



Revised Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, January 16, 2018, 9:00 a.m.

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

Directors Present:

Dean Dennis, President
 David McKenzie
 Gene Huffman
 Raman Venkata

Via telephone:

Kirk Rathbun, Vice President

Other Persons Present:

Brian Iller, KID Legal Counsel

Staff Present:

Chuck Freeman, District Manager
 Kipp Drummond, District Treasurer
 Lynda Rosenbaum, Real Property Manager
 Jason McShane, Engineering/Operations Manager
 Seth Defoe, Land & Water Resources Manager
 Shelbea Voelker, Public Relations Coordinator
 Lori Gibson, Executive Assistant
 Doris Rakowski, Executive Assistant

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

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

On the consent agenda were:

1. Travel Authorization - Irrigation Leader 6th Annual Operations & Management Workshop
2. Travel Authorization - Irrigation Leader Australia Tour
3. Vouchers/Warrant Approval

Numbers:

	76020	through	76092		\$ 375,585.91
	76093	through	76093		\$ 16,962.80
	76094	through	76112		\$ 258,347.52
	76113	through	76113		\$ 14,769.60
	76114	through	76145		\$ 232,020.61
Bank Drafts	FSA				\$ 756.34
Bank Drafts	General				\$ 1,991.92
Bank Drafts	AP				\$ 81,308.42
Total Accounts Payable					\$ 981,743.12

Payroll

Numbers:

	33657	through	33661		\$ 2,268.16
	33662	through	33705		\$ 13,476.62
	33750	through	33750		\$ 16.88
Direct Deposit			1/5/2017		\$ 107,507.56
Total Payroll					\$ 123,269.22
Total Disbursements					\$ 1,105,012.34

Voided Checks:

Check # 33683 – Void because of incorrect payee

Check # 33706-33749 – Void because of printing error

PUBLIC COMMENTS:

Chuck Torelli, 3314 S Dennis Ct. Mr. Torelli thanked staff for their recent assistance. He recommended upgrading the website to make it easier to navigate. He said Port of Kennewick and the cities of Richland and Kennewick had good websites.

Jim Aust, 5602 S Newport Place. Mr. Aust reported that KID was requiring a fence along 1,000 linear feet of canal frontage of property he was subdividing. He said he was unable to find legal authority for KID to require this. He noted that his property was in the District but was not irrigable. Mr. Aust said there would be repercussions if he were required to put up the fence or if KID did not sign his final plat.

PRESENTATIONS:

Preliminary Financial Reports for December 2017: Mr. Drummond said year-end reporting to Washington State in May could require changes, so the final reports would be presented to Board at a later date. He presented highlights of preliminary report pages including:

- Balance Sheet-As of December 31, 2017-DRAFT
- Statement of Revenues & Expenditures-Budget to Actual, Summary-Year to Date-DRAFT
- Grant & Matching Funds Schedule for the Period Ended December 31, 2017-DRAFT
- Fund Balance Change, as of December 31, 2017

Mr. Drummond confirmed to President Dennis that the reports would be reviewed in Finance Committee and that the final reports would be ready in advance of the May 2018 deadline.

Director Huffman moved to accept the summary of the financial statements. Director McKenzie seconded the motion and it carried unanimously.

PUBLIC HEARING: None

BOARD REPORTS: President Dennis spoke briefly about the NWRA Leadership Forum.

ACTION ITEMS:

Appointment of Committee Members and Chairs: President Dennis appointed:

- David McKenzie as Chair and Dean Dennis to the Operations & Engineering Committee
- David McKenzie as Chair and Raman Venkata to the Finance Committee
- Gene Huffman as Chair and Kirk Rathbun to the Realty Committee.

Appointment of Board Representatives to Meetings of Other Agencies: President Dennis made the following appointment to attend meetings of outside agencies:

- Washington State Water Resource Association: Kirk Rathbun and Dean Dennis
- National Water Resource Association: Gene Huffman and Dean Dennis
- Tri-State meetings (WSWRA, Oregon Water Congress and Idaho Water Users Association): David McKenzie and Gene Huffman
- Columbia/Snake River Irrigators Association: Kirk Rathbun and David McKenzie
- Yakima Basin Integrated Water Resource Management Plan and/or related subcommittees: Kirk Rathbun and David McKenzie
- Yakima River Joint Board/Defense Coalition: Dean Dennis and Gene Huffman

- Water Strategies: Dean Dennis and David McKenzie
- U.S. Bureau of Reclamation: open

Raman Venkata was appointed as a substitute, to provide experience at a variety of meetings.

RESOLUTIONS:

Resolution 2018-04, Declare Surplus & Authorize Marketing for Sale or Lease Finley Agricultural Land: Ms. Rosenbaum presented Resolution 2018-04, which was intended to supersede Resolution 2017-32. She said the only substantive revision was to allow auction or negotiations as methods to lease the Finley Agricultural property.

Upon discussion, it was decided to revise the determination of the resolution to read “Now, therefore, be it resolved that the Directors of the District have determined the described real property on Attachment “A” is not necessary or needed for the use of the District and hereby authorizes the marketing for sale or lease by negotiation or auction of the property in accordance with RCW 87.03.136.”.

Director Huffman moved to approve Resolution 2018-04 and authorize Charles Freeman, District Manager, to commence activities relating to any negotiation or auction for sale or lease of the Finley property. Director Venkata seconded the motion and it carried unanimously.

Resolution 2018-05, Sole Source Purchase of Allen-Bradley PLCs: Mr. McShane spoke about KID’s use and need for 17 additional Allen-Bradley PLCs (Programmable Logic Controllers) for installation in the SCADA network, and three spare units. Additionally, to accommodate the additional sites and provide room for future growth, a third PLC Controller for the radio network was required, and purchase of a spare unit was recommended.

Mr. McShane said \$19,164 plus tax and shipping was included in the authorized capital budget.

At Director Huffman’s request, Mr. McShane spoke about what would happen in case of failure. In answer to President Dennis, he spoke about how screens were monitored and cleaned. He described how system warnings were disseminated.

Discussion ensued regarding usability of cameras to supplement this system.

Director Venkata noted that Allen-Bradley products were considered to be the best.

Director McKenzie moved to approve Resolution 2018-05, “Authorization to Waive Competitive Bidding and Award a Sole Source Contract to Purchase 20 Allen Bradley MicroLogix 1100 PLCs and 2 Allen-Bradley CompactLogix L30ER PLCs from Columbia Electric Supply; pursuant to RCW 87.03.435(3)(c). Director Huffman seconded the motion and it carried unanimously.

Resolution 2018-06, Sole Source of Acoustic Receivers for Fish Study: Mr. Defoe spoke about a planned multi-year study of migration survival of juvenile salmonid smolts in the lower Yakima River, in which KID agreed to participate. Funding for the study would be primarily from the USBR and the Yakama Nation.

Mr. Defoe said KID offered to fund purchase of eight additional receivers, needed in the area from the Yakima River delta to the US 395 bridge, to gain a better understanding of smolt

survival in the Bateman Island area. Because the receivers were very specific in nature, they were only produced by one company, necessitating a sole source purchase. Mr. Defoe said KID would maintain ownership of the equipment and the purchase would allow KID to remain active in the implementation of this study.

Director McKenzie thanked Mr. Defoe for staying on top of this subject and said it was important to have good, solid science behind projects. He said he was encouraged by the different parties working together on the study.

Mr. Defoe spoke about the importance of the study to understanding predation and other factors for smolt survival. Mechanics of study methods were discussed. Mr. Defoe offered to invite Ian Courter or another study participant to address the Board.

Director Huffman moved to approve Resolution 2018-06, Sole Source Purchase of Acoustic Receiver Equipment, and hereby authorize staff to purchase eight (8) acoustic receivers from Advanced Telemetry Systems, Inc. for a total price of \$30,000, plus tax and shipping. Director McKenzie seconded the motion and it carried unanimously.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- First pay period of the calendar year
- W-2s and final IRS payroll submissions for 2017
- Assessment billing and inclusion of an informative one-page newsletter

At Director Huffman's request, Mr. Drummond spoke about progress in resolving potential foreclosures. Mr. Iller noted that the District did all it could to avoid foreclosure.

Engineering/Operations Manager: Mr. McShane reported regarding:

- Hiring of temporary employees
- Canal lining at Candy Mountain
- Maintenance workshop and materials storage construction progress
- Draining Olympia storage through the Division IV Canal for gate installation
- Lean-to construction
- KID site expansion progress

Mr. McShane displayed photographs of cracks in the bucket of the turbine runner of pump number two at Chandler Pumping Station. He said this pump was refurbished last year and had been in use for about fifty years. Mr. McShane reported that a new stainless steel turbine was ordered last April and was undergoing final machining prior to its planned installation. He spoke about repair scheduling and methods being employed to reduce wear and tear.

Mr. McShane spoke about a meeting with USBR representatives about KID calling on storage water during drought conditions. He utilized a whiteboard to diagram potential benefit to KID of such a call for water and methods of accounting for the water (photograph on file). Mr. McShane noted that storage water did not include YRBWEP (Yakima River Basin Water Enhancement Plan) conservation water. He spoke about how the KID's contract with the USBR differed from other districts' contracts.

Land & Water Resources Manager: Mr. Defoe displayed the usbr.gov Yakima River Five Reservoir diagram and comparative graph, and reported about storage levels and releases. He

displayed the usda.gov Washington SNOTEL site and spoke about snow pack. He displayed the noaa.gov Yakima weather station precipitation and temperature graphs, and spoke about weather conditions. He displayed the noaa.gov 3-class Three-Month Outlook maps and spoke about the climate outlook.

Upcoming meetings:

- Washington State Water Resources Association (WSWRA) meeting - January 17th
- Department of Ecology regarding NPDES permit for irrigation districts - January 18th
- Yakima Basin Joint Board (YBJB) - January 19th

District Manager: None

In response to a question from Director McKenzie, possible responses to the potential Rattlesnake Ridge landslide were discussed.

WORKSHOP: None

EXECUTIVE SESSION: At 10:35 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session for an estimated 45 minutes, to discuss with legal counsel pending litigation as authorized by RCW 42.30.110(1)(i) related to a land use matter, and to discuss with legal counsel potential litigation as authorized by RCW 42.30.110(1)(i)(iii) as it relates to a couple personnel matters, starting at approximately 10:40 a.m. He said action was possible following executive session.

Executive session was extended for ten minutes at 11:25 a.m.

OPEN SESSION: At 11:35 a.m., the meeting returned to open session.

ACTION ITEMS: Mr. Freeman requested to add to the agenda consideration of a settlement agreement with the former Vegetation Specialist Juan Manzo, who was terminated for lying and other matters. He said the proposed agreement included a full release, separation from employment, a \$25,000 payment, a non-disparagement agreement and a release of claims including pending arbitration. Mr. Freeman spoke about potential cost from arbitration. He noted that a similar agreement had been used in the past.

Director Huffman moved to amend the agenda to add the settlement agreement. Director McKenzie seconded the motion. The motion carried unanimously.

Mr. Freeman reported that the union would sign the agreement to confirm this was not precedent setting. He confirmed that the termination date would be today, but Mr. Manzo's last day worked was in November.

Director Huffman moved to approve the settlement agreement with release and waiver of all claims with Juan Manzo. Director McKenzie seconded the motion. The motion carried unanimously.

Director McKenzie moved to adjourn the meeting at 11:39 a.m. Director Venkata seconded the motion and it carried unanimously.

Attest:



Dean Dennis, Board President
Revised Minutes Approved February 9, 2018

Witness:



Chuck Freeman, District Manager

Prepared by Doris Rakowski