



President Dennis called the meeting to order at 9:03 a.m. and Mr. Freeman called roll.

**Directors Present:**

Dean Dennis, President  
Gene Huffman, Vice President  
David McKenzie  
Kirk Rathbun

**Staff Present:**

Charles Freeman, District Manager  
Kipp Drummond, Comptroller/Treasurer, by telephone  
Jason McShane, Engineering/Operations Manager  
Seth Defoe, Land and Water Resources Manager  
Lynda Rosenbaum, Real Property Manager  
Shelbea Voelker, Public Relations Coordinator  
Lori Gibson, Executive Assistant to Engineering  
Doris Rakowski, Executive Assistant

**Directors Absent:**

Raman Venkata

**Other Persons Present:**

John Crotty, Legal Counsel

**Director Rathbun moved to excuse Director Venkata's absence. Director McKenzie seconded the motion. All present voted in favor and the motion carried.**

**APPROVAL OF AGENDA: Director Rathbun moved to approve the agenda. Director McKenzie 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, July 2, 2019
2. Final Plat - Jolianna Heights – Wet
3. Final Plat – Clearwater Creek Ph. 7 – Dry
4. Short Plat 19-07 – KDS – Wet
5. Short Plat 19-08 – Miller – Wet
6. Vouchers/Warrant Approval

**Accounts Payable:**

Numbers:

	79083	through	79135	\$	190,687.72
Bank Drafts	FSA			\$	3,015.74
Bank Drafts	General			\$	7,073.10
Bank Drafts	AP			\$	82,354.16
<b>Total Accounts Payable</b>				<b>\$</b>	<b>283,130.72</b>

**Payroll:**

Numbers:

	-	through	-	\$	-
Direct Deposit		7/5/2019		\$	112,051.50
<b>Total Payroll</b>				<b>\$</b>	<b>112,051.50</b>
<b>Total Disbursements</b>				<b>\$</b>	<b>395,182.22</b>

**Voided Checks:** None.

**PUBLIC COMMENTS:** None

**PRESENTATIONS:**

**Financial Statements - June 2019:** Ms. Olheiser presented highlights of preliminary report pages including:

- Balance Sheet-Comparative-As of June 30, 2019 and 2018
- Statement of Revenues & Expenditures-Budget to Actual, Summary-Year to Date
- Statement of Revenues & Expenditures-Actual, Comparative – 6 Months Ended
- Fund Balance Change, as of June 30, 2019
- Cash Investment Report, as of June 30, 2019

In response a question from Director McKenzie, Mr. Freeman said “Private Contribution” in the financial statements referred to payments through voluntary mitigation agreement. At Mr. Drummond’s request, Mr. McShane spoke further about status and use of the internal fund.

**Vice President Huffman moved to accept the June 2019 financial statements. Director Rathbun seconded the motion. All present voted in favor and the motion carried.**

**PUBLIC HEARING:** None

**BOARD REPORTS:** None

**ACTION ITEMS:**

**PC2019-44 Highland Gardens PLA Conversion- Materials Only:** Mr. McShane presented the request for approval of the sealed bid process purchase of materials for the Highland Gardens PLA (Private Line Area) Conversion project and parts for the Red Mountain Project. He noted that costs for the Red Mountain Project parts would be paid from the Red Mountain Construction Fund for new services on extended properties. He said the engineer's estimate was \$82,830.85.

Mr. McShane confirmed to Director Rathbun that the area had been without water because Hayden Homes construction on Vancouver Street cut off a pipeline that was not in an easement.

Mr. McShane confirmed to Mr. Freeman that staff had not communicated with Hayden Homes about recent media.

**Director Rathbun moved to approve the funding of Highland Gardens PLA Conversion (Materials Only) up to an amount not to exceed \$90,000.00, including tax and authorize the District Manager, Charles Freeman, to execute Contract PC2019-44 Highland Gardens PLA Conversion (Materials Only) to the lowest responsible bidder. Director McKenzie seconded the motion. All present voted in favor and the motion carried.**

**RESOLUTIONS:** None

**STAFF REPORTS:**

**Finance Manager:** Mr. Drummond thanked his staff for doing a good job in his absence.

**Engineering/Operations Manager:** Mr. McShane spoke about a recent meeting with the U.S. Bureau of Reclamation (USBR) about their C2i planning process. USBR representatives were reminded KID was still waiting for written USBR interpretation of the statute and authorization for KID to construct the facility with or without federal funding, as well as further definition of conservation measures.

Mr. McShane displayed a map of the Chandler Pumping Station project location and spoke about design components, including an isolating reservoir, and how the system would operate. He displayed of a preliminary design drawing and described design features.

Mr. McShane reported that staff was pleased with the soil report. Hydraulic valves, piping size, and land acquisition were discussed.

He also reported regarding vegetation management of algae growth, and a planned Badger East Canal shut down to install Rubicon gates.

**Land & Water Resources Manager:** Mr. Defoe reported the proratable supply was at 67%. He displayed and discussed web pages including:

- usbr.gov - Yakima River Five Reservoir Diagram, and Water Year Graph.
- noaa.gov - Precipitation and Temperature graphs, One-Month and Three-Month Outlook maps, and El Niño Advisory with expected transition to ENSO-neutral for winter, Sea Surface Temperature graph
- usgs.gov - Yakima River water data

Calling on storage water was discussed.

Mr. Defoe reported that the GIS position was being posted.

**District Manager:** Mr. Freeman reminded the Board that the joint special meeting with the Columbia Irrigation District (CID) Board of Directors would be held at the CID office at 1:00 p.m. on Friday.

**WORKSHOP:** None

**EXECUTIVE SESSION:** At 9:55 a.m., on behalf of the presiding officer, Mr. Freeman announced that the Board would go into executive session at 10:00 a.m. to discuss with legal counsel potential litigation, in the form of litigation that has been specifically threatened to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, pursuant to RCW 42.30.110(1)(i)(i) and to consider the minimum price at which real estate will be offered for sale or lease, pursuant to RCW 42.30.110(1)(c), for approximately 30 minutes. He said open session action might follow executive session.

At 10:30 a.m., executive session was extended for 15 minutes.

At 10:45 a.m., executive session was extended for 10 minutes.

At 10:55 a.m., the meeting returned to open session.

**OPEN SESSION:**

**Authorizing Sale of Vista Business & Technology Park Lots 8 & 9, KID #1408 & 1409:** Ms. Rosenbaum presented the revised negotiated offer to purchase KID surplus property, previously authorized by the Board. She asked for authorization to enter into a purchase and sale agreement with Rockwater Development, LLC for \$1,296,432.00.

In response to a question from Vice President Huffman, Ms. Rosenbaum spoke about the purchaser's request that KID not market the property during the due diligence period.

**Vice President Huffman moved to authorize the sale of Lots 8 & 9 in Vista Business & Technology Park to Rockwater Development, LLC, in the amount of \$1,296,432.00 and authorize the Board President and Secretary Manager as signature authorities to execute the Purchase & Sale Agreement with all terms and conditions contained therein. Director Rathbun seconded the motion. All present voted in favor and the motion carried.**

**At 11:01 a.m., there being no further action before the Board, Vice President Huffman moved to adjourn. Director McKenzie seconded the motion. All present voted in favor and the motion carried.**

Attest:

Witness:



Dean Dennis, President  
Minutes Approved August 6, 2019



Charles Freeman, Board Secretary

Prepared by Doris Rakowski