



Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, July 3, 2012, 9:00 a.m.

President Huffman called the meeting to order at 9:00 a.m. Ms. Storms called roll.

Directors Present:

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

Staff Present:

Colleen Storms, District Treasurer
 Ed Everaert, Engineering/Operations Manager
 Scott Revell, Planning Manager
 Judy Smith, Administrative Contract Specialist

Other Persons Present:

Brian Iller, Legal Counsel

APPROVAL OF AGENDA: Director Rathbun moved to approve the agenda. Director McGuire seconded the motion and it carried unanimously.

CONSENT AGENDA: Ms. Storms presented a correction to the staff report regarding Short Plat #12-03, Beauchamp, "which was submitted to KID," not from KID. Director Rathbun moved to approve the corrected consent agenda. Director McKenzie seconded the motion and it carried unanimously.

Items approved by consent agenda were:

1. Minutes, KID Board Meeting, June 5, 2012
2. Minutes, KID Board Meeting, June 19, 2012
3. Approve Short Plat No. 12-03 – Beauchamp (Dry Plat)
4. Approve Revised Short Plat – Boneck
5. KID O&M Vouchers

Accounts Payable

Numbers: 64605 through	64647	\$	213,960.33
64648 through	64649		353,367.47
64650 through	64690		152,004.65
			<hr/>
			719,332.45

Total Accounts Payable 719,332.45

Payroll

Numbers: 32292 through	32299	\$	8,549.93
32304 through	32325		12,812.48
32327 through	32328		759.93
Direct Deposit	6/14/2012		75,345.34
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Total Payroll

97,467.68

Voided Checks:

Payroll checks #32287 through #32291: printing error
 Payroll check #32300 through #32303: printing error
 Payroll check #32326: printing error

PRESENTATIONS:

Financial Reports through May 2012: Ms. Storms presented the financial statements and reviewed highlights. Pages reviewed included:

- Balance Sheet as of May 31, 2012
- Corrected Aging by Year Report
- Summary Financial Statement

Ms. Storms reported that the Aging by Year Report included for 2007 a bankruptcy stay and assessments that were on foreclosed county-owned land. The County did not pay KID the outstanding assessments as KID did not pay the County for outstanding property taxes. Ms. Storms recommended discussing with the County and how to legally clear these rolling balances. 2008 and 2009 were ready for foreclosure and letters would go out next week warning of pending foreclosure action. There were approximately 298 accounts currently overdue by three years.

Integrated Plan Update: Mr. Revell reported he attended the quarterly meeting of the YRBWEP work group. Support for the plan continues to be submitted in written form. There was one letter of opposition from the Friends of Bumping Lake and a magazine article in the North Cascades Conservation Alliance opposing expanding Bumping Lake. Part of the YRBWEP work group job was to explain the benefits and ways of mitigating many of the impacts and who would be receiving the benefit. The work group also now had a representative from the Forest Service and there was funding available through them from the lease of federal off-shore drilling. Revell explained how they accessed those funds and said there was definitely potential for mitigation to be funded through that. A forest management plan would have to be amended because there were several forests included. The next meeting was scheduled for September. We should have the preliminary cost allocations in August for the various portions of water becoming available. The irrigation districts have been meeting to iron out details of the water right component.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Approve Southcliffe Preliminary Plat Revised Review Comments: Mr. Revell presented a revised letter to protect the District's facilities and rights-of-way which would be submitted to the City of Kennewick in order to handle all the subdivision issues. There remained a couple of minor items that the Developer had asked, such as matching the turnaround time for plan review with the City of Kennewick. A hearing date hadn't been set yet. KID would provide testimony on record at that time. Director Rathbun asked if this was dry land. Mr. Revell reported that it was.

Mr. Milo Bauder commented that he would like the Board to approve the plat, that they had been working on it for a long time and he hoped to have it approved.

Director McKenzie moved to approve the Southcliffe preliminary plat comment letter contained in Attachment 1 with the revisions to be applied as discussed. Director Rathbun seconded the motion and it carried unanimously.

Approve Red Mountain South LID Professional Engineering Services Contract: Mr. Everaert presented the RH2 professional services contract for the final design, permitting, bidding and construction management services. RH2 completed the 30% design and it was

approved by Board and LID members to move forward to final design. The contract term was through July 31, 2014 because of operations manuals, follow-up and as-builts, etc. to be completed. The 30% design budget impact was \$81,946 under budget which would carry over to Phases II and III.

Director Huffman reported that Paul Cross with RH2 Engineering had done an excellent job and coming under budget would make the growers and LID participants happier. He said none of the expense would be borne by KID ratepayers but LID participants. President Huffman agreed to continuing as that was what the LID participants were requesting.

Director Rathbun asked if one of the assumptions was that we have access to the river intake property and if that was one of the easements we would be trying to secure. Mr. Everaert stated that the KID parcel was the intake access and that structures had to be KID owned and on KID land. Mr. Everaert reported that Mr. Iller provided his comments to the contract and Mr. Everaert had them incorporated.

Director Rathbun moved to approve the Contract Amendment Number 3 for Professional Engineering Services between Kennewick Irrigation District and RH2 Engineering for Final Design and Permitting and the Services during Bidding and Construction for the Red Mountain South LID Irrigation Project. Director McKenzie seconded the motion and it carried unanimously.

RESOLUTIONS: None

PUBLIC COMMENTS: None

STAFF REPORTS:

Finance Manager: Ms. Storms reported:

- Customer Service was close to having water consumption reports sent out.
- The foreclosure letters would be fast tracked. The Board previously set date restrictions to not take action or notices during the holiday season. The County would like us to get ahead in the process. Ms. Storms reported that we needed to look at our schedule to see if we needed to start earlier on the process.

Engineering/Operations Manager: Mr. Everaert reported:

- The KID Main Canal was at 249 cfs. Storage in the five USBR reservoirs was at 113.5% of average, inflow was 188% of average, releases were 125% of average, and canal diversions were 96% of average. Precipitation from 10/1/2011-7/2/2012 was 105.1% of average. Snowpack was 315% of average on the upper Yakima Basin and 360% of average on the lower Yakima Basin. KID was doing well as far as KID diversions went and was at 85% of average diversions to the Main Canal for June, 2012.
- SCADA system – Last week Operations installed an ultrasonic for reservoir level and hooked up a 9210 DCP and actuator to get an accurate reading of the flow level in the test pond at Country Meadows, PSA 171. A pressure transducer would be installed to get exact gauge height. 7310 data loggers were ordered and will be replacing 4 of KIDs and 4 PSAs served by CID. Mr. Nick Rojas was being trained on the SCADA system and was doing a good job. President Huffman asked if the relays could be purchased locally. Mr. Everaert reported that these were Sutron relays. President Huffman asked if we would have back-up parts. Mr. Everaert reported that the DCPs were very reliable and the actuators were pretty foolproof.
- Red Mountain cultural and historical review report draft had been received and would be reviewed and presented at the July 17th Board meeting and then forwarded to the Bureau.

Director McKenzie asked how the gravel pack filtration system was working. Mr. Higley reported that calls were down. He reported the Vactor had helped considerably.

Director McKenzie asked that customers be notified at least a week in advance before weed control applications. Mr. Higley reported that he didn't see emailing or calling as a problem. Mr. Higley did not know the exact date of the next application but said Endothall would be applied at the end of the month.

Ms. Storms reported that Customer Service had 30-40% of the emails and phone numbers of customers in the database and would request at least a week's notice from Operations. Director Rathbun stated that it appeared the canal lining helped with weed control.

Mr. Everaert reported that we started a schedule for weed applications that would be posted on the website and should have July on the website soon.

- The AP and Badger East hydroscreen bids had been received and a contract was signed for \$11,000 to hook up the motors and bring the power to the hydroscreens.
- President Huffman asked how we were doing on service orders. Mr. Everaert reported that we had three this morning.

Planning Manager: Mr. Revell reported:

- Would be issuing the SEPA threshold determination for Red Mountain project this week and the water right could be issued 15 days after that.
- Planning Committee would be taking up policy issues regarding PLAs at their next meeting.
- The Columbia Cascades Area Manager was being replaced by Jerry Kelso.

Mr. Higley passed out copies of pictures of cleanup of the area at the 100 block on S. Edison which a customer complained about at a previous Board meeting.

Director McKenzie and President Huffman requested seeing the Vactor truck in action. Mr. Higley stated the crew appreciated the Board approving the purchase of the Vactor.

District Manager: None

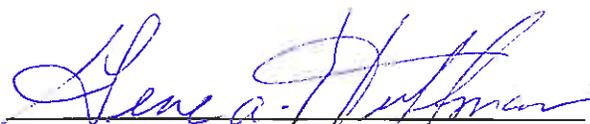
WORKSHOP: None

EXECUTIVE SESSION: None

Director McKenzie moved to adjourn at 9:55 a.m. and Director Rathbun seconded the motion. The motion carried unanimously.

Attest:

Witness:


Gene Huffman, Board President
Approved July 17, 2012


Colleen Storms, District Treasurer

Prepared by Judy Smith