



Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, July 21, 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
 Jason McShane, Engineering/Operations Manager
 Colleen Storms, District Treasurer
 Seth Defoe, Land and Water Resources Manager
 Lynda Rosenbaum, Real Property Manager
 Dana Hernandez, Customer Accounts Supervisor
 Jennifer Defoe, Public Relations Coordinator
 Doris Rakowski, Executive Assistant

Other Persons Present:

Brian Iller, Legal Counsel
 Michael Nothwang, SOLARC
 Derek Munson, Artmil

APPROVAL OF AGENDA: President Rathbun added a presentation on the new logo to the agenda. Director Huffman moved to approve the agenda as modified. Director Dennis seconded the motion and it carried unanimously.

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

1. Minutes, KID Board Meeting, July 7, 2015
2. Binding Site Plan VK Clean Machines - Dry
3. Binding Site Plan 15-03 Solbrack - Dry
4. Easement Vacation 4061 Plaza Way
5. Confirm Job Description
6. Authorized Positions - Revision 4
7. Vouchers/Warrant Approval

Accounts Payable

Numbers:	70410	through	70445	\$	301,971.71
	70446	through	70459		3,959.43
	70460	through	70496		115,525.55
	70497	through	70497		1,092.00
	ACH (06/15)	through	ACH (06/15)		7,499.48
					430,048.17

Total Accounts Payable

Payroll

Numbers:	33119	through	33125	\$	4,097.04
Direct Deposit			7/6/2015		65,878.21
					69,975.25

Total Disbursements

\$ 500,023.42

Voided Checks: Ck# 70447; wrong name

PUBLIC COMMENTS:

Randy Jackson, 501 S. Keller, provided copies of two of his emails and asked that they be entered in the meeting record. Mr. Jackson reviewed calculations in the second email.

Director McGuire noted that Mr. Jackson described in Badger Canyon in one letter and asked how many of those properties had drought wells. Mr. Jackson said he had no way of knowing if farmers in KID had well water. He said the description was anecdotal and the calculations were based on detail, and said he did not know if it was relevant given his calculations.

PRESENTATIONS:

New Administration Building: Michael Nothwang, of SOLARC, spoke about the design process for the new administration building. He reported that the permitting process was underway. Mr. Nothwang displayed rendering and plans of the new building and spoke about the design of the building and grounds. He said material samples and drawings were available for examination during the break.

New Logo: Mr. Freeman introduced Derek Munson, of Artmil.

Mr. Munson displayed materials on the overhead screen and spoke about logo design and the District's rebranding project. He spoke about what logos should and should not do. Mr. Munson spoke about elements of the proposed logo design. He presented a second design option, which included houses, and spoke about concerns with the alternate design.

Mr. Munson presented two final design candidates. Discussion ensued.

Mr. Munson confirmed to Director Huffman that there were several options for how the logo could be used and that there would be a seal version with the name around the design. He spoke further about uses of the logo and the files that would be provided to the District.

The history of District logos was discussed, as were various elements of the design. In response to a question from President Rathbun, Mr. Freeman said the new logo would be incorporated as new material stock was purchased.

Consensus of the Board was in favor of use of the design candidate number one.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Emergency Water Sales Agreement with Badger Mountain Irrigation District (BMID): Mr. Freeman spoke about an Emergency Water Sales Agreement between BMID and KID, which would provide for two interties on the Badger East and West canals for up to 10 CFS.

Mr. Freeman said the maximum budgetary impact would be \$99,423.20, if the intertie was approved by the Washington Department of Ecology (WDOE) next Monday and used through the end of the year. He reported that the BMID Board had approved the agreement, and that the project, agreement, and transfer request were submitted to the WDOE for Drought Relief Grant Funds. Mr. Freeman said a WDOE staffer was concerned about the unperfected inchoate water right at BMID, but KID anticipated approval.

Mr. Freeman confirmed to President Rathbun that KID's portion of the cost would be paid from the drought mitigation fund. He said \$53.50 per acre foot was a good value compared to the price being paid by Roza Irrigation District. Discussion ensued. Mr. Freeman confirmed KID would be charged by acre foot taken, with no further charges when it was no longer needed.

At Vice President McKenzie's request, Mr. McShane spoke about delivery points.

Vice President McKenzie moved to confirm the Emergency Water Sales Agreement between BMID and KID. Director Huffman seconded the motion. It carried unanimously.

Memorandum of Understanding (MOU) for Columbia Irrigation District (CID) Temporary Pumps: Mr. McShane reported about an agreement in principle with the CID Board of Directors, under which water would be pumped from KID's Wasteways or the Gage System into the CID canal, and then back into KID's system. He spoke about the locations involved. He noted that CID did not ask for compensation, but had challenges with weeds control, so if there were a capacity limitation, KID would shut pumps down and not overtop their canal.

In response to a question from Vice President McKenzie, Mr. McShane displayed a map and spoke further about pertinent locations. He said water put in and taken out would be metered.

Mr. McShane confirmed that the CID Board approved the proposal on July 2, 2015.

Director Huffman moved to confirm the Memorandum of Understanding with the Columbia Irrigation District for Drought Relief Temporary Pumping and Carriage. Vice President McKenzie seconded the motion and it carried unanimously.

Drought Grant Applications: Mr. Freeman said the WDOE began taking grant applications on July 11th for drought relief projects, and two grant applications had been completed and submitted for consideration. The first application was seeking up to 50% of \$99,423.20 (\$49,711.60) to cover the cost of purchasing water from BMID through the Emergency Water Agreement, and the second application was seeking up to 50% of \$57,744.27 (\$28,872.00) to cover costs of the code enforcement position and media buys.

He said he anticipated submitting additional applications, including one for the drought pumps. Mr. Freeman said he would follow up on what the expedited process entailed.

In response to a question from President Rathbun, Mr. Freeman reported that he had verified that the media buys for public education were appropriate for the grant program.

Director Huffman moved to confirm the submittal of both Drought Relief applications for consideration to the Washington Department of Ecology. Director Dennis seconded the motion and it carried unanimously.

RESOLUTIONS: None

At 10:20 a.m., a short break was called. The meeting resumed in open session at 10:31 a.m.

STAFF REPORTS:

Finance Manager: Ms. Storms reported:

- Customer Service call volume had leveled out. Mr. Freeman said allowing use of hoses helped drop the number of calls.

- Duplicate service orders were not created for repetitive phone calls, once first report of a problem was input. Mr. Wuerl's issue, presented at the last Board meeting, was not neglected by customer service; it was a known issue.
- There was a delay with startup of Tyler Software. Ms. Storms anticipated a new, clean start up could occur in late fall. It would not be a conversion from Springbrook Software data.

Engineering/Operations Manager: Mr. McShane reported:

- Service orders were generated for the first call reporting an outage and not for subsequent calls. He said the challenge with Mr. Wuerl's issue was identifying the specific problem.
- The first of two Endothall treatments took place last week. Additional debris was expected.
- A SCADA server and secondary radio system would be coming online soon.

Director McGuire reported a rumor in PSA 171 that horse owners could use as much water as needed. Mr. McShane said he would correct misconceptions with the homeowners association.

Mr. McShane displayed pictures showing the drought's effect on some parcels in the district and spoke about differences in how water was delivered to metered and non-metered locations. He said some parcels were watered or supplemented by non-regulated domestic wells. He spoke about watering methods and use of fallowing to concentrate available water on smaller areas. He said the District worked to deliver water equitably to all water users and that the public responded well to the challenge of the drought.

Mr. McShane said delivery types were metered and unmetered, not residential and agriculture. He described how staff used an iterative process to balance metered and unmetered deliveries. Mr. McShane displayed a graph of 2005 and 2015 water levels and explained how supply and demand levels were estimated.

Allowing spot watering had been helpful and staff was analyzing the numbers from doing that last week to determine whether the District would be able to continue that practice.

Mr. McShane said the District was lucky to have good partners like the Kennewick School District and orchardist J. F. Moore who changed their water use to benefit other water users. He said that people with three acres and above were being asked to limit to 30 minutes per station, but were being asked to take water only during the most off peak times. Other very large water users that made extra sacrifices to improve water supply for the rest of the community included the City of Kennewick, Canyon Lakes Golf Course, the Tri-City Country Club, and Zirkle Farms.

Mr. McShane spoke about the District's on demand system and its 29 hour river level fluctuation cycle and possible causes.

Watering using hoses was discussed further.

In response to a question from Vice President McKenzie, Mr. McShane spoke about efforts to correct the filter problem at the Red Mountain South.

Land & Water Resources Manager: Mr. Defoe displayed a map and reported:

- Discussions with Department of Ecology (DOE) indicated no problem with recapture of Badger Drain return water seepage. RH2 was working with staff to prove up the water and separate comingling, and would get a DOE well drilling permit. Mr. Defoe reported the U.S.

Bureau of Reclamation (USBR) was supportive of the project; however, Bill Ferry had said the USBR would not help defend the water right were there conflicts with other well owners.

- Results were not yet available for the value engineering process for the K-Drip (Kachess Reservoir Inactive Storage Project) and K to K (Keechelus to Lake Kachess Conveyance Project) projects. How to operate the K to K or the K-Drip projects together or in isolation was discussed at a meeting last week. Biologist wanted environmental concerns with Keechelus and Kachess added to the environmental impact statement. Still unknown were if the project would go forward, whether KID would be able to receive water from calling on a block of that storage in drought conditions if the Board bought into the project, and what would be the costs of the project.

Director McGuire mentioned cases of irrigation districts being sued by the State of California for stealing water and expressed concern about senior water rights districts taking stored water from these projects. Mr. Defoe spoke about KID's use of return flows before conservation projects upstream instead of calling on storage. Mr. Iller said the subject was a concern of the Integrated Plan legal group. He suggested the topic be discussed in executive session as it was a complicated legal question.

- A town hall meeting was being considered to answer to frequently asked drought questions.

District Manager: Mr. Freeman reported:

- At the West Coast Infrastructure Financing meeting yesterday, Kittitas Reclamation District and Roza Irrigation District board members discussed if \$100 per acre foot was cost effective protection for them. Without KID participation, the price would be much higher, but KID needed further assurances before participating. Marketing the project as an investment was discussed at that meeting.
- 435 drought violations citations had been issued and about 95% of those warned complied after the first warning; only a few second violation citations had been issued.

WORKSHOP: None

EXECUTIVE SESSION: At 1:44 a.m., Mr. Iller announced on behalf of the presiding officer that the Board would go into executive session, for approximately 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) and to discuss with legal counsel potential litigation, in the form of litigation or legal risks of a proposed action or current practice pursuant to RCW 42.30.110(i)(iii).

President Rathbun called a short break before the executive session began at 11:55 a.m.

Open session resumed at 12:26 p.m. and President Rathbun called for a motion to modify the agenda.

Director Huffman moved to modify the agenda to add the Field Union Contract. Director Dennis seconded the motion and it carried unanimously.

ACTION ITEMS:

Field Union Contract: Mr. Freeman reported that the agreement between the District and the International Union of Operating Engineers representing the Field Operations Employees expired on January 1, 2015. He said the Executive Management team met with representatives from the bargaining group several time, but following tentative agreement, the field employees

voted down the agreement twice. Following the second rejection, both parties agreed to mediation which occurred on June 3, 2015 with no success. Both parties agreed to keep talking and on July 15th, the employees approved a new three-year contract.

Changes included:

- Introductory period increased from six months to one year.
- Employee recourse to the Board for grievances eliminated.
- District will strive to provide two consecutive days off in each work week between March 15 and October 15, and the District will provide two consecutive days off in each work week between October 16 and March 14.
- The District will post each months schedule 25 days in advance of the next month.
- Unexcused sick leave removed from hours worked definition.
- Pay periods changed from 26 to 24.
- Swing shift would continue to receive an additional \$.50 per hour between 4:00 p.m. and midnight, and graveyard shift would receive an additional \$1.00 per hour between 11:00 p.m. and 6:00 a.m., but the hours must be the employee's regularly scheduled shift.
- Maximum vacation hour bank was increased from 240 to 280 hours.
- Loss of a required Commercial Drivers License, if the employee remained insurable by District's insurance carrier, would result in a pay reduction of \$8.47 per hour until CDL reinstated. If the employee was not insurable by the District's insurance carrier and driving was an essential function, the employee would lose their job.
- The wage formula was agreed to in 2011 would remain in effect, with a floor of 2% and a ceiling not to exceed 3%.
- Health Insurance premium cost share would be 92% this year, 90% beginning January 1, 2016, and 88% beginning January 1, 2017.
- Uniform allowance increased from \$350.00 to \$425.00 per year.
- Additional pay of \$1.50 per hour to spray weeds was eliminated. Employees would only receive additional pay if covering for the vegetation control position and they were paid less in their current position. This would be similar to working out of classification.
- Pay and terms would be retroactive to January 1, 2015.

In response to questions from President Rathbun, Mr. Freeman confirmed that the agreement would be for three years and spoke further about swing and graveyard shift pay and the uniform allowance. Ms. Storms spoke about the wage formula and said the healthcare law's impact insurance cost was unknown.

Director Huffman moved to approve the collective bargaining agreement with the Field Operations Employees effective January 1, 2015. Vice President McKenzie seconded the motion and it carried unanimously.

Director Huffman moved to adjourn the meeting at 12:35 p.m. and Director Dennis seconded the motion. The motion carried unanimously.

Attest:



Kirk Rathbun, Board President
Approved September 1, 2015

Witness:



Chuck Freeman, District Manager

Prepared by Doris Rakowski

Randy Jackson

From: Randy Jackson [rjbass@charter.net]
Sent: Friday, July 10, 2015 3:07 PM
To: 'krathbun@kid.org'; 'pmcguire@kid.org'; 'dmckenzie@kid.org'; 'ddennis@kid.org'; 'ghuffman@kid.org'
Cc: 'districtmanager@kid.org'; 'jmcshane@kid.org'; 'wswra@wswra.org'
Subject: KID Drought Plan, etc.

Gentlemen,

I addressed the Board at the June 16, 2015 and July 7, 2015 board meetings. I identified to the Board, Management and attorney Iller an issue regarding equitable distribution of water, and requested that Section 1.8 of Policy 8.3 “Drought Plan” be revoked. Specifically, I identified that implementation of Section 1.8 would take water from one or more user groups identified in Section 1.8 and give it to other user groups. This is not equitable distribution of water and therefore is in violation of R.C.W. 87.03.115, yet the policy remains in place. As noted below, Mr. Iller essentially addressed this issue at the June 2, 2015 board meeting:

“Mr. Iller clarified that the title of the water right held by the district was in the U.S. Bureau of Reclamation (USBR) for benefit of KID land owners. Once the water was beneficially applied to the land, the land owners had a vested property interest in the right, which neither the district nor the federal government could remove, even if the land use changed from agricultural to residential. He said the vested right was to an equitable share of whatever water was available to the district in a particular year, that could be beneficially used on a property. He added that an owner could not take their allocation and give it to someone else, because it could damage everyone else in the district.” June 2, 2015 Minutes – K.I.D Board of Directors

(Note - Merriam-Webster defines equitable as “just or fair: dealing fairly and equally with everyone”)

It is the Board’s duty to establish equitable bylaws, rules, and regulations for the equitable distribution of water to lands within the District. It is the landowner’s responsibility to beneficially use their available water supply to nurture the crops they choose to raise. It is neither the Board’s power or duty to provide landowners with the quantity of water necessary to nurture the crops they, the landowners, choose to raise. Delivery of water is based upon beneficial use, as explained by Mr. Iller, and is not based upon what beneficial use to which the water is put. The Board has neither the power or duty to unilaterally take water from any vested user and give it to another.

The KID “Drought Related Frequently Asked Questions”, in response to the question “Do farmers receive more water than residential customers?”, states the following:

“All K.I.D. customers are being curtailed. The total water supply available to the District is reduced and everyone must carry the burden together. That being said, not all customers use water the same way. Customers with over 3 acres and public entities are given a separate schedule to help balance the constantly changing water levels in the canal. When the water levels fluctuate in the canals our large land owners provide the District with the ability to prevent waste and use the excess water quickly to avoid over topping the canals.”

On 7/9/2015 in Badger Canyon I observed and documented hundreds of acres of lush and thriving alfalfa, squash?, corn, and pasture, most of which were actively being watered, primarily with center pivot systems, and, as an aside, green homeowner lawns. I also observed and documented hundreds of acres of grain stubble being actively irrigated using center pivot irrigation systems. Contrast this with the brown lawns of the urban users and it is obvious that all customers are not being curtailed equitably under the present distribution plan. Given a current diversion of 150 c.f.s. versus a normal diversion of 300 c.f.s. [KID news release of 7/8/15], it is not credible to attribute the present condition of the crops and irrigation practices observed to “...help balance the constantly changing water levels in the canal” nor to “...providing the District with the ability to prevent waste and use the excess water quickly to avoid over topping the canals”. With a fifty percent diversion the canal is much more capable of being operated to accommodate fluctuations, therefore, there is little to no “excess water” and the need for customers with over 3 acres and public entities to take water to balance the canal is reduced. To use this operational excuse as a means to provide significantly more instantaneous and/or total water to customers with over 3 acres and public entities is not valid and amounts to inequitable distribution of water. The crops observed will likely require more than the fifty percent total water allocation available to KID to reach maturity. Center pivot systems likely require more than an instantaneous fifty percent normal supply to operate effectively. These are individual landowner issues, not District issues. It is obvious the present distribution plan is providing customers with over 3 acres and public entities more than their equitable share of water which, as noted above, is in violation of R.C.W. 87.03.115.

It is time for the Board to act and revoke Section 1.8 of Policy 8.3 “Drought Plan”. It also time to adopt a distribution plan that provides water equitably to all lands within the District having a vested right to water. Failure to do so may expose the District, and perhaps Board members and Management individually, to significant liability.

Randy Jackson
(509) 531-9686

Randy Jackson

From: Randy Jackson [rjbass@charter.net]
Sent: Friday, July 17, 2015 1:46 PM
To: 'krathbun@kid.org'; 'pmcguire@kid.org'; 'dmckenzie@kid.org'; 'ddennis@kid.org'; 'ghuffman@kid.org'
Cc: 'districtmanager@kid.org'; 'jmcshane@kid.org'; 'wswra@wswra.org'
Subject: Water user allocations

Importance: High

Gentlemen,

On July 10, 2015 I provided an email to the KID board members, manager and operations manager containing anecdotal information regarding allocation of water between users with parcels >3 acres (rural) and those with parcels <3 acres (urban). I have since been provided data. In conversation with Mr. Freeman on 7/14/15, I understood him to say users with parcels >3 acres are not receiving water from users with parcels <3 acres and Section 1.8 of the Drought Plan is not in effect. I also understood him to say the present allocation to users with parcels >3 acres is 3 gpm/acre and that the irrigation systems of users with parcels <3 acres draw approximately 11 gpm/acre. Based on this data, recent press releases and June 4, 2015 Watering Plan data provided through a freedom of information request regarding allocation for a user with a parcel >3 acres, I note the following: (Calculation results for present allocation and various other scenarios and spreadsheet are provided below.)

1. Users with parcels >3 acres are allocated 3 gpm on a continuous basis. This equates to an allocation of 0.01326 acre foot per day/acre and 0.3712 acre feet/acre per 28 day month.
2. Irrigation systems of users with parcels <3 acres operating for 1/2 hour twice a week at 11 gpm/acre draw 0.00029 acre feet per day/acre and 0.0081 acre feet/acre per month.
3. Based on these values users with parcels <3 acres are allocated approximately **2.18%** (0.00029/0.01326) of the water allocated to users with parcels >3 acres.
4. Users with parcels >3 acres are allocated significantly more than their equitable share of the water available to the district.
5. The calculation indicates implementation of Section 1.8 of the Drought Plan.

I will present the July 10, 2015 email and this email at the July 21, 2015 board meeting to be entered into the public record.

Randy Jackson

Converter used in calculations: http://www.convert-me.com/en/convert/flow_rate/volume/gallon_min.html

1 gpm = 0.004419 acre feet per day/acre – from online convertor

USER

	application rate - gpm*/ac	effective water availability**/day	allocated ac ft/day/ac	allocated ac ft/28 days	allocated inches of water/month	% of >3 acre parcels' water allocated to <3 acre parcels - /day, and /month
> 3 acres	3.0	1.0	0.01326	0.3712	4.454	2.1825
< 3 acres (30 min/2x/wk) (PRESENT ALLOCATION)	11	0.00595	0.00029	0.0081	0.097	2.1825
(30 min/ 2x/wk)	50	0.00595	0.00132	0.0368	0.442	9.9206
(1hr/2x/wk)	11	0.01190	0.00058	0.0162	0.194	4.3651
(1hr/2x/wk)	50	0.01190	0.00263	0.0737	0.884	19.8413
(30 min/every other day)	11	0.01042	0.00051	0.0142	0.170	3.8194
(30 min/every other day)	50	0.01042	0.00230	0.0644	0.773	17.3611
(1 hr/every other day)	11	0.02083	0.00101	0.0284	0.340	7.6389
(1 hr/every other day)	50	0.02083	0.00460	0.1289	1.547	34.7222

1 gpm /day/acre = 0.0044190 ac ft/acre/day – from online calculator
http://www.convert-me.com/en/en/convert/flow_rate/volume/gallon_min.html

* gpm set at 3 (value allowed) and 11 (approximate use by < 3 acre users) based on conversation with Mr. Freeman.

**Data normalized by rate of application per acre, therefore, parcel size does not affect the calculations. These calculations compare allocations per acre for a >3 acre parcel versus a <3 acre parcel under current and various scenarios. Parcel size (total acres in each user group) would need to be considered to determine total acre feet actually delivered/deliverable.





KID RATION.xlsx