

**MOAB IRRIGATION DISTRICT #20
MINUTES OF THE BOARD OF DIRECTORS MEETING
JUNE 11, 2025 SPECIAL SESSION**

The Board of Directors of Moab Irrigation District #20 met in special session at the District Office, 25805 E. Trent, Newman Lake, Washington, on June 11, 2025. The meeting was called to order at 3:00 pm by Chairman Ervin.

ROLL CALL

Present were Chairman Ervin and Directors Ayles, Snow, and Pfeiffer. Director Allan arrived shortly after the meeting began. A quorum was present. District Manager Inch, District Secretary Radmer and Engineer McMulkin were also present.

VISITORS

Two visitors were in attendance.

GENERAL BUSINESS – RATE STUDY DISCUSSION

In support of finalizing an RFQ soliciting proposals for a rate study, extensive discussions were held about the overall purpose of a rate study, specific aspects of the district to examine in a rate study, costs and benefits and timing of the rate study, and inputs required. Preliminary interactions with Chris Gonzales at FCS Group identify three general parts to a rate study: developing revenue requirements from analyzing financial plans, cost-of-service analysis, and rate structure development.

Specific aspects to be examined in cost-of-service analysis include (not ranked):

- Moab's tiered system and the additional costs to provide water to higher elevation (boosted) areas
- A distinction between fixed costs (essentially independent of the quantity of water purveyed) and costs that vary as a function of water flow, with any differences between normal flow and peak flow scenarios
- Costs related to providing fire suppression services
- Any possible distinction between district customers and out-of-district customers
- Irrigation usage, and how to respond to our former bulk water customers
- Allotments, both domestic and irrigation
- Different customer use settings: irrigated acreage, large domestic lot, small cabin on the lake, special situations like the trailer park and Sutton Bay
- Different meter (connection) sizes

Inputs required for a rate study include:

- A sufficiently detailed financial plan going out 3 to 10 years
- Asset Management and Capital Improvement Plans as bases for asset replacement costs and capital expenditures in the financial plan
- Details of what is in the ground and what special cases are out there
- Water use history by meter
- Attention to correction of data errors

Discussions noted that completion of a rate study may take two or more years, and it may be prudent to take a phased approach. As any results before this fall are very unlikely, Director Snow committed to doing his own cost of service analysis and generating an interim rate proposal for 2026, based on a different rate structure for the fair allocation of costs, with his opinion that nothing of the existing rate structure was worth using as a model, and any further perpetuation of the existing rate structure was a worst-case scenario. Manager Inch reported comments from the rate study people that strongly cautioned against changing rate structures going into a rate study, as the changes may affect usage patterns and skew the data used as a study basis. Director Snow noted that any changes in usage patterns won't become evident before the end of 2026, and all rate study work done before then will be based on data through 2025.

Chairman Ervin will work with staff to complete RFQ preparation, with distribution for comment and approval at the July meeting.

ADJOURNMENT

There being no further business, Chairman Ervin adjourned the meeting at 5:04pm on the 11th of June, 2025.

Chairman Deanna Ervin

Acting Secretary Robert Snow