

MINUTES

**Kennewick Irrigation District
Regular Meeting of the Board of Directors
Carl W. Petersen Board Room
February 20, 2007, 9:00 a.m.**

CALL TO ORDER/ROLL CALL

The meeting was called to order at 9:00 a.m. by President, Loren Watts. Board Secretary/District Manager, Victor V. Johnson, took roll call, as follows:

PRESENT:

Loren Watts, President
Ryan Pratt, Vice President
Victor Johnson, Board Secretary/District Manager
Bill Kinsel, Director
John Pringle, Director
Doug Grover, Director
Fran Forgette, Attorney (9:10 a.m.)

STAFF GUESTS:

Richard Evans, District Engineer
Beth Smith, Business Administration
Harry Fox, Operations
John Duncan, District Treasurer
Margo Hines, Executive Assistant
Scott Revell, Senior Planner
Jason McShane, Engineering
Joetta Rupert, Real Estate Manager
Brad Wellenbrock, Senior Planner

REGISTRATION

All visitors, scheduled and unscheduled, are to register on the "sign-in" sheet provided at the entrance to the Board Room. If there are guests who wish to speak, the Board Secretary will announce them.

APPROVAL OF AGENDA

Director Pratt requested to amend the agenda by moving the Executive Session to the beginning of the meeting.

DIRECTOR PRINGLE MOVED TO APPROVE THE AGENDA AS AMENDED. THE MOTION WAS SECONDED BY DIRECTOR PRATT AND CARRIED, UNANIMOUSLY.

CONSENT AGENDA

DIRECTOR PRINGLE MOVED TO APPROVE THE CONSENT AGENDA AS PRESENTED. THE MOTION WAS SECONDED BY DIRECTOR KINSEL.

Director Grover had a question on the encroachment permit and Mr. Johnson said it was an owner who wanted to put some fill dirt on his lot. **THE MOTION CARRIED, UNANIMOUSLY.**

SCHEDULED VISITORS

There were no scheduled visitors.

UNSCHEDULED VISITORS

Manager Johnson referred to the sign-in sheet and noted there were no unscheduled visitors who wished to speak.

EXECUTIVE SESSION

President Watts asked for about 45 minutes in Executive Session to discuss the Manager's performance and search. The Open Public Session closed to Executive Session at 9:05 a.m. A 45-minute extension was announced at 9:50 a.m. The meeting reconvened to Open Public Session at 10:40 a.m.

DISTRICT BUSINESS

Manager's Summary:

Introduction of Scott Revell:

District Manager Johnson introduced Scott Revell as Senior Planner. He has background in urban and city planning with Hood River, Walla Walla County, the City of Richland and Kennewick.

District Manager Search:

District Manager Johnson referred to comments submitted regarding the manager's search. It was determined the entire Board will be on the Search Committee and not to use a search firm. A job description presented by Dr. Kinsel was recommended to place as an ad. The salary range

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needs to be discussed depending on qualifications. Page 51 of Bureau Contract refers to the Manager's qualifications. As we deal much more with Business Administration, the public and PR, it was determined the person should have skills in Engineering but tied with Administrative skills. It was determined the successful candidate will have a Bachelor's degree in Public Works or related field, Engineering, etc., about 15 years of aggressive management and experience in Operations and Maintenance. A more detailed description will be sent to those responding who meet the qualifications.

Meeting Minutes Format:

Manager Johnson asked for the Board's opinion on whether meeting minutes should be verbatim or should they reflect topics and actions with detail where required and shortened where not required.

DIRECTOR PRATT MOVED THAT THE MEETING MINUTES SHOULD REFLECT THE ESSENCE OF THE MEETING AND NOT THE WORD-FOR-WORD DIALOG. DIRECTOR KINSEL SECONDED THE MOTION AND IT PASSED, UNANIMOUSLY.

Board Protocols:

Manager Johnson asked if the Board would like to discuss a retreat with subject matter to be pulled from each Board member. Director Grover requested a copy of Roberts Rules of Order and for someone to go through and pick out those parts that apply to this Board. Marge Price, City of Kennewick, gave a training session at one time. A Professional for Board dynamics, how to operate as a Board, would be helpful to keep us focused.

It was determined to have a half-day retreat from 8:00 a.m. to noon on Friday, March 9, 2007 at a location to be identified. An agenda will be advertised.

Planning:

Red Mountain and Columbia River water Permit:

Scott Revell said there was a meeting at the KID with Darryll Olsen describing pumps and permits which helped him to understand the future picture. Senior Planning management teams and representatives of the Benton REA and PUD were present. No one was here from the City of West Richland. It was a good briefing. He and Mr. Wellenbrock will talk with the Department of Ecology soon, also. The Department of Ecology prepared an Environmental Impact Statement for the Columbia River Permit has just been received as well.

Operations: Operations Manager, Harry Fox, reported on the following items:

Reclamation – Water Status: Current information from the Bureau is storage is at 115% of storage availability from the average of the past 20 years.

River Ops: The snow pack is above 120% of past years. If there is a warm spring, the concern is with this snow pack thawing too quickly. The next meeting is March 8 at 1:30 p.m.

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Mr. Fox requested water be turned on March 23rd and Bureau had no problem with that. This allows one week to get the water flowing and April 2 to activate for the LIDs. We may have to hold off water a day or two if it impacts our lining efforts.

Chandler Canal Repair: Mr. Fox showed slides of the ten affected panels comprising 160 feet of the Chandler Canal which buckled at the waterline. The March 15th completion date has been moved to flowing to electric turbines by March 5. Our repair charge is a 70:30 split (USBR:KID). Funding estimate is about \$150K for the entire repair so we'd be at about \$50K. They are also cutting a ramp to the base of the canal to be concreted for simplification of equipment entry. Its flow is 1,600 cfs, which is four times the size of our main canal. The Bureau does a four to six panel replacement on this canal every year.

Chandler Pump Turbine Repair: Mr. Fox said the standby turbine for our pumps has been sitting for three years waiting for repair. This is a \$25K-\$30K project. We will pick up the turbine and transport it to Precision Machinery in Spokane for a firmer estimate. If one of the two turbines fails, we would drop off service for a month to six weeks. The impact on water delivery would be significant (about half flow rate). The estimate will come before the Board. The costs are out of the capital budget and not Operations. Treasurer Duncan noted the budget for Chandler has a "cushion" of \$33K.

No. 1 Siphon Main Canal Repair: Under I-82, our pesticide applicator has noted this washout. (Pictures were shown.) A feeder section going into the first siphon on the main canal has one hole that goes down six feet and is about a foot in diameter. You can crawl into another one. There is another crack in the floor that goes down about 18 inches. A rock bar finds hollow sounds at the floor of the canal. We will use a foam fill with a 100% hold guarantee there and also at voids on High Lift and the Highland Feeder washouts.

Other:

The Shop building was burglarized this weekend. They stole some extension cords and vandalized a truck by sawing off the welding cables. No cost estimate yet on the loss. The police have been alerted.

We are hauling rock to Beer Falls. There were three dead deer in waste way which were evidently poached and dumped there.

Engineering:

Policy & Procedure 4.1, LID – Developer Constructed Pressurized Irrigation System.

It was noted performance testing is in Construction Procedure 42 and this policy and procedure is the administrative process. That policy and procedure (42) will be rewritten for pressure testing, material specs, and so forth. It is referred to in the References of this policy. A flow chart was presented. The major change is in the LID assessment process. It is much different, fairer and easier to manage. Under warrantee, it was clarified the developer has 24 hours from notice by KID to mobilize and start repairs, not complete them. In Paragraph 3, water allotment is designated in acres to allow the District the flexibility to manage. For example, if allotment is changed to 2.5 acre-feet or if you want to cut the footprint back, acreage is needed to confirm you are staying within the Bureau contract. In 4.11, Landowners can also confirm. In 4.2, if a

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developer didn't submit the as-builts, it is not the KID's responsibility. We help, but in the end, the developer is essentially responsible. The flow chart should help also. The only piece of paper the developer signs is the petition but we could have a form to sign they understand the process. If they are irrigated, the Home Owners' Association (HOA) is not typically charged. If you assess every home, they pay in their assessment. If you charge the HOA, they have to collect. To spread the cost across the LID is the least complicated approach and you don't have to deal with the assessment for a common area.

DIRECTOR KINSEL MOVES TO APPROVE POLICY 4.1, LID - DEVELOPER CONSTRUCTED PRESSURIZED IRRIGATION SYSTEM WITH THE COMMENTS NOTED.

John Pringle: The warranty is from the date platted. The LID will be turned over as soon as possible. The KID will not allow people to take an LID created system before construction and continue it as a private system; i.e., Brookshire and Loren Sharp's subdivisions which have created many problems. To do an LID, plan, construct and plat it following the process and it becomes an LID. There are no LIDs we haven't taken over at this point. Anything in the past could still petition to form an LID. One we turned over as private system as we had no confidence in the system maintenance or changes. There is no assessment until following assessment year. This is motivation to have the developer maintain and let us assess his performance during that period. The KID doesn't charge because the developer maintains and repairs. Out of warranty charges are assessed at that point. Identify costs so buyers aren't surprised. Not getting tax ID numbers prompted this. This way, the developer has time to sell the lots and we can assess. It takes away the incentive to hold onto the system. Director Pratt: Under the warrantee period, what repairs wouldn't be recovered? Mr. Evans: I can't see what wouldn't fall under the contract, so this clause is in there. Power and operational labor time is all that will be accrued and assessed in the following period. Future assessments are based on those costs, the following season, as with all LIDs.

DIRECTOR KINSEL WITHDREW HIS PREVIOUS MOTION AND MOVED TO TABLE ANY ACTION ON POLICY 4.1. THE MOTION WAS SECONDED BY DIRECTOR PRINGLE AND PASSED, UNANIMOUSLY.

Manager Johnson asked for a synopsis of questions and/or suggestions on the Policy from Board members to be e-mail to himself or Richard Evans.

Canal Lining:

Lining is going well.

LID 27 Addition:

Mr. Evans described a small short plat which petitioned to be an LID. It is not practical because it is so small (six parcels) so we propose to add them to LID 27.

Business Administration, Project Management and Accounting:

Due to time constraints, the Board asked if Business Administration, Project Management or Accounting had any items that were pressing and they did not.

COMMITTEE RECOMMENDATIONS

Realty Committee:

Real Estate Department Budget – 2007:

It was unanimously determined any discussion of the Realty Budget will be tabled until further review by Realty Committee.

DIRECTOR KINSEL MOVED TO CONTINUE PAYMENT OF SALARIES IN THE REAL ESTATE DEPARTMENT FROM PROCEEDS OF REAL ESTATE SALES BUT NO OTHER EXPENDITURES UNTIL MARCH 31, 2007, OR WHEN THE BUDGET IS FORMALLY APPROVED.

It was noted there are other expenses that need to be paid – telephone bills, etc. Ms. Rupert said the Board passed a resolution that real estate would be funded by prior realty sales. Mr. Duncan said past practice would be to do a continuing resolution.

The motion was amended to read:

DIRECTOR KINSEL MOVED TO CONTINUE BUDGETED MONIES FOR REAL ESTATE DEPARTMENT SALARIES AND OTHER NECESSARY EXPENSES FOR DAY-TO-DAY OPERATION NOT TO EXCEED 3/12 OF THE 2006 REAL ESTATE BUDGET TO BE PAID FROM PROCEEDS OF REAL ESTATE SALES UNTIL MARCH 31, 2007, OR WHEN THE REAL ESTATE DEPARTMENT BUDGET IS FORMALLY APPROVED. DIRECTOR PRINGLE SECONDS THE MOTION AND IT CARRIES UNANIMOUSLY.

PUD Easement Request:

The PUD request for a right-of-way easement off the end of 14th Street going into their substation is presented with a map shown. There is a change in the language from the last time this was presented. The PUD will grant the two quit claim deeds and the KID will grant the easement plus a power line easement inside the BPA easement all of which will be recorded at the same time as a result of eliminating the words “contingent upon” per the Board’s request.

DIRECTOR GROVER MOVED TO APPROVE THE 20’ NON-EXCLUSIVE ACCESS RIGHT-OF-WAY EASEMENT FROM WEST 14TH AVENUE TO THE PUD SUBSTATION AS REQUESTED AND PRESENTED IN THE DRAWING BY THE BENTON COUNTY PUD. DIRECTOR KINSEL SECONDED THE MOTION.

Director Pratt noted there is no verbiage within this easement about vacating. Manager Johnson said the wording is in a letter we have prepared. Ms. Rupert assured all documents will be recorded at the same time and the same place.

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THE MOTION CARRIES WITH DIRECTOR PRATT OPPOSED.

Mr. Johnson notes the second easement request requires BPA concurrence. The KID owns the land with a BPA easement.

DIRECTOR GROVER MOVED TO APPROVE THE 20' RIGHT-OF-WAY EASEMENT TO BE LOCATED INSIDE THE PBA POWER LINE RIGHT-OF-WAY FOR THE INSTALLATION OF PUD ELECTRICAL DISTRIBUTION LINES AS PRESENTED. DIRECTOR PRINGLE SECONDS THE MOTION AND IT CARRIED, WITH DIRECTOR PRATT OPPOSED.

Engineering and Operations:

Manager Johnson asked if the Board wanted to separate the committees for Engineering and Operations as there is too much information to cover in one meeting. It was determined it is premature to talk about creating two committees when the Board has enough trouble trying to get here for one committee meeting.

DIRECTOR KINSEL MOVED TO TABLE THE SPLITTING OF THE ENGINEERING AND OPERATIONS COMMITTEE. DIRECTOR GROVER SECONDED THE MOTION AND IT CARRIED, UNANIMOUSLY.

DIRECTOR PRINGLE MOVED TO ADJOURN AT 12:08 P.M. THE MOTION WAS SECONDED BY DIRECTOR KINSEL AND CARRIED, UNANIMOUSLY.

APPROVED:

ATTEST:

Loren Watts, President

Victor V. Johnson, District Manager/
Board Secretary