



Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, November 1, 2011, 9:00 a.m.

President McKenzie called the meeting to order at 9:00 a.m. Mr. Everaert called roll.

Directors Present:

David McKenzie, President
 Gene Huffman, Vice President
 Patrick McGuire
 Kirk Rathbun
 John Jaksch

Staff Present:

Ed Everaert, Engineering/Operations Manager
 Colleen Storms, Comptroller/Treasurer
 Lynda Rosenbaum, Assistant Planner
 Jason McShane, Staff Engineer
 Doris Rakowski, Executive Assistant

Other Persons Present:

Brian Iller, Legal Counsel

APPROVAL OF AGENDA: Vice President Huffman moved to approve the agenda. Director Jaksch seconded the motion and it carried unanimously.

CONSENT AGENDA: Director Jaksch moved to approve the consent agenda. Vice President Huffman seconded the motion and it carried unanimously.

Items approved by consent agenda were:

1. Minutes, KID Board Meeting, October 4, 2011
2. Approve Plat Alteration - Orchard Crest Phase 4
3. Approve Short Plat - Cadwell
4. Approve Short Plat - Hancock
5. KID O&M Vouchers

Accounts Payable

Numbers: 63082 through 63113	\$ 40,991.63
63114 through 63154	164,656.86
	205,648.49

Total Accounts Payable

205,648.49

Payroll

Numbers: 32145 through 32149	\$ 5,960.82
32150 through 32150	1,568.50

Direct Deposit

70,308.04

Total Payroll

77,837.36

Total Disbursements

\$ 283,485.85

Voided Checks: None

PRESENTATIONS: None

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Approve Policy 4.17 Irrigable Land Recalibration Principles: Mr. Everaert presented the new proposed policy and reviewed selected passages. He reported that the Finance Committee and the Operations and Engineering Committee had reviewed the policy and said staff recommended approval. Discussion ensued regarding the definition of impervious surfaces.

Director Jaksch moved to adopt Policy 4.17 Revision 0, Irrigable Land Recalibration Principles. Director Rathbun seconded the motion and it carried unanimously.

Award Liner Purchase: Mr. Everaert presented the proposed purchase of materials for the EPDM Canal Liner project. He said that an expedited negotiated bid process was used with all know venders in the market (four bids) in order to avoid a substantial price increase which went into effect today. He reviewed project costs, funding and specifications. He reviewed the bids which were received and said the qualified apparent low bidder was 2M Company.

Mr. Everaert said the "Categorical Exclusion Checklist" distributed at the meeting allowed KID to proceed with the project and that it covered a five mile section of the KID Main Canal. He said the Categorical Exclusion covered SEPA, NEPA and Tribal requirements per item nine of the checklist. He noted that the full Completion of Compliance Reviews, Release of Grant Funds, and Notice to Proceed packet was available for inspection by interested parties.

Mr. Everaert reported that cleaning and preparatory work had begun. He said his comparison of contracted or in-house labor showed that \$825,569 would be saved by use of in-house labor.

Mr. Everaert confirmed to Vice President Huffman that the contract would require material delivery completion by December 17, 2011. Discussion ensued regarding a price increase which went into effect today, and whether it was advisable to purchase and stockpile additional material at the contract price of \$0.08 per square foot less than the new market cost. Mr. Everaert agreed to confer with the Treasurer and then report back to the Board on the possibility of purchasing additional materials and whether such a purchase would fit with the 5-year plan.

Vice President Huffman moved to approve the acceptance of the apparent low bid of \$284,380.09 submitted by the qualified bidder 2M Company, Incorporated, Billings, Montana in the attached bid documents for the 45-mil EPDM lining materials for this 17,900 foot section of the KID Main Canal. Director Jaksch seconded the motion and it carried unanimously.

Filing of Assessment Roll and Notice of Equalization: Assistant Secretary Everaert presented the assessment roll to the Board on behalf of Board Secretary/District Manager Freeman. Ms. Storms discussed the preparation of the Assessment roll, including verification that condominiums and townhouses were handled in a manner consistent with our approved tiered rate structure.

Director McGuire asked staff to inform the Board when the Board of Equalization legal notice was published.

Ms. Storms discussed the equalization process.

Director McGuire moved to give notice by publication in the Tri-City Herald legal notices on November 6th and 13th of 2011 that the 2012 Assessment Roll has been filed with the KID Board of Directors and that the Board of Directors, acting as a Board of Equalization,

will meet on December 6th, 2011 at 9:00 a.m. to equalize assessments. Director Rathbun seconded the motion and it carried unanimously.

President McKenzie stated for the record that the Board was presented the 2012 Assessment Roll.

RESOLUTIONS: None

PUBLIC COMMENTS:

Jim Wade, residing at 1813 S Rainier Place, asked Ms. Storms to clarify what she said regarding the assessment of condominiums and townhouses.

Ms. Storms said that some condominiums and townhouses had not had their assessments segregated and had been assessed under a parent parcel. She said the attorney told staff that the RCW requires assessment against the parcels within the condominium units and that the necessary segregations were made.

Mr. Wade said he worried about lawsuits arising from assessment of condominiums. He referred to a newsletter article regarding opting out if KID water could not be received and said he did not know how someone on a third floor could receive irrigation water.

June Farnkoff, residing at 714 S Wilson Street, said she read the proposed 2012 budget and asked why \$70,000 for an elevator was included. She said the possibility of hiring someone with disabilities was an insufficient justification for the purchase.

Mr. Iller said he had not researched the topic and could not immediately provide a legal opinion. He said that if the public needed access to the basement, an elevator would be required, and that Americans with Disabilities Act standards would apply if the KID facilities were to be substantially altered. Mr. Iller said that he did not know the scope of the project, but would look at it to determine if an elevator was necessary.

Ms. Farnkoff said she would be back next month.

STAFF REPORTS:

Finance Manager: Ms. Storms reported:

- The first on-site meeting with the True Point implementation representative was scheduled for November 14th. She discussed several expectations for the new software.
- Acceptance of second half assessment payments went smoothly under Shannon Frame's supervision.
- The re-development of the website would be scheduled so the launch of the new website coincides with the 2012 billing cycle.
- The Washington State two-year audit was scheduled for later this month.

Engineering/Operations Manager: Mr. Everaert reported

- Paving was underway on the 16.1 lateral replacement project. A variance from West Richland allowed paving to be done after Oct 31st.
- The Engineering Department completed work on the assessment roll.
- Work was underway on the phase 2 recalibration for 1-2 acre parcels.
- There were 40 applicants for the five temporary seasonal employee positions.
- Segregations were going well.

- Staff was working to prioritize 2011-2012 capital improvement projects to complete high priority projects before water on.
- Work was in progress on the Comprehensive Plan.

President McKenzie asked Mr. Everaert to provide the Board progress reports on capital improvement projects.

In response to a question from Director Jaksch, Mr. Everaert said the SCADA equipment and radios were working.

Planning Manager: In response to a question from Director Rathbun, Ms. Rosenbaum said she had received about ten phone calls regarding the proposed planning advisory committee. She said that an application form would be created following formal formation of the committee. Discussion ensued regarding the proposed selection process.

Ms. Rosenbaum reported that this year's Water Entitlement Relegations were being completed and that the forms were being updated to the newly revised policy language.

Planning was setting up a meeting with Benton PUD to investigate conservation saving measures.

District Manager: None

WORKSHOP: None

President McKenzie called a short break at 9:48 a.m.

EXECUTIVE SESSION: At 9:55 a.m., the Board went into executive session for thirty minutes to discuss with legal counsel the legal risks of a proposed action per RCW 42.30.110(1)(i)(iii).

The meeting returned to open session at 10:12 a.m.

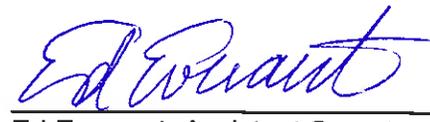
Director Jaksch moved to adjourn at 10:12 a.m. and Director Rathbun seconded the motion. The motion carried unanimously.

Attest:

Witness:



 David McKenzie, Board President



 Ed Everaert, Assistant Secretary and
 Engineering/Operations Manager

Prepared by Doris Rakowski