



Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, September 2, 2014, 9:00 a.m.

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

Directors Present:

Kirk Rathbun, President
 Gene Huffman, Vice President
 Patrick McGuire, Director
 David McKenzie, Director
 Dean Dennis, Director

Staff Present:

Chuck Freeman, District Manager
 Colleen Storms, District Treasurer
 Seth Defoe, Planning Manager
 Jason McShane, Engineering/Operations Manager
 Brianna Potts, Accounting Clerk
 Lynda Rosenbaum, Real Property Manager

Other Persons Present:

Brian Iller, Legal Counsel

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

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

Items on the consent agenda were:

1. Binding Site Plan 12-03 G2 Storage – Dry
2. Vouchers/Warrant Approval

Numbers:	68773 through	68809	\$	637,105.74
	68810 through	68810		59,285.88
	68811 through	68836		<u>233,548.23</u>
Total Accounts Payable				<u>929,939.85</u>
<u>Payroll</u>				
Numbers:	32844 through	32855	\$	14,442.29
Direct Deposit	8/21/2014			77,882.58
Total Payroll				<u>92,324.87</u>
Total Disbursements				<u>\$ 1,022,264.72</u>

Voided Checks: None

PUBLIC COMMENTS:

Larry Singleton, a homeowner in Kennewick, spoke about irrigation assessment and no reimbursement or extension of water for when there was no water.

At the request of Director McGuire, Mr. Freeman stated that there was no policy for any form of forgiveness of assessment, but the Board had the option to create one. He said there was no cost for water and that the assessment was used to bring the water from the Yakima River to

the customer. Mr. Iller elaborated that the assessment was a construction loan that was established in the 1950s between Kennewick Irrigation District and the federal government.

Mr. Iller addressed Mr. Singleton's question about the difference between using City water versus irrigation water and explained that the federal government wrote a law that stated irrigable acres must be charged an assessment every year.

At Director McGuire's request, Mr. McShane addressed what was being done to eliminate breaks and outages and to respond to the latest canal break caused by the California Ground Squirrel. He spoke about the grant received by KID to line the canals with a rubber-like lining material over three years, and said the project was budgeted at \$7 million, of which \$1.5 million was grant with the remainder being funded by KID.

Mr. McShane noted that KID had hired a pest control company to set down anti-coagulant bait, which, should pets get into it, was treatable with vitamin K. Discussion followed.

In response to a suggestion from Director McKenzie, Mr. Freeman confirmed that staff would work on getting the word out about the ground squirrels to the media and rate payers in the known areas of infestation.

PRESENTATIONS: None

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS: None

RESOLUTIONS:

Resolution 2014-18 Authorize waiving of competitive bidding requirements for purchasing Wonderware Software: Mr. McShane reported that Wonderware was the SCADA human-machine interface (HMI) software currently used at Red Mountain and said staff would like to maintain consistency across KID facilities.

In response to a question from Vice President Huffman, Mr. McShane stated that this was not a Red Mountain South LID purchase, but was for the rest of the District.

In response to a question from Director McGuire, Mr. McShane said he was not prepared to give a finite timeframe or discuss the plan for getting the SCADA system working in the rest of the District. He said he would present the path forward on the SCADA project with the Capital Plan later in the year.

Vice President Huffman moved to approve Resolution 2014-18, Authorize waiving of competitive bidding requirements for purchasing Wonderware Software. Director McKenzie seconded the motion; Directors Rathbun, Huffman, McKenzie and Dennis voted yay, Director McGuire voted nay. The motion carried.

Resolution 2014-19 Confirmation of Proclamation of Emergency and Authorization to Waive Competitive Bidding Process – August 28, 2014 Canal Break Repairs: Mr. Freeman reported that, on August 28th, he declared an emergency regarding the canal breach at mile 33.8 on Division 4. He requested that the Board confirm that declaration.

Director McKenzie moved to approve Resolution 2014-19 Confirmation of Proclamation of Emergency and Authorization to Waive Competitive Bidding Process – August 28, 2014 Canal Break Repairs Vice President Huffman seconded the motion and it carried unanimously.

STAFF REPORTS:

Finance Manager: Ms. Storms reported:

- Customer Service stepped up to handle the canal break. Director McKenzie stated that he was very impressed with communication, starting with KID staff notifying him that there was a break, through staff calling him to find out how much water he wanted when the water came back on.
- The draft 2015 Budget would go to the Finance Committee Meeting the following week.

Engineering/Operations Manager: Mr. McShane gave a brief estimation of when the canal broke and discussed the progression of canal breach repair. He also reported:

- The Office of Columbia River took a tour of the Red Mountain Pump Station.
- Crews were testing complimentary weed treatments following the canal breach.

Planning Manager: Mr. Defoe reported:

- KID participated in the Water Use Subcommittee of Integrated Plan. He gave a brief overview of projects the subcommittee recommended; most of which were on the west side of the state. The KID re-regulation reservoir at the end of Division 3 was slated to receive \$350,000, if the projects passed legislation. He confirmed to Director McGuire that KID would not agree blindly with the Integrated Plan.
- Shrub Steppe mitigation money was used to purchase 2,900 acres of shrub steppe, west of Yakima, in the Oak Creek Wildlife Area of the Cowiche Unit. He said the Mike Livingston, Regional Director, South Central Washington, Washington Department of Fish and Wildlife would speak to the Board on October 7, 2014. Mr. Defoe confirmed to Director McGuire that only Red Mountain rate payers paid \$500,000 into the mitigation fund.

Director McGuire asked whether the State considered the California Ground Squirrel an invasive species and what types of help there might be from the State.

District Manager: Mr. Freeman reported:

- Regarding Washington Trust Bank issues, KID had created stronger internal controls and said a request for qualification for banking would take place following the decision on new accounting software.
- Staff was all back with the exception of a couple of employees on FMLA & L&I leave.
- A thank you letter would be sent to Ray Poland & Sons for their quick action and diversion of equipment to meet KID needs.
- Mr. McShane and he would evaluate the need to contract out some of the lining project, in view of the very cold weather last water-off season which limited the amount of lining installed and put KID behind schedule on the project.

Mr. Iller suggested that discussion of the affect of upstream conservation projects on return flows be in an Executive Session.

WORKSHOP: None

EXECUTIVE SESSION: None

Vice President Huffman moved to adjourn the meeting at 10:30 a.m. and Director Dennis seconded the motion, which carried unanimously.

Attest:

Witness:



Kirk Rathbun, Board President
Approved October 7, 2014



Chuck Freeman, District Manager

Prepared by Brianna Potts