



Minutes

Meeting of the K.I.D. Board of Directors
 Carl W. Petersen Board Room
 Tuesday, March 17, 2015, 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
 David McKenzie, Vice President
 Patrick McGuire, Director
 Gene Huffman, Director
 Dean Dennis, Director

Staff Present:

Chuck Freeman, District Manager
 Lynda Rosenbaum, Real Property Manager
 Ben Woodard, Assistant Engineering Manager
 Seth Defoe, Planning Manager
 Lori Gibson, Executive Assistant to E&O Manager
 Doris Rakowski, Executive Assistant

Other Persons Present:

Brian Iller, Legal Counsel

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

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

Items on the consent agenda were:

1. Minutes, K.I.D. Board Meeting, March 3, 2015
2. Travel Request - ESRI User Conference
3. Binding Site Plan 14-06 KSD- Southridge
4. Final Plat – Clearwater Creek Phase 1 (Dry)
5. Final Plat – Bridgewater Park Phase 4 (Dry)
6. Vouchers/Warrant Approval

Accounts Payable

Numbers:	69856 through	69875	\$	339,140.52
	69876 through	69876		195.02
	69877 through	69908		<u>162,844.10</u>

Total Accounts Payable

502,179.64

Payroll

Numbers:	33042 through	33053	\$	12,778.04
	33054 through	33054		1,483.58

Direct Deposit	3/5/2015	<u>99,920.34</u>
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Total Payroll

114,181.96

Total Disbursements

\$ 616,361.60

Voided Checks: None

PUBLIC COMMENTS: None

PRESENTATIONS: None

PUBLIC HEARING: None

BOARD REPORTS: President Rathbun and Director McGuire reported that the Integrated Plan Workgroup was starting to talk about how return flows affect the K.I.D.

Director Huffman offered on his observations of the dry conditions in Snoqualmie Pass.

Director McGuire said no mention was made of drought at a recent 8th District Representatives' town hall meeting which he attended.

ACTION ITEMS:

Approve Contract with J-U-B for Civil Design for New Administrative Building Site: Mr. Freeman referred to a time and materials estimate for the civil work to create a pad-ready site for the new administrative building. He said that J-U-B was selected from a roster for the work.

Mr. Freeman reported that a pre-application meeting had been held with the city. He briefly reviewed items included in the contract and some of the City's requirements. Mr. Freeman requested that the Board approve a contract, not to exceed \$50,000, for civil engineering for the new administrative building at Ely.

Director McGuire moved to award the contract for preliminary engineering services to J-U-B, not to exceed \$50,000. Director Huffman seconded the motion and it carried unanimously.

Establish Ad Hoc Building Committee: Mr. Freeman recommended the Board create a committee consisting of one board member, the District Manager and one staff representative each from Customer Service, Realty, Planning, Engineering and Finance. He said the committee would work with contracted consultants on civil engineering design, followed by design and building of the new facility.

Mr. Freeman said the preliminary cost estimate for the project was reviewed by the Finance Committee and included:

Structure	\$2,250,000
Site Improvements	275,000
Professional Services	275,000
Project Management	225,000
Furnishing	85,000
Contingency	<u>337,500</u>
Total	\$3,397,500

Discussion ensued regarding what would be included in the building project and space needs.

Mr. Freeman confirmed to President Rathbun that employees assigned to the committee were Dana Hernandez, Jason McShane, Colleen Storms, Lynda Rosenbaum, Seth Defoe and himself. President Rathbun said he would appoint Director McGuire to the committee.

Director Huffman moved to form an ad hoc Building Committee. Vice President McKenzie seconded the motion and it carried unanimously.

Draft Memorandum of Understanding with WA Department of Fish and Wildlife (WDFW): Mr. Freeman presented a draft memorandum of understanding (MOU) between K.I.D. and WDFW regarding Amon Basin maintenance and improvement activities. He spoke about a disagreement between K.I.D. and WDFW regarding jurisdiction. Mr. Freeman said the proposed MOU was a step toward working with WDFW to allow both parties to obtain their goals without need for litigation. Under the proposed MOU, K.I.D. would let WDFW know what the District was going to do without the need to get a hydraulic permit.

Mr. Iller spoke in favor of sending the MOU.

In response to a question from Vice President McKenzie, Mr. Freeman spoke briefly about previous discussions with WDFW. Mr. Iller said WDFW proposed agreeing to a MOU years ago, but never provided a draft MOU.

Mr. Defoe noted that the Board directed staff to draft an MOU in 2008, but had been on hold waiting for the 2009 and West Fork habitat studies. He said since the habitat studies were complete, it was a good time to proceed with the MOU.

Mr. Freeman confirmed to President Rathbun that, following a site visit from the Army Corps of Engineers, crews were working in the Amon Wasteway to restore the section of wasteway canal which had been filled in by a developer. He said permits were not sought from the State, nor had the State dealt with the developer's actions.

Mr. Freeman spoke briefly about the desirability of putting a fish barrier in the Amon Wasteway to avoid wasting salmonid species in the drain. He noted that Fish Biologist David Child would present his report on the West Fork of the Amon Wasteway to the Board on April 21st. Mr. Defoe confirmed that a WDFW staff member offered an opinion on Mr. Child's report, but WDFW submitted no formal comment.

Mr. Iller offered to discuss the risks of a proposed action regarding work in the Wasteway in executive session.

Discussion ensued regarding making a good-faith effort to move the conversation forward.

Director Huffman moved to authorize the District Manager to sign and send the attached MOU to Perry Harvester of the Washington Department of Fish and Wildlife and open a dialogue. Director Dennis seconded the motion and it carried unanimously.

RESOLUTIONS:

Resolution 2015-08 Irrigation Water Allotment Relegations: Ms. Rosenbaum asked the Board to approve a resolution to complete the removal of water allotments and assessments from ten parcels, effective January 1, 2015. She spoke briefly about the relegation process, including a recent clarification that a lien holder approval letter was not required by the USBR.

Director Dennis moved to approve Resolution 2015-08, Removing the Irrigation Water Allotments and assessments from parcels as listed on Attachment "A" effective January 1, 2015. Director Huffman seconded the motion and it carried unanimously.

STAFF REPORTS:

Finance Manager: Mr. Freeman reported that the Finance Manager was attending federal grant training.

Engineering/Operations Manager: Mr. Woodard reported on behalf of Mr. McShane:

- Contracted work started on the Cherry Creek facility.
- Five of twelve Rubicon gates and frames ordered this year remained to be installed. The gates arrived at the port, but the delivery date was not confirmed due to a strike.
- Crews were in the last reach of Division IV canal lining.
- Rechannelization of the Amon Wasteway was occurring this week.

Discussion ensued regarding trespass on the canal roads.

In answer to Vice President McKenzie's question, Mr. Freeman said an approximately one week start-up delay for Division IV was discussed at the water master meeting and an email would be sent to impacted customers. He said bids for contracted concrete work were about \$125,000 and the delay allowed K.I.D. crews to do the work. Mr. Woodard spoke about minimizing the delay. He said just over a mile of lining would be needed on Division IV next year.

Planning Manager: Mr. Defoe reported:

- The USBR's first 2015 water forecast included 75% prorationing. Under YRBWEP II Title 12, in prorationing (but not normal) years, upstream conservation was not to reduce K.I.D.'s water supply from what would be available without the conservation. Staff requested recalculation of YRBWEP conserved water and would follow up to verify KID was not being harmed. Since 2005, projects at SVID and BID conserved about 30,000 acre-feet of water.
- Governor Inslee made declared a formal drought, and K.I.D. would apply for some of the funds which were being made available.
- The Integrated Plan Work Group Had begun to listen to K.I.D.'s concerns about return flows. Staff would continue to monitor their actions.
- Staff met with Washington Department of Ecology staff in the Shoreline and Wetlands group regarding Amon permitting issues. Regional Director Tom Tebb indicated that, where K.I.D. had drainage water in a formal or prescriptive easement, it could work without mitigation for wetlands, though best practices for pollution reduction should be used. Construction Storm Water permits would likely be needed if water were discharged to waters of the state.
- The Corps of Engineers asked for a heads up about future work in the wasteway, but said that this work to re-route the channel in the wasteway was exempt from permitting.
- Legislation proposed to exclude irrigation facilities such as Amon Wasteway from Shoreline Management Act was passed 98 to 0 by the House and was back for Senate approval.
- Mr. Defoe attended a meeting about the Bateman Island Causeway Breach project, part of the Integrated Plan. Discussion ensued.

In response to a question from Director Huffman, Mr. Defoe spoke briefly about wells and temporary water transfers during drought conditions. Mr. Woodard noted that engineering would be analyzing various projects.

District Manager: Mr. Freeman reported that the District's attorney had been unaware that staff selected J-U-B from a roster and requested that the contract award be rescinded and competitive RFP process be used to select a firm.

Director McGuire moved to rescind the previous motion awarding the preliminary engineering services contract to J-U-B. Vice President McKenzie seconded the motion and it carried unanimously.

Mr. Freeman said he would add civil engineering to the partially written RFP for the building design. He spoke about anticipated schedule for the project.

Mr. Freeman also reported:

- Mr. Freeman read from minutes of a Columbia Snake River Irrigators Association (CSRIA) special meeting regarding litigation by the irrigators and the CSRIA Board planned litigation against the USBR East Columbia Basin Irrigation District for failure to perform agency duties. He said KID was not suing East Columbia, but was a CSRIA board member. Director McGuire said his understanding was the people for whom the systems were built were suing, not the CSRIA was just shepherding the litigation along.

President Rathbun reported that he attended meeting as an interested party because he had a farm in the area. He said CSRIA asked as many people as possible to sign on to the litigation against USBR and East Columbia, but his family did not sign on.

- On Thursday, the new Yakima Field Office Manager would be given a tour of K.I.D.
- K.I.D. was warmly received at a homeowners association meeting last week.
- Staff would be meeting with landscape companies and would provide a brochure on irrigating in a desert climate.
- A drought information link would be added to the front page of the District's website. Links and information from different sources would be added.
- There was a possible opportunity to use State drought funds for a water transfer interlocal agreement with the Badger Mountain LID.
- City of Kennewick received K.I.D.'s counter offer regarding the Vista Entertainment property.

Director McGuire reported Councilman Paul Parrish contacted him twice and said the City was insulted by the District's counter being higher than a 2012 appraisal and paying what the District asked would be considered gifting. Director McGuire told him that K.I.D.'s obligation was to District rate payers and had been getting \$5.50 a square foot in that area.

Mr. Freeman spoke about combining the sale with takeover of the Elliot Lake potable system. He said the appraisal was the District's worst case scenario and confirmed that the District's fiduciary duty was to the rate payers.

- The Water On meeting would be March 31st at 7:30 at Old Country Buffet on Canal Street.
- The K.I.D. was mentioned three times about return flows at the Integrated Plan meeting.

Director McGuire reported he also spoke to Councilman Parrish about using of waste treatment effluent to take over part of in town irrigation, but it wasn't penciling out yet.

WORKSHOP: None

EXECUTIVE SESSION: None

Director Dennis moved to adjourn the meeting at 10:14 a.m. and Vice President McKenzie seconded the motion. The motion carried unanimously.

Attest:



Kirk Rathbun, Board President
Approved April 21, 2015

Witness:



Chuck Freeman, District Manager

Prepared by Doris Rakowski