

CALL TO ORDER

At 7:00 PM, Chairman Foster called the June 14, 2016 Regular Board Meeting of the Moses Lake Irrigation and Rehabilitation District to order. The record shows that all Board of Directors except Director Dexter were present. General Manager, Chris Overland was also present. Legal Counsel, Brian Iller attended the meeting via telephone. The record indicates that this meeting was recorded. The Pledge of Allegiance was then recited.

DISCUSSION OF AGENDA ITEM(S)

Chairman Foster called on the board members and the audience for discussion on any agenda items, and nothing was brought forward.

DISCUSSION OF NON-AGENDA ITEM(S)

Chairman Foster called on the board members and the audience for discussion on any non-agenda items, and nothing was brought forward.

APPROVAL OF THE AGENDA

Chairman Foster then called on the board members to approve the agenda. Vice Chairman Bailey made a motion to approve the agenda. Director Teals seconded the motion. The motion was then carried unanimously.

APPROVAL OF CONSENT AGENDA

Chairman Foster called on the Board of Directors to approve the consent agenda. The consent agenda consisted of the meeting minutes from 05/10/16, the Bills/Checks (#15597 - #15655) and Vouchers (#1000164 - #1000167) totaling in \$134,182.56. Director Perry made a motion to approve the consent agenda. Director Teals seconded the motion. Vice Chairman Bailey abstained from voting on anything related to Basin Property Management. The motion was then carried unanimously.

PRESENTATIONS

Kelly Buche – JR Newhouse & Company – 2015 Financial Statement

Kelly Buche with JR Newhouse & Company provides consulting and accounting services for the District as well as, provides the District's Annual Financial Statements. Kelly Buche gave a report on the 2015 MLIRD Financial Statement. The District records its income when it is received and the expenditures when they are actually spent. She also provided the Board of Directors with a Profit & Loss comparison between 2014 and 2015 and the Budget versus actual reports for the year ending with December 31st, 2015. The years 2014 and 2015 presented a huge task for MLIRD that included the Moses Lake North Dam Rebuild. In 2014, it appeared as if MLIRD has a \$323,000 loss and in 2015 a \$251,000 gain. Kelly Buche added that the important thing to point out is that MLIRD was very successful in obtaining grant funding for the Moses Lake North Dam rebuild. For the last few months in 2016 and continuing on in the future, JR Newhouse will be providing the District with Budget versus Actual Reports for the period to date every month. On the financial statement, the fixed asset listing is supplemental information that the District feels is fair full disclosure of anybody that wants to see the assets

of the District. The completed construction of the Moses Lake North Dam was approximately \$3.4 million. Most of the items on the fixed asset listing are listed at cost with the exception of real property and those are noted with the 2015 AE (after the item). Chairman Foster mentioned that he believes Connelly Park is a leased property and is not actually owned by the District. Kelly Buche said that on the TaxSifter website it is noted that Connelly Park is 100% owned by MLIRD and reminded him that the fixed asset listing is supplemental information and could be pulled if the Board of Directors does not want it on there. Legal Counsel, Brian Iller said that he would provide Kelly Buche with a copy of deed or lease for Connelly Park. Vice Chairman Bailey moved to accept the 2015 Financial Statement from JR Newhouse & Company. Director Perry seconded the motion. The motion was then carried unanimously.

MLIRD STAFF REPORTS

General Manager, Chris Overland reported the following:

- Lake elevation was at 1046.7 feet as of 10:00 AM on June 14, 2016 according to the USGS website.
- Crab Creek flows are currently at 100 c.f.s. from Pinto Dam through Brook Lake. Crab Creek flows will stay very low until the latter part of August as maintenance is performed on the Rocky Coulee Wasteway. General Manager, Chris Overland said that our flow pattern this year will be similar to that of years 2007-2013. He believes the low flows will have an impact on the lake water quality when comparing this year to last year.
- Both harvesters are running this year and have been out already picking up floating debris off of the lake.
- General Manager, Chris Overland will send out a letter in the mail tomorrow of our intent to not renew the Broadway shop lease.
- General Manager, Chris Overland said MLIRD had been invited to attend the Storm Water Meeting. Chairman Foster does not see what responsibility MLIRD has for storm water runoff. Chairman Foster suggested that if General Manager, Chris Overland would like to go and observe he would be fine with that. Vice Chairman Bailey believes MLIRD should go to make sure MLIRD is not volunteered for something we do not know about. Chairman Foster thinks it would be a good idea for General Manager, Chris Overland to go with the idea to listen and observe. Director Teals also believes that it would be a good idea for MLIRD to attend to keep a good relationship with the City of Moses Lake. Legal Counsel, Brian Iller does not think that an Irrigation District has any responsibility legally for storm water drain off. However, Legal Counsel, Brian Iller thinks it would be good for General Manager, Chris Overland to attend just on an informational basis to see what people are talking about because it could impact the water quality of the lake.
- The 2016 Aquatic Treatment Proposals were opened, evaluated and scored by a committee on Monday, June 13th, 2016. Based on the scoring matrix criteria used in the advertisements, the 2016 Aquatic Treatments will be awarded to Aquatechnex.
- Dredging appears to be on track for July 1st, 2016 with no foreseeable issues.
- MLIRD has suspended the dredge spoils removal due to stockpile safety concerns. This will allow MLIRD staff to inspect and add stability to the dredge spoils pile. General Manager, Chris Overland believes that 20%-30% of the pile has been removed.
- General Manager, Chris Overland took a look at the current Assessment Roll build, and it appears values are close to the same as last month.
- The 2016 Budget looks good for this time of year.

EXECUTIVE SESSION

The Board went into Executive Session at 7:25 PM to discuss union contract negotiations as authorized by RCW 42.30.140(4). The expected time was 10 minutes, and they were to return to Regular Session at 7:35 PM. Legal Counsel, Brian Iller indicated that there may or may not be further action taken as a result of the discussion in Executive Session.

Chairman Foster entered back into the room at 7:35 PM to extend Executive Session another 5 minutes. They were to return to Regular Session at 7:40 PM.

The Board entered back into Regular Session at 7:40 PM.

ACTION ITEMS

Discussion was then had on the 2016 Aquatic Treatment RFP's. Director Teals reported that the scoring committee, as a group, decided through a scoring matrix that Aquatechnex with Terry McNabb presented a proposal that was preferred by all. He also added that under the circumstances, the scoring committee saw Aquatechnex's proposal to be most inclusive and both himself and Director Perry favored their proposal. Director Perry added that in the three advertisements placed in the newspaper, there were parameters in which the contractors were supposed to submit their proposals and going through the scoring matrix, which she believes really took a lot of subjectivity out of it, Aquatechnex came out on top. Director Teals then made a motion to approve Aquatechnex's proposal and award them the 2016 Aquatic Treatments. Director Perry seconded the motion. Chairman Foster asked Legal Counsel, Brian Iller if there was any risk of the Board taking action on a decision that is within the parameters of General Manager, Chris Overland's discretion. Chairman Foster added that he appreciated that General Manager, Chris Overland asked for Board of Director input and the process that was undertaken, but wonders if the Board would be setting precedence for the future. Legal Counsel, Brian Iller said that if the Board of Directors would like to discuss the legal risks of that topic, then he wanted to go back into executive session. Director Teals added that in the past there was a motion and acceptance by the Board of Directors to go ahead with a contractor for Weed Treatments. He also believes that with that kind of expenditure, even though the Board of Directors has given the General Manager a great deal of authority, a Board motion and acceptance to support the decision being made is needed. Vice Chairman Bailey suggested that the motion should read that the Board of Directors accepts the recommendation of General Manager, Chris Overland. Director Perry said that it was scored as a group. Director Teals added that it wasn't exactly the General Manager's position. Director Teals said that two Board of Directors sat through the opening of the RFP's, both made their suggestions and the RFP's were then scored as a group. Director Teals also mentioned if the auditor comes in and says that MLIRD spent \$150,000 on aquatic treatments, and the Board didn't even approve it, he is not sure what the auditor is going to say. Legal Counsel, Brian Iller said that if it is something that the Board is in agreement with based on the recommendation of Board Members who were part of the scoring process, then the Board should approve the recommended proposal for the 2016 Aquatic Treatment. Chairman Foster still wanted to know if the Board would be setting a precedence of either a spending limit needing Board approval or the aquatic treatment contract needing Board approval. Legal Counsel, Brian Iller believes that whatever the Board decides on this particular issue tonight is not going to be a binding precedence that could be used against the Board in future years. Vice Chairman Bailey said that it would appear that General Manager, Chris Overland and the scoring

committee brought this to the Board because they felt that it was important that it be ratified by the Board as a whole. Chairman Foster also mentioned that there was an audience member that was asking about the process that was being done and mentioned that they had a personal issue with the contractor that MLIRD is approving. Legal Counsel, Brian Iller asked if this audience member is a bidder or a supporter of the bidder who is not going to get the contract? Chairman Foster said that the audience members comments after the recorder had stopped was “the person you are giving this contract to tried to screw the District out of \$26,000 in a previous year.” Legal Counsel, Brian Iller asked General Manager, Chris Overland if he followed the statues and resolution for the RFP. General Manager, Chris Overland said that he does not believe there is any issue with the process. The motion was then carried unanimously.

WORKSHOP/DIRECTOR QUESTIONS and/or COMMENTS

Director Teals would like to rename Parker Horn Pump Station dock after Don Beckley, who has done a lot for MLIRD and the City of Moses Lake. In 1982, MLIRD was involved in a Clean Lake Project with the WA State Department of Ecology, US Department of Environmental Protection and the Moses Lake Conservation District to develop a system of improving the quality of the lake. Since the project began, nutrients were put on the fields in the surrounding areas, and there was a system of real irrigation of sprinkler and wheel lines, and there was a great deal of run off, and nutrients were exploding in Moses Lake. The system was developed to reduce that issue. The system was a three stage process. The first stage started in 1982 and ended in 1984 which was to examine the nutrient source. The second stage was from 1985 to 1987 which emphasized the nutrient control with demos and analysis. The third stage was 1987 to 1990 was implementation and control including 36 farmers that were brought into the system. Another big part of the system was the Parker Horn Pump Station and dock, which moved water from Parker Horn into Pelican Horn. There was also the Rocky Ford Creek Dam, which was put in to stop carp migration. Another helpful part of the overall project was the two harvesters that were purchased from Metro in Seattle, WA for \$12,000. There was also a weather station and a lake temperature recorder that was established. All throughout this time from 1982 up through 1990 when the project was completed, Don Beckley, a citizen of Moses Lake, WA, was the manager of the Clean Lake Project. He went out and talked with farmers and got them on board and worked with the conservation district in a variety of ways and was instrumental in making Moses Lake a cleaner lake. Director Teals believes Don Beckley has a special place in his heart for MLIRD and has been involved with MLIRD for a good number of years. Director Teals would like to honor him and his efforts by renaming the Parker Horn Pump Station Dock “Don Beckley’s Dock”. Director Teals then made a motion to rename the Parker Horn Pump Station dock area after Don Beckley as “Don Beckley’s Dock”. Vice Chairman Bailey seconded the motion. General Manager, Chris Overland mentioned that the whole Parker Horn Pump Station and dock could be renamed as “Beckley’s Landing”. Vice Chairman Bailey likes the idea of naming it “Don Beckley’s Landing” instead of “Don Beckley’s Dock” and he agrees that Don Beckley went above and beyond in helping out the District. Director Teals likes the word “landing” instead of “dock” as well. Director Teals made an amendment to his motion to change the name to “Don Beckley’s Landing”. Director Perry seconded the amendment to the motion. The motion was then carried unanimously. Vice Chairman Bailey thinks MLIRD should have a sign made and a ceremony in honor of Don Beckley in the near future. Director Perry likes the idea of a ceremony where maybe the newspaper is involved.

ADJOURNMENT

The meeting was adjourned at 8:08 PM.

Jeffrey B. Foster, Chairman

Bill Bailey, Vice Chairman

Mary Perry, Director

Kris Dexter, Director

Richard Teals, Director

By: _____
Secretary to the Board of Directors

Transcribed By: _____