Arnold Irrigation District

Monthly Board Meeting

April 8, 2025

The meeting was called to order at 1:00 pm by Bob Schuur. Board members present were Bob Schuur, Jon Smith, Walt Warchol, Rob Rastovich, via Zoom, and Roger Fadness. Staff members present were Colin Wills, Chris Webb, Juanita Harvey, and Ashley Buckner. Also present was the District’s attorney Mark Reinecke, patrons Matt Steele, Mike Penhollow, and Dave Markham, Steve Smith, and Jordan James from K&E Construction, and David Prull, CEG Project Manager.

1. OPEN FORUM: Since many of the people were present to address the change in project completion date for Phase 2, Bob suggested we let these people speak first and address their questions.

Bob asked if Steve from K&E would start this portion by giving an update on the project. Steve stated that as of Saturday, the 5th, they were 1,000 feet from Knott Rd. They will be demoing Knott Rd, and at this point they will have 4,100 to 4,200 feet left to go. They are aiming to finish 136 feet/day, to be finished within 30 days from today.

The inlet structure is poured. It needs to be backfilled and electrical.

Matt Steele asked about the old screen. Steve Smith answered that the old screen was rebuilt with a second identical one. They will be shipped when the crew is ready for the installation. They still need to cross China Hat Rd.

There are more than many aspects of this project which have been a problem. There is only one access: one way in and one way out. With Phase 1, they had access from both ends of the project area.

Because they must use the actual canal as a road, there is a tremendous amount of mud from the snow and rain. They have been receiving notices from the City regarding the mud on Knott Rd. If they get too many warnings, the project could be red tagged by the City. K&E has water trucks out at Knott Rd, constantly washing it down.

David Prull asked if they were at risk of getting red-tagged. Steve Smith replied that the City of Bend is getting many complaints from residents. The City is doing their job by staying on the crew about the mud, but they also are being very understanding. If the mud continues, there could be a risk of not being able to cross China Hat.

Matt Steel asked about gravel approach roads. Steve Smith replied that since they only have one access, there are many loads being hauled in and the approach roads do not last.

Matt Steele inquired if the District had thought about shortening the project this year. Colin replied that we had. The bids were too high, the project scope had to be changed because of that.

Matt then asked what we have learned from the project thus far, so as not to suffer like the District had last year at start up.

Steve Smith stated that since the project was held up because of funding, KrahUSA started making pipes for another irrigation district, and by the time our funding issue was resolved we had to wait until January to receive our pipe. We received our first pipe on January 6th.

The District thought of changing pipe type, but that wouldn’t work for Phase 2. Smooth wall pipe would not have been feasible for this Phase because you need to prepare the pipe outside of the canal, weld it outside of the canal and then place it in the ground Since the easement is so much narrower in this area, it didn’t allow for the room which would have been required.

Back in the 60’s an easement release was granted when the Woodside Ranch project was going in granting a much smaller easement. The project limit is 50 feet total. The welding of the pipe needs to occur within the canal.

Matt suggested that the limits should have been shown, and we would have known about it.

Matt then asked about LDL charges. Steve Smith stated it would cost more for LDL damages than it would for overtime.

The LDLs are $2,000 for the first ten days, and then $10,000 per day thereafter shall be assessed should the contractor fail to substantially complete the work required by the contract agreement as described in the invitation to bid unless otherwise modified by change order signed by Arnold Irrigation District.

Matt was concerned that if we did not get the first pipe until January 6th, why weren’t we having this conversation prior to now.

In February things looked optimistic but then the weather changed drastically. There have been many unforeseen issues.

Per Chris, from the District’s standpoint, K&E has tried everything to improve their chances of on time completion.

Matt asked if the crew was still working 6 days per week? Steve answered that they were.

Matt asked about the remaining phases. Were there 1 or 2 remaining phases? We must finish each phase without delay to the start of the season.

Bob Schuur stated that a few of the board members are farmers and they are not happy either, but we must stay the course.

Matt felt we bit off more than we could chew. Bob informed Matt that the Board has a Lessons Learned document from the first phase regarding operational issues.

This year there are procurement and contract issues. Matt asked if there were/are problems receiving grant money.

AID was the first to complete our Watershed Plan. NRCS funded Phases 1 and 2. Phase 3 and 4 application was just submitted. AID is ahead of all other Districts for Phase 3 to receive funding.

Phase 3 will be from China Hat to Brookswood which is the closest place for the District to put in a screen.

For the next phase, we will have 50 feet on each side of the canal plus the width of the canal.

Matt wants it done in 2 phases because there will always be something that may cause a delay.

Colin stated we need to make sure we have funding in place. Inflation is at 30% so our grant request is for much more than what was requested at the beginning of our applications. We need to find extra funding when it is needed.

Dave Markham was concerned about the procurement of the pipe. He has worries about federal funding and economic impact. This will be very challenging.

This Phase we included the procuring of the pipe as part of the contract. We could split the two again.

David Prull stated that the project and its status is a concern for everyone, but we are all working as a team and doing our best.

At 1:43 pm, Steve Smith, Jordan James, Dave Markham, Matt Steele, and David Prull left the meeting.

1. APPROVAL OF THE MARCH BOARD MEETING MINUTES: Jon motioned to approve the minutes with one change in the first line of the minutes. Change from Jon Smith to Roger Fadness. Roger seconded his motion. The vote was unanimous in favor with Bob, Walt, and Rob also voting in favor.
2. APPROVAL OF ACCOUNTS PAYABLE: Walt approved the accounts payable but with the removal of the second check to Ponderosa IT and the reprint of a new check detail. The check in question was a duplicate check which was listed on the check detail. The first check was hand delivered to Ponderosa IT. The second check was a product of sending the invoice to Candice a second time. Juanita will void the second check, and have Candice reprint the check detail which will be signed by the board at the next board meeting. Roger seconded his vote. The vote was unanimous in favor with Bob, Jon, and Rob also voting in favor.
3. MANAGER REPORT:
4. WATER REPORT: Based on the daily water report of 3/20/2025, Wickiup is the highest it has been in a long time.

The drought report is the clearest it has been in years.

Mike Penhollow asked how much water we will be delivering. Colin said we will start at 5.5 gpm and then go up to 6.0 or 6.5 gpm if possible.

1. FINANCIAL REPORT: The interest rate through LGIP is current at 4.64%.

The LGIP accounts have balances as follows: Modernization Fund - $418,589.57, Operations - $217,992.47, Reserves - $81,693.51.

1. MODERNIZATION PROJECT UPDATE: May 31, 2025, is the deadline. At approximately 136 linear feet a day, the project should be completed in 30 days (middle of May). From then until the end of May would be for testing.

Rob asked that all hands should be on deck for the turn on to help with any problems we may have. Those people should include K&E with 4 men & equipment, Wahlen for the SCADA, IWS from Bakersfield for the inlet screens, Lucky Nugget Controls, Kevin Crew, and David Prull.

Last year the start up date was April 16th but the actual date ending up being May 10th.

Are we going to do another slow turn on? If that would help, we need to consider it. Jon asked that we document the procedure. Make a plan/outline which would be subject to change. Rob stated that the plan should include what we would do in certain situations.

The outline should include a list of vendors, concerns, & dates.

At this time Bob motioned to extend the substantial completion date to May 31, 2025, with a final completion date of June 30th. Roger seconded his motion. The vote was unanimous in favor with Jon, Walt, and Rob also voting in favor.

1. OPERATION MANAGER’S REPORT:
* The ditch riders have cleaned the main canal of larger debris such as limbs and trees which fell in the canal over the winter.
* The headworks security cameras and Starlink services have been ordered and are schedule for installation later this month.
* Headgate #03335 on the Brandon was replaced with a new headgate because it was rusted badly and not operational.
* The ditch rider 2016 Ford pick up was back in the shop for repair of the cooling system.
* The District helped OWRD (Oregon Water Resources Department) with the installation of their doppler measuring devices. This required a concrete foundation on either side of the concrete flume to mount a 5-inch steel post to secure and mount their pully system.
* The March safety meeting was held on 3/21/2025 which was an extensive OSHA Hazard Communication Plan training. This training covered the following topics: Hazard Communication GHS (Globally Harmonized System), how to use SDS (Safety Data Sheets), chemical spills, asbestos awareness.
* The Brandon lateral has been cleaned from start to end with the excavator. Other laterals will continue to be cleaned as needed.
1. OFFICE REPORT:
* Ashley reported that we received $816,239.96.
* Ashley reported that she received her notary certificate and will be getting her stamp.
* Ashley sent out an invitation to the board members for classes which are available for board members. By law board members must take the classes at least once every term (3 years).
* Juanita, Ashley, Colin, and Candice have been preparing for the auditor who will be here on Thursday, the 10th.
* Colin will be contacting Isabel Harris at BLJ to make the changes to the draft personnel manual.
* We will check with Wayne regarding the charges on the Mastercard. One of the charges will now be a monthly charge for the board member email accounts at $20/month.
1. OLD BUSINESS: The board would like to schedule a time to do Colin’s review. Colin has done everyone’s review except Juanita’s. Juanita has completed ½ of Ashley’s review. Ashley’s review is more of a goal setting review versus a review since hers would not be until January 2026.
2. NEW BUSINESS: There were no new items brought up for discussion.
3. OPEN FORUM: Walt suggested that when we refer to the construction problems, we should not be referring to the problems as weather conditions, rather “soil conditions”. Another communication should be sent out in a week or two. Communications with the patrons is imperative. Walt also felt that we should post on the web page the question list Matt Steele submitted along with the answers provided by the District.

Chris noted that trees were starting to die along Phase 1. Juanita will check the letter which was provided to the landowners regarding trees within the project area. Mark recalled that the letter specified that removal of dying trees will be at the “discretion of the District”.

Mark stated that it means that we can take the tree, or the tree remains, and the landowner must take care of it.

1. EXECUTIVE SESSION: There were not any items which needed to be discussed in an executive session.
2. ADJOURNMENT: The meeting adjourned at 2:45 pm.