



Minutes

Special Meeting of the KID Board of Directors
Carl W. Petersen Board Room
Tuesday, June 29, 2010, 9:00 a.m.

Call to Order: 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
Gene Huffman, Vice President
David McKenzie, Director
Patrick McGuire, Director
John Pringle, Director

Staff Present:

Charles Freeman, District Manager
Brian Iller, District Counsel (by telephone)
Joetta Rupert, Real Estate Manager
Scott Revell, Planning Manager
Ed Everaert, Engineering Manager
Darrell Stewart, Accounting Manager
Doris Fiske, Executive Assistant

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

At 9:05 a.m., the Board of Directors went into executive session for 45 minutes to discuss with legal counsel litigation regarding Acquavella.

The meeting returned to open session at 9:16 a.m.

Action Items:

Approve Revised Memorandum of Understanding (MOU): Mr. Revell reviewed the background of the Kiona Point of Diversion MOU and the revisions made to attachment 1 after the Board approved the agreement at the June 8, 2010 meeting. The Settlement Agreement will be brought back to the Board after it has been executed by the Yakama Nation. **Director Pringle moved to authorize the KID Board President to execute the revised Memorandum of Understanding between the U.S. Bureau of Reclamation, the State of Washington Department of Ecology, the Department of Fish and Wildlife and the Kennewick Irrigation District for the Red Mountain AVA Pump Project. Vice President Huffman seconded the motion and it carried unanimously.**

Waiver and Release of all Claims: Mr. Freeman reviewed details of the document to the Board.

Preparer's note: During Mr. Freeman's presentation the microphone system was inadvertently turned off with the document reader used during the previous agenda item.

Vice President Huffman moved to approve the Waiver and Release of All Claims signed by Clark Haueter June 23, 2010. Director McKenzie seconded the motion and it carried unanimously.

Microphone system was discovered to be off and was turned back on.

Edison Street Pipeline: Mr. Everaert described the Edison Street pipeline and how it was installed. He reported the current condition of the pipe is like new but the bedding is degrading

causing the pipes to crack in the middle of spans. He described repairs to recent breaks and noted that some leaks had been there for as long as one and a half years. The street widening will put a lane of traffic over the pipeline, increasing the load on the pipe. There will still be a diggable surface over the pipe, but also new pavement, and there will be a five-year digging moratorium. Rehabilitation of the pipeline is possible before the street is paved.

He referred to an estimate for repair which was distributed before the meeting and discussed alternative methods of repair and their approximate relative cost. Mr. Everaert suggested declaring the need for an emergency repair and utilizing sole source contracting.

Mr. Freeman discussed funding the project from the \$212,000 recently returned to reserves. Options for contracting installation were discussed. Director McGuire said he resists taking from the endowment and asked that money be found in the current budget. Discussion ensued regarding this project's priority relative to other capital projects. Repair options were discussed.

Mr. Everaert pointed out the need for a policy to address right-of-way issues with parallel pipelines under pavement. He said that In the future the KID needs to consider asking the city for mitigation for the additional traffic loads on the pipeline.

The amount to be approved was discussed. Mr. Freeman said funding can be found in the general fund and, if funding became a problem, staff could come back to the Board. Mr. Everaert discussed the potential additional cost if the repairs aren't made before paving. He reported that an engineering firm did a traffic load study at the cut out section and did not find a risk of catastrophic break there.

Director McKenzie moved to approve funding of up to \$60,000 for the rehabilitation of the Edison Street KID irrigation water pipeline. Director Pringle seconded the motion and it carried unanimously.

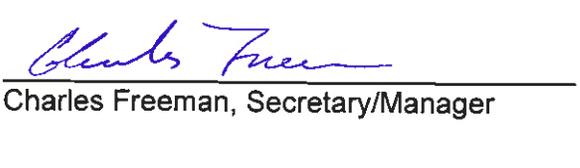
Vice President Huffman moved to adjourn the meeting at 9:47 a.m. Director Pringle seconded the motion and it carried unanimously.

Attest:

Witness:



John Jaksch, Board President



Charles Freeman, Secretary/Manager

Prepared by Doris Fiske, Executive Assistant