

Arnold Irrigation District
Monthly Board Meeting
June 9th, 2026

The meeting was called to order at 1:16 pm by Jon Smith. Board members present were Jon Smith, Walt Warchol, Michael Woll and Rob Rastovich (via zoom). Staff members present were Chris Webb, Ashley Buckner, Cole Nashem, and Juanita Harvey. Also present was the District's attorney Garrett Chrostek, Rich Winkle from Dougall Conradie LLC presenting the 2025 audit report, Grant Traynor and Alex Ehrens from the Deschutes River Conservancy (DRC) and Seth Flanders from Deschutes Soil and Water Conservation District (DSWCD).

1. APPROVAL OF MAY BOARD MEETING MINUTES: Mike motioned, and Walt seconded his motion to approve the May board meeting minutes. The vote was unanimous in favor with Jon voting in favor.

2. RICH WINKLE – DOUGALL CONRADIE LLC PRESENTING THE 2025 AUDIT REPORT: Rich presented the audit and there was nothing to report for noncompliance. The board voted to approve the audit as presented, Mike motioned to approve the audit as presented, and Walt seconded his motion. The vote was unanimous in favor with Jon and Rob voting in favor.

3. MANAGER REPORT:

a. Financial Report: The beginning of the month of Aprils checking account started at \$140,369.86 and ended with \$41,197.52. The modernization fund had \$323,184.78 with an interest rate of \$1,059.04. Operations fund had \$340,700.43 with an interest rate of \$892.00, and Reserves had \$64,712.18 with an interest rate of \$212.06.

Admin expenses were 36%, Operating expenses were at 88.6%, total Canal Systems maintenance were 70% and Employee expenses at 31.13%.

Discussion of a new database was brought to the attention of the Board, Rob Rastovich stated he may be of help with creating a new database for the office. Juanita will meet with him soon to discuss more.

b. May Storage Report: AID is running at 1658ac on storage with an expected shut off of July 2nd. AID will have an accurate date once Jeremy Giffin, Regional Watermaster

at the OWRD (Oregon Water Resources Department) provides the newest storage numbers.

According to the US Drought Monitor (USDM), as of 5/26, 82% of Oregon is in moderate to extreme drought with 36% of the state in severe to extreme drought.

The board discussed conserving water by reducing patron deliveries from 5.5 gpm to 4.5 gpm. The board decided it would be best to continue at 5.5 gpm. Running at 4.5 gpm would only allow the season to continue for a couple days and may cause some patrons to not receive water at the lower rate. A communication will be sent informing patrons that the District will continue delivering water at 5.5 gpm and if anyone would like to reduce or shut off to help reserve the water to please notify the office.

If natural flow is available, AID could turn back on September 15th through October 5th or 10th with a possibility of stock runs.

4. OPERATIONS REPORT:

a. During the storm of May 28th and 29th, we had several issues which we promptly resolved as soon as they became apparent. On May 28th, two large aspen trees fell. One of which fell across the ditch road, the other in the AID parking lot, both were cut and removed promptly.

b. On the night of May 28th, ditch riders worked throughout the evening to maintain proper water levels in the canal. During one of our routine checks, ditch riders discovered a large ponderosa pine had fallen across the canal, we decided to check on the water flow throughout the night and bring the excavator in the morning to pull the tree out. The tree was successfully removed on May 29th the following day.

c. And on the following Monday it was apparent there were more problems resulting from the storm. Lightning strikes damaged both our pipe intake electronics as well as our front gate electronics at the AID headquarters, both have since been repaired and are fully operational.

d. When we were driving the piped section of the canal, we noticed multiple down communication lines, we reached out to CEC electric, and they are in the process of fixing the lines.

e. Aside from these issues we experienced during and after the storm, the month of May went very smooth, and our water delivery was never interrupted from issues.

f. We are currently running 47.8cfs as of June 2nd. All deliveries are currently running well and at their 5.5gpm water right.

5. OFFICE REPORT: Ashley attended the OWRC workshop in Salem on Thursday, June 4th and Friday the 5th. Topics discussed were Office Safety, Cybersecurity and other best practices. They also discussed Water Right Transfers and other related Transactions. David Filippi discussed District Elections, Public Records and other District Policies. They ended the workshop on Friday with a tour of the Oregon State Capitol.

Statement reminders were sent out and stated if patrons accounts were not brought current by June 30th, a \$150 late/administrative fee will be added to their account. Total outstanding balance is \$6,996.47.

May's Safety Meeting consisted of a two-hour OSHA course focused on Hazard Communications. We then demonstrated with staff locating an everyday used product in the shop, where to find it in the SDS book and demonstrate proper care in case an incident occurs.

This year, instead of our annual Christmas Party, the district has decided to host a Summer party. Christmas in July. The team, along with Board Members, will attend a river boat excursion in Grants Pass.

6. OLD BUSINESS:

a. Health Insurance Discussion: When working on the 2026 budget, health insurance was estimated and budgeted at \$103,588. Health insurance keeps increasing dramatically. In the future we may have to look at employees paying a portion of the health premiums. Jon suggested that if that were the case, then the District could pay towards the employee's deductible.

b. Status of Lava Flow Property: Western Title is wrapping up the lava flow property transaction.

7. NEW BUSINESS:

a. Phase 3 and 4 Piping Delay: Phase 3 and 4 main canal piping project has been delayed to 2027.

b. District Office Database: The current database was designed specifically for the District in 2003, but we haven't had any support since the creator passed away. We desperately need a product since there are many glitches in the system now. Databases are very expensive but we will need something, preferably this year. Rob asked that Juanita contact him with some specifics of what is required from the database. He will determine what it would take to have a system created specifically for our needs.

8. OPEN FORUM: Grant from the Deschutes River Conservancy says AID is not alone as other districts experience delays in their projects as well.

9. APPROVAL OF ACCOUNTS PAYABLE: Walt motioned, and Mike seconded his motion to approve the accounts payable. The vote was unanimous in favor with Jon, and Rob voting in favor.

10. EXECUTIVE SESSION: At 3:26 pm, Jon called to suspend the regular session and called an executive session to order pursuant to ORS 192.600(2) (f) to conduct deliberations with person(s) we have designated to negotiate real property transactions.

At 3:55 pm, Jon called to adjourn the executive session and called the regular session back to order.

Mike motioned, and Walt seconded his motion to approve Resolution #2026-002, Resolution Adopting the Decision to Sell a Portion of the Lava Flow Property to "Ronan". The vote was unanimous in favor with Rob and Jon voting in favor.

At 3:57pm, the meeting was officially adjourned.