowners, Stephanie left the meeting.
- d. BROOKE SNAVELY – KOHD CENTRAL OREGON NEWS DAILY – Brooke introduced himself and stated he was at the meeting as an observer.

#### 4. REPORTS:

- a. MANAGER AND FIELD SUPERVISOR REPORTS: Colin reported that the water was turned off for the season on October 11, 2019. Since that time, the ditch riders have walked all the canals and have found 15 sink holes varying in size from 5 feet in diameter to softball size.

On November 1<sup>st</sup> a large rental excavator was delivered for the sake of cleaning the Main canal.

At the fish screens, the motor and the PLC were replaced, and a light panel was received today which will be installed down at the fish screens. Without lights, it is very dangerous at the fish screens at night when the high-water alarms go off.

At Baker Pond there was a beaver problem which was taken care of by trapping them in traps provided by Fish and Wildlife. The inmate crew will be working for the District on Friday, the 15<sup>th</sup> and they will be stacking rocks which were ordered and delivered to Baker Pond to build up that part of the levy.

All DWC and lateral end boxes were all dug out and cleaned out.

We did not receive the grant to pipe the Ladera so the Goat Farm lateral was chosen as a lateral that could be piped internally without additional funding.

Some of the valves on the Rickard Pipe were replaced and ditch maintenance was being completed on the Brandon lateral.

Colin authorized the purchase of 80 yards of dirt/clay mix for \$1,500. This material is used for sink hole repairs and is very difficult to find.

For added security, a new solar gate was installed at the headworks.

As part of the Watershed Plan, the District is required to hire a consultant to do a cultural study of the area being piped. This person is researching the area looking for historical items or possible sacred grounds. Colin will get 2 bids. The cost of this will be approximately \$6,000 to \$7,000 and it is an out-of-pocket expense and cannot be included with the grant money.

Bren inquired about consequences if the study did find something. There could be potential mitigation requirements but Colin stated that the Districts who have completed the cultural study nothing have found in their areas.

Job descriptions were created for all AID jobs along with an evaluation form. Both were given to the employees and they have completed their portion of the evaluation. Colin will then complete his portion by evaluating each employee. Colin will also complete an evaluation of himself which he will submit to the board for their evaluation of him.

The yearly audit completed by Price/Fronk stated that district did not complete an actuarial study which was to be completed by the end of 2018 per ORS 243.303. This study is required to determine how this ORS applies to AID since the District does not have a PERS retirement plan nor a set retirement age or date when benefits must begin prior to Medicare age.

The staff have been in contact with HR Answers; a company which works closely with SDAO. In order to begin the study, they require copies of all job descriptions. The new job descriptions will be forwarded to them to complete the analysis required per ORS 243.303.

Last month Colin and Juanita met with Connor and Wes from Price/Fronk. We will be meeting with them and Local Ledgers at the beginning of 2020. The adjusting journal entries which were noted in the audit were submitted to Local Ledgers and have been completed.

A transfer of \$60,000 was made to cover payroll and accounts payable. We then received the statement from US Bank for the yearly payment on the Flexlease loan. That payment is due before the December board meeting. To make sure that invoice was paid, Colin transferred another \$30,000 to the

checking account in order to cover the check for this payment. Currently there is \$215,698 in the operations account, \$31,900 in the emergency reserve account and \$36,800 in the water protection fee account.

Colin then moved onto the water report. Mid October of 2018, Wickiup was only filled to 6%. This year, it is filling much better. On October 12<sup>th</sup>, Wickiup measured at \$26,800 AF and on November 12<sup>th</sup>, the measurement was 53,843 AF.

The Districts must be very careful with water use during stock runs because of water that has to be made available below BEND (DEBO).

- b. OFFICE REPORT: Juanita reported that 3 patrons paid their account balances off in full and that Mark's office had sent intent to lien letters to the remaining patrons. (There are currently only 3 or 4 patrons in arrears).

Juanita will be concentrating on making sure all water rights are correct in the system and that any programming changes are made by the water right program contractor before she moves ahead to process assessments. Assessments will go out no later than the 1<sup>st</sup> week of December.

3a. CONTINUATION OF NEW BUSINESS:

- e. COID SPACE RENTAL: Craig Horrell, Manager of COID came to Colin and stated they would be selling the property with the house that is near their hydro on Brookwood Blvd. The hydro staff currently use the house as their office. They were thinking that maybe COID could rent space from AID upstairs from AID's office. They could build to suit upstairs, and the boards could hopefully come to an agreement on rent and length of lease. AID Board told Colin to speak with Craig and if this is something they still are interested in doing, then it would be up to them to hire an architect and prepare a feasibility study to transform the area into a useable space for them which AID board would review before giving approval.
- f. DECLARATIONS OF BOARD OF DIRECTORS FOR ZONES 1, 3 AND 5: An election was not required for any of the Zones which had vacancies. Matt reported the following:

One petition was received for the position of Director of Zone 1 from Walter Warchol. No other petitions were received. Therefore, the Board of Directors declares Walter Warchol, Director of Zone 1 for a 3-year term, commencing at the board meeting on January 14, 2019.

No petitions were received for the position of Director of Zone 2. The Board of

Directors will appoint a district member for Zone 2 for the term of 1 year to commence at the board meeting on January 14, 2020.

One petition was received for the position of Director of Zone 3 from Matthew Steele. No other petitions were received. Therefore, the Board of Directors declares Matthew Steele, Director of Zone 3 for a 2-year term, commencing at the board meeting on January 14, 2020.

One petition was received for the position of Director of Zone 5 from Robert Schuur. No other petitions were received. Therefore, the Board of Directors declares Robert Schuur, Director of Zone 5 for a 2-year term, commencing at the board meeting on January 14, 2020.

5. OLD BUSINESS:

a. SIGNING OF RESOLUTIONS AND AGREEMENTS APPROVED AT THE OCTOBER 2019 BOARD MEETING:

Matt and Bob signed as required the resolutions that were approved at the October meeting; resolution adopting the AID Conserved Water Policy, resolution adopting Public Contracting Rules and Procedures and the policy for Disposal of Surplus Property.

- b. HOUSE RENTAL: The tenant paid the balance owing for the deposit on October 29, 2019. The deadline was October 28, 2019. At the time she received her notice that she was required to pay her past due balance on her deposit she also received a notice saying that the District would not be renewing her lease at the end of January. Copies of the notices she received were also mailed to Housing Works. Per advice from Garrett Chrostek from BLJ, we should send her a reminder letter at the beginning of December that she would have to vacate the premises at the end of January.

- c. 2020 BUDGET: Bren reported on behalf of the Budget Committee. The assessment comparison provided shows that there will be no increase on the assessments for 2020. They will remain the same as in 2019.

The Arnold piping fund is still included in the assessment and will continue each year until the Arnold piping project is complete. All monies received from the \$30/acre are intended for the Arnold piping project alone. Bren noted that the interest which was accruing in that account was not mentioned but since the interest will be compounded at 2.5%, it was thought that the interest should remain in the Arnold piping fund account and be used for purposes related to that project.

Colin reported that wages were cut by 10.7%. This is mostly because of there not being a salary paid out for the manager at a higher rate and that currently the District is not paying for a field supervisor. However, there is money in the budget for a field supervisor for 2020. All hourly employees received COLA raises.

Bob stated that while he was getting petition signatures a common question was about the cost of our assessments. Do we have a cost per acre comparison against other districts? Colin explained that each district's assessments are different. Most people tend to compare AID to COID but COID has income from their power plant which gives them additional income which subsidizes the COID patron assessments. AID does not have any additional income to fall back on.

Steve stated that Colin did a great job presenting the budget.

At this time Bob motioned and Matt seconded his motion to approve the 2020 budget. The vote was unanimous in favor.

At this time 4:38 pm Rena and Steve Keffer left the meeting.



6. EXECUTIVE SESSION: At this time Matt called to suspend the regular session and called an executive session to order pursuant to ORS 192.660(2)(e) To conduct deliberations with persons we have designated to negotiate real property transactions, (f) to consider information or records that are exempt by law from public inspection and (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.

Matt called to close the executive session and called the regular session back to order at 5:49 pm.

7. OPEN FORUM: There were no items brought up for discussion.
8. ADJOURNMENT: The meeting adjourned at 5:51 pm.



ARNOLD IRRIGATION DISTRICT

# Arnold Irrigation District Check Detail

October 21 through November 12, 2019

Num	Date	Name	Original Amount
34037	10/21/2019	J.L. Ward Company	3,874.64
34038	10/21/2019	Jeshua Scheer & Sherokee Newman	510.02
34039	10/21/2019	Paul & Marilyn Beem	179.97
34040	10/23/2019	OREGON GOVERNMENT ETHICS COMMISSION	439.09
34041	10/28/2019	Maximo Platiro	60.82 ✓
34042	11/12/2019	7 Peaks Paving	129.12 ✓
34043	11/12/2019	Avion Water Co, Inc.	26.32 ✓
34044	11/12/2019	Baxter Auto Parts 17 (VOIDED to take a credit)	0.00 ✓
34045	11/12/2019	Bend Broadband	177.00 ✓
34046	11/12/2019	Bend Lock & Safe, Inc	10.50 ✓
34047	11/12/2019	Bryant, Lovlien & Jarvis, PC	3,439.00 ✓
34048	11/12/2019	Cascade Disposal	92.12 ✓
34049	11/12/2019	Cascade Natural Gas Corporation	54.19 ✓
34050	11/12/2019	Central Oregon Media Group, LLC	170.42 ✓
34051	11/12/2019	Coastal	103.99 ✓
34052	11/12/2019	Department of Solid Waste	12.00 ✓
34053	11/12/2019	Deschutes Basin Board of Control	2,275.86 ✓
34054	11/12/2019	Deschutes County Tax Collector	186.04 ✓
34055	11/12/2019	Deschutes Recycling	119.00 ✓
34056	11/12/2019	Deschutes County, Oregon	756.00 ✓
34057	11/12/2019	Eastside Gardens	118.00 ✓
34058	11/12/2019	Empire Truck Works	86.24 ✓
34059	11/12/2019	Ferrellgas	11.00 ✓
34060	11/12/2019	First Interstate Bank	330.61 ✓
34061	11/12/2019	Heavy & Light Welding/Fabricating, Inc.	131.25 ✓
34062	11/12/2019	Juniper Paper & Supply	125.27 ✓
34063	11/12/2019	Kelley Imaging Systems	180.00 ✓
34064	11/12/2019	L & D of Oregon, Inc.	100.90 ✓
34065	11/12/2019	Leading Edge Aviation, Inc.	150.00 ✓
34066	11/12/2019	Les Schwab Warehouse Center	1,138.80 ✓
34067	11/12/2019	Local Ledgers Acct'g Solutions, LLC	620.00 ✓
34068	11/12/2019	Marc Nelson Oil Products	1,150.14 ✓
34069	11/12/2019	Mid Oregon Personnel	5,559.84 ✓
34070	11/12/2019	Mike's Fence Center, Inc.	18.00 ✓
34071	11/12/2019	Miller Lumber	9.75 ✓
34072	11/12/2019	Norco Inc.	360.61 ✓
34073	11/12/2019	One Call Concepts, Inc.	23.63 ✓
34074	11/12/2019	Oregon Wholesale Hardware	172.63 ✓
34075	11/12/2019	Pacific Power	134.19 ✓
34076	11/12/2019	Pine Country Cleaning	378.00 ✓
34077	11/12/2019	Price & Co/Fronk	4,800.00 ✓
34078	11/12/2019	Pro Rentals & Sales, Inc.	569.44 ✓
34079	11/12/2019	Secretary of State	250.00 ✓
34080	11/12/2019	Shevlin Sand and Gravel, LLC	61.89 ✓
34081	11/12/2019	Special Districts Association of Oregon	1,671.01

} signed prior

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# Arnold Irrigation District Check Detail

October 21 through November 12, 2019

Num	Date	Name	Original Amount
34082	11/12/2019	Special Districts Insurance Services	9,313.96 ✓
34083	11/12/2019	(VOIDED) Printer error	0.00 ✓
34084	11/12/2019	(VOIDED) Printer error	0.00 ✓
34085	11/12/2019	State of Oregon Department of Forestry	99.12 ✓
34086	11/12/2019	Steven Floyd Consulting, Inc	542.96 ✓
34087	11/12/2019	Taylor Northwest, LLC	1,542.80 ✓
34088	11/12/2019	The Parr Company	65.67 ✓
34089	11/12/2019	Treasure Valley Coffee C.O.	67.55 ✓
34090	11/12/2019	Verizon Wireless	185.58 ✓
34091	11/12/2019	Waddell Electrical Mechanics	1,872.39 ✓
34092	11/12/2019	Wilco	725.99 ✓
34093	11/12/2019	Bryant, Lovlien & Jarvis, PC	7,948.75 ✓
34094	11/12/2019	Special Districts Insurance Services	50.00 ✓
34095	11/12/2019	Baxter Auto Parts 17	36.76 ✓

**Total AP** \$ 53,218.83  
**Payroll Total** \$ 30,403.51  
**Total** \$ 83,622.34

*Matt Stutz*

*Walt Ward*

*Bob Hirschberg*

*Robert D. Schum*

