

REGULAR MEETING MINUTES

December 6, 2022

The Board of Directors for the Roza Irrigation District convened in regular session on Tuesday December 6, 2022. Present were President Ric Valicoff, Vice-President Jim Willard, Director Jason Sheehan, Director Tanner Winckler and District Manager Scott Revell, Engineering Manager Wayne Sonnichsen, Watermaster Dave Rollinger, Assistant Watermaster Aaron Wiederspohn, Maintenance Superintendent Dave Clampitt, Fleet Equipment Supervisor J.C. Soto, and Assessment Clerk/Assistant Secretary Kristel Espinoza.

Via telephone conference: District Attorney Brian Iller

The President called the meeting to order at 9:00 A.M. and requested that the Board consider the consent agenda as presented:

- a. Minutes of November 8th, 2022, Regular Board meeting.
- b. Status of Investments Report – November 30, 2022.
- c. Treasurer’s Report– November 30, 2022.
- d. Comparative Balance Sheet report for the ten periods ending October 31, 2022.
- e. Statement of Income Expense report for the ten periods ending October 31, 2022.
- f. Claims.
- g. Miscellaneous Bills.

The following claims are approved for payment: Payroll numbers 29638 – 29641 in the amount of \$4,286.12, Voucher numbers 67879 – 67882, 67941 – 67978 and 67982 – 68042 in the amount of \$376,128.51 and Electronic payments 10-22, 11-2022, 11-22, 22-31, 22-32, 22-33, 35-22, 36-22, 37-22, 38-22 in the amount of \$313,637.98 from the period of November 1, 2022 to December 6, 2022

It was moved by Mr. Willard, seconded by Mr. Sheehan, and unanimously passed to approve the consent agenda.

The Board convened as the Board of Equalization. Mr. Revell confirmed for the Board that notice of the equalization hearing was published in the Yakima Herald and the Tri-City Herald. No water users made presentations to the Board of Equalization. Mr. Revell noted that the equalization reflects only irrigated acres assigned to parcels and not the amount assessed. Following discussion, Mr. Willard made a motion, seconded by Mr. Sheehan, and unanimously adopted Resolution # 1-2022 pursuant to RCW 87.03.255 to equalize the assessment roll.

Tanner Winckler joined the meeting at 9:11 A.M.

Richard Romm- Vice President at HUB International joined the meeting via telephone conference and presented to the Board an overview of the liability insurance for the district’s properties and operations and discussed the market conditions detailed in the staff report attachment. Liability insurance in 2023 is projected to increase by \$89,411.

The President declared the Board to be in executive session for an estimated fifteen minutes beginning at 9:40 A.M. pursuant to:

- a. Executive session pursuant to RCW 42.30.110(1)(i). Potential and pending litigation-State v. Acquavella, Terrace Heights Sewer District.
- b. Executive session pursuant to RCW 42.30.110(2)(a)(iii). To evaluate legal risk of a proposed action.
- c. Executive session pursuant to RCW 42.30.140(4)(b).

The President returned the Board to regular session at 9:55 A.M.

District Manager Revell reported to the Board on the Terrace Heights Irrigation District (THID) billings dated August 11th for invoice #1657 & September 15th, 2022, for invoice #1760. Mr. Revell noted, Roza operates the THID canal under a 1940 agreement between Roza and United States Bureau of Reclamation and installed a canal liner on 2020 and recently repaired an old cement THID line which leaked and required repair. The piping project took longer than expected due to complications with boring under roads and equipment usage cost. THID Board has requested that the 15% administration fee be removed from the two bills. The district includes a 15% administrative fee of total billing on invoices. Following discussion, Mr. Willard moved, seconded

December 6, 2022

by Mr. Sheehan, and unanimously approved to remove the 15% administration fee from invoice #1657 in the amount of \$16,265.72 and #1760 in the amount of \$1,395.78.

Engineering Manager Wayne Sonnichsen requested approval on the Pump 14 Phase 2 Enclosed Conduit System materials bids, explaining that staff reviewed the bids for pipe and material for the Pump 14 Phase 2 pressure project. Following discussion, Mr. Sheehan moved, seconded by Mr. Willard, and unanimously passed to approve the lowest successful bids for the Pump 14 Phase 2 Enclosed Conduit System materials bid. Ferguson Waterworks was awarded section 1 and 5 in the amount of \$771,834.27, H.D. Fowler was awarded section 2, 3 and 4 in the amount of \$247,832.93.

District Manager Revell presented the Kachess Dam Repair repayment authorization to the Board. The Kachess Dam has been seeping and causing erosion for several years, the repair work will begin in 2023. The work is expected to take roughly two years to complete and Roza's share is estimated to be \$1,117,598 million. The repayment period is scheduled to start in September 2023 and with the last repayment ending in September 2027. Following discussion, Mr. Willard made a motion, seconded by Mr. Sheehan, and unanimously approved to authorize the District Manager to execute United States Bureau of Reclamation repayment contract #22SD102160.

District Manager Revell discussed with the Board the 2023 operations and maintenance assessment. Board members and Staff discussed at length about the districts rising costs for insurance, United States Bureau of Reclamation power and operation & maintenance, current needs, long term capital improvements and water supply development. The Board discussed potential use of reserves, use of Tier II funds, accumulation of reserves and interest income. Following discussion, Mr. Willard made a motion, seconded by Mr. Sheehan and motion was carried by majority with Mr. Don in favor and Mr. Winkler opposed, the Board approved to increase the assessment \$8.00 per acre and set the 2023 operation and maintenance assessment at \$193.90 per acre.

District Manager Revell updated the Board on the 2023 budget planning and discussed the background information on several line items detailed in the staff report and options for balancing the budget. No action was requested from Board.

District Manager Revell and the Board discussed the recent equipment purchase history detailed in the staff report. Mr. Revell noted the district has had generally good experiences with moderately used equipment which was used intermittently by the district and noted a couple of very bad experiences when buying heavily used equipment that the district then used heavily. Mr. Revell explained in recent years the most troublesome units have been targeted for replacement. No action was requested from the Board.

Watermaster Dave Rollinger presented, and the Board reviewed the Watermaster's written report.

District Manager Revell presented, and the Board reviewed the District Manager's monthly written report.

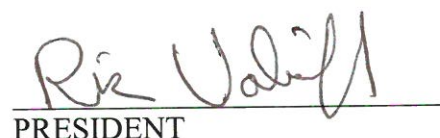
Engineering Manager Wayne Sonnichsen presented, and the Board reviewed the Engineering Manager's monthly written report.

No further business appearing and upon motion duly made, seconded, and unanimously passed, the Board did there upon adjourn at 11:34 A.M. on Tuesday December 6, 2022.

ATTEST:



 SECRETARY



 PRESIDENT