



Minutes

**Meeting of the KiD Board of Directors
Carl W. Petersen Board Room
Tuesday, June 7, 2016, 9:00 a.m.**

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

Directors Present:

Gene Huffman, Vice President
Patrick McGuire, Director
Dean Dennis, Director

Staff Present:

Chuck Freeman, District Manager
Jennifer Defoe, Public Relations Coordinator
Kipp Drummond, District Treasurer
Jason McShane, Engineering/Operations Manager
Seth Defoe, Land and Water Resources Manager
Lori Gibson, Executive Assistant
Doris Rakowski, Executive Assistant

Directors Absent:

David McKenzie, President
Kirk Rathbun, Director

Other Persons Present: Brian Iller, Legal Counsel

APPROVAL OF AGENDA: Vice President Huffman added Resolution 2016-19 Confirmation of Proclamation of Emergency and Authorization to Waive Competitive Bidding Process to the agenda. Director Dennis moved to approve the agenda as modified. Director McGuire seconded the motion. All present voted in favor and the motion carried.

CONSENT AGENDA: Director McGuire moved to approve the consent agenda. Director Dennis seconded the motion. All present voted in favor and the motion carried.

Items on the consent agenda were:

1. Minutes, KID Board Meeting, May 17, 2016
2. Organizational Chart Revision
3. Preliminary Plat - The Village at Southridge
4. Short Plat - Robertson
5. Binding Site Plan 16-03 Packard & Sons
6. Binding Site Plan 16-01 Tim Bush
7. Vouchers/Warrant Approval

Accounts Payable

Numbers: 72452	through	72505	\$	217,998.54
72506	through	72527		5,631.32
72528	through	72594		190,380.29
APPKT00135	through	APPKT00135		70,899.72
Total Accounts Payable				484,909.87

Payroll

Numbers:	33410 through	33417	\$	7,780.64
Direct Deposit		5/20/2016		94,551.90
Total Payroll				102,332.54
Total Disbursements				\$ 587,242.41

Voided Checks: AP Check #72587 was voided due to a printer error.

PUBLIC COMMENTS:

Greg Frichette, 39412 N Sunset Road, Benton City, thanked the Board for considering granting Red Mountain Allotments.

PRESENTATIONS:

Public Relations Update: Ms. Defoe provided an update on activities including:

- Canal Safety program
- External productions, such as public education and promotional materials, the upcoming “tool kit” brochures, and the Urban Forestry brochure
- Search Engine Optimization (SEO) services and improving reach of marketing, posts and press releases
- Facebook Analytics statistics
- Internal communications, such as daily e-blasts, internal newsletter and the Retention Committee

Ms. Defoe spoke about feedback from media professionals in the community and the importance of continual messaging. She briefly reviewed outreach options including advertisements on buses and web marketing.

Discussion ensued regarding budgeting options and the importance of keeping the message going. Mr. Freeman said he would bring a budget amendment back to the Board. Director McGuire suggested working with other agencies on shared messaging about conservation. Ms. Defoe spoke about partnerships with other agencies.

Customization of the new tool packet for various purposes such as welcome packets for new customers and outreach to realtors with information was discussed.

PUBLIC HEARING: none

BOARD REPORTS: none

ACTION ITEMS:

Policy 3.1-15, Telecommuting: Mr. Freeman recommended allowing telecommuting for exempt employees to provide greater flexibility to accomplish District goals outside the traditional business setting. He briefly reviewed some of the details of the proposed program and noted that for telecommuting to be permitted, the position’s responsibilities must be measurable to ensure the employee was working while away from the office.

Director Dennis moved to approve Policy 3.1-15, Telecommuting. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Red Mountain Water Allotment Requests: Mr. McShane reported that 26.99 acres were available for allocation in the Red Mountain service area. He recommended the Board accept the list of requests and then accept applications from the people on the list up to 26.99 acres. Mr. McShane spoke briefly about the process for granting allocations and suggested that mid-season connections have prorated charges for this year. Discussion ensued.

Director Dennis moved to accept the attached Red Mountain Water Allotment Request list and accept applications from the property owners on the attached list. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Water Delivery Agreement - Lorayne J: Mr. Freeman presented the City of Richland's proposed water delivery agreement for Lorayne J, which would grant the system in city rates. He said KID's legal counsel, Fran Forgette, reviewed the agreement and added mutual indemnification. Mr. Freeman said the City would require annexation and, if it did not occur for any reason, surcharges would be due back to the date they were reduced. Rates paid by Lorayne J customers and the area's reserves should cover the surcharge in this eventuality.

Mr. Freeman reported that the City of Richland received a \$30,000 grant for a new potable system. He said KID would separate the old system and continue to use it for irrigation water. He confirmed to Vice President Huffman that irrigation assessments for Lorayne J customers would start after the systems were split.

In response to a question from Director McGuire, Mr. Freeman spoke about the agreement's time frame for annexation. Work involved in separating the irrigation and potable systems and covering conversion costs were discussed.

Director Dennis moved to authorize the District Manager to sign the Water Delivery Agreement. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Letter of Intent to Participate in Kachess Drought Relief Pumping Plant (KDRPP): Mr. Defoe spoke about the Integrated Plan's KDRPP project, intended to access to up to 200,000 acre-feet of dead storage water below existing outlet works at Lake Kachess. Since Lake Kachess did not always fill after drawdown in an average year, the K to K pipeline project was also being considered to transfer excess flows below Lake Keechelus over to Lake Kachess.

Mr. Defoe spoke about the Draft Environmental Impact Statement (EIS) released last year, studies done by the U.S. Bureau of Reclamation (USBR), and projected costs. He reported that an option was being considered for a floating pumping plant, for which Roza Irrigation District did preliminary work last fall. He said the USBR was drafting a supplemental EIS for issuance by the end of the year and needed to gauge interest for scoping supply need.

Mr. Defoe said KID previously asked to be included in KDRPP project analyses. Lower river modeling was not yet complete and questions remained about how KID could call on storage water to supplement unpredictable holes in the river due to variable return flows during drought.

USBR and Department of Ecology's Office of Columbia River deadline for irrigation districts to submit a letter of interest in KDRPP participation was June 25th. The non-binding letter would not financially obligate districts to the project, but districts not submitting the letter would likely not be allowed to join later. Mr. Defoe advised submitting the letter to keep the option open.

Discussion ensued regarding funding of the study. Mr. Defoe said financial obligation would only occur if KID chose to participate in building and operating the project. He noted that USBR Area Manager Dawn Wiedmeier confirmed in writing that KID could participate in select projects without having to participate in all integrated plan projects. Mr. Defoe said returning the submitting the letter would not jeopardize the option for electrification of the Chandler pumps.

Director Dennis moved to approve the signing of the KDRPP letter of intent, with the understanding that final participation in KDRPP will depend on the results of ongoing studies to determine the best water supply solution for the District. Director McGuire seconded the motion. All present voted in favor and the motion carried.

RESOLUTIONS:

Resolution 2016-17, Voluntary Mitigation Agreement – Canyon Ranch: Mr. McShane presented the proposed resolution. He spoke briefly about the project and past contributions towards the regional facility.

In response to a question from Vice President Huffman, Mr. McShane spoke briefly about how the area was currently served, plans for the future regional facility, and costs to the District.

Director Dennis moved to approve Resolution 2016-17, Approving Canyon Ranch Voluntary Mitigation Agreement. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Mr. McShane presented the recommendation for approval of the Final Plat.

Director Dennis moved to approve the Final Plat of Canyon Ranch Phases 7 and 8. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Resolution 2016-18, Project Acceptance PW 2015-11 Wireless Monitoring: Mr. McShane reported that all terms of the completion of public works contract PW2015-11 had been met. He recommended approval.

Mr. McShane confirmed to Vice President Huffman that the retainage amount was \$12,059.63 and spoke briefly about functionality of the system.

Director Dennis moved to approve Resolution 2016-18 Project Acceptance and Release of Retainage for Public Works Contract PW2015-11 Red Mountain South LID, Wireless Flow Monitoring System. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Resolution 2016-19, Confirmation of Proclamation of Emergency and Authorization to Waive Competitive Bidding Process: Mr. Freeman reported that he declared an emergency due to the Highland Feeder Canal breach which occurred at about 8:00 p.m. on June 6th and asked the Board to confirm the declaration and authorize staff to waive the bidding requirements to facilitate immediate repairs. At least 12,000 customers were impacted by the outage. E-MAC was on site starting repairs.

The canal was at 43 cfs when a homeowner noticed the golf ball size hole and saw it quickly enlarge and the canal fail. Mr. Freeman said staff believed the cause to be burrowing rodents.

Mr. Freeman reported that seven homes were in deep water and ten homes were impacted. Staff was working with the District's insurance company to take care of these people.

Mr. Freeman expressed appreciation for the Kennewick Police Department quickly evacuating the area, the City of Kennewick for bringing in a big diesel pump and Benton PUD for quickly shutting off power. Mr. McShane reported that power had been restored.

Mr. Drummond said accommodations were offered to displace homeowners, but no one accepted the offer. He noted that residents were very complimentary of Jeff Green.

In response to a question from Director McGuire, media response was discussed.

Mr. Freeman noted that the flooded area was not connected to sewer.

Mr. McShane spoke about managing removal of the water to a safe location.

Mr. Drummond spoke about staff's intent to get the best value for the District in purchasing.

Director Dennis moved to approve Resolution 2016-19 Confirmation of Proclamation of Emergency and Authorization to Waive Competitive Bidding Process. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Vice President Huffman called a break at 10:16 a.m.

The meeting resumed in open session at 10:28 a.m.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported:

- 2015 Annual Reports were filed with the State Auditor's Office.
- The District was converting to electronic pay stubs and electronic deposit of pay.

Land & Water Resources Manager: Mr. Defoe displayed the U. S. Bureau of Reclamation (USBR) Hydromet website graphics and spoke about reservoir storage.

Mr. Defoe reported that KID sent a letter to the Department of Ecology indicating intent to pull some of the Red Mountain water which had been put in short term trust. He said this would reduce the target flows at Prosser by about 20 cfs for the rest of the season.

Recently attended meetings:

- The first meeting of Benton County's Voluntary Stewardship Program
- Urban Forestry training from the Department of Natural Resources
- Water Use Subcommittee

Upcoming meetings:

- Yakima River Basin Integrated Plan, June 8
- Washington State Water Resources Association, June 15

Mr. Defoe reported he spoke with a Department of Ecology employee about spill response. Mr. Defoe reviewed a draft spill response plan for the Yakima River and requested that an oil boom for the Red Mountain intake be included in the plan.

Engineering/Operations Manager: Mr. McShane spoke further about the crew's response to the canal break. He also reported:

- Canal break repairs were expected to be completed in three days.
- While the canals were down, vegetation control staff would treat for weeds.
- Drilling the recapture well was out to bid.
- Sherman Street work was done except for paving.
- Bob Olson Parkway work was underway with a short crew due to the canal break response.
- Staff was awaiting word on the WaterSMART grant application
- The fire water line on to the Administration building was operational now.
- Maintenance tickets were down and work had begun on landscape repair.

Vice President Huffman thanked the crew for their response to the break.

District Manager: Mr. Freeman said proposals for enhancing business practices would be brought to Finance Committee.

WORKSHOP: None

EXECUTIVE SESSION: At 10:42 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session for approximately 15 minutes 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(1)(i)(iii). He noted that action in open session could follow the executive session but was not expected.

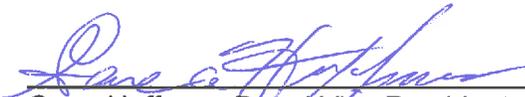
OPEN SESSION: The meeting returned to open session at 10:57 a.m.

There being no further action, Vice President Huffman called for a motion to adjourn.

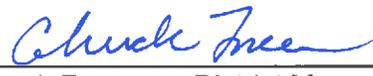
Director Dennis moved to adjourn the meeting at 10:57 a.m. Director McGuire seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Gene Huffman, Board Vice President
Approved July 5, 2016



Chuck Freeman, District Manager

Prepared by Doris Rakowski