



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

Directors Present:

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

Staff Present:

Jason McShane, Engineering/Operations Manager
 Seth Defoe, Land & Water Resources Manager
 Melissa Olheiser, Accountant II
 Shelbea Voelker, Public Relations Coordinator
 Lori Gibson, Executive Assistant to Engineering

Directors Absent:

David McKenzie

Vice President Huffman moved to approve the absence of Director McKenzie due to cherry harvest. Director Rathbun seconded the motion. All present voted in favor and the motion carried.

APPROVAL OF AGENDA:

Director Rathbun moved to approve the agenda. Vice President Huffman seconded the motion. All present voted in favor and the motion carried.

CONSENT AGENDA:

Vice President Huffman moved to approve the consent agenda. Director Rathbun seconded the motion. All present voted in favor and the motion carried.

Items approved on the consent agenda were:

1. Minutes, KID Board Meeting, June 4, 2019
2. Travel Authorization - NWRA Western Water Seminar
3. Job Description Confirmation - Temporary Maintenance Laborer
4. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

78894	through	78894	\$	467.15
78895	through	78895	\$	348.95
78896	through	78896	\$	3,064.19
78897	through	78897	\$	13,142.02
78898	through	78902	\$	94,305.89
78903	through	78912	\$	2,538.48
78913	through	78983	\$	491,533.44
78984	through	78984	\$	7,500.00
78985	through	78986	\$	1,333.00
Bank Drafts	FSA		\$	561.42
Bank Drafts	General		\$	10,496.73
Bank Drafts	AP		\$	91,132.12
Total Accounts Payable			\$	716,423.39

Payroll:

Numbers:

	34144	through	34145	\$	484.80	
Direct Deposit			6/5/2019	\$	130,585.25	
Total Payroll						\$ 131,070.05
Total Disbursements						\$ 847,493.44

Voided Checks: Check # 78816 – Cancel payable and void check due to duplicate invoice

PUBLIC COMMENTS: None

PRESENTATIONS:

2018 Annual Reports to Washington State Auditor's Office: Ms. Olheiser presented highlights of the reports including:

- Fund Resources and Uses Arising from Cash Transactions
- Note 1 - Summary of Significant Accounting Policies
- Note 2 - Budget Compliance
- Note 3 - Deposits and Investments
- Note 4 - Interfund Loans
- Note 5 - Debt Service Requirements
- Note 6 - OPEB Plans
- Note 7 - Pension Plans
- Note 8 - Risk Management
- Schedule 01 (Funds)
- Schedule of Liabilities
- Schedule of Expenditures of Federal Awards

President Dean requested clarification of the PERS 1 liability from Note 7. Ms. Olheiser and Mr. McShane explained that although this shows on our statement as a liability, it was a state obligation.

Director Venkata asked for clarification regarding Note 8. Ms. Olheiser explained that this Note was provided by CIAW, our insurance provider, to document efforts taken to avoid risk.

Financial Statements - April 2019: Ms. Olheiser presented highlights of report pages including:

- Balance Sheet - As of April 30, 2019
- Balance Sheet - Comparative - As of April 30, 2019 and 2018
- Statement of Revenues & Expenditures - Budget to Actual, Summary-Year to Date
- Statement of Revenues & Expenditures - Comparative, 4 months ended
- Fund Balance Change, as of April 30, 2019
- Cash Investment Report, as of April 30, 2019

Director Rathbun asked if we could expect to see revenues decrease while expenses increased, since the majority of our revenues were collected in April. Ms. Olheiser said revenues would continue to be received into May (late email notices went out), but then revenues would decline.

Vice President Huffman moved to accept the financial statements for the period ended April 2019. Director Venkata seconded the motion. All present voted in favor and the motion carried.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Call Special Meeting: Mr. McShane excused Mr. Freeman from the board meeting, as he was attending a meeting of the elections workgroup for the state legislature.

Mr. McShane presented Mr. Freeman's proposal for a joint meeting of the KID and Columbia Irrigation District (CID) boards to discuss challenges in the lower river, caused by the current implementation of the Integrated Plan, and the Chandler Project. The proposed meeting date was Friday, July 19, 2019 at 1:00 p.m., at the CID office. He said the agenda would be a presentation in open session on the Chandler Project, followed by an executive session to discuss with respective legal counsels the legal risks of a proposed action pursuant to RCW 42.30.110 (1)(i)(iii).

Director Rathbun moved to call for a special meeting of the Kennewick Irrigation District Board of Directors to be held at the Columbia Irrigation District office on July 19, 2019 starting at 1:00 p.m. for the purpose of a joint meeting of directors. Director Venkata seconded the motion. All present voted in favor and the motion carried.

J-U-B Engineers Contract PS 2016-02 Amendment - Chandler Electrification:

Mr. McShane presented the contract amendment to allow JUB to subcontract with GeoProfessional Innovation (GPI) to provide geotechnical exploration for the reservoir site at Chandler. He reported that Amendment #4 would increase the costs for professional engineering for Chandler electrification by \$36,600.00, and the funds for this amount would come from the operating budget.

Director Rathbun asked how long we expected the geotechnical exploration to take, to which Mr. McShane responded that they hoped the work could be completed within approximately eight weeks. Director Venkata then asked about the calculation for the amendment and Mr. McShane explained that it was based on an estimated number of hours.

Vice President Huffman moved to approve Amendment No. 4 to Professional Services Contract PS2016-02. Director Venkata seconded the motion. All present voted in favor and the motion carried.

RESOLUTIONS:

Resolution 2019-21, City of Kennewick SP 2019-06 Voluntary Mitigation Agreement: Mr. McShane recognized Mike Smithee, who attended the meeting. Mr. McShane explained that KID was working on solutions for infill projects in the district, where infrastructure costs were much higher per unit than for developments on unimproved ground. These infill projects could use this alternative method to convert from private line areas to KID systems.

He spoke about the location of Mike Smithee's short plat and recommended approval of the short plat with a Voluntary Mitigation Agreement wherein Mr. Smithee would install the pipeline to serve seven lots, including his own three-lot short plat. A seven-lot benefit area would be created. KID would contribute the services for the additional four lots, with the funds for these services to be paid from the PLA Conversion Fund, and paid back to the fund as the property owners of the additional four lots connected to the system.

Positive reasons to approve the short plat included: 1) Three out of seven lots would immediately connect to the system, 2) The costs were similar to other benefit areas KID has established, and 3) funds were available in the PLA Conversion Fund.

He recommended approval of the Short Plat, contingent upon the developer meeting KID's conditions of approval, including entering into an approved "City of Kennewick Short Plat 2019-06 Voluntary Mitigation Agreement".

Director Rathbun asked Mr. Smithee if he understood and agreed with, the terms of the Voluntary Mitigation Agreement. Mr. Smithee explained that he had met with KID staff and was aware of his responsibilities under the Agreement, and would like to move forward quickly with the project.

Mr. McShane clarified that pressurization was not required since this was under 10 lots. He said we anticipate it to be a non-pressurized system, but that could change with future improvements.

Director Rathbun moved to approve Resolution #2019-21 Approving City of Kennewick Short Plat 2019-06 Voluntary Mitigation Agreement. Vice President Huffman seconded the motion. All present voted in favor and the motion carried.

Director Rathbun moved to approve the Proposed Short Plat 2019-06 contingent upon the developer's compliance with KID's conditions of approval. Vice President Huffman seconded the motion. All present voted in favor and the motion carried.

STAFF REPORTS:

Finance Manager:

On behalf of Mr. Drummond, Ms. Olheiser reported regarding:

- Ms. Olheiser noted that Mr. Drummond would be on medical leave until sometime in July.
- The \$500,000 draw on the WaterSMART grant Mr. Drummond processed was received.
- KID hired the temporary payroll clerk as a regular employee.
- Six foreclosures were pending from the 2015 assessments and staff was working with our attorney to prepare delinquency letters. Courtesy letters were mailed for the 2016 assessment delinquencies.

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 – State-wide Snow pack map
- noaa.gov - Pasco weather station Precipitation and Temperature graphs, One-Month and Three-Month Outlook maps, and El Niño Advisory

Mr. Defoe also reported that we were currently at 74% prorationing, with 87% of average in the reservoirs. The concern was that we would have less carry over for next year. The snow pack was no longer providing any water to the reservoirs.

Director Rathbun asked if KID had discussed how to manage the water we receive this season. Mr. McShane explained that our goal was to reduce our diversion as long as possible and use the water wisely. He hoped to make it to the end of September before transitioning to return flows. There was a short discussion about how the Bureau accounts for the water.

Mr. Defoe stated that he would be meeting with the Friends of Badger Mountain.

District Manager:

On behalf of Mr. Freeman, Mr. McShane provided the District Manager’s staff report.

At Mr. McShane’s request, Ms. Voelker reported on KID’s participation with the GESA Carousel of Dreams Kids’ Summer Fun Night. KID would have a table every Monday night through the summer with coloring contests. This would be a good way to reach kids with our canal safety message over the summer.

Mr. McShane then reviewed the upcoming meeting schedule.

He spoke about the plan to place the district on a voluntary watering schedule, due to the low water year. We would be communicating directly with churches and other large water users.

Mr. McShane explained that aquatic weed growth had increased quickly due to the heat, and it may necessitate an additional Endothall treatment this season. The break off from the treatment would most likely cause plugged filters.

He reported that the operations group was finishing the up the project at Country Ridge, and stated that the Highland Gardens project would be in final review soon.

Mr. McShane also reported on a certified engineer’s report that the district received regarding one of the bridges over our canal (“The Bridge to Nowhere”). The report indicated serious concerns regarding the safety of the bridge. In response to that report, KID blocked off access to the bridge. KID was working through a risk assessment, and discussing alternatives to assist property owners with access.

WORKSHOP: None

EXECUTIVE SESSION: At 10:12 a.m., Mr. McShane announced on behalf of the presiding officers, that following a short break, the Board would go into executive session to discuss with legal counsel, the legal risks of a proposed action, pursuant to RCW 42.30.110(1)(i)(iii), beginning at 10:25 a.m. for 15 minutes.

OPEN SESSION: At 10:40 a.m., the meeting returned to open session.

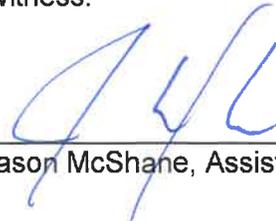
Vice President Huffman moved to adjourn. Director Rathbun seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Dean Dennis, President
Minutes Approved July 2, 2019



Jason McShane, Assistant Board Secretary

Prepared by Lori Gibson