



**Minutes**

Meeting of the KID Board of Directors  
 Carl W. Petersen Board Room  
 Monday, December 15, 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  
 Seth Defoe, Planning Manager  
 Jason McShane, Engineering/Operations Manager  
 Doris Rakowski, Executive Assistant

**APPROVAL OF AGENDA: Director Dennis moved to approve the agenda and Vice President Huffman seconded. The motion carried.**

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, December 2, 2014
2. Travel Request for the NWRA Leadership Forum
3. Binding Site Plan 14-04 Brinkley - Dry
4. Vouchers/Warrant Approval

**Accounts Payable**

Numbers:	69235 through	69254	\$	120,937.86
	69255 through	69270		<u>158,294.92</u>

**Total Accounts Payable** 279,232.78

**Payroll**

Numbers:	32928 through	32939	\$	10,713.94
	32941 through	32947		1,150.00

Direct Deposit 11/26/2014 76,230.55

**Total Payroll** 88,094.49

**Total Disbursements** \$ 367,327.27

**Voided Checks: Ck# 32940; Printer error**

**PUBLIC COMMENTS:** None

**PRESENTATIONS:** None

**PUBLIC HEARING:** None

**BOARD REPORTS:** Director Dennis reported on the Washington State Water Resources Association (WSWRA) annual meeting. President Rathbun added that attendees heard updates on state, federal and proposed regulations and that Mr. Freeman and Mr. Defoe gave a presentation on Amon issues.

**ACTION ITEMS:** None

**RESOLUTIONS:**

Mr. McShane asked the Board to table Resolution 2014-33 Final Acceptance Contract 2013-03 Schedule C, until the contractor made repairs necessitated by an incident with a property owner. He said the other three items were ready for final acceptance, and briefly reviewed the process leading to final acceptance of contracts and release of retainage.

**Resolution 2014-32 Final Acceptance Contract 2013-03 Schedule B:** At President Rathbun's request, Mr. McShane spoke about work done under Schedules B and D.

Discussion ensued regarding the private line area (PLA) at the top of Red Mountain. Mr. McShane said KID met its obligation to bring the water to the PLA, but the private parties had not yet installed their mains. Mr. Freeman confirmed to Director McGuire that people in the PLA had been notified of the policy regarding putting the water to beneficial use within three years. He briefly reviewed policy terms regarding extensions and said reminders would be sent.

Mr. Freeman confirmed to President Rathbun that PLA members would pay the same as other Red Mountain South LID customers because they benefit from the same LID system, but would pay additional costs for their private system such as electricity for additional pumping.

**Director McKenzie moved to approve Resolution 2014-32 Final Acceptance Contract 2013-03 Schedule B. Vice President Huffman seconded and the motion carried.**

**Resolution 2014-33 Final Acceptance Contract 2013-03 Schedule C:**

**Vice President Huffman moved to table Resolution 2014-33 (Final Acceptance Contract 2013-03 Schedule C). Director Dennis seconded and the motion carried.**

**Resolution 2014-34 Final Acceptance Contract 2013-03 Schedule D:** Mr. McShane reviewed which work was done under Schedule D.

**Vice President Huffman moved to approve Resolution 2014-34 Final Acceptance Contract 2013-03 Schedule D. Director Dennis seconded and the motion carried.**

**Resolution 2014-35 Final Acceptance Contract 2013-05 1070 Reservoir:** Mr. McShane recommended acceptance of the contracted 1070 Reservoir work. In response to a question from President Rathbun, Mr. McShane spoke about pressure and leak testing of the reservoirs.

**Director Dennis moved to approve Resolution 2014-35 Final Acceptance Contract 2013-05 1070 Reservoir. Director McKenzie seconded and the motion carried.**

**STAFF REPORTS:**

**Finance Manager:** None

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

- HDPE lining began last Wednesday and would continue as weather allowed. He said 6% of the planned nine miles of lining was done in the first two days. In response to questions from Vice President Huffman and President Rathbun, Mr. McShane spoke about seaming.
- The Automatic Meter Reading system, paving at the intake structure, and finalizing work at the 810 reservoir remained to be completed at the Red Mountain South LID project.
- The aquatic and terrestrial weed control programs were moving forward.
- Staff was waiting to inspect the turbine at Chandler. Discussion ensued regarding what would happen if the results of the inspection were not good.
- In response to a question from Director McGuire, Mr. McShane spoke about winterization of the Red Mountain South LID system by the contractor. He noted that it was the District's easiest system to winterize because it had been designed with that in mind.

**Planning Manager:** Mr. Defoe reported that a press release and targeted email to agricultural customers were sent regarding the openings on the Implementation Committee.

Regarding the Integrated Plan (IP), Mr. Defoe reported that he attended a joint subcommittee meeting of the three IP committees. Discussion centered on proposed fishery enhancement projects, which Mr. Defoe said would likely tie back to the Yakima Project biological assessment and opinion and mitigate for impacts of the project. He noted that conservation projects in Kittitas would not impact where KID draws water, though KID had some concerns about how conservation would impact the District.

Mr. Defoe said the cost-benefit analysis study of the IP by Washington State University looked at plan components individually. The cost-benefit ratios for storage and agriculture were quite small, with only fish passage projects penciling out. He said IP proponents were concerned about it going to the legislature, as the plan was a package and various parts were dependent on the other parts.

Mr. Defoe reported that he had corresponded with Dr. Yoder of the WSU study regarding KID concerns about impacts not quantified by the report, due to the U.S. Bureau of Reclamation model not being able to validate return flows. He said the report did note that there was a cost related to return flows, which could be large, depending on how much water was conserved and how it impacted downstream diverters.

Mr. Defoe said the IP workgroup would meet again next week. He spoke about the importance of KID fully engaging in the process and discussion and asking questions about concerns.

President Rathbun asked if Dr. Yoder's report of a favorable cost-benefit ratio for fish projects was due in part to the five to one value which was put on fish over everything else. Mr. Defoe said he believed so. Discussion ensued.

Mr. Defoe said Dr. Yoder's report was due to the legislature today, and that Dr. Yoder would be present at the IP workgroup meeting Wednesday. Discussion ensued regarding meeting attendance.

Mr. Freeman noted that the scope of the economic study came from the legislature and that no one from the Yakima Basin participated in scoping it. He said the USBR had already released a report, but the legislature chose not to rely on it in crafting their scope for the study.

Discussion ensued regarding the importance of the language of Yakima River Basin Water Enhancement Project III, section 1208. Mr. Freeman said he thought it was in the District's interest to go to DC, as the Board and staff's fiduciary duty was to KID, not other districts.

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

- The Red Mountain South LID hearing date was set for 7:00 p.m. on January 8<sup>th</sup>. He said letters were sent twice and no challenges or comments were received in answer. The most recent mailing included information about the hearing and assessments. Foster Pepper and a court reporter would be present. This was a final step before bills could go out for the LID assessment.
- A Washington State Water Resources Association Executive Board meeting would be held Wednesday at the same time as the IP workgroup meeting.
- The employee events last week were well attended.

Director McGuire suggested Mr. Freeman recommend WSWRA do an RFQ for a new state legislative lobbyist. Mr. Freeman said he was not a WSWRA executive board member.

**Workshop:** None

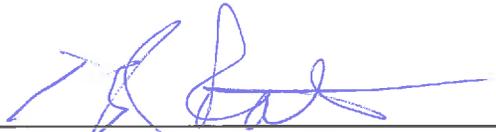
**EXECUTIVE SESSION:** At 9:48 a.m., on behalf of the presiding officer, Mr. Freeman announced that the Board would go into executive session for an estimated 30 minutes, for planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress, pursuant to RCW 42.30.140 (4)(b). He said action no action was expected to follow executive session.

At 10:15 a.m. the meeting returned to open session.

**Vice President Huffman moved to adjourn the meeting at 10:16 a.m. and Director McKenzie seconded the motion. The motion carried.**

Attest:

Witness:



Kirk Rathbun, Board President  
Approved January 6, 2015



Chuck Freeman, District Manager

Prepared by Doris Rakowski