



MINUTES

Regular Meeting of the KID Board of Directors
And Canvassing of Election
Carl W. Petersen Board Room
Monday, December 14, 2009, 9:00 a.m.

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

Directors Present:

John Jaksch, President
David McKenzie, Director
Patrick McGuire, Director
Gene Huffman, Director

Staff Present:

Charles Freeman, District Manager
Scott Revell, Planning Manager
Joetta Rupert, Real Estate Manager
Brian Iller, Legal Counsel
Harry Fox, Operations Manager
Beth Smith, HR/Risk Manager & Acting Engineering Mgr
Doris Fiske, Executive Assistant

Absent:

John Pringle, Vice President

Approval of Agenda: Director Huffman moved to approve the agenda. Director McKenzie seconded the motion and it carried unanimously.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, December 1, 2009
2. Travel Request for Joetta Rupert
3. KID O&M Vouchers

Accounts Payable

Numbers: 58585 through 58611	\$	92,210.58
58612 through 58644		4,597.85
58645 through 58645		828.50
58646 through 58687		75,017.16
58688 through 58688		240.64
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Total Accounts Payable	\$	172,894.73

Payroll

Numbers: 31326 through 31336	\$	7,787.64
Numbers: 31337 through 31338		2,337.13
Direct Deposit		70,753.13
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Total Payroll		80,877.90
Total Disbursements	\$	<u>253,772.63</u>

Voided Checks: None

Scheduled Visitors: None

Unscheduled Visitors: None

1. Canvass the Election of December 8, 2009: Mr. Freeman informed the Board that the election officials, Inspector Bob Gudgel and Judges Karen Woofter and Bette Gudgel were present for the counting of the absentee ballots and canvassing of the election. **Director McGuire moved to transfer the canvassing board responsibility to Election Inspector Bob Gudgel. Director Huffman seconded the motion and it carried unanimously.** The election officials began the count, tally and certification of absentee votes and the canvass of the returns. The Board determined to continue with other business until the results were ready.

2. Presentation: Yakima River Basin Water Enhancement Project (YRBWEP) Update: Mr. Revell distributed presentation materials (copy on file). He spoke about the Yakima Basin water supply, water rights and the Acquavella lawsuit. He discussed the Yakima River Basin Water Enhancement Program and the participants in the work group. Mr. Revell addressed YRBWEP funding of water conservation projects, new water storage projects being discussed and the concept of subordinating power generation at Chandler. Discussion followed the presentation. The Board expressed interested in receiving further information from the USBR and Department of Ecology. Mr. Revell reported that the next YRBWEP work group meeting will be held on December 17th and thereafter the meetings will be held monthly.

New Business:

3. Policy 7.1 Electronic Technology Use: Mr. Freeman reported that the Board's instruction to prohibit personal use of KID electronic technology has been incorporated in the proposed policy and procedure. **Director McKenzie moved to approve Policy 7.1 Electronic Technology Use. Director McGuire seconded the motion and it carried unanimously.**

4. Award Contract for Special Financial Audit: Mr. Freeman reported that the request for qualification for the special financial audit was advertized in the local paper on November 22nd and 29th and on the KID website. No responses were received. He suggested options to the Board of republishing the advertisement in papers with wider distribution or directing staff to enter negotiations with a local firm. Discussion ensued. **Director McGuire moved to instruct staff to enter into negotiations with Marple & Marple and LeMaster Daniels. Director McKenzie seconded the motion and it carried unanimously.**

5. Request to Approve Request for Qualifications and Publish Cost of Service/Rate Study: Mr. Freeman discussed the proposed scope of services for the cost of service and rate study. Discussion ensued regarding where to publish the request for qualifications. President Jaksch asked Mr. Freeman to review the proposal to be sure consideration of future growth and adding LIDs is included in the scope of work. **Director McGuire moved to approve the Request for Qualifications for a Cost of Service and Rate Study and to direct staff to immediately publish an advertisement and to appoint members of the Finance Committee as members of the District's Selection Committee along with Secretary/Manager Freeman, Board Treasurer Haueter and District Planner Revell. Director Huffman seconded the motion.** Director McGuire reported that the rate advisory committee has not yet been formed due to insufficient applications, but that the advisory committee could still fit in well with this proposed study. **The motion carried unanimously.**

6. District Manager's Report: Mr. Freeman reviewed the financial status report through June 30, 2009 which was distributed to Board (copy on file). He summarized that overall expenses are seven or eight points under budget and that the remainder will carry over to next year.

Overtime has been curtailed except for testing potable water systems on weekends. Mr. Freeman and Mr. Fox will review operations scheduling. Mr. Freeman's last day of training for potable water systems will be tomorrow in Vancouver.

Mr. Freeman reported on attending the Washington State Water Resource Association (WSWRA) annual meeting in Spokane with Mr. Revell and Mr. McGuire. Director McGuire said the meeting was beneficial and provided an opportunity to meet officials from other irrigation districts and various agencies representatives. He noted that many districts have multiple Board members attend and recommended KID consider sending more directors next year.

Mr. McGuire said the USBR Canal Inspection program was discussed at the WSWRA meeting and questions were raised about who will actually pay for it. It was recommended that irrigation districts review their contracts because some contracts say the USBR will pay for canal inspections. Mr. Revell said the USBR has been performing aerial inspections of urbanized and high risk canals and will provide notice before ground inspections to be done in the spring. Funds are not expected to be available from the USBR to cure the problems the study identifies.

Ms. Rupert reported that she will attend a conference next month. Representatives from the Port of Kennewick and the cities of Richland and West Richland attend. The group will be touring various winery support facilities.

Mr. Fox reported progress on the 2009-2010 Capital Improvement Project List which was distributed to the Board (copy on file). Grading on the Highlift Canal and timing for addressing encroachments were discussed.

Ms. Smith said that the pipe for the A.P. will be here by the end of December. She said JUB is working on the drawings for Elliot Lake. She also reported that twelve resumes have been received for the Engineering Manager position. Discussion ensued.

President Jaksch called a break at 9:47 a.m.
The meeting returned to open session at 10:15 a.m.

Election:

Mr. Gudgel presented the Certification of Absentee Return, the absentee ballots, and certificates of qualifications and the Certificate of General Election to the Board at 10:15 a.m. President Jaksch read the election results into the record:

<u>Position #2</u>		<u>Position #5</u>	
John Blanco	445	Gene Huffman	1,274
Patrick McGuire	1,285	Richard McAloon	337
James Wade	288	Gary Hall	1
Dale Kintzley	1	Brad Crawford	1

Total votes cast were 2,235 on Election Day, 1,397 by absentee ballot and 3,632 total.

President Jaksch congratulated Mr. McGuire and Mr. Huffman.

The Board thanked the election officials for their help.

Director McKenzie moved to accept the certification of the 2009 general election. President Jaksch seconded the motion and it carried unanimously.

Executive Session: None

Director McGuire moved to adjourn the meeting at 10:30 a.m. Director McKenzie seconded the motion and it carried unanimously.

Attest:

Witness:



John A. Jaksch, Board President



Charles Freeman, Secretary/Manager