



**Minutes**

President Rathbun called the meeting to order at 9:02 a.m. and Mr. Freeman called roll.

**Directors Present:**

Kirk Rathbun, President  
David McKenzie, Vice President  
Gene Huffman

**Staff Present:**

Charles Freeman, District Manager  
Jason McShane, Engineering/Operations Manager  
Matt Berglund, Public Relations Coordinator  
Lori Gibson, Executive Assistant to Engineering  
Doris Rakowski, Executive Assistant

**Absent:**

Arland Ward  
Raman Venkata

**By Telephone:**

Kipp Drummond, Comptroller/Treasurer

**Other Persons Present:** John Crotty, Legal Counsel  
Tom Myrum, Washington State Water Resources Association

Mr. Freeman asked that Director Venkata be excused and said he was contacting Director Ward.

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

**APPROVAL OF AGENDA:** Mr. Freeman recommended that public comments be struck from the agenda due to the webinar format.

President Rathbun called for a motion.

**Vice President McKenzie moved to strike public comments from the agenda. Director Huffman seconded the motion. All present voted in favor and the motion carried.**

**Director Huffman moved to approve the agenda as modified. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

Mr. Freeman noted that due to the coronavirus and after consideration of guidance published by the Washington State Attorney General's office, public access to the meeting was limited to webinar audio. If any member of the public arrived to attend the meeting, audio was being played live on a speaker outside the KID office door.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, February 18, 2020
2. Minutes, KID Board Meeting, March 3, 2020
3. Confirm Revised Job Description for Accountant II and Accounting Clerk
4. Affirm Contract - Aspect Consulting
5. Travel Authorization - NWRA Federal Water Issues Conference

6. Binding Site Plan 20-02 and Variance Request - Sharp
7. Vouchers/Warrant Approval

**Accounts Payable:**

Numbers:

	80277	through	80277	\$	2,915.21
	80278	through	80284	\$	98,023.10
	80285	through	80377	\$	191,512.01
	80378	through	80378	\$	1,327.61
	80379	through	80379	\$	142.50
	80380	through	80380	\$	25,136.83
	80381	through	80427	\$	66,357.15
Bank Drafts	FSA			\$	584.27
Bank Drafts	General			\$	1,392.34
Bank Drafts	AP			\$	89,594.73
<b>Total Accounts Payable</b>				<b>\$</b>	<b>476,985.75</b>

**Payroll:**

Numbers:

	34239	through	34242	\$	2,800.59
Direct Deposit		3/5/2020		\$	128,931.22
<b>Total Payroll</b>				<b>\$</b>	<b>131,731.81</b>
<b>Total Disbursements</b>				<b>\$</b>	<b>608,717.56</b>

**Voided Checks:** Check # 80315, 80383, 80384 – Printing issues – VOID and Reissue

**PRESENTATIONS:**

**Washington State Water Resources Association (WSWRA) - Tom Myrum:** Mr. Freeman introduced Mr. Myrum, who spoke via telephone about topics including:

- Irrigation District election work group and creation of an election guidance handbook
- SB 6514, sponsored by Senator Schoesler, which did not pass.
- HB 2514, sponsored by Representative Hudgins, which did not get out of committee.
- HB 2588, sponsored by Representative Pollett, which did pass the House and Senate, and pertained to dissolution of “unauditable” or inactive irrigation districts. Proposed amendments regarding open public meetings were not in the bill passed as ESHB 2588.
- Budget proviso for University of Washington study of special purpose district elections.

Discussion ensued regarding WSWRA’s transition plan for hiring a new Government Relations Specialist (lobbyist).

At 9:37 a.m., Mr. Myrum left the meeting.

Mr. Freeman reported that Director Ward would miss the meeting due to business reasons.

**Director Huffman moved to excuse Director Ward from this meeting. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

**Financial Reports for February 2020:** Mr. Drummond referred to an email regarding the report (see addendum). He spoke briefly about the impact of the COVID-19 crisis on interest rates and bond offering planning.

**Director Huffman moved to approve the February 2020 Financial Reports. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

**PUBLIC HEARING:** None

**BOARD REPORTS:** None

**ACTION ITEMS:**

**Reconsideration of Date for Open House:** Mr. Freeman presented the request to postpone the open house until August. He said staff would look for a larger location. He clarified that the open house would not be a public hearing, and noted that the Board would not consider taking action regarding the Cox property condemnation until after the open house was held.

**Vice President McKenzie moved to postpone the March 26, 2020 open house due to concerns regarding COVID-19 to a future date in August 2020. Director Huffman seconded the motion. All present voted in favor and the motion carried.**

**Confirmation of Temporary Waiver of Credit and Debit Fees:** Mr. Freeman reported that to maintain social distancing needed due to COVID-19, the KID office was closed to all but appointments. He requested that a temporary waiver of KID's credit card and online debit card transaction fee be confirmed for the duration of the office closure.

Mr. Drummond noted the fee was 2.75%, and that online payment by check was free. He added that customers appreciated the accommodation of the waiver of the fee.

Mr. Crotty noted that online debit card transactions were indistinguishable from credit card transactions.

**Director Huffman moved to confirm the temporary measures put in place to limit transmission of COVID-19, including the temporary waiver of the credit card payment surcharge. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

**Electronic Signatures:** Mr. McShane said this request was in response to the coronavirus, as well as a longer standing request from community members for electronic signatures on certain plan sets for efficiency reasons. He said engineering staff would verify appropriate controls were in place prior to providing an electronic signature.

Mr. McShane noted that physical signatures from the Board were still required by the county for plats and short plats.

President Rathbun spoke in favor of the motion.

**Vice President McKenzie moved to approve staff's request to electronically approve construction plans. Director Huffman seconded the motion. All present voted in favor and the motion carried.**

**Request for Qualifications (RFQ) - Reservoir:** Mr. Freeman briefly reviewed historic discussions of project ideas to secure KID's water supply, including reservoir concepts. He said the result of the discussions and engineering staff analysis was the conclusion of the initial feasibility phase.

Mr. Freeman said the RFQ was seeking expertise to perform a 10% feasibility level analysis, identifying regulatory compliance, permitting requirements, geo-technical analysis, dam safety requirements, environment requirements and related requirements, to advise the District on the best practical way to proceed with the project.

Mr. Freeman said design costs were typically 10% of project costs, and staff requested the capital improvement fund be used. He said the budget would be refined once a firm was selected.

Mr. Freeman spoke about possible continuance of the contract to higher design levels.

Mr. McShane spoke about operational aspects of the proposed operational storage reservoir. He said the project was a step towards lasting storage for a secure water supply for decades to come.

Mr. Freeman reviewed the schedule for the RFQ process.

President Rathbun recalled prior board members speaking about the importance of developing resiliency in the District's water supply. He commended staff for remaining focused on this goal.

Director Huffman spoke about KID's dwindling water supply due to conservation upstream, and the importance of taking action now.

**Vice President McKenzie moved to approve the Storage Reservoir Request for Qualifications. Director Huffman seconded the motion. All present voted in favor and the motion carried.**

#### **RESOLUTIONS:**

##### **Resolution 2020-07, Approving Sagewood Estates Voluntary Mitigation Agreement (VMA):**

Mr. McShane presented the proposed VMA. He described the location and highlighted terms of the agreement. He said the developer's contribution would be used for the West Richland regional master plan, to be approved later in the year.

**Director Huffman moved to Resolution #2020-07, Approving Sagewood Estates Voluntary Mitigation Agreement. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

**Resolution 2020-08, Amon Property Recreation and Conservation Office Grant:** Mr. Defoe presented the resolution in support of a grant to acquire property along the lower Amon Wasteway. He spoke about critical habitat, the parcel under consideration, and KID's opportunity to partner with Tapteal Greenway to keep it out of development. He said Tapteal Greenway was applying for a state Salmon Recovery Fund grant and noted that the location adjacent to irrigation facilities created a challenge, though KID saw value in the plan. KID would become the sponsoring organization via the proposed resolution. He confirmed that the resolution was specific to this grant opportunity.

Mr. Freeman confirmed that the property owner was aware of the proposal and was committed to working on the option. He said KID's contribution was not to exceed \$60,000. He reported that Tapteal Greenway did not want to own the property, but it might go to KID or City of Richland. He noted that KID did not want salmon further than the Gage pumps.

Mr. Defoe spoke further about the size and geology of the parcels, in regard to development and potential habitat.

Vice President McKenzie commended with staff and Tapteal Greenway for their commitment to partnership. Mr. Defoe spoke memorandum of understanding with Tapteal Greenway, the Washington Department of Fish and Wildlife, and the Lower Columbia Basin Audubon Society, approved by the Board in 2018.

Maintenance of the property after purchase was discussed, and Mr. Freeman said it would depend on future ownership of the land, which was undetermined at this time.

**Vice President McKenzie moved to approve Resolution 2020-08. Amon Property RCO Grant. Director Huffman seconded the motion. All present voted in favor and the motion carried.**

**Resolution 2020-09, Support for Snake River Dams:** President Rathbun spoke about a joint study by Bonneville Power Administration, USBR, and the Army Corps of Engineers, and presented the recommended resolution in support of lower Snake River dams. He said senior staff, legal counsel and President Rathbun had reviewed the resolution.

Mr. Freeman said KID encouraged interested parties to commit to science-based decision making. He spoke about comments KID provided in 2017 to the Army Corps of Engineers regarding scoping of the Columbia River System Operational Environmental Impact Statement.

**Director Huffman moved to approve Resolution 2020-09, Support for Snake River Dams. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

**Resolution 2020-10, Condemnation of Reservoir Site for Central Storage - Shaw - Continuance to April 21, 2020:** Mr. Freeman said condemnation of property for public purposes was not uncommon, and said it was incumbent upon the District to protect its water supply and effectively manage that water.

He reported that KID had been working with the Shaw family for almost a year. He said the Shaw family had been offered \$4 million, and a meeting was being planned.

Mr. Freeman noted that the District was interested in four parcels for the storage reservoir.

President Rathbun thanked staff for work on this project and continuing to work with the land owners. He spoke about the importance of the project and a secure water supply to the District.

**Director Huffman moved to continue this matter until the KID Board Meeting on April 21, 2020. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.**

**Resolution 2020-11, Declaration of Surplus Property-Vehicle #1004, 2014 F150 Pick-up:** Mr. McShane presented the request to declare a 2014 4WD F150 Pick-Up with about 120,000 miles as surplus. He said the value was estimated at \$7,500.

**Vice President McKenzie moved to approve Resolution 2020-11, "Declaring Surplus Personal Property". Director Huffman seconded the motion. All present voted in favor and the motion carried.**

Mr. McShane noted that trade-in values were about 17% higher than auction prices lately.

Mr. Drummond spoke about level of reporting and board approval of sole source purchases.

## **STAFF REPORTS**

**Finance Manager:** Mr. Drummond reported regarding the Finance department's portion of the District's pandemic response.

**Engineering/Operations Manager:** Mr. McShane reported regarding:

- Engineering and Operations departments' pandemic response
- Planned system testing and start up
- Temporary suspension of operational testing last week due to freezing temperatures
- Change of operations staff hours to cover evenings when more people were home
- Clean up of tumbleweeds and wind-blown debris
- Clearwater Creek pipeline extension project status
- Terrestrial and aquatic chemical treatments
- Completion of Badger East lining

Director Huffman commended the crew for their work on Badger East.

Vice President McKenzie spoke in appreciation of customers, the need for the office closure to help keep the virus from spreading, and the importance of crews to preparing to deliver water.

Mr. McShane spoke about critical infrastructure. Mr. Defoe noted that water and wastewater was included in a list of critical utilities by the Department of Homeland Security.

**Land & Water Resources Manager:** Mr. Defoe reported regarding:

- Land & Water Resources department's pandemic response
- 95% water supply forecast released by the USBR on March 5<sup>th</sup>
- Reservoir storage levels (as reported on the usbr.gov Yakima River Five Reservoir Diagram, and Water Year Graph)
- Long term forecast and ENSO neutral status (as reported on the noaa.gov El Niño/Southern Oscillation (ENSO) Diagnostic Discussion)
- One and three-month temperature and precipitation (as reported on the noaa.gov Precipitation and Temperature graphs)
- Snow pack (as reported on the nrms.usda.gov snow pack map)
- Title transfer, including meetings with Kyle Weaver of the Secretary of Interior office and USBR representatives
- Finley property pipeline project status
- Central Storage project environmental and cultural work, and SEPA report
- Washington State Water Resources Association call in meeting - March 18<sup>th</sup>
- Lower River Leadership meeting – March 18<sup>th</sup>

**District Manager:** Mr. Freeman reported there would be a call with Aspect Consulting today.

Mr. Freeman reported regarding staff that were out as a precaution against COVID-19, and noted that people over 60 were at risk and should consider secluding themselves.

Mr. Defoe thanked Mr. Freeman early leadership in his thoughtful response to COVID-19.

Mr. Freeman spoke about reaching out to the Columbia Irrigation District (CID) for mutual assistance if needed.

**WORKSHOP:** None

**EXECUTIVE SESSION:** At 10:55 a.m., Mr. Freeman announced that the Board would go into executive session in the Jay Perry conference room to discuss with legal counsel potential litigation, in the form of litigation or legal risks of a proposed action or current practice pursuant to RCW 42.30.110(1)(i)(iii), for approximately 30 minutes beginning at 11:00 a.m. He noted said the call would be left open and that no action was expected following executive session.

**OPEN SESSION:** At 11:33 a.m., the Directors returned to the boardroom, and open session resumed.


President Rathbun and Mr. McShane noted that the office telephone system went down while the meeting was in executive session. No outgoing calls were possible, so the GoToMeeting call could not be resumed. Staff was working on the issue.

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

Attest:

Witness:

  
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Kirk Rathbun, President  
Minutes Approved April 21, 2020

  
\_\_\_\_\_  
Charles Freeman, Board Secretary

Prepared by Doris Rakowski



## Addendum

**From:** Kipp Drummond

**Sent:** Monday, March 16, 2020 3:31 PM

**To:** [ Directors ] <[Directors@kid.org](mailto:Directors@kid.org)>; Charles Freeman <[CFreeman@kid.org](mailto:CFreeman@kid.org)>; Jason McShane <[JMcShane@kid.org](mailto:JMcShane@kid.org)>; Seth Defoe <[SDefoe@kid.org](mailto:SDefoe@kid.org)>; Ben Woodard <[BWoodard@kid.org](mailto:BWoodard@kid.org)>; Melissa Olheiser <[MOlheiser@kid.org](mailto:MOlheiser@kid.org)>

**Subject:** A few comments on February Financial Statements

Since I may not be able to speak at tomorrow's Board meeting I will share a few comments about the February Financial Statements.

- 1) Assessment letters were mailed at the end of February so no impact on February Revenues.
- 2) Page 1 Feb vs Jan Assets – February operating expense – roughly \$660,000
- 3) Page 2 2019 vs 2020 Assets - YTD change in assets – 2019 and 2020 very close to the same
- 4) Page 7 compare 2019 to 2020 – Operating expenses are very close to the same year to year
- 5) Page 10 – Fund Balances – no significant or unexpected changes
- 6) Page 12 – prepare to watch interest paid drop through the floor next month. Any predictions?

Finance and Customer Service are adjusting to corona. Finance generally working at home but coming in to office to print checks etc. Customer Service answering phones and processing drop offs.

Hoping and praying that this goes well for staff and their families, customers, the Board, the greater Tri-cities, and our Country as a whole.

Take care and stay safe,

Kipp