



MINUTES

Regular Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 August 18, 2009

Call to Order/Roll Call: President Jaksch called the meeting to order in open session at 9:00 a.m. and Interim Secretary/Manager Revell called the roll.

Directors Present:

John Jaksch, President
 John Pringle, Vice President
 David McKenzie
 Patrick McGuire
 Gene Huffman

Staff Present:

Scott Revell, Interim Secretary/Manager
 Joetta Rupert, Real Estate Manager
 Margo Hines, Assistant Manager-Administration
 Brian Iller, Legal Counsel
 Clark Haueter, District Treasurer
 Beth Smith, HR/Risk Mgmt & Acting Engineering Mgr

Approval of Agenda: President Jaksch tabled Policies 2.21 and 2.11 until September 1st and referred them to the Finance Committee. He moved discussion of Policy 4.10 to executive session. He added discussion of the interview process for the District Manager and an Operations & Engineering report to the agenda. **Director McGuire moved to approve the amended agenda. Vice President Pringle seconded the motion which carried unanimously.**

Consent Agenda: **Director Huffman moved to approve the consent agenda. Director McKenzie seconded the motion and it carried unanimously.**

Items on the consent agenda were:

1. KID O&M Vouchers

Accounts Payable

Numbers:	57558 through 57621	\$	21,067.82	
"	57622 through 57623		9,142.91	
"	57624 through 57668		69,960.61	
"	57669 through 57670		756.00	
Total Accounts Payable				100,927.34

Payroll

Numbers:	31210 through 31223		15,554.22	
	31224 through 31224		58.95	
Direct Deposit			75,113.03	
Total Payroll				90,726.20

Total Disbursements \$ 191,653.54

2. Minutes, KID Regular Board Meeting, July 21, 2009
3. Minutes, KID Special Board Meeting, July 28, 2009
4. Minutes, KID Regular Board Meeting, August 4, 2009

Scheduled Visitors:

1. **Resolution 2009-23 Resolution of Appreciation to Ray Poland and Sons:** Mr. Revell read the resolution and thanked Ray Poland & Sons. Project Manager Bryan Knapik of Ray Poland and Sons accepted the resolution. Director McGuire moved to approve Resolution 2009-23 Resolution of Appreciation to Ray Poland and Sons. Director Huffman seconded the motion which carried unanimously.

2. **Resolution 2009-24, Resolution of Appreciation to the Benton County Sheriff's Office, the United State Bureau of Reclamation, and the cities of West Richland, Richland and Kennewick:** Mr. Revell read the resolution. Vice President Pringle moved to approve Resolution 2009-24 Resolution of Appreciation to the Benton County Sheriff's Office, the United State Bureau of Reclamation, and the cities of West Richland, Richland and Kennewick. Director Huffman seconded the motion which carried unanimously.

Director Huffman thanked the KID water users for their patience. President Jaksch agreed and thanked the KID staff as well.

Unscheduled Visitors: None

Resource Management and Planning:

3. **Red Mountain South LID Formation Hearing Continuance:** Mr. Revell reviewed the status of work on the Red Mountain South LID. He asked the Board to open the hearing and continue it until September 1st at which time he expects the remaining preparatory work to be complete. Director Huffman moved to continue the Red Mountain South LID formation hearing to September 1, 2009. Vice President Pringle seconded the motion which carried unanimously.

New Business:

4. **Policy 2.21 Interest Rate on KID-funded LIDs:** Tabled until the September 1st Board meeting and referred to the Finance Committee.

5. **Policy 2.11 Realty Reserves:** Tabled until the September 1st Board meeting and referred to the Finance Committee.

6. **Water Right Time of Use Change:** Mr. Revell reported that Mr. Fox is on leave but should be available to present his report on the affects of changing the time of use at the September 15th Board meeting. Mr. Revell noted that the 2011 season will be the first year affected, not 2010. Discussion ensued. Director McKenzie moved to direct the District Manager to apply for a change to the time of use specific in the District's water right from April 1 through October 31 to March 15 through October 15 beginning after the 2010 water season. Vice President Pringle seconded the motion and which unanimously.

7. **Policy 4.10 Construction Use of KID Water:** Moved to executive session.

8. **District Manager's Report:** Mr. Revell reviewed several topics in the District Manager's report:

➤ **Main Canal 9.0 turnout & overflow:** Mr. Revell reported that KID crews will fix a broken overflow pipe to a private line area at the 9.0 turnout on the Main Canal and route it to a culvert under the road. He noted there have been varying practices at this location including a double lock arrangement and said the practice of allowing water users to adjust the flow at the turnout gate will end. Elimination of the customer's pond due to changes in Webber Canyon Road increases the importance of the overflow pipe functioning correctly to avoid compromising the road. Customers must have their water masters call in water order changes.

➤ **Badger East Seep:** Mr. Revell reported a new seep on the Badger East Canal near Country Ridge downstream from the previous seep. KID crews and engineers are evaluating the situation. The insurance carrier has been to the site. Mr. Revell said amending this year's water-off work or a mid-season shut-down may be necessary. Staff will send a written reply to homeowners this week.

➤ **Vandervert Apartments:** Mr. Revell reviewed the history of the case. The developer's previously approved plans did not meet KID specifications. The developer has a new site plan in for review and the new permit provides KID an opportunity for a new review. KID will correct previous conflicting information and use consistent standards.

➤ **Decker short plat:** Mr. Revell has instructed staff to follow KID policy and not continue to authorize fees in lieu of easements and irrigation system installation. In answer to Director McGuire, Mr. Revell said a review of the policy is needed.

➤ **Tri-City Herald August 4th inquiry:** Mr. Haueter's written reply is attachment #5.

➤ **Meadow Springs:** The Meadow Springs North Home Owners Association was granted a water allotment in 2008 and now wishes to relinquish. The written reply is packet attachment #6.

➤ **Willowbrook compliment:** A property owner in Willowbrook called to thank Con Higley and the crew for work above and beyond the call of duty to find a water leak. The source of the pipe which leaks non-chlorinated water at the same time each day as if on a timer remains unclear. The residents are pleased with the service that KID provided.

➤ **Riderless horse rescue:** Mr. Revell commended Dale Cram for his actions to help find the downed rider of the horse. She was later found by the sheriff and was very grateful to Mr. Cram for his help.

➤ **Rescue from dogs:** Mr. Revell commended Mike Pierce for his actions to help a woman walking a leashed dog in a park who was being attacked by two unleashed dogs.

- **Gretzinger water pressure complaints:** A pressure recording device has been installed on his riser and the results will be reported in a week.
- **Department of Ecology:** Mr. Revell reported that he and President Jaksch had a conference call with Department of Ecology staff regarding the agreement in principle and the shrub steppe conversion issue at Red Mountain. Mr. Jaksch added that the Washington Department of Fish & Wildlife (WDFW) originally wanted \$2 million in mitigation. Through negotiations aided by the Department of Ecology and the USBR, the amount has been reduced to \$500,000 each from the Red Mountain South LID and the Department of Ecology. Also, the WDFW will consider the benefits to fish of water left in the river. The source of funds is unknown at this time. Mr. Jaksch said further advice is needed from legal counsel on the agreement in principle.
- **Water Rate Advisory Committee (WRAC):** President Jaksch requested a report on the WRAC. Director McGuire reported that he and Director Huffman reviewed the applications and found an inadequate number of rural and agricultural applicants. They recommend extending the application deadline for one month. The Board asked staff to advertise again in the paper.

9. August 13th Operations & Engineering (O&E) Committee meeting report: President Jaksch reported that the Water Entitlement Transfer Process policy will be on the September 1st Board meeting agenda for review and the September 18th agenda for passage or referral back to committee.

President Jaksch asked staff to find the report on the Main Canal made by Century West around 1980. He said the report indicated critical areas with red lines and the next level of urgency with yellow. Ms. Hines said that a 1983 report by Century West said that the red-lined areas of the canal had been lined. President Jaksch said comparing the report with problem areas on the canal would be beneficial.

President Jaksch said the O&E Committee discussed prioritizing taking care of the main risk areas of the canal. He said about five miles of the canal need to be lined at an approximate cost of \$1.25 million and asked the Finance Committee to consider how to pay for it. Director McGuire said it should be paid from the canal refurbishment assessment. He recommended that the O&E Committee prioritize capital projects before asking to the Finance Committee to address funding. Mr. Revell said the Board approved the capital projects list for this off season on July 7th and said if adjustments are need they must be made quickly. Mr. Revell suggested obtaining an update of the Century West report to reflect changes in urbanization and shifting of priorities. He addressed the current canal sealing plan.

Mr. Revell said that the Finance Committee will review capital projects approved in 2007-2009 at the next committee meeting and offered to provide the information to the Board. President Jaksch suggested discussing capital projects priorities at the next O&E Committee meeting. Discussion ensued regarding the capital project decision making process and participants. Mr. Revell said no formal ranking system is in use at this time. Vice President Pringle advised preparing and maintaining a five-year ranking of projects which could be changed as necessary. Mr. Revell said a ranking system could be in place

for use with next year's projects. He said staff may be able to provide an updated map of the Century West study by the next O&E Committee meeting. Mr. Revell noted that the Board is the ultimate decision-maker, and that the District Manager provides recommendations to the Board based on input from the operations and engineering staff.

Director McGuire asked how the process would benefit from having a professional engineer and engineering manager on staff. Discussion ensued regarding whether the position to be filled should be a senior engineer, engineering department manager, deputy manager or a combination thereof. Timing for advertising and hiring was also discussed with a focus on not taking the decision from the new District Manager. Ms. Smith reported on the history of KID's search for a senior engineering manager. Derrick Smith reported that the market is good for hiring engineers at this time.

Mr. Revell asked the Board to wait a month until it is clear whether they have found a new District Manager. At that time, if the Board is not ready to hire a new District Manager, Mr. Revell could provide recommendations on rearranging the engineering function to balance the technical support needs of the operations department and keeping the permitting function running. Mr. Revell said that minimal development at this time is allowing time for updating policies and training staff. President Jaksch noted that waiting a month would allow Mr. Revell and Ms. Smith time to finish their analysis and the Board agreed to wait.

10. Interview procedure for District Manager position: President Jaksch addressed Mr. Revell's suggestion that staff members be involved in the interview process. He said he and Director McGuire suggest that staff interview candidates separately from the Board. Discussion ensued. Mr. Revell noted that the Board only makes the decision to hire two employees (District Manager and Real Estate Manager). He said it is common practice in other agencies to have top candidates for public executive jobs interviewed by panels of customers, local public works directors (for technical advice), and staff. The panels could make recommendations to Board. Interviews by the Board and the panels would be done on the same day. Mr. Revell said his suggestions for the staff panel represent a balance of departments in the field and office.

Mr. McGuire reported that, on September 1st, Bob Murray will brief the Board on the candidates he has interviewed and make recommendations for candidates. The Board will review the information, make a decision on which candidates to interview and Mr. Murray will make arrangements for them to be flown in.

Mr. Revell reported that a transition document nearly ready for the new District Manager or candidates. President Jaksch said the Board should review the document before it is released.

Unscheduled Visitor: Mr. Walter, residing at 5624 W. 10th Avenue, asked Mr. Haueter for clarification on his response to the first question from the Tri-City Herald questions of August 4th. In answer, Mr. Haueter reported that the information was obtained at the State Auditor's exit conference, and agreed to provide the names of the participants at the meeting to Mr. Walter.

President Jaksch called a short break at 9:50 a.m.

At 9:55 a.m., the Board met in Executive Session for one hour to discuss with legal counsel litigation regarding Acquavella, potential litigation regarding encroachments, and the risk of a proposed action regarding Policy 4.10 Construction Use of KID Water.

At 10:55 a.m., executive session was extended for fifteen minutes.

At 11:00 a.m., the meeting reconvened in open public session.

President Jaksch instructed staff to deliver water to Matt Smith. He stated that the Board has reviewed Policy 4.10 Construction Use of KID Water and finds it to be flawed. He instructed staff to begin work on revisions.

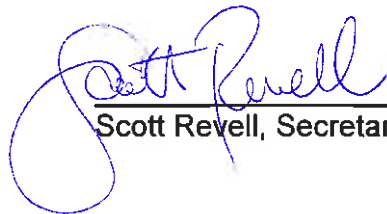
Director McGuire moved to adjourn the meeting at 11:04 a.m. Director McKenzie seconded the motion and it carried unanimously.

Attest:

Witness:



John A. Jaksch, Board President



Scott Revell, Secretary/Manager