

Arnold Irrigation District
Monthly Board Meeting

October 11, 2022

The meeting was called to order by Bob Schuur at 3:11 pm. Board members present were Bob Schuur, Walt Warchol, and Jon Smith, Roger Fadness, and Rob Rastovich via conference phone. Staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also present was the District's attorney Mark Reinecke, patrons Jerry Rudloff, and Steve Keffer.

1. APPROVAL OF SEPTEMBER BOARD MEETING MINUTES: Jon motioned and Roger seconded his motion to approve the September meeting minutes. The vote was unanimous in favor.
2. APPROVAL OF SEPTEMBER 26th BOARD MEETING MINUTES: Roger motioned and Walt seconded his motion to approve the September 26th meeting minutes. The vote was unanimous in favor.
3. ACCOUNTS PAYABLE: Walt motioned and Roger seconded his motion to approve the accounts payable. The vote was unanimous in favor.
4. 2022 ELECTION FOR ZONE 4:
 - a. BOARD TO DECLARE AN ELECTION FOR ZONE 4: Jon motioned and Walt seconded his motion to declare an election for Zone 4. The vote was unanimous in favor.
 - b. BOARD TO DECLARE A MAIL-IN ELECTION FOR ZONE 4: Jon motioned and Walt seconded his motion to declare a mail-in election for Zone 4. The vote was unanimous in favor.
 - c. BOARD TO APPOINT THREE JUDGES OF ELECTION: All the board is in agreement that all three judges are acceptable for the election judge duties on November 8, 2022. The judges will be Liz Wunder, Kevin Griffin, and Michelle Carney.
 - d. BOARD TO DESIGNATE A PLACE FOR THE ELECTION: The board designated the District office at 19604 Buck Canyon Rd to be the location of the election on November 8, 2022.
5. MANAGER'S REPORT:
 - a. WATER/STORAGE REPORT: On September 16th, the water was re-started. The water was ramped up to pull the maximum right available.

Wickiup and Crane Prairie storage levels are in a better position than same time last year. Crescent has a little bit less than last year. Tumalo irrigation is off. COID/Lone Pine will be off on October 14th.

We have been hearing responses from our patrons and the employees that this year has been better than last year.

b. FINANCIALS AND CASH BALANCES: Expenses are lower than budget with the projected deficit shrinking to a loss of \$29,000 versus a loss of \$52,000. With the loss of a ditchrider, we are saving \$7,000 every 4 weeks in wages and benefits. We will be looking for someone around the New Year.

c. BUDGET COMMITTEE:

d. MODERNIZATION PROJECTS:

i. MAIN CANAL PROJECT:

- PROJECT SCHEDULE: The NRCS chief has the Final Watershed Plan and authorization for the project is pending. The FONSI was already signed and released on August 9th. There were two comment letters sent to the NRCS and NRCS will respond accordingly. Construction plans have received the initial review with comments from the NRCS National Engineering Office and will be coordinating with BlackRock Consulting on responses leading to approval.
- FUNDING STATUS UPDATE: OWEB Board has approved grant funding in full for \$200,000 on September 29th. OWEB has an additional Drought Impact Grant Fund for Irrigation Districts of \$1.55 million. AID has applied for the maximum \$750,000. Awarded funds must be spent by June 2023 and be used specifically for the main canal modernization project.
- NRCS: Technical Assistance money has been available from NRCS and all engineering, stakeholder engagement, contract management, project management including staff time expended are eligible for reimbursement.
- Steve is working with legislators and the e-board on the possibility of obtaining additional grant funding for Phase 1 of the project. Phase 2 grant applications will be submitted in the spring of 2023.
- If authorization is obtained prior to month end it is reasonable to expect an early December construction start. The longer the wait on

the authorization then the later the project will start. It is likely a later start will require a shorter length of Phase 1 to be completed due to a lesser amount of time for construction, and then completed in full next winter.

- A lawsuit was filed last week in Federal District Court in Eugene naming NRCS and Arnold ID as defendants with regards to the Main Canal project. Arnold ID will be securing legal counsel. This is the same Court that recently issued an order favorable to Tumalo ID on similar issues.
- Reclamation will provide notice of their determination on grant funding 50% of the Radial Gate automation project in December. Funds will be awarded in late March/early April. The Eurodrive motor is a long lead time item for this project and will need to be ordered before the funding is awarded. Payment is made upon receipt of the motor. With funding not likely arriving until April a minimal amount of in-water work will be done before water season.

- ii. PATRON COMMUNICATION: Upon receipt of the project authorization, the District will mail out letters to the landowners on Phase 1. The letter and a FAQ document will inform the landowners of the project moving forward and we will schedule landowner meetings to discuss what to expect in the District's project area of their properties.

Jon asked about Phase 1 and if three miles was the original goal, he wanted to confirm that we will start construction on December 1st but it will be a smaller section of Phase 1. Steve confirmed this is how it will proceed.

e. WATER MARKETING:

- i. ROATS WATER COMPANY: A redline template of the groundwater patron agreement was sent to Roats. The application for the groundwater permit will go to OWRD hopefully in November along with a Ground Water Patron Agreement with Roats. The application process is expected to take about 6 – 9 months for approval.
- ii. AVION PILOT PROJECT UPDATE: An on-site meeting was held at Rob Rastovich's for the Arnold patrons who receive water through Avion. Approximately 24 of the patrons were present. Patron questions on water rights and water pressure were addressed. A joint update on the project's status with Avion will be sent out this winter.

- iii. DESCHUTES WATER BANK PILOT PROGRAM IRRIGATION DISTRICT FORBEARANCE AGREEMENT: The DRC with the water bank program would like to operate another year with the COID patrons and temporarily transferring irrigation water to NUID water users. The water bank is requesting districts to sign a forbearance agreement for the future year. Arnold could possibly be eligible for this program in the future. Bob felt this is something we should support as it could help us in the future. Bob motioned to give Steve Johnson the authority to sign on behalf of the District. Roger seconded his motion. The vote was unanimous in favor.

6. FIELD SUPERVISOR'S REPORT:

- a. LATTER PART OF IRRIGATION SEASON: The later part of the irrigation season did not go as well as we had hoped. The system was losing more water than during the summer and overall headgate flows were less even though we were diverting the same amount of water from the Deschutes River.
- b. MAIN CANAL REPAIR: An area of the main canal where there was seepage was repaired with shot-crete. The shot-crete then cracked from the moisture and then the freeze. There is no support under the concrete where there are voids. This is called a base failure.

Steve Keffer commented that where the shot-crete areas are, it only seems like a bandaid.

- c. 2003 FORD RANGER: This truck is no longer really needed. Chris requested that we declare this truck surplus so that we could go ahead and sell it. Walt motioned to declare the 2003 Ford Ranger a surplus. Jon seconded his motion. The vote was unanimous in favor.

7. OFFICE REPORT:

- a. ASSESSMENTS: There are now only 3 patrons who are delinquent on their 2022 assessments. The amount of the assessments is \$1,560.64.
- b. EASEMENT ENCROACHMENTS: There have been 6 easement encroachments prepared since last month. 3 of these have been paid and finalized.
- c. EASEMENT RELEASES: There are 2 releases currently being worked on by Juanita and Steve.
- d. REMNANT PARCELS – NORTH LATERAL: Since last month, 4 patrons have come in and completed the process and picked up their checks. There are 8 remaining, 1 one of which has scheduled an appointment.

- e. REMNANT PARCELS – NORTH LADERA: 2 of the 5 patrons have made appointments to sign, 1 has already signed and we are waiting on signed documentation on 2 which are out of town patrons.

There are also 2 more Bend Golf and Country Club patrons who have signed their water rights back to the District.

8. OLD BUSINESS:

- a. MISSION VISION: Bob and Roger volunteered to be on this committee with Steve Johnson.
- b. STEVE'S VISIT TO D.C.: Steve met with a variety of officials at Reclamation and the NRCS regarding the Arnold main canal project and future funding opportunities. Meetings were also held with Senator Merkley and Representative Bentz and their staffs.

9. NEW BUSINESS: There were no items of new business brought up for discussion

10. OPEN FORUM: Jerry Rudloff asked when we would be meeting with the landowners along the project area. Steve stated we would start meeting with patrons after receiving NRCS authorization, likely in November and the meetings would be on-site at patron properties.

Steve Keffer thanked the board and staff for everything that has been done and everything we are doing. Everyone in their area is in favor of piping because water shortage is an important issue.

Steve Johnson stated that the District isn't only looking at piping the Main Canal. We are looking at various "points of friction" in the District that would improve water loss and/or water delivery complications.

Steve Keffer and Jerry Rudloff left the meeting at this time (5:03 pm).

11. EXECUTIVE SESSION: At this time, 5:04 pm, Bob called to suspend the regular session and call an executive session to order pursuant to ORS 192.660 Executive sessions permitted on certain matters; procedures; news media representative' attendance; limits; advisory opinions. (1) ORS 192.610 to 192.690 do not prevent the governing body of a public body from holding executive session during a regular, special or emergency meeting, after the presiding officer has identified the authorization under public body may hold an executive session: (h) To consult with your attorney regarding your legal rights and duties in regard to current litigation or litigation that is more likely

than not to be filed. (i) To review and evaluate the performance of an officer, employee or staff member if the person does not request an open meeting.

At 7:33 pm the executive session adjourned and the regular meeting was called back to order.

12. ADJOURNMENT: The meeting adjourned at 7:33 pm.