



## Minutes

Meeting of the KID Board of Directors  
 Carl W. Petersen Board Room  
 Tuesday, November 7, 2017, 9:00 a.m.

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

**Directors Present:**

Gene Huffman, President  
 Dean Dennis, Vice President  
 Kirk Rathbun  
 Jim Holmes  
 David McKenzie, via telephone

**Staff Present:**

Chuck Freeman, District Manager  
 Seth Defoe, Land & Water Resources Manager  
 Jason McShane, Engineering/Operations Manager  
 Melissa Olheiser, Accountant II  
 Lynda Rosenbaum, Real Property Manager  
 Shelbea Voelker, Public Relations Coordinator  
 Lori Gibson, Executive Assistant  
 Jonathan Haller, GIS Analyst/Developer  
 Doris Rakowski, Executive Assistant

**Other Persons Present:**

Brian Iller, KID Legal Counsel

**APPROVAL OF AGENDA:** President Huffman added Clarification of Previously Authorized Travel to Action Items.

**Vice President Dennis moved to approve the agenda as amended. Director Rathbun seconded the motion and it carried unanimously.**

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

On the consent agenda were:

1. Minutes, KID Board Meeting, October 3, 2017
2. Minutes, KID Board Special Meeting, October 5, 2017
3. Minutes, KID Board Meeting, October 17, 2017
4. Final Plat - The Ridge at Hansen Park - Division 1, Phase 1
5. Pre Plat 17-05 - Apple Valley - Phases 3 & 4
6. Variance for Binding Site Plan 17-05 - KSD
7. Binding Site Plan 17-05 - KSD - Wet
8. Binding Site Plan 17-06 - Ben Kruse - Wet
9. Vouchers/Warrant Approval

**Accounts Payable**

Numbers:

	75590	through	75656	\$	89,382.81
	75657	through	75657	\$	195.00
	75658	through	75730	\$	213,717.35
	75731	through	75731	\$	10,762.76
	75732	through	75732	\$	1,527.75
	75733	through	75734	\$	1,017.26
	75735	through	75739	\$	168,970.86
Bank Drafts	FSA			\$	-
Bank Drafts	General			\$	-
Bank Drafts	AP			\$	106,358.98
<b>Total Accounts Payable</b>				<b>\$</b>	<b>591,932.77</b>

**Payroll**

Numbers:

	33615	through	33618	\$	3,242.84	
Direct Deposit			2017-10-20	\$	101,622.85	
<b>Total Payroll</b>						<b>\$ 104,865.69</b>

**Total Disbursements** **\$ 696,798.46**

**Voided Checks:** None

**PUBLIC COMMENTS:** None

**PRESENTATIONS:** None

**PUBLIC HEARING:** None

**BOARD REPORTS:** None

**ACTION ITEMS:**

**2018 Roll of Rates, Charges and Assessment and Notice of Equalization:** Mr. Freeman read from the notice of equalization. He indicated the Roll of Rates, Charges and Assessments had been provided to the Board.

**Director Rathbun moved to give notice by publication in the Tri-City Herald legal notices on November 12 and 19, 2017 that the 2018 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 5, 2017 at 9:00 a.m. to equalize rates and charges and assessments. Director Holmes seconded the motion and it carried unanimously.**

**Election 2017 - Announcement of Candidates:** Mr. Freeman referred to the memo which had been updated after the deadline for nominations, and announced that the candidates for Position 2 were Raman Venkata and John Trumbo , and David McKenzie was unopposed for Position 3. He said the election for Position 2 would be held in the KID Boardroom on Tuesday, December 12, 2017 from 1:00 p.m. to 8:00 p.m.

**Director Holmes moved to declare David McKenzie as elected to Director Position 3. Director Rathbun seconded the motion and it carried unanimously.**

**Approve Finley Real Property Lease Template:** Ms. Rosenbaum presented the draft lease template which had been extensively reviewed by staff, legal counsel and the Realty Committee. She noted that the auction was scheduled for 2:00 p.m. on Monday, November 13, 2017 at the Musser Brothers Auction facility.

Mr. Freeman reported that feedback from potential bidders had been incorporated in the draft lease, including an option to renew for an additional 20 years. Discussion ensued regarding the work that went into drafting the lease.

**Vice President Dennis moved to approve the Finley Lease Template to be used at the auction at the Musser Brothers Auction Center on Monday, November 13, 2017. Director Rathbun seconded the motion and it carried unanimously.**

**Irrigation Pipeline Upsizing in Olympia Estates Phases 1& 2 Subdivision:** Mr. McShane presented the proposed increased pipeline upsizing for the Kennewick Southeast Regional Consolidation (Cherry Creek) project. He spoke briefly about work at Cherry Creek and 36th Avenue related to the project.

**Director Rathbun moved to approve \$5,716.23 to be used for upsizing pipe in the Olympia Estates Phase 1 & 2 subdivision. Vice President Dennis seconded the motion and it carried unanimously.**

**Olympia Estates - Release of Easement Interest:** Mr. McShane presented the requested release of KID's easement along Olympia Street. He said the remaining easement would be sufficient with the adjacent utility easement, though KID had no plans to use the easement.

**Director Holmes moved to approve the release of KID's interest in the above-reference easement and authorize Charles Freeman to execute required Quit Claim Deeds and Real Estate Tax Affidavits. Director Rathbun seconded. The motion carried unanimously.**

**Gabriel Gomez - Release of Easement Interest:** Mr. McShane presented Gabriel Gomez's request that KID release any interest in an existing ten foot irrigation easement in the Kennewick Park Plat at a location with no water allotment. He said KID had no intention to use the easement for KID purposes. He said this would be a release of interest in a public easement and City of Kennewick would also need to release their interest.

**Director Rathbun moved to approve the release of KID's interest in the above-referenced ten foot easement and authorize Charles Freeman to execute required Quit Claim Deeds and Real Estate Tax Affidavits. Vice President Dennis seconded. The motion carried unanimously.**

**Policy 2.6, Shared Leave, Revision 3:** Mr. Freeman asked the board approve a revision to the Shared Leave policy is to allow the donation of earned floating holidays in addition to vacation leave in aid of employees in need of assistance due to eligible extraordinary circumstances.

In response to a question from Director Rathbun, FMLA and Washington's FLA were discussed.

**Vice President Dennis moved to approve Policy 2.6 Shared Leave, Revision 3. Director Holmes seconded the motion and it carried unanimously.**

**Clarification of Previously Authorized Travel:** Mr. Freeman referred to a memo distributed at the meeting and reviewed the details of a door prize won at the Irrigation Leader Workshop in Phoenix held on February 1<sup>st</sup> and 2<sup>nd</sup>, 2017. He noted that Jason McShane was selected to attend on behalf of KID.

Mr. Freeman said there had been confusion regarding the value of the prize and clarified that the actual prize was for \$2,500 (increased by Water Strategies from \$2,000). He reviewed the materials distributed.

Additionally, he noted that the date at the top of the February 16, 2017 minutes needed to be corrected from 2016 to 2017.

**Director Rathbun moved to accept this clarifying report and direct staff to attach this report to the February 16, 2017 minutes. Director Holmes seconded the motion and it carried unanimously.**

**RESOLUTIONS:**

**Resolution 2017-38, 2018 Budget Adoption:** Mr. Freeman presented the proposed balanced budget for \$15,464,523, and said a 3.5% increase was requested across all classes, including the Water Infrastructure Supply Fund and the Capital Improvement Fund. He said revenues and expenses were increasing and briefly about expected expenses, including power costs and salaries. He said all internal obligations regarding reserve funds were met.

In response to a question from President Huffman, Mr. Freeman spoke about COLA increases.

In response to a question from Director Rathbun, Mr. McShane spoke about challenges finding winter temporary employees and the potential impact to winter work plans.

**Director Rathbun moved to approve Resolution 2017-38, 2018 Budget Adoption. Vice President Dennis seconded the motion and it carried unanimously.**

**Resolution 2017-42, Authorized Positions and Salary Ranges:** Mr. Freeman requested approval of adding a temporary Shophand/Mechanic's Assistant for a period of 4.25 months.

Mr. McShane said the Water Off Seasonal Employees' hourly rate would increase to \$13.62.

Discussion ensued and Mr. Freeman confirmed that this change was for 2017.

**Vice President Dennis moved to Resolution 2017-42, Authorized Positions and Salary Range. Director Holmes seconded the motion and it carried unanimously.**

**Resolution 2017-43, Sole Source Purchase - Time Clocks:** Mr. Defoe presented the request for a sole source purchase of replacement time clocks and software for the District.

**Director Holmes moved to approve Resolution 2017-43 Authorization to Waive Competitive Bidding and Award a Sole-Source Contract to Purchase Time Clocks from TimeClock Plus; pursuant to RCW 87 .03.435(3)( c). Director Rathbun seconded the motion and it carried unanimously.**

**Resolution 2017-44, Approving License and Construction Agreement with Hayden Homes for Rachel Road Crossing of Amon Wasteway:** Mr. McShane presented the resolution to authorize an agreement between Hayden Homes, LLC and the district regarding the subdivision of a preliminary plat know as Clearwater Creek. He said the agreement would be forwarded to the U.S. Bureau of Reclamation (USBR). Construction was expected to be complete before water was on in the spring.

In response to a question from Director Rathbun, Mr. McShane said KID had been channelizing Amon Wasteway over the last several years, and the crossing would create a location where water had to go through and grading would be needed. He spoke about permitting of the roadway and storm ponds.

Brian Thoresen, Land Development Manager for Hayden Homes, thanked KID for help during the process.

**Vice President Dennis moved to approve Resolution 2017-44 Approving License and Construction Agreement with Hayden Homes for Rachel Road Crossing of Amon Wasteway. Director Rathbun seconded the motion and it carried unanimously.**

## **STAFF REPORTS:**

**Finance Manager:** On behalf of Mr. Drummond, Ms. Olheiser reported regarding:

- 2018 Budget
- WA State Auditor here through end of month

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

- Jamesville Irrigation project
- Division IV lining work on the 2013 WaterSMART grant
- Planned Southridge area lining work, and Rubicon and bridge abutment structures
- 2013 and 2016 Grant reporting
- Integrated Plan Enhanced Ag Conservation meeting
- Integrated Plan Implementation Committee in Washington DC last week
- Purchase and demonstration of box wall water diversion structures
- Pre-emergent programs in canal prism and terrestrial applications
- Master Plans in south Richland and Badger Canyon
- Department of Ecology grant for Amon Reservoir design extension granted
- Chandler Electrification - Technical assistance provided to USBR. Siphon replacement concerns. Use of siphon inspection, construction notes and photos, in addition to model.

Discussion ensued. Mr. McShane spoke about creation of an emergency response for a Chandler or Siphon failure and possible failure scenarios.

President Huffman called a short break at 10:07 a.m.

The meeting resumed in open session at 10:14 a.m.

**Land & Water Resources Manager:** Mr. Defoe displayed the usbr.gov reservoir diagram and comparative graph, and spoke about storage levels. He displayed the noaa.gov Yakima weather station precipitation and temperature graphs and spoke about weather conditions and El Nino pattern. He displayed the noaa.gov Experimental Two-Class Seasonal Forecast maps and spoke about long-term climate outlook.

Mr. Defoe reported regarding:

- Conservation Advisory Group meeting – October 19
- Tour of KID for Walt Larrick, acting as consultant to the Yakima Basin Joint Board
- Lower River Water Quality meeting – October 26<sup>th</sup>
- Richland Critical Areas Ordinance passed City Council on September 17<sup>th</sup>
- Benton County Critical Areas Ordinance
- Title Transfer Memorandum of Agreement (MOA) meeting on October 31<sup>st</sup>. Chad Stuart, USBR Yakima Field Office Manager, may present the MOA at the next Board meeting.
- Yakima Basin Joint Board (YBJB) Fish Biologist presentation on November 2<sup>nd</sup>. YBJB Consulting Biologist, David Child, has retired.
- Department of Ecology and USBR Water Transfer Working Group future following the final adjudication of Acquavella

**District Manager:** Mr. Freeman reported regarding:

- Meeting with Commissioner in Tucson next week, Lorie Gray
- Draft licensing agreement for City of Kennewick for movement of pile of dirt and expansion of KID campus
- Water Rights and Transfers training in Seattle next week
- NWRA

- December WSWRA Annual Conference
- Water Strategies Feb
- WADC March

Ms. Voelker reported regarding:

- Planned changes to KID website
- Second Harvest food drive
- Blood drive - December 11<sup>th</sup> from noon to 5:00 p.m.

**WORKSHOP:** None

**EXECUTIVE SESSION:** At 10:33 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session to consider the minimum price at which real estate will be offered for sale or lease pursuant to RCW 42.30.110(1)(c) and to discuss with legal counsel potential litigation in the form of legal risks of a proposed action or current practice, as it relates to a leave issue and ESA consultation status, pursuant to RCW 42.30.110(1)(i)(iii), and to discuss with legal counsel pending litigation regarding Acquavella, pursuant to RCW 42.30.110(1)(i), for an estimated 30 minutes. He said action was possible following executive session.

**OPEN SESSION:** At 11:03 a.m., the meeting returned to open session.

**Director Rathbun moved to amend the agenda to add Accrued Leave Advance and Repayment Agreement. Vice President Dennis seconded the motion and it carried unanimously.**

**Leave Repayment Agreement:** Mr. Freeman presented the request for approval of an agreement for Chris Sittman due to need for extended leave to address a chronic back condition. He noted that the template had been approved for another employee previously. He reviewed the terms of repayment, including in the case that employment was ended. Terms included a fitness for duty exam and the option for a modified job description for up to 120 days. He reported that the Union had agreed that it would not create a precedent.

President Huffman spoke in favor of the agreement.

Mr. Freeman confirmed to Director Rathbun that expected recovery time was 14 weeks.

**Director Rathbun moved to approve the accrued leave advancement agreement with Chris Sittman. Director Holmes seconded the motion and it carried unanimously.**

**Director Holmes moved to adjourn the meeting at 11:12 a.m. Vice President Dennis seconded the motion and it carried unanimously.**

Attest:

Witness:

  
 Gene Huffman, Board President  
 Approved November 21, 2017

  
 Chuck Freeman, District Manager

Prepared by Doris Rakowski