MINUTES OF THE BOARD OF DIRECTORS MEETING FOR MOAB IRRIGATION DISTRICT #20

The Board of Directors of Moab Irrigation District #20 met in regular session at the District Office, 25805 E. Trent, Newman Lake, Washington, on October 15, 2024. The meeting was called to order at 3:00 p.m. by Chairman Neff.

## ROLL CALL

Chairman Neff and Board Directors Ayles, Phelps, Peplinski and Rasmussen were in attendance. Others in attendance included District Manager Inch, Board Secretary Radmer, Attorney Aaron Dunham and Attorney Joe Carroll, and Engineer McMulkin

## VISITORS

## There were no visitors.

## GENERAL BUSINESS

The Board reviewed vouchers #1295 through #1296 in the amount of $52,854.92. Director Phelps motioned for the vouchers to be paid; Director Ayles seconded. The motion passed unanimously.

The Board reviewed the minutes from the September 2024 meeting. Director Rasmussen motioned to accept the minutes as presented. Director Peplinski seconded. The motion passed unanimously.

Financial statements for September 2024 were accepted as presented.

### ENGINEER’S REPORT

Engineer McMulkin discussed the design plan for Strong Lane and walked us through the next steps in the process.

### ATTORNEY’S REPORT

Attorney Dunham provided two letters of explanation to the District regarding (1) the Sutton Bay Mainline Extension, which was completed in 2023, and the District’s responsibility going forward; and (2) the necessity for Strong Lane Booster Station.

Attorney Dunham and Attorney Carroll went on to discuss the reasonableness of rate increases when attributed to increased costs and planned budget expenditures. They briefly discussed the consequences to the ratepayers and the district should the district become insolvent, due to the insufficiency in revenues. They advised that adding a reserve component into the overall annual budget for planned capital expenditures and operational expense, would provide a mechanism to stave off pressures caused by increased regulation, the inflationary environment and the capital intense nature of water infrastructure, as it protects the district and its ratepayers. The attorneys agreed to look into self-insured unemployment versus the overall cost of paying into the state program, as the costs associated with any claw back provisions may prove to be a better alternative to the District.

The attorneys discouraged the use of declining block rate water models (irrigation and bulk rate) and forgiveness-type programs in today’s environment, citing Washington State’s focus on conservation, fairness and equality, and due to the fact that the overall costs to pump the water exceed the actual charges to the customer. Instead, it was suggested the District implement a policy that “no waiver will be allowed,” to formalize the District’s practice and to avoid the gifting of public funds.

Director Ayles made a motion to discontinue bulk rate water, with the exception to those who purchased in FY 2024 and as long as they had no outstanding charges due to the district, would be able to purchase it one last time in FY 2025, in order to give them time to adjust to the change. The motion was seconded by Director Phelps. Secretary Radmer agreed to send out a letter to current users.

### MANAGER’S REPORT

Manager Inch provided updates for the Strong Lane Booster Station. He will submit the plans to the Department of Health for review in the Fall of 2025. He presented a draft letter to the district’s ratepayers regarding the 2025 rates, which he plans to send in January 2025. He provided the Facilities Maintenance Report and Projects lists.

### SECRETARY REPORT

Secretary Radmer provided an aging receivables report with amounts still outstanding totaling $38,000+, not including 2024 Summer Excess. She shared there were 4 home sales, bringing the year-to-date total to 32. She provided a YOY comparison of Summer Excess revenue amounts which indicated that 2024 Summer Excess amount was only 8% more than the previous year, despite there being a 25% increase in rate.

Secretary Radmer shared with the Board updates regarding FY 2024 close out, including an update to the Inch HRA/VEBA process. She provided an overview of her FY 2025 preparations, which include formalizing rates and making changes to the existing rate sheet, formalizing wages and making needed changes to the existing wage sheets, and formalizing the proposed budget and drafting the resolution approval. She will be working on preparing the 2025 assessment roll. She reminded the Board that prior to yearend, the Board will need to reconvene to discuss Labor and Industries Wage and Hour reporting requirements, map out/develop job descriptions, establish 2025 goals, and briefly map out and discuss succession planning.

Secretary Radmer and attorneys presented Board Directors with the Equalization Resolution 24-001 which included establishing the date of notification and the established date for the Equalization hearing, according to Washington statutes. All Board Directors agreed and signed the Equalization Resolutions. The attorneys further clarified that the Equalization Hearing is not the forum to address rate increases, as it is a time to certify the amounts that will be submitted to Spokane County.

Other items she is currently working on include the Employee Policy Manual, Bylaw Amendments for Section 25 and Section 17, and needing to research replacing her computer and printer, better internet service given BIAS will be going to the cloud and finalizing Open Enrollment for Public Employee Benefits.

**CHAIRMAN AND/OR DIRECTOR REPORT**

Chairman Neff elected to forgo Employee Evaluations for 2024, given there is additional work for the District with regard to compensation practices and employee policies.

**NEW BUSINESS**

None at this time

## OLD BUSINESS

None at this time

## ADJOURNMENT

As there was no further business, Chairman Neff adjourned the meeting at 5:00 p.m. this 15th day of October 2024.

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Chairman Jack Neff

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Secretary to the Board, Jeanette Radmer