MOAB IRRIGATION DISTRICT #20

MINUTES OF THE BOARD OF DIRECTORS MEETING

FEBRUARY 20, 2025

The Board of Directors of Moab Irrigation District #20 met in regular session at the District Office, 25805 E. Trent, Newman Lake, Washington, on February 20, 2025. The meeting was called to order at 6:00 p.m. By Chairman Ayles.

**ROLL CALL**

Present were Chairman Ayles and Directors Ervin and Snow. There were (2) Director position vacancies; a quorum was present. District Manager Inch, Board Secretary Radmer, and Engineer McMulkin were also present.

**VISITORS**

Approximately two dozen visitors were in attendance. Dennis Gleckler requested to note for the record his opinion that Chairman Ayles should recuse himself from discussions of possible merger or consolidation with other districts, as the Chairman’s employment with Spokane County Water District #3 (Water 3) constituted a conflict of interest. Further, as Attorney Aaron Dunham’s firm WHC Attorneys also represents Water 3, he should step back from any such negotiations as well. Dennis also noted that the assessment roll changes resulting from the January 9 Special Meeting occurred after the close of the equalization session in the December 17th Regular Meeting and thereby were not subjected to equalization as required by RCW, and state his objection to this omission. Chairman Ayles responded with his opinion that, after discussion with Attorney Dunham, who was present at the January 9 meeting, the process was proper.

**GENERAL BUSINESS**

MOTION to approve vouchers #1305 and #1306, totaling $47,219.01 was made by Director Ervin, seconded and approved unanimously.

Minutes of the January 21 Regular Meeting were presented for approval. Director Snow proposed an amendment to add in the discussion of Director Phelps’ reported community concern item, “Confusion over who actually runs the District,” that Director Snow had led with noting “that the law is very clear that the Directors run the District and quoted from RCW 87.03.115 their duties and responsibilities in that regard.” MOTION by Director Ervin to approve the January 21 minutes as amended, were seconded and approved unanimously.

Secretary Radmer presented the financial reports for January 2025, noting that Spokane County has not yet reported investment interest and that this result in a minor adjustment when that data is made available. Secretary Radmer presented a new cover page distilling the usual BIAS budget position report and the County Treasurer’s report into one page for summarizing the reconciled January financial position. She also debuted a budget variance sheet showing the current status (as of February 19) of each revenue and expense line, highlighting items where spending is ahead of a level projection over the year and may represent a risk of a cost overrun. Of note, attorney fees are at 43% of budget for the year, and we still have to do significant tasks like review the Employee Policy revisions and pay for an expected 2025 Director election.

Director Ervin noted a need for controls or processes to help intercept and minimize cost overruns, rather than just looking back at them after they happen. Director Snow motioned to bring upcoming expenses beyond day-to-day operations to the Board for discussion and approval. This motion was seconded and approved unanimously.

**SECRETARY REPORT**

Payroll process changes: Premiums/deductions for Paid Family and Medical Leave, WA CARES, and the employee’s share of L&I have historically been paid by Moab. Last month, the Board approved these employee deductions for PFML and WA CARES anticipating that this change could be effective beginning June 1 and cannot be due to the process and notification constraints. This change will be made effective beginning January 1, 2026. Discussion of changing the employee cost share of L&I will be tabled to next month for more investigation by the Directors.

Annual Report: The Chairman named is responsible for the annual report, and directly answers the specific questions address Moab as “A Going Concern.” Secretary Radmer will distribute the list of questions to the Directors, and at the regular meeting next month or possibly in a special meeting, the Board will formulate a strategy for response.

Designation of Officers of the Municipal Corporation for Bank Signature Authorization: MOTION by Director Ayles to identify Director Ayles, Ervin, and Snow, District Manager Inch, and Secretary Radmer as Officers, and remove as Officers the past Directors Jack “Jerry” Neff, ElRay Rasmussen, Theresa Phelps, and Michael Peplinski from the District’s Banner Bank accounts. The motion was seconded and passed unanimously.

Onboarding process for New Directors was reviewed.

**DISTRICT MANAGER REPORT**

Business Insurance: Preliminary investigation indicates a significant reduction may be possible; additional contacts are pending. In any event, changing our policy requires a year notice to CIAW submitted in December, with a new source for insurance having a policy effective date beginning in January 2027.

Unemployment insurance: Participating in the State’s unemployment insurance would involve a phased payment estimated at $60K over a 2.5-3-year period, and then a regular premium based on WA ESD’s assessment of risk. This compares to maintaining a reserve of around $60K for self-insurance. This will be reviewed again in the process of developing the 2026 budget later this summer. MOTION by Director Ervin to establish a restricted reserve for self-insurance as a separate line item, at least for the interim, was seconded and approved unanimously.

Field Service Report: Five frozen meters, three broken, repaired and billed out appropriately.

Public Information Requests: Proposed Resolution 25-01 formalizes the process for submitting public information requests in writing, designating both the District Manager and the Secretary as Public Information Officers, and documenting responses. Motion by Director Snow to approve the proposed resolution was seconded and approved unanimously.

**CHAIRMAN AND DIRECTOR REPORT**

Board Vacancies: Manager Inch’s letter notifying the district customers of the vacancies asked for applications by February 26. Appointments will be made by the Spokane County Commissioners to fill the vacancies until the next election. Secretary Radmer will document the applications are received for the record. Director Snow will assemble applications and formally transmit them to the County Commissioner’s office with a request for appointment, acting for the Board.

Director Snow noted that the Bylaws Section 5(C) requires election of Chairman and Vice Chairman at the meeting in January of each year. This was not done. MOTION by Director Snow to elect Chairman and Vice Chairman, with an amendment to motion for a new election when the Board vacancies are filled, seconded and pass unanimously. Discussion of the duties of the Chairman being the name respondent for the Annual Report and SAO audit, leading the meetings, ability to call a special meeting. MOTION by Director Ayles to elect Director Ervin as Chairman, seconded and approved unanimously. MOTION by Director Ervin to elect Director Ayles as Vice Chairman, seconded and approved unanimously. MOTION by Director Ervin to amend the bylaws to add a statement to Section 8(B) that “the Board may, from time to time, assign the duties of issuing calls for Board meetings, making and distributing the agenda, and recording minutes to one another or to another staff member. This motion was seconded and approved unanimously. MOTION by Director Ayles to assign these duties temporarily to Director Snow to enable Secretary Radmer to give her attention to completing job descriptions and employee policy handbook revisions, seconded and approved unanimously. Director Snow noted that the bylaws at Section 4(H) do not allow for Directors to waive per diem. MOTION by Director Snow to amend the bylaws to identify that Directors shall be compensated in accordance with RCW 87.03.460, which provides waiving per diem, seconded and approved unanimously.

**OLD BUSINESS**

District Manager Inch provided a summary of the Strong Lane project, and that it is deferred due to budget constraints. Funding opportunities identified by the community were on a reimbursement basis and will be re-examined when the project is worked into the budget.

**NEW BUSINESS**

Question from a visitor about status regarding taking on interns, from meeting in December. Chairman requested email with information about the program. Chairman inquired of Scott Carver to follow up regarding community-member subcommittees. He has a list of interested people, possible subcommittees for strategic planning, rate study, budgeting and finance, and communications were mentioned. MOTION by Director Snow to collaborate with community advisory subcommittees, seconded and passed unanimously. Scott Carver to get his information to Director Snow. There was interest in how visitors could see meeting materials under discussion (e.g. financial summaries), we will look into putting them up on the TV screen. It was noted that the rates posted on the website mention 1.5x rates for out of district customers; and later confirmed by Manager Inch that this clause was absent from the website. It was requested by the visitors that bulk water availability be reconsidered. At the next meeting the Board will review the considerations around the 2024 decision to stop offering bulk water. A visitor raised an objection of unfairness on the nature of irrigation rates, the charge is the same even if some years no water is used. This started a general discussion about rates and developing a new rate structure.

**ADJOURNMENT**

There being not further business, Chairman Ervin adjourned the meeting at 9:00 p.m. on the 20th of February 2025.

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Chairman Deanna Ervin

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Acting Secretary, Director Robert Snow