



Minutes

Special Meeting of the KID Board of Directors
Carl W. Petersen Board Room
Thursday, February 16, 2016, 2:30 p.m.

President Huffman called the special meeting to order at 2:30 p.m. and Mr. Freeman called roll.

Directors Present:

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

Staff Present:

Chuck Freeman, District Manager
Kipp Drummond, District Treasurer
Ben Woodard, Assistant Engineering Manager
Kingsley Berg, Assistant Operations Manager
Darin Arbogast, Project Manager
Lori Gibson, Executive Assistant
Jason McShane, Engineering Manager, via telephone
Doris Rakowski, Executive Assistant

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

ACTION ITEMS

Travel Authorization: Mr. Freeman requested approval for the Engineering & Operations Manager to travel New Zealand for the Irrigation Leader and Municipal Water Leader magazine sponsored Education Tour of irrigation and other water related infrastructure.

Mr. Freeman explained how acceptance of the door prize trip was consistent with Washington State Ethics Board Advisory Opinion 98-10. He spoke about benefits of the trip to the District, including learning about an existing long term aquifer storage project for the dilution of nitrates in groundwater, different methods to managing water quality challenges, water resource management in another parts of the world manage, and solving legacy environmental issues and exposing the District internationally to other water resource managers and providers.

Mr. Freeman reported the prize totaled \$4,500; \$2,500 for airfare and \$2,000 for expenses.

Vice President Dennis and President Huffman spoke in favor of the opportunity. Mr. Freeman noted that Mr. McShane would be part of a special issue magazine about the trip and would sit on a panel about the trip at a future meeting.

Vice President Dennis moved to approve the travel request for the Engineering & Operations Manager to travel to New Zealand for the Irrigation Leader and Municipal Water Leader magazine sponsored Education Tour of irrigation and other water related infrastructure. Director McKenzie seconded the motion and it carried unanimously.

WORKSHOP

Strategic Planning: Mr. Freeman spoke about developing a plan to achieve success in the District's capital projects. He noted KID used its own crews on the Bob Olson Parkway project. Mr. Freeman spoke briefly about the ten year outlook for staffing capital work and lining.

Mr. Woodard referred to the Board memo and said it listed projects including those that used development funds, grant funding, and non-capital upgrade and improvement funds. Discussion ensued regarding Traffic Improvement Projects (TIP) projects.

Mr. Freeman said that three existing regular positions were open for which candidates were identified in the current group of temporary employees.

Mr. Woodard spoke about lining and the delays due to snow and freezing temperatures in January. He briefly reviewed projected projects including:

Spring/Summer 2017

- Water Start-up
- Canal Road Reclamation
- Finalize Roadways for the WaterSMART 2013 grant
- Sagecrest Pump Station Upgrade
- Heavy Earthwork MC 14.0-12.8 for WaterSMART 2016-2019 grant
- Heavy Earthwork BE 1.8-0.0 for WaterSMART 2016-2019 grant
- W. 45th Ave. Piping (TIP)
- 36th Ave. Piping (TIP)
- Kennewick Ave. Piping (TIP)
- Union St. Piping (TIP)

Spring/Summer 2018

- Southridge Pump Station Phase 1
- Clodfelter Pump Station
- Olympia Distribution Piping
- Vancouver Distribution Piping
- KCN East Consolidation Ph 2 (Cherry Glen PH2)
- Finley Property Piping

Other Potential Projects

- Ely Campus Expansion
- Ely Campus Site and building improvements
- Coordinated projects within System Master Plans

Mr. Woodard confirmed to Director McKenzie that there was no impact to matching funds for grants from using temporary or regular employees.

In response to a question from Director McKenzie, Mr. Woodard reviewed the Olympia Street project timeline. Coordinating schedules with the cities and contractors was discussed. Mr. Freeman advised that KID remain as agile for scheduling as possible.

Mr. Drummond referred to the Enhanced Operational Capacity Worksheet and spoke about projected costs for filling open positions for a Pump Specialist, Maintenance, and Maintenance Laborer, and for five new positions which would be offset in the future by hiring five fewer temporary Water Off Seasonal Employees. He spoke about revenue sources to be used to pay the labor expenses, which included Red Mountain LID interest. Mr. Woodard confirmed to President Huffman that the 2016-2019 WaterSMART Grant would also be used and Mr. Freeman said KID would continue to apply for future grants as they became available.

President Huffman spoke in favor of the plan.

Mr. Freeman spoke about the excavator KID had purchased and said Mr. McShane would talk to committees about purchasing or continuing to rent a 160 excavator. Cost of purchase and

rental was briefly discussed. Mr. Freeman provided a few examples of when such a machine would be used.

Director McKenzie spoke about weighing the alternatives of using a larger regular crew, hiring temporary employees, and outsourcing. Mr. McShane spoke about the nimbleness achieved by self-performing work, which he said allowed simultaneous design, material sourcing and construction, and saved significant time and expense. He spoke further about coordination with the cities. He said occasions would still arise when contracted assistance would be needed.

Vice President Dennis said he favored equipment ownership over rental, all other things being equal.

Mr. Freeman said if the Board agreed, the excavator question would be taken to the Operations and Engineering Committee on the 28th, and then to the Finance committee.

Mr. Woodard displayed a map and spoke about work on 45th Avenue between Cherry Creek Reservoir near Ely Street and Olympia Street, and future work in neighborhoods along Olympia Street. Mr. Woodard said elimination of open air boxes would alleviate some risk of flooding.

Mr. Woodard spoke about other funding sources, Private Line Area (PLA) takeover and use of surcharges when developing KID service areas. Mr. Freeman listed several PLA takeover projects being considered.

Mr. Freeman said that, if acceptable to the Board, action regarding this topic would be presented for consideration at the February 21, 2017 meeting. He noted that the capital plan had already been approved. Those present indicated that staff could move forward with bringing the issue to the regular board meeting.

Director McKenzie moved to adjourn the meeting at 3:26 p.m. Vice President Dennis seconded the motion and it carried unanimously.

Attest:

Witness:

For Dean Z Dennis, Vice President
Gene Huffman, Board President
Approved February 21, 2017

Chuck Freeman
Chuck Freeman, District Manager

Prepared by Doris Rakowski