



Minutes

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

Staff Present:

Charles Freeman, District Manager
 Kipp Drummond, District Treasurer
 Seth Defoe, Land & Water Resources Manager
 Jason McShane, Engineering/Operations Manager
 Lynda Rosenbaum, Real Property Manager
 Melissa Olheiser, Accountant II
 Jonathan Haller, GIS Analyst/Developer
 Lori Gibson, Executive Assistant
 Doris Rakowski, Executive Assistant

Absent:

Kirk Rathbun, Vice President

Other Persons Present:

Brian Iller, KID Legal Counsel

Director Huffman moved to excuse Vice President Rathbun’s absence. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

APPROVAL OF AGENDA: Director McKenzie moved to approve the agenda. Director Huffman seconded the motion. All present voted in favor and the motion carried.

CONSENT AGENDA: Director Huffman moved to approve the consent agenda. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Items on the consent agenda were:

1. Minutes, KID Board Meeting, July 3, 2018
2. Canyon Ranch – Release of Easement Interest
3. Hills West Phase 2 Transmission Fittings (Materials Only)
4. Rock for Hills West Phase 2 Transmission Piping
5. Hot Mixed Asphalt for Hills West Phase 2 Transmission Piping
6. Vouchers/Warrant Approval

Accounts Payable

Numbers:

77081 through 77169	\$	148,611.89
77170 through 77170	\$	1,384.17
77171 through 77175	\$	96,491.38
77176 through 77176	\$	10,610.70
77177 through 77230	\$	133,834.07
Bank Drafts FSA	\$	1,923.95
Bank Drafts General	\$	8,754.83
Bank Drafts AP	\$	88,340.45
Total Accounts Payable	\$	489,951.44

Payroll

Numbers:

	34018 through 34024	\$	6,819.98	
Direct Deposit	7/5/2018	\$	123,030.84	
Total Payroll				\$ 129,850.82
Total Disbursements				\$ 619,802.26

Voided Checks: None.

PUBLIC COMMENTS: Caleb Stromstad, a civil engineer with AHBL, Inc., addressed the Board on behalf of a client regarding a short plat off Sherman Road in Kennewick. He said the process started in March, and he hoped to be granted variances to KID's conditions imposed on the short plat. He said the property owner and a developer purchasing one of the lots did not want to deed the tract over the easements, which they thought were sufficient. Additionally, he said the fencing requirement, if necessary, would be more appropriate on the subsequent preliminary plat. Mr. Stromstad said he hoped to receive resolution by the next Board meeting.

Mr. McShane provided a brief background on the project and said staff was reviewing the variance requests. He recommended that the Operations and Engineering Committee review them next week. He noted that fencing conditions had been worked through with previous applicants, and said deeding of the right of way would have to be discussed in more detail.

Mr. Freeman invited Mr. Stromstad to attend the July 31st committee meeting.

PRESENTATIONS:

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

- Balance Sheet – As of June 30, 2018
- Statement of Revenues & Expenditures-Budget to Actual, Summary-Year to Date
- Grant & Matching Funds Schedule
- Fund Balance Change, as of June 30, 2018.
- Cash Investment Report, as of June 30, 2018

Mr. Drummond reported that a correction was made to an internal adjustment of \$1.8 million, which had been entered twice, making the Capital Upgrade & Improvement Fund balance too high and Realty Reserve balance too low. In response to a question from Director Venkata, Ms. Olheiser explained how the internal transfer was reported on the comparative balance sheet.

In response to a suggestion from President Dennis, staff offered to ask the insurance provider if they were amenable to quarterly or monthly payments of the premium.

Director McKenzie moved to accept the June 2018 financial report. Director Huffman seconded the motion. All present voted in favor and the motion carried.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS: None

RESOLUTIONS: None

STAFF REPORTS:

Finance Manager: Mr. Drummond distributed a copy of the Bureau of Labor Statistics CPI-All Urban Consumers chart, and spoke about cost of living adjustments. He also reported about pursuing medical insurance usage statistics for use in shopping for insurance options.

Engineering/Operations Manager: Mr. McShane displayed an online map and spoke about

- Water usage and canal levels. He noted that the U. S. Bureau of Reclamation (USBR) needed to recalibrate their flow meter again this year.
- Aquatic vegetation management
- Division IV Canal shut down due to seepage at Creekstone to allow inspection and sealing. He spoke about probable causes of the standing water, and methods used to minimize impact to customers.
- Rubicon gate installation

Benefits to water management from the gates were discussed.

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 graphs
- noaa.gov - Pasco weather station Precipitation and Temperature graphs
- noaa.gov - 3-class Three-Month Outlook maps
- noaa.gov - SST (Sea Surface Temperature) Anomalies map

Mr. Defoe reported regarding:

- ESRI user conference attended by Mr. Haller
- Land leasing policy development by Ms. Rosenbaum

Upcoming Meetings:

- Washington State Water Resource Association board meeting - July 18, 2018
- Columbia Snake River Irrigators Association – July 26, 2018

District Manager: Mr. Freeman reported regarding:

- Presentation to TRIDEC. TRIDEC would send letters of support for Title Transfer and Chandler electrification to the USBR Commissioner.
- Discussion of bonding planned with Foster Pepper
- Increases to employee shares of Health Insurance
- Impact of Supreme Court's Janus decision on union membership
- Comment letter on piping project to be discussed in executive session
- Mechanic/Warehouser opening and temporary employee staffing
- Welcome to KID magazine at publisher
- E-blast communications with customers in areas with significant outages
- Customer Service assistance with records management

Discussion ensued regarding possible impacts of the Janus decision.

WORKSHOP: None

EXECUTIVE SESSION: At 9:58 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 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 the Endangered Species Act, the Acquavella case, and potential legal counsel for the district, for an estimated 30 minutes, until approximately 10:35 a.m. He said action was possible after the executive session.

OPEN SESSION: At 10:35 a.m., open session resumed.

Director Huffman moved to adjourn the meeting. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Dean Dennis, Board President
Minutes Approved August 7, 2018



Charles Freeman, District Manager

Prepared by Doris Rakowski