

Arnold Irrigation District
Monthly Board Meeting

September 19, 2023

The meeting was called to order by Bob Schuur at 3:10 pm. 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 was the District's attorney, Mark Reinecke.

1. APPROVAL OF AUGUST BOARD MEETING AND LCRB MEETING MINUTES: Bob motioned, and Roger seconded his motion to approve the August board meeting minutes and the meeting minutes from the August 23, 2023, LCRB meeting. 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:
 - i. DROUGHT & WATER SUPPLY: We have moved from moderate drought to severe drought status. We are at 25 – 50% less water than the normal 30-year August normal. Precipitation is below normal, and temperatures have been much higher.

Wickiup is at 16% capacity and Crane Prairie is as low as it can be for compliance with the HCP.
 - ii. IRRIGATION SEASON SHUT DOWN: After the July month end numbers came in from OWRD, it was found that there was additional storage water available for the District. Since the numbers came as such a surprise, Steve will start tracking OWRD's readings to follow the water more closely.
 - iii. MAIN CANAL PROJECT START DATE: The main canal project began as scheduled on September 11, 2023.
 - b. FINANCIAL REPORT:
 - i. MONTHLY FINANCIALS: Monthly expenses are fairly predictable as well as the income of assessments. Fee income isn't as predictable and developer's fee income isn't as high. The largest expense we have is the challenge to modernization legal fees.

- ii. BUDGET COMMITTEE: Steve will work on a draft budget. The committee will consist of Steve, Walt, and Jon. No patrons to date have volunteered for the committee.
- c. MODERNIZATION PROJECTS:
- i. MAIN CANAL PROJECT:
 - EXECUTIVE SUMMARY: The District was approved for \$250,000 grant funds for Phase 2. The District is also in a favorable spot for additional funding for Phase 2.

The documentation and accounting of the project is working well.
 - LOOK AHEAD SCHEDULE: TNW has begun tree and stump removal. The entire Barrett siphon was removed.

TNW is scheduled to start clearing to the east on 10/7/2023.
 - ii. DIVERSION GATE AUTOMATION & WATER MEASUREMENT: All things are on schedule and the remainder of the project should be complete before the cold arrives.
 - iii. GEO-FORM FLUME PROJECT: The lining has been shipped and should be here this week. The goal is to have the first section of the lining of the flume completed before the cold hits.
 - iv. ESTES: Three Sisters Irrigation will be allowing AID to borrow their welder to weld the 12" pipe and within a month this project should be complete.
- d. WATER MARKETING REPORT:
- i. ROATS WATER COMPANY: The Roats water transfer application is in process. The maps are with Jeremy Giffin and Sarah Henderson at the OWRD for review.
 - ii. AVION WATER, LLC: The Avion patron affidavits of consent are slowly coming in. Next week we will send out an email informing the patrons that the District needs to receive the forms, otherwise they may not receive water next irrigation season.
 - iii. GROUND WATER MITIGATION PROPOSAL TO AVION AND CITY OF BEND: Steve has prepared a proposal for Avion and the City of Bend for the purchase water rights for mitigation credits.

Jon had questions about the exit or dollar amount. If the assessment is variable, will the exit fee go up? Steve stated that it would. Jon asked about the idea of asking for 5 or 10 years of assessments with the option to exit at that time.

The board agreed to change the agreement to ask for 5 years of assessment with the option to exit after in part or as a whole in year 6. In order to ask for this, the District's exit policy will have to be revised and approved.

Steve will modify the exit policy for the October board meeting.

4. FIELD SUPERVISOR REPORT:

- a. Debris piles were removed from around the District.
- b. There was more water in storage available to the District than originally thought so the District was able to run water for an additional month.
- c. The Euro drive motor was mounted in the concrete box, the sprocket was installed, and the worm drive was removed from the current motor. OS Engineering is bringing sensors which the team will have installed at the headgate. The Euro drive will be covered with ¼" steel for anti-theft and to protect against weather. There are cameras down at the diversion gate, but they could definitely be upgraded.
- d. Advanced Underground was hired to locate the West Tekampe pipe. The "T" was located at the "t" where it goes in 2 separate directions. The only possible solution would be to install orifices for each person's property which will be set to their water right and kept locked.
- e. The team got ahead of TNW to get HG's, bridges, weirs, and crosswalks which were being removed for the project.
- f. There are 25 or more flume sections that are cracked and rusted. Rustoleum primer will be used before putting the liner in.
- g. The District is hoping to have the liner in by the end of the week and installation can begin.
- h. The 9/16/2023 safety meeting was on trenching and excavation safety which is perfect timing for the project. The boys all have new shirts ordered but they requested sweatshirt type shirts. Walt requested that we go ahead and buy the hoodies.

5. OFFICE REPORT:

- a. ASSESSMENTS: There are 5 patrons who have 2023 assessment balances totaling \$3,683.22.
- b. TRANSFERS: Juanita continues to work on the transfers and the audit simultaneously.
- c. REMNANT PARCELS: Out of all the parcels declared as remnant, three remain outstanding.
- d. EASEMENT RELEASES & ENCROACHMENTS: Since the last meeting, AID has completed and recorded 1 easement encroachment, and 4 easement releases. Two patrons have returned their water rights to the District totaling 4.73 acres.

6. OLD BUSINESS: There were no old items of business brought up for discussion.

7. NEW BUSINESS: On October 20, 2023, there will be a gold shovel event to celebrate AID, Lone Pine, and NUID piping projects. There is an invite list for this event.

On September 27, 2023, Josh Bailey will be giving a tour of Wickiup.

8. OPEN FORUM: There were no items brought up for discussion.

9. EXECUTIVE SESSION: At 5:25 pm, Bob called to suspend the regular monthly meeting and call an executive session to order 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 6:08 pm, the executive session adjourned, and the regular monthly meeting was called back to order and then adjourned.