

Arnold Irrigation District  
Monthly Board Meeting

November 8, 2022

The meeting was called to order by Bob Schuur at 3:05 pm. Board members present were Bob Schuur, Roger Fadness, Jon Smith, Rob Rastovich, and Walt Warchol. Staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also present was the District's attorney Mark Reineke, patrons Steve Keffer, Jerry Rudloff and Deb Rudloff on conference phone.

1. APPROVAL OF REVISED SEPTEMBER 2022 MEETING MINUTES: Roger motioned, and Jon seconded his motion to approve the revised September minutes. The vote was unanimous in favor.
2. APPROVAL OF OCTOBER BOARD MEETING MINUTES: Jon motioned, and Roger seconded his motion to approve the October minutes. The vote was unanimous in favor.
3. APPROVAL OF OCTOBER SPECIAL MEETING MINUTES: Bob motioned, and Jon seconded his motion to approve the October special meeting minutes. The vote was unanimous in favor.
4. CANVAS ELECTION – BOARD MEETING MONDAY NOVEMBER 14, 2022: Board members agreed to call in on November 14, 2022, at 3:00 pm to canvass the November 8, 2022 election results. Juanita to send out a document prior to the call-in meeting.
5. MANAGER REPORT:
  - a. HCP UPDATE – NMFS ISSUANCE OF BIOP & INCIDENTAL TAKE PERMIT: NOAH & NMFS issued ITP to the DBBC & Ochoco which all ties into the HCP. These do not affect Arnold. A motion was required by the board to have Steve sign on behalf of Arnold. Jon motioned and Walt seconded his motion to have Steve sign the ITP on behalf of Arnold. The vote was unanimous in favor.
  - b. WATER REPORT/STORAGE: The drought report hasn't been updated since October. Wickiup has more water than this time last year 27,000 AF this year vs 19,000 AF last year.

Crane Prairie is higher because we didn't take the 5,000 AF last year. It is currently at 41,500 AF and the max fill is 48,000 AF. All additional flows are going into Wickiup.

Crescent is in better shape, and it is close to average with above average precipitation.

- c. FINANCIALS & CASH BALANCES: Steve to contact auditor to understand how to book the exit fees. We cannot recognize all at one but divided up every year for 20 years of assessments.

Checks in the amount of \$18,000 were disbursed in October for North Ladera parcels. We have received \$8,500 in fees for water rights inquiries, encroachments, and easement releases.

Brad, the ditchrider's pay was substantial when he left because he had to be paid for his regular pay, comp and vacation pay.

The cashflow forecasted to the end of the year did not include assessments which may come in before the end of the year.

- d. MODERNIZATION PROJECTS:

- i. MAIN CANAL PROJECT:

- PROJECT SCHEDULE: The NRCS funding should be signed and released most likely this Friday.
- The bids for piping are for a January 1<sup>st</sup> start. The segment to complete will be about ½ of Phase 1.
- The District will be able to use any excess mitigation credits from the Avion & Roats conversion.
- We struggled delivering water with 70 cfs so we cannot do a stock run until the shotcrete is sprayed and because of the cold weather.
- The office will send an email out regarding the next stock run but stating that we are waiting on the weather forecast.
- Arnold will not have to deliver to Avion but will to Roats.
- FUNDING STATUS UPDATE: \$200,000 was approved October 25. The OWEB funding application will have to be revised but will be awarded by December. The funding available was 1.55 million but the cap for the grant is \$750,000. There are 2 other districts that applied for the grants, but they do not know if they can spend the money by June. If they cannot spend it then the additional \$450,000 will be available which AID can apply for.

AID may be able to secure match funds from the DBBC lottery funds.

- Our last recourse for funding would be from the CWSRF. The board would have to pass a resolution to borrow up to 2.75 million dollars. \$500,000 of the \$2.75 million would be forgiven and we would have to raise \$120,000 a year to repay the balance. In order to get this funding, AID would have to raise the assessments in order to make the payments. AID is hoping all other funding comes through and all goes well. Then AID would not have to get a loan.

ii. PATRON COMMUNICATION:

- APPROVE LANDOWNER LETTER AND FAQ'S DOCUMENT: Steve will send FAQ's and landowner letter to the board for review. The letter will go to all the landowners along the 1<sup>st</sup> portion of Phase 1 with detailed FAQ's. Meetings will be scheduled with property owners prior to the January start date. During the special meeting on Monday, the board will have further discussion on this subject.

Steve Keffer inquired about canal crossings and valves. Steve Johnson stated there would be ON/OFF valves and throttle meters. There would no longer be headgates on the main canal deliveries.

e. WATER MARKETING:

- i. ROATS & AVION WATER COMPANY: The District is in the process of fine tuning the patron agreement with Roats. An application will go the OWRD by January with approval by mid-July. Then Roats will switch over and start delivering water through their system.

Avion is still in the process of fine tuning their system and have hired engineers to assist them with the process. The water delivery to the Arrowhead and Somerset patrons will continue as a pilot project until fine tuning is complete.

6. FIELD SUPERVISOR REPORT:

- The property in DRW which was accumulating water in the yard is now dry and shows no signs of water since the canal repair.
- The crew went through all the shut off procedures for the year throughout the District and the winterization of the irrigation at the office and rental was completed.
- A pipe repair was made in DWC for an Agate customer who crossed the District pipe. Chris felt that a fee needed to be put in place for homeowners who crossed

and damaged our facilities. The fee for this can be discussed at the December board meeting.

- iv. Seventeen (17) sections of the flume have been replaced with 17 more needing replacement. Rubberized sealant is being used whenever possible.
- v. Two breach areas are being prepped for shot-crete along with 1 sink-hole repair. These repairs will need 23 yards of concrete at a cost of \$10,000. Previously shot-creted areas are having to be re-shot with concrete because of cracks and chunks of shot-crete disappearing.
- vi. Safety training this month was around safe winter driving
- vii. There are many repairs that are needed for the preservation of the flume because of corrosion. Klamath District has a product that they have used on their metal flumes which comes with a 20-year warranty for a cost of \$125,000. Lakeview in Klamath County had this product installed 5 years ago with no issues to date. Chris and Steve are planning a field trip to Klamath to see the product in their system.
- viii. Steve and Chris interviewed a new ditchrider candidate who looks promising. The position would be filled after the holidays.
- ix. The District's 2003 Ford Ranger pick-up is never used, and it is probably best to sell it and use the funds from the purchase for other items the District needs. When listed, it would be listed for \$7,500. In order to proceed, the board needs to declare the truck surplus.

## 7. OFFICE REPORT:

- i. 2022 ASSESSMENTS STILL OWING: Three patrons remaining who owe 2022 assessments for a total of \$1,560.64. There is a 4<sup>th</sup> who owes \$181. She stated she was going to pay the balance online.
- ii. EASEMENT ENCROACHMENTS AND PURCHASES: Five easement terminations have been recorded for \$3,880 and 1 easement encroachment for \$750.
- iii. REMNANT PARCELS: Two patrons have decided not to relinquish their water and will continue to pay the assessment even though they will not be receiving their water. One other is undecided, and she would like to have a meeting with Steve before she makes a final decision.

- iv. OFFICE PRINTER/COPIER: The office printer/copier was purchased in 2017 and has served us well. We have looked into purchasing a new machine, but it is best after comparing the numbers that we lease a machine that is maintained by the provider on a regular basis with them also supplying the cartridges. The cost of a leased machine with a maintenance contract will be less than the cost of a purchased machine over the period of 5 years. The new printer/copier should arrive within the next month.
- v. OWRC CONFERENCE – NOV 28 – 30, 2022 IN HOOD RIVER: Walt would like to go but he will check his schedule and let Juanita know Jon would like to be added as an alternate if no one else was going to go. If Jon doesn't go, Steve, Chris and Juanita will be attending.
- vi. BOARD AND STAFF CHRISTMAS PARTY: The board and staff agreed on a December 16<sup>th</sup> date for the party which will be held at the District office.

8. 2023 BUDGET AND ASSESSMENT:

- i. An increase in the assessments will not be needed even with the remnant parcels removed from the assessment roll. The assessments received will be \$13,000 less after the remnant parcels have been removed.
- ii. Staff time and engineering costs for the piping project are all reimbursable.
- iii. Fees revenue has been reduced because of development and real estate slowing down.
- iv. Flume replacement pieces will cost \$8,500 to order in replacement of pieces used this year for flume repair.
- v. The \$30 per acre fee will be included on the assessment until the completion of the 3<sup>rd</sup> or 4<sup>th</sup> phases of the piping project.
- vi. LGIP accounts are accruing 2 ½% interest.

A motion was made by Walt to accept the budget and assessment as presented for 2023. Jon seconded his motion. The vote was unanimous in favor.

9. OLD BUSINESS:

- i. MISSION, VISION, VALUES COMMITTEE: Bob and Roger, committee members put together an initial document for the board to review. The board will delve into the document further in the new year. Jon felt that there should be steps or a set of goals that would get the District to the vision and mission.

10. OPEN FORUM:

- i. LAVA ISLAND FISH RESCUE: The lava flow is restricting flow of fish through the channel. The lava will have to be removed but a check is needed to make sure there are no tubes for the water to disappear into. The project sounds like it will work. The DBBC is to pay for the fish rescue.
- ii. Jerry Rudloff stated he was happy that the District was sending out a letter with FAQs for the main canal landowners. He felt this would be very helpful. He asked about the Barrett Siphon. Would it remain in place, or would it be removed? Steve answered that it would be removed and replaced with pipe.

Steve Keffer and Jerry Rudloff left the meeting at 5:25 pm.

11. EXECUTIVE SESSION: At 5:26 pm, Bob called to suspend the regular meeting session and called an executive session to order 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.

Bob called the regular meeting session back to order at 6:15 pm.

12. ADJOURNMENT: The meeting adjourned at 6:17 pm