



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

Other Persons Present:

John Crotty, Counsel
Joe Brogan, Counsel, via telephone

APPROVAL OF AGENDA: President Dennis noted that a revised agenda was distributed, moving the executive session to 9:15 a.m., and adding Resolution 2018-45, Sole Source Purchase - Scrapers.

Director Huffman moved to approve the revised agenda. Vice President Rathbun seconded the motion. The motion carried unanimously.

A moment of silence was observed in remembrance of President George H. W. Bush.

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

Items approved on the consent agenda were:

1. Minutes, KID Board Meeting, November 20, 2018
2. Travel Authorization - NWRA Leadership Forum
3. Final Plat – The Ridge at Hansen Park – Division 1, Phase 2 – Wet
4. Pre Plat – Marcello Estates – Wet
5. Vouchers/Warrant Approval

Accounts Payable

Numbers:

	77889	through	77889	\$	1,350.00
	77890	through	77960	\$	206,521.60
	77961	through	77961	\$	296.60
	77962	through	77962	\$	253.33
	77963	through	77963	\$	105,445.76
	77964	through	77967	\$	93,543.43
Bank Drafts	FSA			\$	-
Bank Drafts	General			\$	-
Bank Drafts	AP			\$	82,921.52
Total Accounts Payable				\$	490,332.24

Payroll

Numbers:

	34058	through	34060	\$	2,178.94	
Direct Deposit			11/20/2018	\$	131,093.95	
Total Payroll						\$ 133,272.89
Total Disbursements						\$ 623,605.13

Voided Checks: None.

PUBLIC COMMENTS: None

PRESENTATIONS:

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

- Balance Sheet, as of October 31, 2018
- Balance Sheet - Comparative, as of October 31, 2018
- Summary of Revenues & Expenditures – Budget to Actual, Summary – Year to Date
- Fund Balance Change, as of October 31, 2018.
- Cash Investment Report, as of October 31, 2018

In response to questions, Mr. Drummond spoke further about foreclosure and late fees.

Vice President Rathbun moved to accept the October 2018 financial report. Director Huffman seconded the motion. The motion carried unanimously.

EXECUTIVE SESSION: At 9:09 a.m., Mr. Freeman announced on behalf of the presiding officer 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 for 20 minutes, starting at 9:10 a.m. and ending at 9:30 a.m.

OPEN SESSION: At 9:30 a.m., the meeting returned to open session.

PUBLIC HEARING:

Board of Equalization: Mr. Freeman displayed the general and Lorayne J Potable System assessment books, and introduced the public hearing to give ratepayers opportunity to speak. He reported that staff had received no written correspondence regarding equalization issues.

Vice President Rathbun moved to open the Board of Equalization and keep it open until late in the meeting. Director Huffman seconded the motion and it carried unanimously.

Mr. McShane reported that Jonathan Haller had identified three parcels (110892010744001, 110892010744002, and 110892010744003), which previously took water directly from the canal, and now part of a pressurized system. The GIS map database had been updated, but the billing database was not updated and corrections were needed. He recommended that these parcels be assessed at pressurized rates and that the difference be assessed going back 36 months. Mr. McShane confirmed that the assessment roll was corrected and said notice would be sent to the owners, who would have the opportunity to appeal.

Mr. Freeman said a formal letter would be sent from Finance, and staff would meet with the owners. He thanked Mr. Haller for bringing the matter to his attention.

BOARD REPORTS: None

ACTION ITEMS:

Mission Statement and District Priorities: Mr. Freeman presented the proposed Mission Statement and District Priorities, as discussed and revised at the October 31st special meeting.

Mission Statement

The Kennewick Irrigation District will deliver irrigation water, protect water rights and enhance supply, as authorized by Washington State statutes and federal laws, for the maximum benefit of our community.

District Priorities

- Service to Community and Care of the Environment
- Stewardship of District Assets, Water Rights, and Supply
- Risk Management and Fiscal Responsibility
- Infrastructure Maintenance and Development

President Dennis commended staff and the Board for the discussions which led to these revisions.

Director Huffman moved to approve the revised Mission Statement and District Priorities. Director McKenzie seconded the motion and it carried unanimously.

RESOLUTIONS:

Resolution 2018-45, Sole-Source Purchase – Scrapers: Mr. McShane referred to a report distributed at the meeting and spoke about four scrapers available from East Columbia Basin Irrigation District (ECBID). He said the next lowest price was much higher than these scrapers.

Mr. McShane described how scrapers would be used in coordination with other equipment for canal lining activities. He said productivity would increase with less support equipment needed.

Mr. McShane reviewed the sole source justification worksheet and evaluation spreadsheet. Rental and purchase options were reviewed. He noted that ECBID was the only used scraper source able to provide actual use hours. Mr. McShane listed repair and maintenance needs for the ECBID scrapers, which staff had inspected.

Mr. McShane spoke about contracting transportation of the units from Othello, and said KID could obtain permits to drive the scrapers on County roads inside the District. Tire condition and transportation of the equipment were discussed.

Director McKenzie thanked staff for addressing his concerns about maneuvering the machines. Mr. McShane said developer Randy Crosby demonstrated a larger machine to KID crews. He confirmed that four staff members were identified who were able to operate scrapers. Mr. Freeman said safety procedures and documented training would be required.

In response answer to Vice President Rathbun, Mr. McShane spoke further about unit size and applicability to KID needs. He noted that these were push scrapers and said staff would recommend purchase of a larger dozer in the future. Dozer rentals would precede that purchase.

Director Huffman moved to approve Resolution 2018-45, Authorization to Waive Competitive Bidding and Award a Sole Source Contract to Purchase Four Used Scrapers from East Columbia Basin Irrigation District pursuant to RCW 87.03.435(3)(c). Director Venkata seconded the motion and it carried unanimously.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- State Audit progress
- Year-end processes
- Capital project funding options research

Engineering/Operations Manager: Mr. McShane reported regarding:

- Badger East Canal concrete work
- Amon Wasteway reconstruction work, voluntary mitigation for a tree removal, and culvert storm flow analysis
- Piping projects
- Kennedy Road culvert replacement
- Badger Canyon test pits

At Vice President Rathbun's request, Mr. McShane spoke about consideration of lining in Amon Wasteway. Friction and flow speed over riprap and lining 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
- noaa.gov - Pasco weather station Precipitation and Temperature graphs for the water year and the calendar year, and Three-Month Outlook maps, and El Niño watch alert.

Mr. Defoe also reported regarding:

- WSWRA Annual Conference - December 6-7
- Fish study and investigation of thermal refugia options
- Total water supply
- Reevaluation of the Drought Plan

District Manager: Mr. Freeman reported regarding:

- Annual Awards Banquet - December 7
- U.S. Bureau of Reclamation (USBR) conference call regarding Chandler Electrification - December 3
- USBR conference call regarding siphon inspection - December 4
- David Palumbo to be a keynote speaker at WSWRA Annual Conference

President Dennis called a short break at 10:33 a.m.

At 10:43 a.m., the meeting resumed in open session.

WORKSHOP:

Proposed Policy 4.23 Private Line Area Irrigation System Take Over: Mr. McShane spoke about KID's capital program consolidation of pump systems. He said system improvements included converting private line area (PLA) low-pressure piping to high-pressure service (PSA). He spoke about operation and maintenance challenges.

Mr. Woodard reviewed examples of areas with challenges including:

- AP 2.9 at Sherman Street and Ridgeline Drive, where a surcharge plan was authorized
- MC 23.2 at Ridgeline Drive and Clodfelter Road, where pressurized water discharged to atmosphere in order to deliver water to a PLA system
- Highlift Canal, through Zintel Canyon, to a new development off Vancouver Street

Mr. McShane spoke about the cost of depressurization devices that allow private systems to receive water from pressurized sources, and recommended reconsideration of KID's current practice of installing devices without charging benefitting customers for additional maintenance or the pressurized rates.

Mr. McShane spoke about transmission and distribution components of the policy. He suggested that developers fund the transmission component for new construction, but the Capital Upgrade and Improvement Charge cover the transmission component for conversion of existing PLAs.

Mr. McShane said the Board could consider incentivizing conversion by reducing charges within strict parameters.

City drinking water system capacities, making participation mandatory, and desirability of regional water planning were discussed.

Mr. McShane spoke about the OakHills area agreement and contrasted it to larger areas.

Mr. McShane presented the policy options outlined on the meeting memo.

At 11:30 a.m., Director Venkata left the meeting.

Financing conversions, lien collection, and programs for the aged and infirm were discussed.

In response to a question from Mr. Crotty, Mr. McShane said temporary opt-out options would not impact KID operations, but the Board should consider the number of participants before building a system. Impacts to city infrastructure were discussed.

Mr. McShane reviewed issues to be addressed in a future submission to the Board, including provision of pressurized water to private areas, smaller annual payments and payment of remaining charges at change of ownership, and whether to shut off old systems or keep them on. Discussion ensued.

In response to a question from Director Huffman, staff said the surcharge process was simpler for KID than use of LIDs, and that the surcharge process let the individual owners choose whether to participate, rather than forcing participation.

Challenges to allowing both pressurized and non-pressurized systems to run were discussed, including liability issues.

Tying the cost of improvements to the property was discussed.

The Board indicated to Mr. Freeman that a community meeting, advertised to PLA participants, was appropriate.

Mr. McShane said financing options would be explored.

Board of Equalization, continued: President Dennis called for a motion to close the board of equalization. Mr. Freeman noted that no member of public had arrived to address the Board regarding the assessment roll.

Vice President Rathbun moved to close the Board of Equalization. Director Huffman seconded the motion. All present voted in favor and the motion carried.

Vice President Rathbun moved to adjourn at 11:58 a.m. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Dean Dennis, Board President
Minutes Approved December 17, 2018



Charles Freeman, Board Secretary

Prepared by Doris Rakowski