



## Minutes

Meeting of the KID Board of Directors  
 Carl W. Petersen Board Room  
 Tuesday, September 1, 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  
 Dean Dennis, Director  
 Gene Huffman, 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  
 Doris Rakowski, Executive Assistant

**Other Persons Present:**

Brian Iller, Legal Counsel  
 Galen Ohmart, Principal, SOLARC Architecture and Engineering, Inc.

**APPROVAL OF AGENDA: Director Dennis moved to approve the agenda. Director Huffman seconded the motion and it carried unanimously.**

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, July 21, 2015
2. Minutes, KID Board Meeting, August 4, 2015
3. Minutes, KID Board Special Meeting, August 13, 2015
4. Short Plat 15-01 - Lacey
5. Final Plat 15-03 - Skyline Meadows Phase 5
6. Quit Claim of Interest - Struwe
7. Travel Requests
8. Vouchers/Warrant Approval

**Accounts Payable**

Numbers:	70652	through	70700	\$	349,325.75
	70701	through	70732		151,243.36
	70733	through	70735		186.00
	105.07.2015	through	105.07.2015		4.95
	702.08.2015	through	702.08.2015		64,317.93
					565,077.99

**Total Accounts Payable**

**Payroll**

Numbers:	33172	through	33179	\$	6,879.80
Direct Deposit			8/20/2015		94,333.34
					101,213.14

**Total Payroll**

**Total Disbursements**

\$ 666,291.13

**Voided Checks: None**

**PUBLIC COMMENTS:**

**Pat Lacey**, 3904 S. Irby, noted that the Board just approved a short plat for her property at 603 S. Kellogg. She said KID permits, fees, excavation and hookup totaled almost \$6,000, including \$300 for an encroachment permit application for two structures which encroach about six feet across the line and which had been there for about 40 years. She said they also had to prove an as built which cost \$180. She said the charge, years after the fact, was unreasonable, unfair and probably after the statute of limitation.

Ms. Lacey asked that the charge be waived and that the Board consider in encroachment cases whether the person that should have paid the fee was the current owner or not. She provided a letter requesting consideration of waiving the fee.

**PRESENTATIONS:**

**Financial Reports for July 2015:** Ms. Storms displayed the July 2015 financial reports and reviewed highlights of pages including:

- Balance Sheet as of July 31, 2015 - Final
- Balance Sheet as of July 31, 2015 - Comparative
- Statement of Revenue & Expenditures - Budget to Actual - Summary
- Fund Balance Change through July 31, 2015

Segregation of proceeds from the Vista Entertainment real property sale to City of Kennewick until the Elliot Lake potable water system transfer was complete was discussed.

**Director McGuire moved to accept the July 2015 Financial Reports. Director Dennis seconded the motion and it carried unanimously.**

**PUBLIC HEARING:** None

**BOARD REPORTS:** None

**ACTION ITEMS:**

**Award PW 2015-16, Administration Main Building:** Mr. McShane reported that three bids were received for the completion of the walls, interior and site work around the new building. He said one bidder had appeared to be the lowest bidder, but they neglected to include sales tax and did not submit their subcontractor disclosure, so were unresponsive. That bidder would not have been the low bidder had they included sales tax. The low bidder was TW Clark Construction from Spokane, for \$318,000, including tax.

Mr. Ohmart confirmed the bid was about \$500,000 below the estimate and the total contract price for all three contracts was \$4,196,926. Mr. McShane said it was the project's last construction contract. Mr. Freeman noted \$85,000 was budgeted for internal furnishings, but the Board room furnishings and freestanding desks from four offices would be moved. Cost of the move would also be incurred. Most of the basement contents had already been moved.

In response to a question from Mr. McShane said the first contract was for purchase and erection of the steel building and the second contract was for the foundation and slab work. Discussion continued about the scope of work on this third contract.

**Director Huffman moved to approve the award of Contract PW2016-16 Administration Main Building to TW Clark Construction LLC, in the amount of \$3,118,000.00, including tax. Vice President McKenzie seconded the motion and it carried unanimously.**

Director McGuire noted that the contract number was incorrect in the motion. **Director McGuire moved to rescind the previous motion. Director Huffman seconded the motion and it carried unanimously.**

**Director Huffman moved to approve the award of Contract PW2015-16 Administration Main Building to TW Clark Construction LLC, in the amount of \$3,118,000.00, including tax. Vice President McKenzie seconded the motion and it carried unanimously.**

**RESOLUTIONS:** None

**STAFF REPORTS:**

**Finance Manager:** Ms. Storms reported:

- Senior Accountant Jaime Britton was now working remotely, as contracted.
- Finance staff was on time with Tyler data submittals.
- There were many great applicants for the Senior Accountant position.

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

- Debris in the water from the fish passage pulse flow the U.S. Bureau of Reclamation (USBR) released last weekend caused a screen at Red Mountain South Local Improvement District (RMSLID) to fail, but the alarm summoned crews and it was repaired.
- Response to the new watering schedule was mixed. Mr. McShane said the new schedule was being tested in response to public feedback now that there was more water supply.
- Cooler water temperatures helped with weed control.
- Cherry Creek reservoir was nearing completion.
- Rented drought pumps would be returned soon. Plans for future droughts were discussed.

**Land & Water Resources Manager:** Mr. Defoe reported:

- The pulse reported by Mr. McShane came from Yakima River Basin Water Enhancement Project (YRBWEP) conserved water. When Sunnyside Valley Irrigation District (SVID) did YRBWEP conservation projects, 2/3 of water saved was held back in storage as a diversion reduction to be used for fish flows. This was the first pulse flow by the USBR during a drought. It was intended to increase flow over Prosser by 1,000 cfs and bring adult sockeye and summer Chinook up river to spawning grounds. KID asked the consulting biologist to track its effectiveness, because though the System Operations Advisory Committee (SOAC) thought this was a good time to try it, there was no supporting data to guide the decision, unlike for the spring pulse.

Discussion ensued. Mr. Defoe said USBR notified KID Thursday and started the pulse Friday. He confirmed that the Yakima Field Office Operator made the decision after the SOAC recommendation. Mr. Iller offered to discuss legal options for stopping pulses not supported by scientific data in executive session.

- No water supply change was expected from the September 10<sup>th</sup> River Operations meeting.
- The YRBWEP quarterly work group meeting would be held Wednesday, September 9<sup>th</sup>.
- The Tristate Water Resource meeting would be held Friday, September 11<sup>th</sup> in Boise, Idaho.

**District Manager** Mr. Freeman reported:

- Hydrologic Technician Quentin Kreuter, an excellent operator to work with, would be retiring.
- Kris Polly's flight was delayed. The Chandler tour was at 3:00 p.m., but further scheduling would be determined later. The September issue interview would be provided to the Board.
- The Amon Reservoir project was at 30% design.
- Costs were being determined to drill a well for recapture in Badger next year.

- Media & Code Enforcement Grant data was uploaded to the Department of Ecology (DOE).
- DOE said the pending Badger Recapture and Water Movers grants would be decided soon.
- Interviews were planned for next Tuesday.
- There were many good applicants for the Senior Accountant position.
- Customer Service Specialist was Dora Lopez was selected as Employee of the Quarter.

Mr. Freeman confirmed to Director McGuire that the USBR had not answered officially in writing what it meant to call for water storage. Director McGuire said an answer was needed so decisions could be made in a timely manner.

Director McGuire proposed consideration of a policy to allow up citizens who were able to receive KID water but did not want it to relegate their allocations after paying off the construction loan and paying for removal and capping of their line. He said this could be limited to 10 acres per year and noted that many people were waiting for allocations. Discussion ensued. Mr. Freeman said it might be more cost effective than bringing private line areas up to code. Director McGuire said relegations were already done (Procedure 3.2-2B, Water Allotment-Relegation). Mr. Iller offered to discuss legal risks of a proposed action in executive session. Gary Scrimsher, KID Implementation Committee, expressed concern that it could be going against long standing water rights. The problem of policing later reconnections was raised.

**WORKSHOP:**

**Policy 8.3 Drought Plan:** Mr. Iller said he had reviewed the proposed changes to the policy. Mr. Defoe spoke about the purpose of the Drought Plan and its Section 1.8. He reviewed proposed changes to Section 1.8 and said other changes were improvements to wording.

Discussion ensued regarding whether lawns could be construed as perennials. Mr. Iller said the specific call-out of lawns would override the word perennial. Classification of pasture grass, alfalfa and asparagus was discussed.

Mr. Freeman said changes would be brought to the next Board meeting. Mr. Iller recommended staff accept all changes discussed today and highlight only the next round of changes.

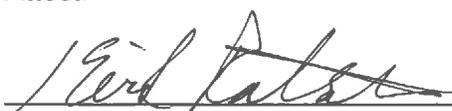
**EXECUTIVE SESSION:** At 10:30 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session for an estimated 30 minutes following a short break to discuss with legal counsel potential litigation, in the form of legal risks of proposed actions or current practices, pursuant to RCW 42.30.110(1)(i)(iii), related to water supply issues, real property sale to City of Kennewick, SOAC recommendations, and relegation policy.

Executive session was extended for 30 minutes at 11:00 a.m. and again at 11:30 a.m. The meeting returned to open session at 12:03 p.m.

**Director Huffman moved to adjourn the meeting at 12:03 p.m. and Director Dennis seconded the motion. The motion carried unanimously.**

Attest:

Witness:

  
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 Kirk Rathbun, Board President  
 Approved September 15, 2015

  
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 Chuck Freeman, District Manager

Prepared by Doris Rakowski

September 1, 2015

Kennewick Irrigation District

12 W. Kennewick Avenue

Kennewick, WA 99336

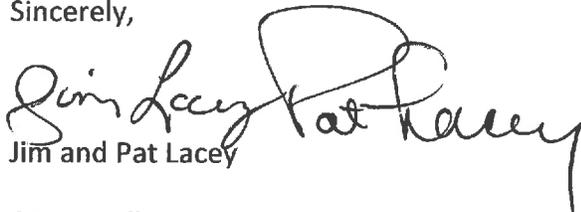
To Whom It May Concern:

This letter is a formal request for the KID to waive the \$300 fee that was required of us to submit our short plat of 603 S. Kellogg within the Ranchette Estates subdivision for approval. This land and home was purchased in April 2015. The application fee was added when it was discovered that there was an encroachment within the KID easement/right-of-way on the survey plan submitted for preliminary approval. This encroachment has existed for over 40 years and may have required the previous owner to submit such an application. The KID even requested an asbuild mylar, even though the 2 structures were clearly shown on the survey. That request cost an additional \$180 to provide.

During our short plat permitting meeting with the KID we were told that the KID was now collecting these fees when such encroachments became known. While we believe that persons should follow permit processes, it seems that charging the new owners for something that occurred over 40 years ago is not fair, should be considered well past the statute of limitations and appears to be an unjust way to increase revenue for the KID. Perhaps the KID should consider whether a current owner violated the application process before requiring such fees.

Since the KID has made it known that the risk of any future need for the KID to enter this easement is all ours should these structures be damaged or need to be removed and we have submitted required application and asbuild to update your records, we believe that the additional \$300 we paid should be returned or credited to future billing.

Sincerely,

  
Jim and Pat Lacey

603 S. Kellogg, Kennewick