



Minutes

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

Directors Present:

Dean Dennis, President
 Kirk Rathbun, Vice President
 Gene Huffman
 David McKenzie
 Raman Venkata

Staff Present:

Charles Freeman, District Manager
 Kipp Drummond, District Treasurer
 Seth Defoe, Land & Water Resources Manager
 Jason McShane, Engineering/Operations Manager
 Shelbea Voelker, Public Relations Coordinator
 Melissa Olheiser, Accountant II
 Jonathan Haller, GIS Analyst/Developer
 Lori Gibson, Executive Assistant
 Doris Rakowski, Executive Assistant

Other Persons Present:

Brian Iller, KID Legal Counsel

President Dennis turned the meeting over to Vice President Rathbun due to medical reasons.

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

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, June 5, 2018
2. Tri Cities Credit Union Quit Claim Deed
3. Cherry Creek Ph. 3 Quit Claim Deed
4. Final Plat White Bluffs Ph. 5 – Dry
5. Binding Site Plan 15-11 – Kevin Barney – Dry
6. Vouchers/Warrant Approval

Accounts Payable

Numbers:

	76932	through	76983	\$	346,209.94
	76984	through	76984	\$	11,195.02
	76985	through	76989	\$	96,673.63
	76990	through	76990	\$	2,000.00
	76991	through	77074	\$	263,276.00
	77075	through	77077	\$	59,268.77
Bank Drafts	FSA			\$	351.31
Bank Drafts	General			\$	18,451.45
Bank Drafts	AP			\$	94,374.98
Total Accounts Payable				\$	891,801.10

Payroll

Numbers:

	34015	through	34015	\$	227.65
Direct Deposit		6/5/2018		\$	137,230.69
Total Payroll				\$	137,458.34
Total Disbursements				\$	1,029,259.44

Voided Checks: Check # 76962 – VOID and Cancel Payable – Incorrect payee
Check # 34014 – VOID – Printer Error

PUBLIC COMMENTS: None

PRESENTATIONS:

Financial Reports for May 2018: Mr. Drummond presented highlights of report pages including:

- Balance Sheet – Comparative as of May 31, 2018 and 2017
- Statement of Revenues & Expenditures-Budget to Actual, Summary-Year to Date
- Statement of Revenues & Expenditures-Actual, Comparative - 5 months Ended
- Grant & Matching Funds Schedule
- Fund Balance Change, as of May 31, 2018
- Cash Investment Report, as of May 31, 2018

Director Huffman moved to accept the May 2018 financial report. Director McKenzie seconded the motion. The motion carried unanimously.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Policy 1.16 Public Records Disclosure, Rev. 5: Ms. Rakowski presented revisions proposed to bring the policy into compliance with changes to the Washington Public Records Act effective July 23, 2017. She confirmed KID had been in compliance with the statute in the interim.

Ms. Rakowski briefly described alternate methods available to the District to charge for copying and sending requested records. She said performing a study to calculate the actual costs would be unduly burdensome due to the variety of copiers that might be used and the number of personnel, with widely differing salary and benefit levels, who might copy and send records as a part of their work. She recommended using the statutory fee schedule.

Ms. Rakowski recommended setting a minimum estimated cost of \$25 for copying as a trigger for asking for a deposit, to facilitate consistency in treatment of requestors. She noted the policy revision also included some non-substantive edits.

In response to a question from Vice President Rathbun, Ms. Rakowski spoke briefly about recent request volume.

Director Huffman moved to approve Policy 1.16, Public Records Disclosure, Revision 5. Director McKenzie seconded the motion. The motion carried unanimously.

RESOLUTIONS:

Resolution 2018-24, Setting Fees: Mr. Drummond presented the updates to the District's fee schedule, which included:

- Increasing the irrigation delinquency fee \$25.00
- Removing Elliott Lake potable system charges
- Changing the Lorayne J flat rate bi-monthly fee for potable and irrigation to the current rate of \$231.98
- Increasing equipment rates (without operator) by a 2% COLA
- Updating personnel rates to the 2018 position rates.

Director McKenzie moved to approve Resolution 2018-24, 2018 Fee Schedule update. Director Huffman seconded the motion. The motion carried unanimously.

Resolution 2018-25, Rescind Policy 6.1A Cross-Connection Control Policy, Elliot Lake Potable Water System: Mr. Freeman reported that Resolution 2011-08 would rescind Policy 6.1A, which was no longer required as KID was no longer the water purveyor for that system.

Director Huffman moved to approve Resolution 2018-25, Rescinding Policy 6.1A, Cross-Connection Control Elliot Lake Potable Water System. President Dennis seconded the motion. The motion carried unanimously.

Resolution 2018-26, 2018 Budget Revision 1: Mr. Drummond presented proposed changes to the 2018 budget, related to:

- U. S. Bureau of Reclamation (USBR) administrative review of Title Transfer application
- Title Transfer cultural and environmental impact studies
- USBR Operation & Maintenance (O&M) costs
- Travel and meeting costs associated with Title Transfer and Chandler

Mr. Drummond noted that \$150,133.28 for the USBR O&M budget would come from the Capital Fund and the remaining \$254,473 would come from the Carry Forward Operating Fund.

Other budget changes were to:

- Anticipated 2018 Educational Benefit Fund expenses
- Reduced spending on contract labor & staffing, emergency pump services, and Land and Water Resource Department training
- Purchase of computer tablets originally budgeted for 2017
- Equipment rentals for use by temporary employees
- Pest Control

Mr. Drummond said Mr. Freeman requested a Public Relation Department be split out from the Executive Department, and a Customer Service Department be split out from the Finance Department. He said existing budget allocations would be redistributed to the new departments and there would be no change to chain of command.

Ms. Olheiser said the reference to "Fund 111" in the resolution should be corrected in the signing copy to "Fund 411".

In response to a question from Vice President Rathbun, KID's financial contribution to the Prosser Dam fish screens and upstream USBR facilities was briefly discussed. Mr. Freeman he anticipated a second budget amendment because KID would owe a small percentage to address a leaking USBR dam either this year or next year.

In response to a question from Director Venkata, Mr. Freeman said the District had moved away from tracking public records request costs several years ago because it took up staff time and request volume was lower than previous years.

Director Venkata recommended a budget item for records management based on an audit recommendation he received at another organization. He noted records management included technology and databases and that auditors could be interested in how records were managed. Mr. Freeman said the topic could be discussed in Finance Committee. The District's records management process and Public Records Act practices were discussed.

Mr. Drummond confirmed to Vice President Rathbun that no change to payroll was proposed.

Director Huffman moved to approve Resolution 2018-26 - Amendment #1 to the 2018 budget. Director McKenzie seconded the motion. The motion carried unanimously.

STAFF REPORTS:

Finance Manager: Mr. Drummond distributed a sheet titled “KID Assessments Outstanding June 18, 2018” and reported regarding accounts receivable.

Mr. Freeman noted that, by policy, KID set aside 30% of expected assessments to allow continued functioning should there be unusually high delinquencies due to economic conditions.

Engineering/Operations Manager: Mr. McShane reported regarding:

- Metaline improvements
- Vegetation and time trial studies
- Rodent management
- Ely campus improvements
- Engineering design work
- Planned Division IV gate installation
- Current maintenance issues

Mr. McShane confirmed to Director Huffman that there were no issues with Red Mountain’s booster pump. He said the chlorinator would be installed in a few weeks.

In response to a question from Director Huffman, Mr. McShane spoke about the planned schedule for 45th Avenue and Olympia Street work.

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 - SST (Sea Surface Temperature) Anomalies map
- noaa.gov - 3-class Three-Month Outlook maps

In response to a question from Director Huffman, Mr. Defoe spoke about late season supply and whether there could be a need to call on storage water. Discussion followed regarding SOAC (Systems Operation Advisory Committee) releases of conserved water flows to benefit fish.

Upcoming Meetings:

- Washington State Water Resource Association Executive Committee - June 20, 2018
- Yakima Basin Joint Board - June 22, 2018

District Manager: None

WORKSHOP: None

EXECUTIVE SESSION: At 10:03 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session following a five minute break to discuss with legal counsel the pending litigation matters in the Acquavella case as authorized by RCW 42.30.110(1)(i), and to discuss with legal counsel potential litigation in the form of the legal risks

of a proposed action or current practice as authorized by RCW 42.30.110(1)(i)(iii), as it related to Kachess Drought Relief Pumping Plant (KDRPP), for an estimated 25 minutes, until 10:40 a.m. He said action was possible after the executive session but was not expected.

OPEN SESSION: At 10:40 a.m., open session resumed.

President Dennis moved to adjourn the meeting. Director Huffman seconded the motion. The motion carried unanimously.

Attest:

Witness:



Dean Dennis, Board President
Minutes Approved July 3, 2018



Charles Freeman, District Manager

Prepared by Doris Rakowski