



Minutes

**Meeting of the KiD Board of Directors
Carl W. Petersen Board Room
Tuesday, November 1, 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
Dean Dennis, Director
Patrick McGuire, Director
Kirk Rathbun, Director

Staff Present:

Chuck Freeman, District Manager
Kipp Drummond, District Treasurer
Jason McShane, Engineering/Operations Manager
Seth Defoe, Land & Water Resources Manager
Doris Rakowski, Executive Assistant

Other Persons Present: Brian Iller, KID Legal Counsel

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

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, September 20, 2016
2. Binding Site Plan Tim Bush
3. Preliminary Plat for Jolianna Heights - Wet
4. Travel Request - WSWRA Annual Meeting
5. Vouchers/Warrant Approval

Accounts Payable

Numbers: 73245	through	73339	\$ 617,381.59
APPKT00269			<u>69,030.40</u>
Total Accounts Payable			<u>686,411.99</u>

Payroll

Numbers:	through		\$ -
Direct Deposit		10/20/2016	102,603.49
Direct Deposit		10/20/2016	<u>2,664.00</u>
Total Payroll			<u>105,267.49</u>
Total Disbursements			<u>\$ 791,679.48</u>

Voided Checks: None

PUBLIC COMMENTS: None

PRESENTATIONS: None

PUBLIC HEARING: None

BOARD REPORTS: Vice President Huffman noted that the Water Off meeting went well. Director Rathbun reported that he attended the Columbia Snake River Irrigators Association (CSRIA) meeting but had nothing to report.

ACTION ITEMS:

Presentation of Assessment Roll and Set Date for Board of Equalization Mr. Freeman presented the roll to the Board and announced dates the legal notice would be printed. He spoke briefly about components of the rates, charges and assessments.

President McKenzie noted for the record that the Board had received the assessment roll.

Director Rathbun moved to give notice by publication in the Tri-City Herald legal notices on November 6 and 13, 2016 that the 2017 Roll of Rates, Charges and Assessments has been filed with the KID Board of Directors and that the Board of Directors, acting as a board of equalization, will meet on December 6, 2016 at 9:00 a.m. to equalize rates and charges and assessments. Vice President Huffman seconded the motion and it carried unanimously.

RESOLUTIONS:

Final Plat 16-05 Sage Crest Phase 5 – Wet and Resolution 2016-41, Voluntary Mitigation Agreement – Sage Crest Stage 5: Mr. McShane presented the resolution and Voluntary Mitigation Agreement (VMA). He spoke briefly about stages of the development and a previously approved VMA. He noted that staff was also requesting approval of the final plat.

Vice President Huffman moved approve Resolution 2016-41, Sage Crest Phase 5 Voluntary Mitigation Agreement, and the Final Plat of Sage Crest Phase 5, conditional upon the developer fulfilling the obligations of the Voluntary Mitigation Agreement and completing remaining irrigation improvements. Director Rathbun seconded the motion and it carried unanimously.

Resolution 2016-38, Authorization for Collection of Surcharges for the Southridge Benefit Area: Mr. McShane presented the resolution and spoke about the Southridge Benefit Area.

In response to a question from Director Rathbun, Mr. McShane spoke about the number of customers in the area and how the costs would be collected. He noted that the work could be contracted due to scheduling constraints. Mr. McShane spoke about challenges for the area, and connection sizes.

Mr. McShane confirmed to President McKenzie that there was no interest charge as part of the surcharge, but there was a time value of money associated with it, and there could be an adjustment of someone who did not connect now, did so in later years.

In response to a question from Director McGuire, Mr. McShane spoke about the opportunity costs for the 1-1/4 inch lines. Mr. McShane noted the charges were based on same financing fee set up for Oakhills and said he thought it accurately reflected the District's costs.

Vice President Huffman moved to approve Resolution 2106-38, Authorizing the Collection of Surcharges for PLA (private line area) properties in South AP 2.9-1 service area in the Southridge Benefit Area. Director Rathbun seconded the motion and it carried unanimously.

Resolution 2016-42, Sole Source - SePRO: Mr. McShane said authorization for a sole source purchase was requested because SePRO was the only manufacturer that would guarantee elimination of any unwanted vegetation in the treatment area through the pre-emergent program. He spoke about other chemicals used for vegetation control. He said SePRO would provide a copper-based product, Nautique, as well. Mr. McShane said the reduction in the amount previously spent on this type of chemical was due to the amount of lining installed. He reported that a special market condition existed, in that the product was not available elsewhere.

In response to a question from Director McGuire, Mr. McShane spoke about staff research to confirm there were no other purveyors of the product.

At the request of Director Dennis, Mr. McShane listed several other districts using the product successfully. Discussion ensued regarding chemicals, safety, cost and effectiveness. Proprietary products and warranties were also discussed.

In response to a question from President McKenzie, Mr. McShane spoke about the reduction in sedimentation and silting issues in lined canals.

In response to a question from Vice President Huffman, Mr. McShane reported about a discussion with the State Audit Manager a previous year of the acceptability of a similar purchase.

Vice President Huffman moved to approve Resolution 2106-42, Approve Sole Source Purchase - SePRO Aquatic Vegetation Control Program. Director Dennis seconded the motion and it carried unanimously.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported:

- The State Auditors were completing their onsite work. He said an auditor commented that the District's payroll and accounts payable documentation were the best she had seen. The entrance meeting was attended by two Directors.
- The operating assessment from the U.S. Bureau of Reclamation was \$5,000 less than budgeted. Mr. Drummond spoke briefly about the budgeting process.

Engineering/Operations Manager: Mr. McShane reported regarding:

- Red Mountain South. A meeting was scheduled with growers to review last season and discuss off season work. A tour of the pumping plant would be provided.
- Vegetation Management. Mr. McShane spoke about the calendar based cycles of the program, and terrestrial and pre-emergent applications.
- Earthwork at Badger East was proceeding.
- Removal of encroaching trees from Irving street to Canyon Lake siphon
- Sewer design for 13th St. homes impacted by the flood. Engineering staff's design alternative was preliminarily accepted by the City of Kennewick. Mr. Freeman said he would forward the update to the homeowners and insurance company.
- Staffing levels. Becky Hiles was rehired to fill a Staff Engineer opening. Openings for a Maintenance employee and an Instrumentation Technician were being filled.
- Planned equipment purchases. Staff was looking into joining the NJPA purchasing cooperative NJPA. Equipment discussed included a paving machine and a Bobcat T 760. Mr. McShane confirmed to Director McGuire that hours of use of equipment were

tracked. Also discussed was evaluation of need for an additional dump truck, a zipper type asphalt grinder, a pup trailer, and small double drum roller.

- Recapture-Reuse well testing. Information on the next steps was expected today and alternatives for development would be considered, including plunge and bail, or use of a throw-away pump. Water was being diverted to Badger East. Depth, diameter and design of the well were discussed.

Mr. Drummond reported that all but six meters at Elliot Lake were changed over to the city and prorated billing was underway.

Land & Water Resources Manager: Mr. Defoe displayed a noaa.gov precipitation chart for Yakima and temperature probability maps, and spoke about long-term weather forecasts. He displayed the usbr.gov Yakima River 5 Reservoirs graph and spoke about storage levels.

Mr. Defoe reported regarding:

- Bateman Island Causeway Breach
- Cold water refugia
- Public outreach
- Monthly Benton County Voluntary Stewardship Program (VSP) meetings, dealing with goals for critical areas and agricultural viability.
- Integrated Plan:
 - The Kachess Drought Relief Pumping Plant (KDRPP) draft EIS would have five alternatives. Bull trout enhancement would no longer stand alone, but be part of all alternatives.
 - The Keechelus to Lake Kachess Conveyance Project (K to K). The project was costly and how to get power to it and who would pay for the power were big issues.
 - Mitigating impacts to landowners' wells
 - Fish passage and Whooshh technology for moving fish over dams
 - Listening workshops to address landowner concerns
- Ms. Rosenbaum was helping redact a large records request, and providing records for the auditor and a Vista field historian. She was working on a binding site plan for property at Vista Field. There was interest in other properties.
- GIS and IT. Mr. Frey was working with TruePoint on integration with the Vocantas contract and the GIS component in TruePoint.

Upcoming meetings included:

- Yakima Basin Joint Board annual fall biologist meeting - November 2nd
- River Operations - November 3rd
- Washington State Water Resources Association (WSWRA) - November 7th
- Tour for Department of Ecology Central Regional Manager, Sage Park - November 10th
- National Water Resources Association annual meeting in San Diego - November 14-16

Mr. Defoe confirmed to President McKenzie that he had a seat on the VSP and spoke about the program for which Benton County was the lead agency.

District Manager: Mr. Freeman reported regarding:

- Meeting with the City of Richland regarding the Lorayne J potable water system and the City's desire to get rid of the Willowbrook well, which had high iron content.
- Transfer of the Elliot Lake potable water system to the City of Kennewick.

- Interest by the new City of Kennewick Operations Director for Parks in Elliot Lake. KID's only interest would be in the water right and running the lake as a reservoir.
- Condition of the Zintel Canyon trail. An email was sent to the City regarding trail maintenance and removal of graffiti. Lack of maintenance would trigger KID to take it back. KID was not interested in channelizing the drain.

In response to a question from Director McGuire, Mr. McShane and Mr. Freeman spoke about management of water pumped from the Willowbrook well. They said the water right would be outside the District's Yakima River water right limitation. Mr. McShane confirmed there would be discussions with the City of Richland, homeowners and developers in advance of changes.

Mr. Freeman reported that the City of Richland met their grant application submission deadline and expected to hear the decision in January.

WORKSHOP: None

EXECUTIVE SESSION: At 10:14 a.m., on behalf of the presiding officer, Mr. Iller announced that, following a short break, the Board would go into executive session for approximately 45 minutes, to discuss pending litigation pursuant to RCW 42.30.110(1)(i) related to Acquavella adjudication and status of the Alliance of the Wild Rockies versus USBR case, to consider the selection of a site or the acquisition of real estate by lease or purchase, pursuant to RCW 42.30.110(1)(b) and to discuss with legal counsel potential litigation, in the form of legal risks of a proposed action or current practice pursuant to RCW 42.30.110(1)(i)(iii) regarding reports of government action. He said executive session was expected to end at 11:00 a.m.


Executive Session was extended for five minutes at 11:04 a.m.

OPEN SESSION: The meeting returned to open session at 11:10 a.m.

Vice President Huffman moved to adjourn the meeting at 11:10 a.m. and Director Dennis seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



 David McKenzie, Board President
 Approved December 6, 2016



 Chuck Freeman, District Manager

Prepared by Doris Rakowski