

November 9, 2021

Arnold Irrigation District
Monthly Board Meeting

The meeting was called to order by Bob Schuur at 3:03 pm. Board members present were Bob Schuur, Walt Warchol, Jon Smith, and Rob Rastovich. Office staff members present were Steve Johnson, Chris Webb, and Juanita Harvey. Also present was the District's attorney, Mark Reinecke, and patron Steve Keffer.

1. APPROVAL OF OCTOBER MEETING MINUTES: Rob motioned, and Jon seconded his motion to approve the minutes with changes noted from Bob. 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. APPROVAL OF 2022 BUDGET:
 - a. Some revisions were made with contingencies as requested by Walt.
 - b. Communications budget was increased to help with the cost of the challenges to modernization we are facing.
 - c. Steve sent a letter to Price/Fronk stating we would be hiring another auditor.
 - d. No changes made to the operations budget.
 - e. Canal systems maintenance increased because pricing for the piping of the Goat Farm lateral increased from \$60,000 to \$100,000. Steve requested bids from 4 – 5 contractors. 1 bid was above \$100,000. We are still waiting on other bids.
 - f. Payroll has leveled out now that there two positions which are not overlapping.

Steve Keffer inquired about construction projects during the winter months while stock runs were expected. Steve Johnson confirmed that we could still carry out a stock run while working on the Goat Farm lateral project.

The assessments would be the same as 2021. Next month we are hoping to begin discussions regarding the water bank which could provide some extra income or a decrease in operating expenses.

Walt motioned and Jon seconded his motion to approve the 2022 budget as presented. The vote was unanimous in favor.

The Communications Committee, consisting of Bob Schuur, Jon Smith and Steve wrote a letter to the patrons which will be included with the assessments. The board agreed the letter was well written and informative.

Steve and Juanita had a meeting with the hosts of our webpage, and the functionality of ordering water by our patrons online may be quite effective. We will be testing this process out over the winter.

Steve is working on a forecasting tool with other members of the DBBC which when operational will be a coordinated effort between all districts in assessing water supply conditions in the upcoming 2022 irrigation season. Rob said he would like to participate in forecasting talks and programs to be set up using IA.

4. MANAGER REPORT:

- a. WATER REPORT/STORAGE: Steve changed the water report from the previous report which had been used to capture the water readings from the upper to the lower basin.

Mark mentioned that Tumalo announced today at their meeting that if things do not go well, they will have to shut off end of July 2022.

- b. WINTER STOCK RUN: Chris scheduled the stock runs for the 2021 and 2022 winter months. The dates are November 14 – 19, 2021, January 9 – 14, 2022, and March 13 – 18, 2022.

A number of the larger deliveries do not want water for the first stock run. We cannot run if the river level at the Benham Falls gauge is under 450 cfs. We will send out a text reminder and emails before any stock run.

The seasonal precipitation charts show January, February, and March to be above average in precipitation with higher temperatures.

- c. FINANCIALS AND CASH BALANCES: We are accelerating reporting the payables to Local Ledgers so we can get a draft financial statement for the previous month at our monthly board meetings versus two months past.

- d. FCA MONTHLY UPDATES: The FCA monthly updates can be included in the monthly board packet if the board sees this information to be useful for them as the piping project progresses. Steve has update meetings with FCA (FARMER'S CONSERVATION ALLIANCE) on a weekly basis.

- e. MODERNIZATION PROJECTS FINANCING PROGRAMS: Federal and State programs are currently fully funded and can provide financing at every level. OWRD & OWEB would be the first line to look at for financing of the modernization pipe project, but the process could take longer. DEQ is also a possible funder through its Clean Water State Revolving Funding. Its possible we can also apply for financing the flume's replacement. We want to be as shovel ready as possible when we apply for funds.

We will know in the next few months how funding works for each phase.

Steve Keffer asked if we were starting the piping at Horse Butte and moving towards the river? Could we work on replacing the flume simultaneously as starting the pipe from Horse Butte? Per Steve Johnson the flume would be replaced with separate funding and would not start in 2022 but sometime during the piping construction period.

The flume would remain elevated (set on steel posts) where it is currently elevated but could be moved towards the bank and back filled with the remaining sections.

- f. DBBC (DESCHUTES BASIN BOARD OF CONTROL) STRATEGIC PLANNING REPORT: There is a \$150,000 cost for all districts within the basin for the annual planning report, but Arnold only pays its share (based on acreage).

5. FIELD SUPERVISOR REPORT:

- a. MAINTENANCE PROJECTS TO DATE: The year end delivery of water was successful. The crew is now working on maintenance and repair projects. A sink hole was located and repaired with the bed of the canal being raised somewhat. In the past there had been too much excavation in that area. 6 feet of small rock was brought in and compacted in layers.

The crew constructed a permanent check wall in the main canal at the Bud Rose property with pipes set in the structure to add boards to check the water up higher if needed.

The maintenance projects are ahead of schedule.

- b. OWRC (OREGON WATER RESOURCES CONGRESS) O&M WORKSHOP: Chris and Steve attended this workshop. Topics of interest for them were OSHA regulations, easement, and encroachment regulations.

- 6. OFFICE REPORT: Juanita will work on getting assessments out once the 2022 budget has been approved by the board, completing the audit for OWRD (Oregon Water Resources Department), and completing transfers by the end of year along with planning the Christmas Party which immediately follows the OWRC conference.

7. NEW BUSINESS:

- a. OWRC ANNUAL CONFERENCE: The OWRC annual conference is at the end of November in Hood River. Juanita booked rooms for two board members and will

register whichever two would like to attend. Steve spoke on the value of attending the conference for board members and employees.

- b. CHRISTMAS PARTY: The Arnold Christmas party is scheduled for Friday, December 10, 2021. Juanita asked about folding tables board members may have that they could spare for that evening. There was no party last year.

- 8. OPEN FORUM: Steve Keffer inquired about the portion of the Estes lateral which passes along the English property and is not piped. That area is almost impassable. Is there anything that can be done by the District to improve that area for the patrons who are checking their water. Per Chris that area is already on the maintenance list.

Rob would like conversations with Avion and Roats to continue the conversion to groundwater rights and do not use surface water. Per Steve, conversations are ongoing.

Walt asked that the board establish a policy regarding the amount and use of funds in the "Reserve" LGIP account. This item will be tabled for the December board meeting under Old Business.

- 9. ADJOURNMENT: The meeting adjourned at 5:23 pm.

ARNOLD IRRIGATION DISTRICT

