Arnold Irrigation District

Monthly Board Meeting

December 10, 2024

The meeting was called to order at 3:02 pm by Bob Schuur. Board members present were Bob Schuur, Jon Smith, and Walt Warchol. Staff members present were Colin Wills, Chris Webb, Juanita Harvey, and Ashley Buckner. Also present were District’s attorney Mark Reinecke, Jeremy Giffin and Carolyn Sufit from the OWRD (Oregon Water Resources Department), and patrons Mike Penhollow and Steve Keffer.

To accommodate OWRD staff from having to stay through the entirety of the meeting, agenda item #7 was addressed first by Jeremy Giffin and Carolyn Sufit. See minutes below under item #7.

1. APPROVAL OF THE NOVEMBER BOARD MEETING MINUTES: Jon motioned, and Bob seconded his motion to approve the November meeting minutes. The vote was unanimous in favor.
2. APPROVAL OF ACCOUNTS PAYABLE: Walt motioned, and Bob seconded his motion to approve the accounts payable. The vote was unanimous in favor.
3. MANAGER REPORT:
4. WATER REPORT: Colin went over the Daily Water Reading report and the Teacup graph. Crescent Lake is up by 1,463 AF and is at 13% capacity. Crane Prairie is up by 4,569 AF and based on the HCP cannot fill past 48,000 AF and is at 92% capacity. Wickiup is up by 31,455 AF and is at 45% capacity. The Snotel report was discussed, and it was noted that historically if the Snotel report shows a snow water equivalent of 32 in April, the irrigation season should go well.
5. FINANCIALS: There was a $14,855.56 charge we billed Ward for the cultural study through the Ward property canal realignment. There is a difference in the income amount which shows $15,598.30 because we charged Wards 5% for our time.

The following are our actual budget numbers to the end of October.

Operating Income account is at 86.81%.

Administrative expenses are at 82.45%.

Canal System expenses are at 150.57%.

Employee expenses are at 109.84%.

Operating expenses are at 97.96%.

The LGIP (Local Government Investment Pool) accounts are as follows:

Modernization Fund $632,365.09

Operations $955.03

Reserves $83,029.57

We will move money from the Modernization fund to the operations account to make ends meet until the end of the year. This will be for money we spent out of the operations account to pay for anything to do with the modernization and piping project.

Colin stated that NRCS (Natural Resources Conservation Service) kicked back his grant submittals because construction permit costs were included in the application. NRCS does not cover permit costs. These costs were included in the invoice from K&E, so the invoice was sent as it was to NRCS.

Colin and Chris met with Pacific Corp, and they stated they would not be moving their wire and that we would have to pay them $150,000. We need Pacific Corp to install a temporary power drop at the new pipe inlet and need them to move their line. We are waiting for a quote and documentation from them. This will be sent to Mark for him to work out with the Pacific Corp attorneys. There is a March deadline for the power installation at the inlet.

The new inlet will be just upstream of China Hat Road (not Highway 97). Past the inlet point is where the realignment through Ward property begins. Colin is looking into K&E constructing the realignment portion during the summer months. The water would still run through the current canal for the irrigation season and the realignment could be complete before the next phase begins at the end of the 2025 irrigation season.

K&E will have their employees trained by KrahUSA to weld the pipe in the field.

Colin reiterated to the board that for insurance reasons since the board members are not volunteers, they cannot go out on their own into the project area. They must schedule a time to go out with Chris or Colin.

1. 2025 BUDGET: As requested by the board, Colin added a Modernization Fund category to the budget to show what budget items will be charged against the modernization fund. A portion of Colin, Chris, and Juanita’s salary to the Modernization Fund category along with other categories. Colin then went over the assessment comparison breakdown per the various number of acreages.

Steve Keffer asked about the future. Once the office building loan is paid off in a couple of years and the piping is complete, how will we offset our wages? Bob answered that the board and staff are in discussions regarding future operations.

Walt motioned, and Bob seconded his motion to approve the 2025 Budget as presented. Jon abstained because he felt his argument to increase the assessments more so than we had was valid because the budget needs to be more realistic since assessments had not increased in 6 years. The board will be looking at the same problems when it comes time to work on the budget for 2026.

1. OPERATION MANAGER REPORT: The SDS (Safety Data Sheet) binder is being updated per OSHA regulations to include any products which are in our office building.

14 flume sections have been replaced and are complete for this maintenance season.

Out of the 1000 feet of flume liner that we hoped to install, 150 feet has been completed. We will try again in April to complete the remaining or a portion of the remaining 850 feet.

A drain box lid on the DWC1 delivery was in disrepair causing a safety issue. A caller stated that people walking with their children and animals could fall into the box. Since there wasn’t a safe way to make the repair, a decision was made to eliminate the drain by back filling the hole.

A repair was made to a failed delivery on the Phase 1 portion of the piping project. A leak was discovered after the start of the irrigation season, but it could not be repaired until the water was shut off for the season.

A new ladder was fabricated, built, and installed at the headworks for OWRD to measure flows.

A repair to a DWC1 drain was completed by removing the failed section of the pipe and installing a new drain valve and building and replacing a vent system.

An additional 54 feet of safety railing was installed at the headworks to reduce the risk of people/animals from accidentally falling in. There are 112 feet remaining to be installed.

The November safety meeting topic was Emergency Preparation with effective guidelines for emergencies in the workplace.

Chris created an updated map of the District’s laterals showing all open, piped, and laterals with remnant parcels.

1. OFFICE REPORT: Juanita reported that there are 5 patrons with delinquent accounts. The amount of assessments still owing is $6,160.10. Statements were sent out to the patrons stating we were turning their accounts over to our attorney to file liens. All account details were sent to Mark.

As soon as the budget is approved, Juanita will begin working on processing assessments while completing detailed instructions for Ashley to process assessments in 2025 for 2026.

The TOA (Temporary Occupancy Agreement) had expired for the house tenant’s son. The tenant came by and picked up the agreement for her and her son to sign. She said she would bring it back as soon as it was signed.

Juanita is training Ashley on as many aspects as possible as quickly as possible.

1. OWRD:
2. WATER REDUCTIONS: Colin and Chris met with Jeremy and Carolyn on 12/6/2024 to go over the certificate reduction numbers for conserved water.

For Phase 1, 3,743.70 AF will be conserved and go past through for NUID (North Unit Irrigation District) to pick up.

The conserved water will be in effect for Seasons 2, 3, and 4 for Phase 2.

Carolyn stated that OWRD came up with their numbers by looking at the max usage over the past couple of decades; 2000 through 2019. They excluded years in which the HCP was implemented and came up with 110 cfs but then found at times that the max usage was 112 cfs, so they used that number as a starting point.

After Phase 1, AID will be diverting the following:

Season 1 – 79.147 cfs

Season 2 – 103.499 cfs

Season 3 – 112.000 cfs

Season 4 – 103.499 cfs

Season 5 – 79.147 cfs

After Phase 2, AID will be diverting the following:

Season 1 – 79.147 cfs

Season 2 – 82.949 cfs

Season 3 – 91.45 cfs

Season 4 – 82.949 cfs

Season 5 – 76.297 cfs

OWRD will be monitoring seepage #’s over the next phases. Jeremy will track everything through the storage report.

OWRD is looking out for everyone by making certain the District pipes, that we conserved water and that NUID is benefiting from the conserved water.

Bob motioned and Jon seconded his motion to go ahead and sign the Phase 2 OWRD Grant Agreement. The vote was unanimous in favor.

1. BOARD RESOLUTION OR OWRD MEMO FOR PHASE 2: The OWRD memo for Phase 2 was presented. This document will be used when completing the certificate reduction application.
2. DRAFT CONSERVED WATER FORBEARANCE AGREEMENT: The board received a draft copy of the forbearance agreement to review.
3. NEW BUSINESS:
4. MODERNIZATION FUND: Per Mark the Modernization Fund or Arnold Piping Fund is separate apart from the normal budget. Funds from the Modernization Fund (Arnold Piping Fund) can be used to implement piping projects and all aspects of these projects according to the SIP (System Improvement Plan).
5. PERSONNEL HANDBOOK – COMP TIME: Colin stated that he would like comp time to be eliminated. The reason for this is comp time is accrued and used for vacation time, but they also have vacation time. Both accrued together give everyone many hours which can be used for time off. All the time off causes problems during maintenance season when projects are scheduled, and work cannot be completed because of employees being away. Since comp time and overtime are at a 1 ½ hour rate, Colin would like to do away with comp time, pay them any of their comp hours as overtime on each paycheck. The employees will have to manage their vacation hours for vacation. We will see how everything goes, and if we need to implement comp time in the future, we may put a cap on hours.
6. PERSONNEL HANDBOOK – BENEFITS FOR PART-TIME EMPLOYEES: Colin would like the policy changed for part-time employees to not receive benefits. What is considered “part-time” per Oregon law is 30 to 35 hours. The board stated the number of hours will be up to Colin to decide.

Colin would like approval to change these two items in the personnel handbook and would like assistance from BLJ. Bob motioned, and Jon seconded his motion to approve the above-mentioned changes to the personnel handbook with assistance from labor attorneys at BLJ. The vote was unanimous in favor.

1. BOARD MEETING TIME: Colin stated that he understands we cannot legally change the day and time of the monthly board meeting until the Annual Meeting in January 2025, but he requested the board consider to change the day and time to accommodate our attorney’s schedule but the change in time to decrease the number of overtime hours for employees who have to attend the meeting. The meetings run late at times. It makes for an exceptionally long day and overtime for 2 employees for the year was approximately $5,000. After discussion, the proposed day would be changed to the 3rd Tuesday of the month and the time would be changed to 10:00 am. This will be voted on at the annual meeting in January.
2. OPEN FORUM: There were no items brought up for discussion.
3. EXECUTIVE SESSION: At 5:39 pm, Bob called to suspend the regular meeting session to go into executive session pursuant to ORS 192.660(2)(e) to conduct deliberations with persons we have designated to negotiate real property transactions and (h) to consult with our attorney regarding our legal rights and duties in regard to current litigation or litigation that is more likely than not to be filed.

Steve Keffer left the meeting at 5:39 pm.

The regular meeting was called back to order at 6:01 pm.

Jon asked that we try to sell what water we have as soon as possible. Juanita will give him what our current costs are for a water transfer; both paid out and out of pocket costs, what the price water is per acre, and sample assessments for various size acreages. Jon suggested a letter go out with the assessments regarding the assessment increase and marketing of water rights which the District holds. Juanita noted that most anyone who wanted to purchase water would not be able to use it in the 2025 irrigation season, therefore we could send out the marketing letter after January 14th.

Juanita will work on getting this information to Jon.

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