



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

Absent:

Kirk Rathbun, Vice President

Other Persons Present:

John Crotty, Western Legal

Staff Present:

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

APPROVAL OF AGENDA: Mr. Freeman asked to add "Appointment of District Officers – Law Firm" to the agenda. **Director Huffman moved to approve the agenda as amended. Director McKenzie seconded the motion. All present voted in favor and the motion carried.**

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

Items approved on the consent agenda were:

1. Minutes, KID Board Meeting, September 18, 2018
2. Short Plat 18-13 - Ridgeway - Wet
3. Binding Site Plan 18-07 - Willowbrook Associates - Wet - and Variance Request
4. Binding Site Plan 18-08 - Lachmann - Dry
5. Preliminary Plat 18-04 - Highlands
6. Final Plat - Clearwater Creek Phase 5
7. Water Off Letter to U.S. Bureau of Reclamation
8. Travel Authorization - National Water Resources Association Annual Conference
9. Vouchers/Warrant Approval

Accounts Payable

Numbers:

	77577	through	77580	\$	624.33
	77581	through	77642	\$	91,917.95
	77643	through	77643	\$	236.97
	77644	through	77644	\$	260.61
Bank Drafts	FSA			\$	-
Bank Drafts	General			\$	-
Bank Drafts	AP			\$	79,441.88
Total Accounts Payable				\$	172,481.74

Payroll

Numbers:

	34048	through	34048	\$	951.58
Direct Deposit		9/20/2018		\$	125,034.07
Total Payroll				\$	125,985.65
Total Disbursements				\$	298,467.39

Voided Checks: None.

PUBLIC COMMENTS: None

PRESENTATIONS:

Chad Stuart, Yakima Field Office Manager, U.S. Bureau of Reclamation (USBR): At Mr. Freeman's request, President Dennis postponed the presentation until Mr. Stuart's arrival.

PUBLIC HEARING: None

BOARD REPORTS: Director Huffman said he attended the Chuck E. Cheese's ribbon cutting and received positive feedback about how well Lynda Rosenbaum worked with the purchasers.

ACTION ITEMS:

Irrigation Pipeline Upsizing in Southridge Estates: Mr. McShane presented the request for approval of irrigation upsizing to provide better water flows from the Bob Olson Parkway piping. He said this would serve Southridge High school and Trios Hospital. He said the cost would be \$16,081.22, which was eligible for Southridge Area Surcharges.

Mr. McShane confirmed to District Huffman that this upsizing was part of the Southridge master plan. He spoke briefly about recovery of funds and reminded the Board that a portion of the Southridge master plan costs would come from KID.

Director Huffman moved to approve \$16,081.22 plus tax to be used for upsizing pipe in the Southridge Estates Phases 1 & 2 Subdivision from the Capital Upgrade and Improvement Fund. Director Venkata seconded the motion. All present voted in favor and the motion carried.

Call Special Meeting – Board Retreat: Mr. Freeman reported that President Dennis secured the large conference room at LuLu's from 10:30 a.m. until 4:00 p.m. for the next Board retreat.

Mr. Freeman invited Directors to propose topics for the agenda being developed. He said staff would follow up on capital planning, and Board priorities would be revisited. Other topics could include the capital fund, potential revenue opportunities, and major projects and their funding.

President Dennis said he would send his draft agenda to Mr. Freeman and wait for Board input.

It was noted that the room was reserved from 10:00 a.m., which would allow time for set up.

Director Venkata moved to hold a special meeting of the Board of Directors for a workshop at 10:30 a.m. on October 31, 2018 at LU LU's. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Appointment of District Officers – Law Firm: Mr. Freeman noted that KID Bylaws says the Board shall appoint a law firm in addition to other officers. He recommended the Board appoint Foster Pepper as the District's law firm for water rights, supply and municipal issues, and Western Legal for federal issues. Other law firms used by the District for special purposes included Winterbauer & Associates for HR, Mark Ryan for Waters of the United States issues, and Van Ness Feldman for land use.

Director McKenzie moved to appoint Foster Pepper PLLC as the District's law firm for water rights, supply and municipal issues, and Western Legal PLLC as the District's law firm for federal issues. Director Huffman seconded the motion. All present voted in favor and the motion carried.

RESOLUTIONS:

Resolution 2018-38, Transfer from Carry Forward to Capital Fund 431: Mr. McShane presented the proposal to transfer funds from the Carry Forward operating reserves to the Capital Upgrade and Improvement fund. He reported that City of Kennewick was reconstructing Metaline from Edison to Kellogg, requiring KID pipe to be relocated. He briefly reviewed the required work, and said though allowed by the franchise agreement, this was unanticipated. Mr. McShane said \$253,531.54 was needed for materials, equipment, temporary labor, fuel, and overtime.

Mr. McShane spoke further about KID crew performance on the pipeline improvement project. He confirmed to Director Venkata that \$253,531.54 was actual cost.

Director Venkata moved to approve Resolution 2018-38, Transfer from Carry Forward to Capital Fund 431 for the W. Metaline Piping Project. Director Huffman seconded the motion. All present voted in favor and the motion carried.

Mr. McShane said about \$95,000 remained in the Carry Forward fund. Mr. Freeman spoke about the source of money in the Carry Forward fund and growing the fund incrementally over time.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- 2019 Budget preparation progress
- Upcoming State Audit
- New Accounting Technician on board
- Attendance at WFOA conference
- Helping Hands

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

- usbr.gov - Yakima River Five Reservoir Diagram and Water Year Graph
- noaa.gov - Pasco weather station Precipitation and Temperature graphs and Three-Month Outlook maps. He briefly discussed the ENSO Alert System Status: El Nino Watch

Mr. Defoe said a meeting about pipe placement and trail improvement in Amon Preserve would be held October 4th, pursuant to the District's MOU with Tapteal Greenway, Lower Columbia Audubon Society, and the Washington Department of Fish and Wildlife. Discussion followed.

District Manager: Mr. Freeman reported regarding upcoming meetings:

- USBR annual training - February 2019
- Lorayne J potable water system transfer planning with City of Richland - October 8, 2018
- Zintel Canyon Task Force with City of Kennewick canyon walkthrough - October 3, 2018

Engineering/Operations Manager: Mr. McShane displayed maps and reported regarding planned off-season work, including encroachment removal, canal lining projects, Hills West piping, and Elliot Lake's Blair Reservoir Dam emergency spillway replacement.

Mr. Freeman reported that KID was awarded WaterSMART grant by the USBR.

Mr. McShane said the last full day of water would be October 10th, after which crews would start shutting off systems and begin baseline testing for the next week.

At 9:58 a.m., President Dennis called a short break and the meeting resumed at 10:06 a.m.

Mr. Freeman recommended an action be taken to approve Vice President Rathbun's absence, for which he had given advance notice.

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

PRESENTATIONS:

Chad Stuart, Yakima Field Office Manager, U.S. Bureau of Reclamation: Mr. Stuart provided updates regarding:

- Yakima Project O&M consultations for biological assessments. Supplemental chapters being submitted to National Marine Fisheries and U. S. Fish and Wildlife, about work done since 2015 in the Yakima Basin for bull trout and Mid-Columbia steelhead.
- Biological assessment for the Kachess Drought Relief Pumping Plant (KDRPP). U. S. Fish and Wildlife will not consult on KDRPP until they have consulted on the Yakima Project O&M, but National Marine Fisheries will do so.

Mr. Freeman said the Joint Board was appreciative of opportunity to comment.

- Contract awarded for multiple years of helix fish passage construction
- O&M bill includes the Cle Elum hoist and cables project and full staffing of the Office of the Columbia River
- Title transfer progress and path forward
- Chandler Electrification. Technical Services Center found the small equalizing reservoir to be feasible
- Loan repayment discussions and options

In response to a question from Mr. Freeman, Mr. Stuart said the Van Gundy-Trull training program was planned and did not need to be in the budget. Mr. McShane requested the training be in July or August while water was running.

WORKSHOP: None

EXECUTIVE SESSION: None

President Dennis reported that he received a call from a customer in PSA 99 regarding a problem which was being addressed. He thanked the crew for their work. President Dennis reminded members of the Board to direct customers who contact them about problems to call KID's hotline.

At 10:18 a.m., Director Huffman moved to adjourn. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Dean Dennis, Board President
Minutes Approved October 16, 2018



Charles Freeman, Board Secretary

Prepared by Doris Rakowski