



Minutes

President Rathbun called the meeting to order at 1:00 p.m., and Mr. Leonard called roll.

Directors:

Kirk Rathbun, President
Gene Huffman, Vice President
David McKenzie
Arland Ward
Griffin Hanberg

Staff Present:

Shane Leonard, District Manager
Jason McShane, Assistant District Manager
Stuart Dezember, Comptroller/Treasurer
Seth Defoe, Land and Water Resources Manager
Ben Woodard, Engineering and Operations Manager
Lori Gibson, Executive Administrative and HR Manager
Matthew Berglund, Public Information and
Employee Engagement Coordinator
Mardi Perry, Executive Coordinator

Other Persons Present:

John Crotty, Western Legal

CONFIRMATION OF AGENDA: Vice President Huffman moved to confirm the agenda. Director Hanberg seconded. All present voted in favor and the motion carried.

WORKSHOP

2026 Budget:

Mr. Dezember presented the 2026 Budget packet to the Board. He reviewed the introduction page and several line items.

[Note: Director Ward joined the meeting at 1:18 p.m.]

Director Hanberg requested clarification of selected line items, including Landscape Maintenance and Postage & Shipping. There was some discussion.

Director McKenzie requested clarification regarding any adjustments that were made following the Board Special Meeting in August. A discussion followed.

Mr. Leonard explained the Liability Insurance/Damage Claims & Deductibles line items, and a discussion followed.

Director Ward requested clarification regarding the wages, and a discussion followed.

Mr. Dezember reviewed the different alternative options of revenue and expenses.

[At 2:36 p.m., the Board took a break, resuming open session at 3:03 p.m.]

Mr. Dezember continued reviewing the alternative options. There was a lengthy discussion regarding the Board's direction regarding the 2026 budget.

Vice President Huffman inquired how the discussed reductions in expenses would affect Chandler electrification or the reservoir. He made the statement that sustainable water may necessitate an obligation from the rate payers to support these efforts. There was a lengthy discussion.

Mr. McShane explained the differences and integration between the operations budget and the capital budget.

EXECUTIVE SESSION: At 3:53 p.m., Mr. Leonard announced on behalf of the presiding officer that the board would go into executive session at 3:55 p.m. to discuss with legal counsel potential litigation, in the form of litigation or legal risks of a proposed action or current practice pursuant to RCW 42.30.110(1)(i)(iii) for approximately 45 minutes unless extended.

There were no members of the public in the Boardroom or on Zoom.

At 4:40 p.m., executive session was extended for 10 minutes.

At 4:50 p.m., executive session was extended for 10 minutes.

At 5:00 p.m., executive session was extended for 10 minutes.

At 5:10 p.m., executive session was extended for 5 minutes.

OPEN SESSION: At 5:20 p.m., open session resumed.

President Rathbun called for a motion to adjourn.

Vice President Huffman moved to adjourn at 5:20 p.m. Director Ward seconded. All present voted in favor and the motion carried.

Attest:



Kirk Rathbun, Board President
Minutes Approved December 15, 2025

Witness:



Shane Leonard, Board Secretary

Prepared by Lori Gibson