



Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, January 19, 2016, 9:00 a.m.

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

Directors Present:

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

Staff Present:

Chuck Freeman, District Manager
 Jennifer Defoe, Public Relations Coordinator
 Ben Woodard, Assistant Engineering Manager
 Seth Defoe, Land and Water Resources Manager
 Lynda Rosenbaum, Real Property Manager
 Doris Rakowski, Executive Assistant

Other Persons Present:

Brian Iller, Legal Counsel
 Rich Romm, HUB International

Preparer's note: Audio recording began at 9:17 a.m. (Presentations) due to technical difficulty.

APPROVAL OF AGENDA: President McKenzie moved Executive Session to after Public Comments and added Annual Board Training after Presentation.

Vice President Huffman moved to approve the revised agenda. Director Rathbun seconded the motion and it carried unanimously.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, November 3, 2015
2. Minutes, KID Board Meeting, November 17, 2015
3. Minutes, KID Board Special Meeting, November 24, 2015
4. Travel Request for ESRI User Conference
5. Vouchers/Warrant Approval

Accounts Payable

Numbers: 71497	through	71531	\$	1,506,169.48
71532	through	71564		6,732.39
71565	through	71683		60,287.44
102.12.2015	through	102.12.2015		1,486.11
103.12.2015	through	103.12.2015		2,168.23
APPKT00011	through	APPKT00011		116.79
APPKT00012	through	APPKT00012		72,448.25
Total Accounts Payable				1,649,408.69

Payroll

Numbers:	33258 through	33259	\$	3,882.28
	33260 through	33270		11,702.51
	33271 through	33274		371.89
	33275 through	33275		150.39
	33276 through	33277		- Voided - printer error
	33278 through	33279		492.96
Direct Deposit		1/5/2016		<u>93,535.57</u>
Total Payroll				<u>110,135.60</u>
Total Disbursements			\$	<u>1,759,544.29</u>

Voided Checks: Payroll checks #33276-33277 were voided 1/5/2016 due to a printer error.

PUBLIC COMMENTS: None

EXECUTIVE SESSION: At 9:04 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session for an estimated ten minutes to discuss with legal counsel pending litigation concerning Acquavella, pursuant to RCW 42.30.110(1)(i). He said related action was possible after executive session but was not expected.

Open session resumed at 9:17 a.m.

Mr. Iller left the meeting.

PRESENTATIONS:

Website and Public Relations: Ms. Defoe displayed the new District website and Facebook page and spoke about content and analytics for each site. She said the Vancouver Street road closure announcement was viewed by almost 500 people and shared with multiple people.

In response to questions from Director McGuire, Ms. Defoe spoke regarding the change to using electronic newsletters. Ms. Defoe reported that the open rate on the newsletter was about 50%, which was much higher than typical rates for government newsletters. She spoke about District demographics and use of electronic media. Ms. Defoe suggested that Spanish translations of newsletters could improve reach. Discussion ensued. Ms. Defoe spoke about search engine optimization.

Ms. Rosenbaum confirmed to Vice President Huffman that some changes had just been made to the Realty pages of the website.

Ms. Defoe spoke briefly about other agencies which were community partners and helped get the District's message out.

Ms. Defoe reported the first internal newsletter was released. She said it was intended to promote community within the organization, and would include Board and departmental updates, K-Club news and employee contributions.

Ms. Defoe spoke about the Canal Safety Program, which she was reworking to appeal to middle school age children, including immigrants who may have no experience living near canals.

Ms. Defoe spoke briefly about outreach through the Irrigation Leader magazine, the Tri-City Herald Progress Edition, Visit Tri-Cities, and the Farmers Market. She said the Farmers Market was most effective at the beginning of the season.

Discussion ensued regarding mobile email access.

In response to a question from Director McGuire, Mr. Freeman reported that switching to electronic newsletters had saved \$11,000 in postage alone.

Annual Board Training: Mr. Freeman noted that training the District annually provided to the Board on public records and open public meetings was now required by state law.

Mr. Romm distributed a handout titled "The Six Enemies of Greatness (and Happiness), and spoke about availability, ignorance, committees, comfort, momentum and passivity.

Mr. Romm gave a PowerPoint presentation and spoke about topics including:

- Current issues in organization liability
- Board liability from allegations of civil rights violations, employment issues or discrimination, errors and omissions, wrongful acts, and policy making
- Minimizing risk through following well written policies and procedures, seeking legal counsel advice, never making a decision knowing it is wrong, and acting within the scope of board member duties.
- Deliberating in many voices, but governing in one
- Differing roles of the Board and Management
- Board expectations of the Manager
- Do and don't tips for the Manager
- Manager expectations of Board members
- Do and don't tips for Directors
- Difficult things to learn, including
 - Scope of the director's role, that power is not individual
 - Setting policy versus administering the organization
 - Accepting and supporting board decisions even when contrary to one's preferences
 - Representation of all constituents
 - Responding appropriately to complaints and concerns
 - Slowness of change
 - Inability to solve everyone's problems
- Forging group leadership
- Open Public Meeting Act (RCW 42.30)
- Executive Sessions
- Public Records Act
- Media relations
- Board meeting disturbances
- Teamwork, communication, trust and synergy

A short break was called at 10:28 a.m. and the meeting resumed in open session at 10:36 a.m.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Appointment of Committee Members and Chairs: President McKenzie maintained the existing committee assignments but changed the chairs of the Operations & Engineering Committee and Finance Committee, appointing:

- Operations & Engineering Committee: President McKenzie and Director Dennis as chair
- Finance Committee: Director McGuire and Director Rathbun as chair
- Realty Committee: Vice President Huffman as Chair and Director Dennis
- Implementation Committee: Director Rathbun as Liaison

Appointment of Board Representatives to Meetings of Other Agencies: Mr. Freeman confirmed to President McKenzie that the Tri-State meetings were quarterly. President McKenzie made the following appointments:

- WSWRA (WA State Water Resource Association): Director Rathbun and Director Dennis
- NWRA (National Water Resource Association): Vice President Huffman and Director McGuire
- Tri-State meetings (WSWRA, OR Water Congress and ID Water Users Assn): President McKenzie and Vice President Huffman
- CSRIA (Columbia/Snake River Irrigators Assn): Director Rathbun and Director McGuire
- Yakima Basin Integrated Water Resource Management Plan and/or related subcommittees: Director McGuire and President McKenzie
- YBJB/Defense Coalition (Yakima River Joint Board): President McKenzie and Vice President Huffman
- Water Strategies: Director Dennis and Director McGuire
- U.S. Bureau of Reclamation: open

PC 2016-01 Herbicide Purchase: Mr. Woodard said four bids were received for aquatic and terrestrial chemicals. Wilbur Ellis was the apparent low bidder but withdrew their bid.

President McKenzie reported that he had a conflict of interest due to business relationships with some of the Helena Chemicals management team. He left from the room.

Mr. Woodard reported that, because Wilbur Ellis's withdrew due to an error on their bid, the final apparent low bidder was Helena Chemical with a bid amount of \$248,299.21 including tax. He said that the amount to be purchased should be sufficient until October, but would not exhaust the Vegetation Control Program budget. The remaining purchases would be presented for approval in the fall after it was known how the season went.

Mr. Freeman confirmed to Director McGuire that Endothall remained in stock after last year and the pre-emergent was mostly used up. Management of chemical stock was discussed.

In response to a question from Director Dennis, Mr. Woodard spoke about the slight increase in price since last year and offered to show him the data after the meeting.

Director Rathbun moved to approve the herbicide purchase contract to Helena Chemical, which was the lowest responsible bidder, in the amount not to exceed 10% of the bid amount of \$248,299.21. Director Dennis seconded the motion and it carried unanimously.

President McKenzie returned to the meeting.

Ground Water Study, Phase 1: Mr. Freeman said a full set of the Phase One Report by RH2 Engineering (RH2), including attachments, was available.

Mr. Freeman said additional phases would be other drains and wasteways, and risk assessment of approximately 40 miles of earthen and concrete lined canals. He reported that he received a proposal from RH2 for the risk analysis component, which was not part of Phase 1, and would meet on Tuesday regarding the topic. Mr. Freeman spoke briefly on specific areas of interest.

Mr. Freeman noted that three dimensional sub-surface maps were not included in the report, but may not be needed.

Mr. Defoe displayed digital maps and spoke about the project's purpose of facilitating recapture of applied irrigation seepage held by the Pasco Gravels. The Pasco Gravels were dry prior to 1957, but since that time, domestic wells were drilled into them. Mr. Defoe spoke about drainage and well yields in the area. He said volume above static level was recaptured irrigation water.

Mr. Defoe reported that RH2 identified six potential sites for recapture wells; two on the Columbia side and four on the Yakima side. Mr. Freeman spoke about determining where to drill a test well and said a request for proposals would be prepared for the next meeting. He asked the Board to accept the Phase One Report.

Director Rathbun said the report looked fairly comprehensive. Mr. Freeman said staff knowledge, as well as selecting a good driller, would make an engineering firm unnecessary to developing a well. He said Wiser Farm would be asked to monitor their pumping levels when the test well was drilled.

Discussion ensued about which portion of the stored water was applied irrigation. It was noted that the District could not drill through to the aquifer level, and the Wiser's well needed to be in the lower basalt, not in the shallow pan which contained project water. Mr. Freeman said Washington Department of Ecology (Ecology) had allowed the wells to be drilled into the shallow aquifer. Director McGuire asked if the District could ask Ecology to mitigate their error that allowed the taking of the District's Project Water. Mr. Freeman spoke in favor of area 6. He said pump testing would reveal any conflict with existing wells and facilitate discussions with Ecology. Director McGuire said the District should be held harmless for existing well supply, since it was artificially held Project Water, not the State's ground water.

In response to a question from President McKenzie, Mr. Defoe spoke about using the well to supplement supply in officially-declared droughts and pro-rationed supply in non-declared drought years. Discussion followed. Mr. Defoe said the use of the well would be supplemental because the District could not exceed the 20,201 acre cap.

Discussion continued regarding the Wiser well. Mr. Defoe said the well was shallow and in the Pasco Gravels. Low pressure due to unknown causes and water quality concerns were discussed, as was the idea of bringing the area into Lorayne J and off the Wiser well.

Director Rathbun asked if legal counsel could be sought regarding legal risks of a proposed action regarding the proposed well.

President McKenzie and Vice President Huffman spoke in favor of moving forward on the project. Mr. Freeman said staff would create a request for qualifications for a driller, work with RH2 on risk assessment, and seek legal counsel on risks of proposed actions.

Mr. Freeman confirmed that the water would be used where needed, not just to feed Badger East. Discussion continued on monitoring production and the recovery rate of the well.

Director McGuire spoke in favor of the property at location two.

Vice President Huffman moved to accept Phase One Badger Coulee Recapture of Artificially Stored Project Water Report. Director Rathbun seconded the motion and it carried unanimously.

Change Orders on Administration Building: Mr. Freeman said Change Order 8 was presented at the December 14, 2015 Board meeting, but was inadvertently omitted from the motion. He reported that the change orders to date represented a net increase of \$319,377, which was \$261,367 below the budgeted amount.

Mr. Freeman spoke briefly about the schedule for completion and the move.

Director Rathbun moved to approve Change Order 8 for Administration Building Contract 3, as set out in the attachment, and authorize Charles Freeman to execute the associated Change Orders. Vice President Huffman seconded the motion and it carried unanimously.

RESOLUTIONS:

Resolution 2016-05, Removal of Water Allocation, Assessments, Fees and Charges for Roden: Mr. Freeman reported that the District granted the parcel an allocation in 2009, though Mr. Roden withdrew his request for an allocation for the unbuildable parcel before the allocation was granted. He said staff did not convey this message to the Board prior to granting the allocation. He said the situation surfaced due to foreclosure notices for unpaid assessments.

Mr. Freeman said staff recommended approval of the resolution rescinding all assessments, fees, and charges for said parcel. President McKenzie noted that previously paid assessments should also be refunded to Mr. Roden. Mr. Freeman confirmed that \$880.03 would be refunded and \$1,563.73 owing would be rescinded. Discussion ensued.

Vice President Huffman moved to approve Resolution 2016-05, rescinding an allocation previously granted and rescinding all assessments, fees, and charges for said parcel and refund to Mr. Roden \$880.03. Director Rathbun seconded the motion and it carried unanimously.

Resolution 2016-08, Authorizing Sole Source Purchase from Brutzman's Office Solutions - Three Chairs: Ms. Rosenbaum reported it was less expensive to purchase three chairs to match those in the board room than to replace them all for the new board room configuration. She reported the same style was still available from Brutzman's Office Solution. She said Brutzman's offered a 40% discount off list price, for a total purchase price of \$2,518.20 plus tax.

Mr. Freeman confirmed to Director McGuire that Mr. Drummond and Ms. Storms were consulted on sole source requirements and Ms. Rosenbaum confirmed that the sole source justification paperwork was in order.

Vice President Huffman moved to approve Resolution 2016-08, Authorization to Waive Competitive Bidding and Award a Sole Source Purchase for three matching Board room chairs from Brutzman's Office Solutions. Director Rathbun seconded the motion and it carried unanimously.

Resolution 2016-09, 2016 WaterSMART Grant: Mr. Woodard said staff was prepared to submit an application for a fiscal year 2016 WaterSMART Grant. He presented the resolution to authorize Mr. Freeman as signature authority for matters relating to the grant and application.

Discussion ensued regarding the WaterSMART Grant groups, amounts of the grants and minimizing relinquishment of water through matching funds.

Director McGuire provided background information on canal lining and the WaterSMART grants to members of the audience. He noted that a percentage of the conserved water would be relinquished to the State. Mr. Woodard said the District planned to fund 76% of the project and to be able to line an additional 7.2 miles of canal. Director McGuire confirmed that lining helped thwart burrowing animals and made vegetation control easier.

Vice President Huffman moved to approve Resolution No. 2016-09 appointing Charles Freeman as authorized representative and signature authority in matters relating to the 2016 WaterSMART grant. Director Dennis seconded the motion and it carried unanimously.

STAFF REPORTS: Mr. Freeman noted that Mr. Drummond and Mr. McShane were absent on approved personal leave.

Finance Manager: None

Engineering/Operations: Mr. Woodard reported that work was underway on the Vancouver Street pipeline which would eliminate need for three pump stations.

Land & Water Resources Manager: Mr. Defoe displayed graphics about snow pack and spoke about El Niño weather patterns and historic snow accumulation. He displayed a Washington Snotel graphic and spoke about current snow pack. He displayed a graph of the Yakima River 5 reservoirs and said storage was 117% of average. He displayed NOAA maps and spoke about the temperature and precipitation predictions. He said a la Niña pattern was being predicted now for next year which would mean cooler and wetter conditions. Discussion ensued regarding probability of proration.

Upcoming meetings included:

- Washington State Water Resources Association - Wednesday, January 20th in Pasco
- Yakima Basin Joint Board - Friday, January 22nd
- Tristate Irrigators - next Friday, January 29th in Portland
- Benton Conservation District Streamkeepers - Saturday, January 30th
- Jim Trull's funeral service - Thursday, January 21st at 1:30 p.m.

District Manager: Mr. Freeman reported:

- Staff would meet with a developer about LUPA appeal conditions on January 21st.
- An employee survey was open for response
- Packing for the move was underway

In response to a question from Director McGuire, Mr. Freeman spoke about recruitment for the Project Manager and Janitor/Handy Person positions.

Mr. Freeman confirmed to Director Rathbun that the employee survey was anonymous.

In response to a question from President McKenzie, Mr. Freeman the award of the WaterSMART grant was expected in September.

Mr. Freeman said that U.S. Bureau of Reclamation (USBR) training in Denver was approved by the USBR and attendees were being considered.

WORKSHOP: None

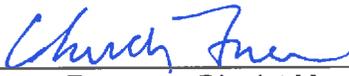
Vice President Huffman moved to adjourn the meeting at 12:03 p.m. and Director Dennis seconded the motion. The motion carried unanimously.

Attest:

Witness:



David McKenzie, Board President
Approved May 3, 2016



Chuck Freeman, District Manager

Prepared by Doris Rakowski