



Minutes

Meeting of the KID Board of Directors
 Carl W. Petersen Board Room
 Tuesday, April 17, 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
 Gene Huffman
 David McKenzie
 Raman Venkata

Via telephone:

Kirk Rathbun, Vice President

Staff Present:

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

Other Persons Present:

Brian Iller, KID Legal Counsel
 Ray Liaw, KID Legal Counsel

APPROVAL OF AGENDA: Mr. Freeman asked to add to the agenda a travel request for Mr. McShane to attend Integrated Plan Leadership meetings in Washington D.C. in May and Resolution 2018-16, 2018 Authorized Positions and Salary Range Revision.

Mr. Defoe introduced Attorney Ray Liaw from Van Ness Feldman LLP.

Director McKenzie moved to approve the agenda as amended. Director Huffman seconded the motion. The motion carried.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, April 3, 2018
2. Quit Claim Deeds, Stoneridge
3. Vouchers/Warrant Approval

Accounts Payable

Numbers:

	76581	through	76650		\$	305,092.69
	76651	through	76651		\$	16,694.05
	76652	through	76656		\$	91,197.36
	76657	through	76659		\$	563,109.91
Bank Drafts	FSA				\$	3,899.91
Bank Drafts	General				\$	1,555.02
Bank Drafts	AP				\$	109,294.85
Total Accounts Payable					\$	1,090,843.79

Payroll

Numbers:

		through			\$	-
Direct Deposit		2018-04-05			\$	163,359.53
Total Payroll					\$	163,359.53
Total Disbursements					\$	1,254,203.32

Voided Checks: No voided checks.

PUBLIC COMMENTS: None

PRESENTATIONS:

Preliminary Financial Reports for March 2018: Mr. Drummond noted that the financial reports were draft pending year-end reporting to the Washington State Auditors in May.

He presented highlights of preliminary report pages including:

- Balance Sheet, as of March 31, 2018-DRAFT
- Statement of Revenues & Expenditures-Budget to Actual, Summary-Year to Date-DRAFT
- Statement of Revenues & Expenditures- Actual, Comparative-3 Months Ended-DRAFT
- Fund Balance Change, as of March 31, 2018 – DRAFT
- Cash Investment Report, as of March 31, 2018

Director Huffman moved to accept the financial report. Director McKenzie seconded the motion. The motion carried.

PUBLIC HEARING: None

BOARD REPORTS: President Dennis briefly reported about the recent trip to Washington D.C.

ACTION ITEMS:

Policy 2.25, Foreclosures, Revision 2: Mr. Drummond spoke briefly about the recently concluded foreclosure process for this year. He reported that the last potential foreclosure was resolved in time to prevent an auction of the property.

Mr. Drummond said the only substantive revision to the policy was to allow foreclosure sales to take place at the KID office. Mr. Freeman briefly reviewed the history of the policy.

Director Huffman questioned inclusion of the sentence, "Alternative sale methods, including internet sale sites for foreclosure properties, may be used as long as they meet the requirements of the Revised Code of Washington." Discussion ensued. The sentence was removed from the draft policy revision.

Director Huffman moved to approve as amended Policy 2.25, Foreclosures, Revision 2. Director McKenzie seconded the motion. The motion carried.

Metaline and Adair Phase 2 Transmission Piping Purchase (Materials Only): Mr. McShane presented the requested purchase, which was needed for the Metaline Avenue and Adair Phase 2 piping projects.

Mr. McShane said the engineers estimate was \$209,009.96. He noted that the Metaline project was planned to start on April 30th and the bid opening would be on April 25th, so staff was requesting pre-approval.

In response to a question from Director Huffman, Mr. McShane spoke about estimated savings of paving costs resulting from coordinating the project timing with City of Kennewick work.

Director McKenzie moved to authorize the District Manager, Charles Freeman, to execute Contract PC2018-45 Metaline and Adair Phase 2 Transmission Piping (Materials Only) to the lowest responsible bidder, in an amount not to exceed \$210,000. Director Huffman seconded the motion. The motion carried.

Travel Request – Washington D.C.: Mr. Freeman presented the request for Mr. McShane to travel to Washington D.C. in May to represent the KID and lower river interests at meetings of the Integrated Plan leadership.

Director Huffman spoke about the importance of Mr. McShane's representation of KID's interests. Discussion followed. Mr. Freeman added that only KID representatives could speak on behalf of KID.

In response to a question from Director Huffman, Mr. McShane spoke about differences between YRBWEP II and YRBWEP III.

Director McKenzie moved to approve the travel request for the Engineering/Operations Manager to travel to Washington D. C. in May of 2018. Director Huffman seconded the motion. The motion carried.

RESOLUTIONS:

Resolution 2018-15, Sole Source Purchase of Turner Designs C3 Submersible Fluorometer: Mr. McShane explained KID's use of its fluorometers and said one unit needed to be replaced. He said the uses included algae and turbidity measurements, and fluorescent dye tracing. Portability and function of the units was discussed.

Director Huffman moved to approve Resolution 2018-15, "Authorization to Waive Competitive Bidding and Award a Sole Source Contract to Purchase a C3 Submersible Fluorometer from Turner Designs; pursuant to RCW 87.03.435(3)(c). Director McKenzie seconded the motion. The motion carried.

Mr. McShane said the sole source purchase justification was in the meeting materials. He restated that the purchase would help maintain system continuity and reduce training costs. He said the item was proprietary, and the only one of its kind with all of the needed sensors, and that Turner Designs was the sole proprietor.

Resolution 2018-16, 2018 Authorized Positions and Salary Range Revision: Mr. McShane presented the request to add an additional full time mechanic to service the District's vehicles and equipment. He said the position's wage range would be unchanged, and cost for the additional mechanic would be nearly offset by decreasing the maintenance crew from 12 to 11 positions. He spoke further about the need for a second mechanic.

Director Huffman moved to approve Resolution 2018-16 2018 Authorized Positions and Salary Range Revision. Director McKenzie seconded the motion. The motion carried.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- Current foreclosure cycle ending
- Assessment collections
- Helping Hands utilization
- Finalization of 2017 financial reports
- Reduction of outstanding PERS liability due to stock market performance
- Accounting department staffing and cross training
- Vocantas system utilization

Engineering/Operations Manager:

Upcoming meetings:

- Lower River Focus Group – April 18
- Operations and Engineering Committee – April 24th
- City of Richland Open House for Clearwater Creek Subdivision – May 3rd

Mr. McShane reported regarding water start up and associated repairs.

At Mr. Freeman's request, Mr. McShane diagrammed and spoke about Chandler Electrification plan modifications responsive to U.S. Bureau of Reclamation concerns about transient pressure water hammer effects.

Mr. McShane confirmed to Director Venkata that the electric pumping plant would take into account friction pressure losses throughout the pipe system. He said cavitation would be address in the final design. Discussion followed.

In response to a question from Director McKenzie, potential uses of the pond for cold water refugia and for flood control were discussed.

Mr. McShane spoke about KID's ability to take all water available above target flows Prosser and said it was important to not limit future use of all water legally available to KID customers.

Director Huffman noted that as return flows were reduced by conservation upstream, Chandler electrification would replace lost water. The potential for KID to call on storage water was discussed. Mr. McShane said there could be a time when Chandler Electrification was not sufficient to replace KID water supply lost due to upstream conservation.

Land & Water Resources Manager: Mr. Defoe displayed and discussed web pages including:

- usbr.gov - Yakima River Five Reservoir Diagram and Water Year Graph
- usda.gov - Washington SNOTEL maps and graphs
- noaa.gov - Pasco weather station Precipitation and Temperature graphs
- noaa.gov – La Nina Advisory and dynamic Current Conditions U. S. map
- noaa.gov - 3-class Three-Month Outlook maps

In response to Director McKenzie's question, Mr. Defoe spoke about pulse flows for fish benefit. Discussion ensued regarding various studies.

District Manager: Mr. Freeman reported regarding:

- Planned visit from U.S. Bureau of Reclamation Commissioner Burman
- Commenting on the KDRPP EIS (Kachess Drought Relief Pumping Plant Environmental Impact Statement)

Mr. Freeman discussed highlights of meetings during the recent Washington D.C. trip including:

- Corps of Engineers - Mr. Defoe's presentation on the Bateman Island Project
- Group meeting at Patty Murray's office
- Lane Dixon, senior staffer for the U.S. Senate Subcommittee on Water and Power
- Maria Cantwell's staff
- Congressman Newhouse staff
- Additional staff from the U.S. Senate Subcommittee on Water and Power
- Congressman Newhouse
- USBR senior staff

Mr. Freeman reported that he replied to a letter received from Lorri Gray (USBR Pacific Northwest Regional Director) while in Washington D.C.

Mr. Freeman spoke briefly about the NWRA address from Commissioner Burman and the update on activity in Congress and challenges from the filibuster rule provided by Representative Rob Bishop.

New Washington State Water Resources Association directories were distributed.

Upcoming meetings:

- Lower River Focus Group - April 18th
- City of Richland regarding Chandler Electrification and Title Transfer - April 19th

WORKSHOP: None

EXECUTIVE SESSION: At 10:22 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session to discuss with legal counsel the legal risks of a proposed action and/or current practice, related to a Tapteal agreement and water rights, pursuant to RCW 42.30.110(1)(iii) for an estimated 15 minutes, following a ten minute break, from 10:30 a.m. to 10:45 a. m. He said action was possible following executive session, but was not expected.

Open session resumed at 10:26 a.m.

Director Huffman moved to adjourn the meeting. Director McKenzie seconded the motion. The motion carried.

Attest:

Witness:



Dean Dennis, Board President
Minutes Approved May 1, 2018



Charles Freeman, District Manager

Prepared by Doris Rakowski