



**Minutes**

Meeting of the KID Board of Directors  
 Carl W. Petersen Board Room  
 Tuesday, March 20, 2012, 9:00 a.m.

President Huffman called the meeting to order at 9:00 a.m. Mr. Freeman called roll.

**Directors Present:**

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

**Staff Present:**

Charles Freeman, District Manager  
 Colleen Storms, District Treasurer  
 Ed Everaert, Engineering/Operations Manager  
 Scott Revell, Planning Manager  
 Beth Smith, Asst. Operations/Maintenance Manager  
 Jason McShane, Staff Engineer  
 Doris Rakowski, Executive Assistant

**Other Persons Present:**

Brian Iller, Legal Counsel

**APPROVAL OF AGENDA:** President Huffman added to the agenda executive session items to review the performance of a public employee per RCW 42.30.110(1)(g) and to discuss with legal counsel potential litigation in the form of the legal risks of proposed or current action per RCW 42.30.110(1)(i)(iii). **Vice President McGuire moved to approve the agenda as amended. Director Jaksch seconded the motion and it carried unanimously.**

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

Items approved by consent agenda were:

1. Minutes, KID Board Meeting, February 21, 2012
2. Minutes, KID Board Meeting, March 6, 2012
3. Approve Letter to the USBR Regarding Directives and Standards
4. Approve Letter to City of Kennewick Regarding Binding Site Plan Code Amendment
5. Approve Revised Short Plat 12-01 - Mark Bauder (Dry Play)
6. Approve Final Plat - Bridgewater Estates, Phase 1C (Dry Plat)
7. Approve Short Plat SP 12-01/PLN-2012-00451
8. KID O&M Vouchers

**Accounts Payable**

Numbers: 63873 through	63928	\$	96,152.85
63929 through	63948		22,275.91
63949 through	63949		9,200.00
			127,628.76

**Total Accounts Payable** 127,628.76

**Payroll**

Numbers: 32231 through	32238	\$	6,733.45
			-
Direct Deposit	2/29/2012		74,175.12
			-

**Total Payroll** 80,908.57

**Total Disbursements** \$ 208,537.33

**Voided Checks:** None

**PRESENTATIONS:**

**Financial Reports through February 2012:** Ms. Storms displayed pages on the overhead screen as she presented the February 2012 financial reports. She noted that due to the need to accrue so many expenses to the prior year, January tended to look light and December heavy, making February a better month for comparison and overview.

Pages reviewed included:

- Balance Sheet as of February 29, 2012 and January 31, 2012
- Statement of Revenue & Expenditures – Budget to Actual - Summary. Ms. Storms pointed out the new format for this report which included Budget, Amount, Variance, and Percent Budget Remaining for each line.
- Statement of Revenue & Expenditures – Budget to Actual – Irrigation. New statement.
- Statement of Revenue & Expenditures – Budget to Actual – Realty. New statement.
- Comparative Salary & Benefit Report. In response to a question from Director Jaksch, Ms. Storms said most of the increase in benefits was from the State PERS increase.
- Balance Sheet Footnotes – Cash Schedule

In response to a question from Director Jaksch, Ms. Storms reported that the assessments were being sent to the printer tonight and would be sent out over the next five days.

**PUBLIC HEARING:** None

**BOARD REPORTS:** None

**ACTION ITEMS:**

**Approval to Segregate KID Real Property:** Mr. Revell presented suggested actions resulting from discussions during the March 6<sup>th</sup> Board meeting workshop and recommendations of the Realty Committee.

**Director Rathbun moved to authorize the District Manager to submit exempt segregations for the applicable properties at Red Mountain; submit a short plat application(s) to divide KID Parcels 4019 North and South into discrete parcels consistent with the assigned zoning; and, submit a boundary line adjustment application between KID parcel 4007 and 4017A to increase the area of parcel 4017A. Director Jaksch seconded the motion and it carried unanimously.**

**Funding for the Hildebrand Phase 1 and 2 Irrigation Pipeline Crossing:** Mr. McShane reported that both the Operations and Engineering Committee and the Finance Committee recommended approval of the proposed action.

He displayed a map of a City of Kennewick project to construct a section of roadway which would have four pipeline crossings, two of which would be of benefit to the District as a whole. He said KID would be responsible for the cost of Crossing #4 and a share of the cost for Crossing #3. He discussed expected costs to the District and recommended a 25% contingency.

In response to a question from President Huffman, Mr. McShane said if the crossings were not done during road construction, there would be a seven-year moratorium on cutting the roadway and additional costs associated asphalt cutting and replacement.

In response to questions from Vice President McGuire, Mr. McShane discussed expected growth near Crossing #4 and the benefit to the District of having multiple sources of supply to those areas and interconnectivity with the Thomas and Black subdivision. Discussion ensued.

Ms. Storms addressed the proposed transfer of funds to capital work from the operating fund. She said the transfer was a tool to ensure that the expenditure was recorded appropriately as capital work, regardless of the funding source.

Discussion ensued regarding timing for installing the crossings, costs, and specifications for the piping.

**Director Jaksch moved to approve the construction of the irrigation crossings in coordination with the City of Kennewick's Contract P1006-12 and the transfer of up to \$11,725.28 from Fund 0400 to the Capital Upgrade and Improvement Fund. Vice President McGuire seconded the motion and it carried unanimously.**

#### **RESOLUTIONS:**

**Resolution 2012-02, Setting Fees:** Ms. Storms presented the updated Fee resolution and briefly reviewed the minimal changes, including a reduction in the delinquency fee, a change to how field inspections were charged, the addition of a processing fee for KID Easement Vacation Requests, and updates to personnel charges.

**Director Rathbun moved to approve Resolution 2012-02, Setting Fees for the Kennewick Irrigation District, effective immediately upon passage. Director Jaksch seconded the motion and it carried unanimously.**

#### **PUBLIC COMMENTS:**

**James Wade**, 1813 S Rainier Place, Kennewick, Washington. Mr. Wade said he was provided paperwork in response to a question regarding wages and salaries in 2007 and 2008 and asked why some account number present in 2007 were omitted in 2008.

Mr. Wade asked if KID was still using the tier and toll system for assessments. President Huffman answered yes. Mr. Wade then asked why one lot in the Royal Ann Estates LID paid less than another parcel of a smaller size. Director Jaksch speculated that the lots might be in different phases and one might be in a private line area. Ms. Storms said parcel numbers were needed to answer the question. Mr. Freeman asked Mr. Wade to provide the parcel numbers outside the meeting so staff could answer the question. Mr. Wade said he would do so.

Mr. Wade asked if discussion of wages, salaries and other conditions of employment was discussed in executive session or open meetings and if the decision to hire someone and set their salary, or discharge or discipline an employee, was done in executive session or open meetings. Mr. Iller responded that the District Board did its best to comply with RCW 42.30.110(1)(g) which identifies which actions must be taken in open session.

#### **STAFF REPORTS:**

**Finance Manager:** Ms. Storms reported:

- The invoice file for bills would go to the printer tonight.
- KID could now take credit card or debit payments over the phone, online, or in person. Ms. Storms noted that a decision was needed regarding whether to accept prepayments because it opened the possibility of overpayments which would be eliminated by safeguards in TruePoint after the assessment had been issued.

- GIS Specialist, Seth Defoe, worked with engineering staff to set up maps using the TruePoint parcel information. Ms. Storms said that the final step in that process would be purchase of the GIS connection product from TruePoint.
- Engineering staff would be training field operations staff this weekend on services orders in TruePoint.

Discussion ensued regarding prepayments. Director Jaksch and President Huffman were in favor of accepting prepayments.

Vice President McGuire noted that Ms. Storms was now able to provide the Finance Committee aging reports on properties which were in arrears.

**Engineering/Operations Manager:** Mr. Everaert reported:

- The Engineering Department had been working on True Point implementation.
- Mr. Freeman and Mr. Everaert took an inspection tour of the Main Canal yesterday. Crews were finishing the first of five drums of SecoFlex seam filler on the concrete lined sections of the Main Canal. Mr. Everaert discussed the installation method and reported it was working well. He discussed product delivery schedule, shelf life and the expected longevity of the product.
- The Hydroscreen concrete work was completed. Cleaning and installation of power drops was underway on the AP Canal.
- The USBR Hydromet site reported Yakima River Basin storage at 128.3% of average, inflow to the five reservoirs at 62% of average, releases at 204% of average, and the Upper Yakima Basin Snotel site was at 112% of average and the Lower Yakima Basin site was at 127% of average.
- Work was underway on the Drought Plan.
- The Environments Services Contract scope of work for the programmatic review of all the irrigation facilities, Capital Improvement Plan and major irrigation infrastructure, to allow categorical exclusion from the USBR to allow projects to proceed for the next ten to fifteen years.
- Gravel packs have been installed.
- The Locator-Engineering Technician position closed Thursday and interviews would be conducted this week.

In response to a question from President Huffman, Mr. Everaert reported that this year 1,811 feet of lining were completed on the Main Canal and 1,770 feet on the Badger East Canal.

Ms. Smith reported that in the field:

- The SecoFlex project was about 85% done with about 1,200 feet left.
- Hydroscreen foundations had been installed.
- Six gravel packs were installed.
- There were now four Pump Technicians, and they were putting their drum screens back in and getting their pump stations ready to go.
- The two rental dump trucks would be returned Monday.
- Several new gates and screens had been installed. A screen was installed at the Indian Siphon and it would be necessary to contract out pumping out the siphon and removing rocks, as KID could not do so without a Vac Truck.
- The Main Canal lining project was completed on Friday and the roads were being repaired.
- Terry Clark did a great job refurbishing the Amon weed screen which was put back together yesterday and would be reinstalled tomorrow.

- Badger West was refurbished this year and they hoped to do work on the South AP before water was on.

Mr. Everaert added that the KID water on schedule was posted on the website as both a chart and map. He discussed the schedule for test water and filling the canals and delivery system.

**Planning Manager:** Mr. Revell reported:

- Yesterday the USBR posted that WaterSMART grant awards would be announced in April.
- At the first meeting of Planning Committee yesterday, Mr. Iller discussed the Public Records Act and the Open Meetings Act. Seth Defoe presented an introduction to private line areas.
- Following the mailing regarding Condominiums and Townhouses, KID received about 35-40 calls with questions about master billings and individual assessments. In response to a question from Vice President McGuire, Mr. Revell discussed the difference of opinion between individual owners and condominium associations on whether master billing was desirable.
- The Yakima River Basin Water Enhancement Project Work Group quarterly meeting was held last week.
- There may be tentative agreement on Shrub Steppe Agreement, and KID is waiting for written confirmation from Washington Department of Fish and Wildlife staff.
- The Washington State Water Resource Association and Columbia Snake Rivers Irrigators Association meetings would be held this week.

**District Manager:** Mr. Freeman reported:

- Mr. Revell and Mr. Freeman would meet with the Kennewick City Manager and the new City Engineer on Thursday regarding issues of denials of relocations due to a new City of Kennewick internal administrative policy to deny relocation if there were a KID or CID pipe within 1500' of house (instead of within 1000'). Discussion ensued. Mr. Freeman said that though KID wanted a cooperative relationship with the City, the City sign-off was a courtesy from the KID Board, not a requirement.
- He reported that the Risk Management Committee determined that PSA 176 (Hansen Park) and PSA 73 (Adair Drive), which had leaks last April, should be scheduled to be started up last to allow staff and resources to be focused on those areas to reduce issues. He reported that claims last year were less than the premium paid and discussed emergency action plans that were now in place. In response to a question from Director Jaksch, Mr. Freeman confirmed that the Homeowner Associations for those areas would be contacted.
- Mr. Freeman attended labor arbitration training in Seattle and brought back resource manuals to go over with the leadership team.
- A meeting was scheduled for tomorrow with the Office Union.

In response to a question from Vice President McGuire, Mr. Freeman reported that an advertisement regarding the water on schedule and assessments would run in the TriCity Herald four times.

President Huffman called a short break at 10:10 a.m. and the meeting returned to open session at 10:16 a.m.

## **WORKSHOP:**

**Project Tracking:** Mr. Freeman reviewed project tracking updates including:

- Derrick Sandison acknowledged KID's draw for Red Mt Phase 2 funding and encouraged KID to continue as quickly as possible to aid with budgeting. Mr. Freeman said he understood money was appropriated but not specifically encumbered to KID at this time.

- The Shrub Steppe Mitigation Agreement was expected back to the Board in April. Teresa Scott had verbally indicated it was good and was asked to confirm that in writing.
- Antinori Road construction was on track with the County to begin this June.
- The Drought Plan would be given to the Committees in April.
- A second letter on USBR Standards and Directives may be needed after upcoming meeting. Discussion ensued regarding responses from other agencies.
- The Leak Detection Program was successful last year and would be continued.
- Regarding Small Water System Plans, Mr. Freeman would be talking to the City, which would be the lead agency for grant submittal for grant to bring the system up to standard for acquisition.
- A meeting would be coordinated with the Financial Advisor and the Bond Counsel.

Director Jaksch requested the policy on interest rates for Realty Reserves loans be tracked.

**EXECUTIVE SESSION:** At 10:23 a.m., on behalf of presiding officer Mr. Iller announced that following a five minute break the Board would go into executive session for approximately one hour to consider the selection of a site or the acquisition of real estate by lease or purchase per RCW 42.30.110(1)(b), to discuss with legal counsel pending litigation regarding Citadel Estates per RCW 42.30.110(1)(i), and for planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress per RCW 42.30.140(4)(b), to evaluate the performance of a public employee per RCW 42.30.110(1)(g), and to discuss with legal counsel potential litigation in the form of risks of a proposed action or current practice per RCW 42.30.110(1)(i)(iii) relating KID conditions on short plat applications.

The Board took a five minute break then went into executive session.

The meeting returned briefly to open session at 11:30 a.m., at which time Mr. Iller announced on behalf of the presiding officer that executive session would be extended for an estimated 30 minutes.

The meeting returned to open session at 12:01 p.m.

**Director Jaksch moved to adjourn at 12:01 p.m. and Director Rathbun seconded the motion. The motion carried unanimously.**

Attest:

Witness:

  
 Gene Huffman, Board President  
 Approved April 3, 2012

  
 Chuck Freeman, District Manager

Prepared by Doris Rakowski