



Minutes

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

Directors Present:

Kirk Rathbun, Vice President
 Gene Huffman
 David McKenzie
 Raman Venkata

Staff Present:

Charles Freeman, District Manager
 Jason McShane, Engineering/Operations Manager
 Lynda Rosenbaum, Real Property 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
 Shelbea Voelker, Public Relation Coordinator
 Doris Rakowski, Executive Assistant

Absent:

Dean Dennis, President

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

APPROVAL OF AGENDA: Vice President Rathbun called for a motion to approve the revised agenda, which was distributed at the meeting.

Director McKenzie moved to approve the agenda as revised. Director Huffman seconded the motion. All present voted in favor and the motion carried.

CONSENT AGENDA: Ms. Rakowski asked the October 31st minutes be approved as revised on the copies which were distributed at the meeting. Vice President Rathbun called for a motion to approve the consent agenda.

Director Huffman moved to approve the consent agenda with the October 31st minutes as revised. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Items approved on the consent agenda were:

1. Minutes, KID Board Meeting, October 16, 2018
2. Minutes, KID Board Special Meeting, October 31, 2018, as revised
3. Short Plat 18-14 – Watts – Wet
4. Pre-Plat Alterations - Village at Southridge – Wet
5. Travel Authorization - Washington State Water Resources Association Annual Meeting
6. Travel Authorization - Water Strategies Operations & Management Training Workshop
7. Vouchers/Warrant Approval

Accounts Payable

Numbers:

77659	through	77730	\$	392,740.13
77731	through	77731	\$	2,784.61
77732	through	77734	\$	865.77
77735	through	77800	\$	203,952.59

	77801	through	77801	\$	62.60
	77802	through	77802	\$	233.54
	77803	through	77803	\$	285.95
	77804	through	77804	\$	1,573.34
	77805	through	77805	\$	16,493.13
	77806	through	77844	\$	95,977.40
Bank Drafts	FSA			\$	-
Bank Drafts	General			\$	-
Bank Drafts	AP			\$	119,475.29
Total Accounts Payable				\$	834,444.35

Payroll

Numbers:

	34053	through	34055	\$	2,556.51
Direct Deposit		10/19/2018		\$	128,011.65
Total Payroll				\$	130,568.16

Total Disbursements **\$ 965,012.51**

Voided Checks: None.

At 9:02 a.m., on behalf of the presiding officer, Mr. Freeman announced that the Board would go into executive session to discuss with legal counsel representing the agency litigation, pursuant to RCW 42.30.110(1)(i), for approximately 30 minutes beginning at 9:10 a.m.

The meeting continued in open session.

PUBLIC COMMENTS: None

PRESENTATIONS: None

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Election 2018 - Candidates: Mr. Freeman referred to the memo updated after the 5:00 p.m. Monday, November 5th deadline for submission of nominating petitions and declarations of candidacy. He announced that Director Venkata was unopposed for Position 2 and Director Huffman was unopposed for Position 5. Mr. Freeman recommended that the Board of Directors declare these candidates elected pursuant to RCW 87.03.075.

Vice President Rathbun moved to declare Raman Venkata elected to Director Position 2 and Gene Huffman elected to Position 5. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Certificates of election were provided to the reelected Directors.

2019 Roll of Rates, Charges and Assessment and Notice of Equalization: Mr. Freeman presented the Roll of Rates and Charges and Assessments for 2019 to the Board and said the

board of equalization would be held on December 4th this year. He said staff would place the legal notices of the time fixed to meet as a board of equalization in the Prosser Bulletin on November 14th and the Tri-cities Herald on November 11th. He noted that the first date of publication would be 23 days from the date of the board of equalization, which was within the window of 20 to 30 days prescribed by statute (RCW 87.03.250).

Director McKenzie moved to give notice by publication of legal notices in the Tri-City Herald on November 11, 2018 and in the Prosser Bulletin on November 14, 2018 that the 2019 Roll of Rates, Charges and Assessments has been filed with the KID Board of Directors and that the Board of Directors, acting as a board of equalization, will meet on December 4, 2018 at 9:00 a.m. to equalize rates and charges and assessments. Director Huffman seconded the motion. All present voted in favor and the motion carried.

EXECUTIVE SESSION: At 9:07 a.m., the room was cleared for executive session and legal counsel was called.

At 9:36 a.m., Mr. Freeman left the meeting due to scheduled travel.

OPEN SESSION: At 9:40 a.m., the meeting returned to open session.

Policy 9.6, Leasing Commercial Real Property: Ms. Rosenbaum presented the draft policy, which she said would be more specific for commercial leases, regarding lease terms, commissions, and subordination terms, than Policy 9.4, Sale or Lease of Surplus Real Property.

Ms. Rosenbaum said the policy underwent the SEPA review process and 14-day public comment period for Determination of Non-Significance, TD-2018-03, and was found not to have a probable significant adverse impact on the environment.

Ms. Rosenbaum noted that the Obligations of Real Estate Agent Agreement Form 9.4.1 would be used for both Policy 9.4 and 9.6, so would be numbered Form 9.4.1/9.6.1.

In response to a question from Director Venkata, discussion ensued about defining of short-term and long-term leases. Ms. Rosenbaum said length of leases would be negotiable under this policy.

Ms. Rosenbaum confirmed to Vice President Rathbun that Policy 9.6 would be commercial leases only, and other leases would be under Policy 9.4.

Director Huffman spoke briefly about the role of leasing in protecting the value of land for KID in the future.

Director Venkata suggested adding a sentence to define short-term leases and discussion followed.

Use of auctions was discussed. Mr. McShane said the method of the advertising surplus real property determined whether auctions were used.

Ms. Rosenbaum spoke further about the policy's protection regarding commissions.

Director Huffman moved to approve Policy 9.6, Leasing Commercial Real Property. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Policy 9.4, Sale or Lease of Surplus Real Property, Form Number Update: Ms. Rosenbaum presented the Obligations of Real Estate Agent Agreement Form and Policy 9.4 Sale or Lease of Real Property, which were revised to reference the revised form number. She said there were no substantive changes to the policy.

Director Venkata moved to approve the revised Policy 9.4, Sale or Lease of Surplus Real Property and to approve the updated name change for Policy Form 9.4.1/9.6.1. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

RESOLUTIONS:

Resolution 2018-28, Jolianna Heights Voluntary Mitigation Agreement: Mr. McShane displayed a draft map and spoke about the Jolianna Estates project. He said the developer requested to enter into a voluntary mitigation agreement to allow them to contribute \$141,540.63 to KID in lieu of construction of a pond and pond station.

Mr. McShane said KID staff recommended upsizing pipe through the Jolianna Heights subdivision in anticipation of consolidation of existing pump stations under the South Richland Irrigation Master Plan. He requested \$111,425.09 for the pipe upsizing from the Capital Upgrade and Improvement Fund, which would be project coded to the South Richland Master Plan Fund and reimbursed through future South Richland Area Surcharges.

In response to a question from Director Huffman, Mr. McShane spoke about the pump consolidation program. Plans for future stages of the system were discussed. Mr. McShane spoke about the importance to customers of reliability and improving water quality.

Director Huffman moved to approve to Resolution #2018-28, Approving Jolianna Heights Voluntary Mitigation Agreement and authorize \$111,425.09 to be used for upsizing pipe in the Jolianna Heights Subdivision from the Capital Upgrade and Improvement Fund. Director Venkata seconded the motion. All present voted in favor and the motion carried.

Resolution 2018-41, Project Acceptance and Release of Retainage for Public Works Contract PW2017-08 Badger Coulee Recapture Well Pump: Mr. McShane reported that the project was completed on September 5, 2017 and requested acceptance of the project and release of \$1,700.65 which was withheld from the contractor's payments.

At Vice President Rathbun's request, Mr. McShane spoke about the performance of the three wells. Discussion followed.

Director McKenzie moved to approve Resolution 2018-41 Project Acceptance and Release of Retainage for Public Works Contract PW2017-08 Badger Coulee Recapture Well Pump. Director Venkata seconded the motion. All present voted in favor and the motion carried.

At 10:23 a.m., Vice President Rathbun called a short break.

At 10:30 a.m., the meeting resumed in open session.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- Collection of assessment revenues
- October financial reports to be presented December 4th
- State auditors on site

- Inventory of small and attractive assets, and capital assets
- Open insurance enrollment

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 said the El Nino Watch may be updated soon.

Engineering/Operations Manager: Mr. McShane reported regarding upcoming meetings:

- Awards banquet - December 7th
- Kachess Drought Relief Pumping Plant (KDRPP) - November 13th
- Integrate Plan - November 14th
- Title Transfer - November 15th
- Zintel Canyon Cleanup - November 11th

Mr. McShane also reported regarding:

- Hills West Phase 2 project
- Amon Wasteway work
- Right of Way enforcement
- Dirt deliveries to the KID campus
- Recruitment of temporary employees
- Paving activities
- Chandler Electrification project progress
- Central storage.

In response to a question from Director McKenzie, property acquisition was briefly discussed. Mr. McShane suggested that discussion of specific potential property acquisitions be held in a future executive session.

District Manager: None

WORKSHOP: None

EXECUTIVE SESSION: Cancelled

Director Huffman moved to adjourn at 10:49 a.m. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:


 Kirk Rathbun, Board Vice President
 Approved November 20, 2018


 Charles Freeman, District Manager

Prepared by Doris Rakowski