

Moab Irrigation District #20

Regular Board Meeting Minutes

Date: January 15, 2026

Location: 25805 East Trent Avenue, Newman Lake, Washington 99025

Time: 6:00 PM

1. Call to Order

- Meeting called to order at 6:01 PM by Ad Hoc Chair Snow.

Roll call: Board Directors present included Robert Snow (Ad Hoc Chair), Rosalee Allan, and Dave Pfeiffer. Also present were new Directors to be sworn in at this meeting, William (Bill) Jackman, and Douglas (Doug) Hughes (who arrived at 6:40 pm). Staff present included Scott Inch, District Manager and Robert Randall, Office Assistant. Others present included Attorney Dunham and Engineer McMulkin and a few community members, including Scott Carver, Joel Carver, Sue Fields, Scott Eller, Kathy Pfeiffer, Denise Smart, and Mark Hesser.

The Executive session on the agenda was moved to the end of the meeting.

2. General Business

1. Installation of New Directors

Swearing in of New Board Directors William (Bill) Jackman and Douglas Hughes were conducted.

2. Organization of the Board

There was a discussion on selection of the new Chair, Vice Chair and Secretary to the Board.

- **Motion:** In the momentary absence of Director Hughes, defer the selection of a Chair and Vice Chair to the February 2026 Board Meeting. Temporarily appoint Director Snow as the Acting Chair until the February 2026 Board Meeting. Appoint Office Assistant Randall as the Secretary of the Board and District Secretary.
 - **Motion by:** Director Jackman
 - **Seconded by:** Director Pfeiffer
 - **Decision:** Approved unanimously.

Action: Office Assistant Randall will take over the creation of meeting agendas, minutes and other tasks identified in the board bylaws for the February 2026 meeting. Director Allan will

finish the board minutes for the January 15, 2026 board meeting as well as the delayed board meeting minutes for the July 23, 2025 and August 21, 2025 board meetings.

Action: Office Assistant Randall is in the process of applying for a Notary designation.

Later in the meeting, the election of a board chair and an assistant chair was revisited. This led to a new motion and vote.

- **Motion:** Defer the selection of a Chair and Vice Chair to the February 2026 Board Meeting.
 - **Motion by:** Director Hughes
 - **Seconded by:** Director Allan
 - **Decision:** Approved unanimously.

Action: Director Hughes requested that the board be emailed a copy of the District By Laws so that we can review the duties of the Chair, Assistant Chair and Secretary before the February 2026 board meeting.

3. Vouchers 1334 & 1335

- **Motion:** Approve payment of Voucher #1334 for \$163,051.00 and #1335 for \$3,041.48 as presented.
 - **Motion by:** Director Allan
 - **Seconded by:** Director Pfeiffer
 - **Decision:** Approved unanimously.

Note that voucher #1336, #1337, #1331, #1332, and #1333 were voided. Office assistant Randall explained that this was due to the learning curve on how the voucher assignment process works.

Action: Vouchers 1338 and #1339 were deferred to the February 2026 Board Meeting. Director Hughes asked that the names and amounts of those vendors paid on the vouchers approved at the previous board meeting be included with the agenda.

4. Approval of Minutes

- **Motion:** Approve the minutes from December 17, 2025, Regular Board Meeting with identified edits.
 - **Motion by:** Director Pfeiffer
 - **Seconded by:** Director Jackman
 - **Decision:** Approved unanimously.
- **Motion:** Approve the minutes from December 18, 2025, Special Board Meeting with identified edits.
 - **Motion by:** Director Pfeiffer

- **Seconded by:** Director Jackman
- **Decision:** Approved unanimously.

- **Motion:** Approve the minutes from December 23, 2025, Special Board Meeting with identified edits.

- **Motion by:** Director Pfeiffer
- **Seconded by:** Director Jackman
- **Decision:** Approved unanimously.

Action: Need future discussion about which Directors will be signers on the banking accounts.

3. Operations Report

Treasurer's & Financial Reports

- A current copy of the Treasury Report was presented. The current balance is **\$1,233,383.09**. There is **\$367,000** in the identified reserve fund. At Banner Bank, we have **\$123,962.82** in regular checking account and **\$65,017.78** in payroll checking account.
- **Action:** Director Allan requested that financial reports be emailed to board members one week in advance of each board meeting.
Action: At the February Board Meeting, the board will review the reserve fund and establish allocations for specific needs. Director Inch will provide the board with a document of the historical reserve fund allocations.
Action: The application to change from the current Washington state unemployment Reimbursable Method (pay for actual benefits of former employees) to the Taxable Method (file quarterly wage reports and make quarterly tax payments) was submitted in November 2025. The board needs confirmation that this change has been implemented and will adjust the reserve fund accordingly.
- Bias produced financials were presented for year-end 2025. See attachment to these minutes.
- Some of the reasons given for the positive 2025 revenue performance were higher than normal excess billing charges and favorable interest rates. The board questioned why the taxes paid to the Washington State Department of Revenue were significantly lower than what was budgeted. There was also a discussion regarding why the 2025 Directors per diem was significantly over budget and whether we should have further review of submitted paysheets as part of the reimbursement process. Office Assistant Randall distributed a new pay sheet for Directors to use that includes a checkbox for each line item submitted that the Director can now choose to waive the per diem payment for that line item. The board also discussed whether the attorney should continue to attend all board meetings in their entirety.
Action: We will continue these discussions at the February board meeting.
Action: Office Assistant Randall to investigate why the excise tax paid to the Washington Department of Revenue was significantly lower than what was budgeted (**\$35,754.34**).
- Delinquency status – As of year-end 2025, there were **~\$38,000** in delinquent accounts at Spokane County and the district submitted to the county **~\$32,000** of past due 2025 excess bill

charges included in the 2026 Roll of Assessments. Total delinquencies were 6% of 2025 expense budget. This has improved significantly over 2024.

Action: Discussed 2026 rate charged to the Newman Lake Fire Department to be sure it is correct. 15% was confirmed as the approved increase. District Manager Inch will get more information to Director Pfeiffer.

SAO Audit

The Washington State (SAO) audit for years 2022, 2023 and 2024 will begin January 27, 2026.

Action: SAO progress updates will be shared at regular board meetings. The SAO Auditor has scheduled weekly check-in meetings with District Manager Inch, Office Assistant Randall, and Director Allan. In January, they will schedule an on-site meeting with district staff to collect information that they need. They will need to do this manually as the thumb drive with the digitized information is missing.

Action: District Manager Inch and Office Assistant Randall will digitize all Irrigation District paper documents and back up of this information in multiple ways. No date to have this completed was determined but progress updates will be required.

Action: The SAO auditor will request an exit meeting with the entire board. The board will need to decide how many board members will attend this exit meeting to hear the findings of the audit. If the decision is to include more than three board members, we will need to schedule this as a special board meeting. This decision will need to be made at the February 2026 Board meeting.

Action: The SAO auditors have scheduled a risk assessment meeting with Director Allan on January 26, 2026. Director Allan inquired if an additional Board member would like to be interviewed. It was decided that the Board would like one additional board member to be interviewed and Director Jackman volunteered to be interviewed by the SAO auditor.

Current Staffing Update

- **Assistant Manager** approved position was posted, and District received many resumes and letters of interest. District Manager Inch made an offer to the top candidate who declined the position due to the wage offered.
- **Part Time Office Assistant** Robert Randall has been hired as the part time office assistant and continues to do a very good job of getting up to speed.

Action: The Board will continue to defer the hiring of an assistant manager. District Manager Inch and Office Assistant Randall confirmed that they can handle the workload of the district if supplemented by on-call staff or a contracted resource to share the on-call schedule. District Manager Inch will post the on-call job and inquire with other districts if they will assist in covering the on-call schedule.

Action: New employee training is difficult as little to no written procedures are available for processes. District Manager Inch and Office Assistant Randall will work on creating written procedures for all processes in the district and will have these procedures available in training materials and backed up in multiple locations.



Payroll

District Manager Inch discussed bringing the payroll process back in-house using Quick Books.

Action: Manager Inch shared information comparing doing payroll in-house using QuickBooks vs Bias software and/or continuing to outsource payroll process and related reporting. He announced his decision was to bring the payroll processing in-house using QuickBooks. In addition, the payroll schedule will be changed, significantly reducing the amount of time spent on the payroll and subsequent reporting processes as well as the current process of estimating payroll days at the end of the pay period.

- **Motion:** Approve changing payroll from being paid twice per month to be paying once per month.

- **Motion by:** Director Hughes
- **Seconded by:** Director Allan
- **Decision:** Approved unanimously.

Action: Update the employee manual with any necessary language.

4. Engineer's Report



Engineer McMulkin met with a contractor to estimate more exactly some of the costs for the Strong Lane Project grant request.

Denise Smart presented an update on grant acquisitions. One grant is currently being finalized and the deadline for submission is January 27th, 2026. After consultation with Engineer McMulkin and District Manager Inch, Denise confirmed the dollar amount to be requested for the Strong Lane project is \$470,440. \$250,000 is currently reserved for this project.

5. Attorney's Report

No report at this meeting.

6. Director Report

Goals and Objectives for 2026

The Board held a discussion on Goals and Objectives for 2026. The following were list was created:

- Make a final decision on a rate study – explore all outside resources available.

- Strive for better management of the district.
- Review every expense item for efficiency and appropriateness.
- Make the agendas for the board meetings more strategic – less focus on operational items that should be managed by management.
- Develop an annexation strategy (Our service area defined by Spokane County as our coordinated water system)
- Define and apply consistency in how charges are applied (i.e., other parcel charge)
- Improve communications with community. Offer that they give their input at beginning of meeting.
- Create a visual dashboard for goals and objectives to keep action on track.

7. New Business

There was no new business.

8. Community Public Commentary

Strategic Planning Subcommittee Progress Report - January 2026

Since our inception, we have met on an informal basis with the following water providers:

- Hutchinson/Carnhope
- Consolidated Irrigation
- Hauser Water
- Irvin Water
- Orchard Avenue Irrigation
- Stevens County PUD

All of these water providers are unique in their own way and all were willing to share their knowledge. Of particular interest to Moab listed in priority:

1. DOH Technical Assistance Request Form, exists for a State Engineer to conduct a Rate Study for Moab. The service is free, but it is on a first come first served basis.
2. Other Districts pay less for some items than we do in our budget. i.e., Orchard Ave pays \$22k / year for insurance.
3. Most do not have their Attorney present at their Board Meeting.
4. Idaho and Washington have a reciprocity agreement on operator certifications.
5. Networking with other providers should be an ongoing process. Sitting in on other board meetings could be beneficial for perspective.
6. Hutchinson/Carnhope at this point does not seem interested in exploring co-management options.
7. Scott Carver has a meeting with Consolidated's Manager Friday January 16th.

8. Moab should pursue a succession-based management model where lead superintendent trains new hire and salary schedule should be based on certifications earned.
9. Pursue an engineering firm capable of providing multiple integrated services including rate studies, system design, asset management, overhead management guidance, and long-term financial forecasting.
10. Establish a baseline operational plan supported by engineering data to guide future district decisions and investments.
11. Completing as much work as possible in-house rather than relying heavily on contracted services.
12. Membership with WAWARN (Washington Water/Wastewater Agency Response Network).

Action: Director Inch updated the board that Moab Irrigation is a member of WAWARN and is aware that they are a resource should we experience an emergency situation in the district. He will make the emergency numbers available to office staff and board members.

Action: Director Inch said he is aware of the resources that offer free rate study assistance, staffing and board education and will use them appropriately.

Motion: Complete the rate study application(s) for both RCAC or DOH and post staffing needs with the DOH. Director Jackman will share any information updates, using the appropriate channel, before the next board meeting.

- **Motion by:** Director Jackman
- **Seconded by:** Director Allan
- **Amended by:** Director Hughes and Director Allan
- **Decision:** Amended motion approved unanimously.

Action: Update the HR Handbook with any necessary language.

Community member Mark Hesser asked to speak and offered suggestions for cost savings, office protocols/documentation, and efficient software applications that the district should consider. Mark volunteered to help in the office and share his business expertise.

9. Executive Session

At 9:40 pm, the Board Chair announced that the Board would convene at 9:40 pm in executive session for 10 minutes until 9:50 pm. The purpose of the executive session was announced as: to discuss potential litigation with counsel present under RCW 42.30.110(1)(i). By statute potential litigation includes legal risks of a proposed action or current practice that Moab has identified where public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence.

The Board Chair called the open portion of the meeting back to order at 9:50 pm and extended the executive session to 10:00 pm.

The Board Chair called the open portion of the meeting back to order at 10:00 pm.

10. Adjournment

- **Motion:** Meeting adjournment
 - **Motion by:** Director Hughes
 - **Seconded by:** Director Jackman
 - **Decision:** Approved unanimously.

Meeting was adjourned at 10:02 pm.

- Next regular meeting scheduled for February 19, 2026, at 6:00 PM at 25805 East Trent Avenue, Newman Lake, Washington 99025.

Willie Jackson 3/19/26
Ad Hoc Chair Snow 2026 chair Willie Jackson

Minutes prepared by: Director Rosalee Allan Date: February 1, 2026
Fully Executed Copy of the Minutes is Available at the District Office

Attached #1 Operating Position Report Presented at the January 15, 2026 Board Meeting



R. Randall