



Board of Directors Meeting
Tuesday, May 19, 2020, 9:00 a.m.
Meeting conducted via the Zoom platform

Minutes

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

Due to the COVID-19 office closure, the meeting was conducted on the Zoom platform and all participants were present remotely.

Directors Present:

Kirk Rathbun, President
David McKenzie, Vice President
Arland Ward
Gene Huffman
Raman Venkata

Staff Present:

Charles Freeman, District Manager
Kipp Drummond, Comptroller/Treasurer
Seth Defoe, Land and Water Resources Manager
Jason McShane, Engineering/Operations Manager
Melissa Olheiser, Accounting Supervisor
Lynda Rosenbaum, Real Property Manager
Matt Berglund, Public Relations Coordinator
Lori Gibson, Executive Assistant to Engineering
Doris Rakowski, Executive Assistant

Other Persons Present:

John Crotty, Legal Counsel

Members of the Public:

Vickie Cox
Gail Love
Rob Yarbrough
David

APPROVAL OF AGENDA: Director Huffman moved to amend the agenda to remove public comments. Director Ward seconded the motion. All present voted in favor and the motion carried.

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. BSP 20-03 AAA Clearwater Storage
2. SP 2020-002 Molt
3. SP 2020-005 Lewis
4. SP 20-01 Sylvan
5. SP 2020-04 DCT Pasco Properties
6. Preliminary Plat - Zintel Creek Estates
7. Final Plat Cottonwood #3
8. Final Plat Lattin Meadows Ph. 3
9. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

	80560	through	80560	\$	4,448.73
	80561	through	80561	\$	142.50
	80562	through	80619	\$	117,776.41
	80620	through	80620	\$	1,563.63
	80621	through	80625	\$	93,650.65
	80626	through	80684	\$	431,207.22
	80685	through	80686	\$	11,341.85
	80687	through	80687	\$	142.50
	80688	through	80689	\$	768.16
Bank Drafts	FSA			\$	893.17
Bank Drafts	General			\$	11,376.61
Bank Drafts	AP			\$	258,378.80
Total Accounts Payable				\$	931,690.23

Payroll:

Numbers:

	34249	through	34250	\$	2,866.28
Direct Deposit		4/20/2020		\$	168,780.83
	-	through	-	\$	-
Direct Deposit		5/5/2020		\$	151,186.25
Total Payroll				\$	322,833.36
Total Disbursements				\$	1,254,523.59

Voided Checks: Check # 80633 – VOID due to printing error

PRESENTATIONS:

Financial Reports for March 2020: Mr. Drummond presented highlights of financial reports.

Director Ward moved to approve the March 2020 Financial Reports. Director Huffman seconded the motion. All present voted in favor and the motion carried.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Piper Sandler & Co Private Placement Contract: Mr. Drummond presented the need for a new agreement to cover a planned private placement. The agreement would authorize Piper Sandler to work with KID staff on the \$10,000,000 placement, following terms approved in Resolution 2020-20. He said the contract and fee of 0.6% of the loan were relatively standard, and the \$60,000 fee would be paid from the private placement.

In response to a question from President Rathbun, Mr. Drummond spoke about bid for the loan.

Director Ward moved to approve the Piper Sandler & Co. Placement Agent Engagement Letter dated April 17, 2020 and authorize Kipp Drummond, District Treasurer, to sign on behalf of the District. Director Huffman seconded the motion. All present voted in favor and the motion carried.

AE2020-01 – Central Storage Feasibility Consultant: Mr. McShane presented the need to contract a consulting engineering firm to evaluate the feasibility of the central storage project, to make recommendations regarding project aspects including identifying regulatory compliance, permitting requirements, geotechnical analysis, dam safety requirements, and related requirements, and to advise the District in determining the best practical method to move forward on the project. He reported that one statement of qualifications was received from Shannon & Wilson in response to the request for qualifications.

Director Ward moved to direct Charles Freeman, District Manager, to move forward with finalizing a scope of work and negotiating a contract for project AE2020-01 Central Storage Feasibility Analysis with Shannon & Wilson. Director Huffman seconded the motion. All present voted in favor and the motion carried.

Kahryn Campbell (Anelare Wines) Extension: Mr. McShane presented staff's recommendation that the Board grant the requested extension.

Director Ward moved to approve Kahryn Campbell's request for an additional twelve-month extension of time to put the irrigation water to beneficial use on parcel 130971000009000, with a deadline of July 5, 2021. Director Huffman seconded the motion. All present voted in favor and the motion carried.

RESOLUTIONS:

Resolution 2020-14, Authorization of Collection of Surcharges for PLA properties in the Edison - Hood Benefit Area: Mr. McShane presented the Edison-Hood benefit area development request, and displayed a map of the area. He said this was a fairly standard private line conversion process.

Mr. McShane confirmed that two of seven landowners in the neighborhood were ready to sign agreements to participate in the conversion, and the other five had indicated they were interested.

In response to a question from Mr. Drummond, Mr. McShane said an existing unpressurized private line would continue to serve the areas for a time.

Director Ward moved to approve Resolution 2020-14 Authorization of Collection of Surcharges for PLA properties in the Edison - Hood Benefit Area. Director Huffman seconded the motion. All present voted in favor and the motion carried.

Resolution 2020-15, In Appreciation of Kim Fetrow Photography: Mr. Berglund spoke about the "Light up the Night" appreciation event, dedicated front-line healthcare workers serving during the COVID-19 pandemic. Kennewick Irrigation District hosted and partnered with several community members to show appreciation by lighting up work vehicles and flashing lights outside of each hospital in the Tri-Cities. Kim Fetrow, of Kim Fetrow Photography, donated her time and artistic talents to photograph the various community members at each hospital location.

In response to a question from Mr. Freeman, Mr. Berglund reported that the Facebook post reached over 30,000 people.

Director Ward moved to approve Resolution 2020-15, In Appreciation of Kim Fetrow Photography for Services during the "Light up the Night" Event Honoring Healthcare Employees. Vice President McKenzie seconded the motion. All present voted in favor and the motion carried.

Resolution 2020-16, In Appreciation of Domino’s Restaurant: Mr. Berglund reported that in addition to lighting vehicles for the “Light up the Night” appreciation event, KID also wanted to provide a food donation to night shift staff at each hospital. When Domino’s Pizza was contacted, they were eager to join the cause and donated over 70 pizzas between the three hospitals and one stand-alone emergency clinic.

Director Ward moved to approve Resolution 2020-15, In Appreciation of Domino’s Restaurant for Services during the “Light up the Night” Event Honoring Healthcare Employees. Director Venkata seconded the motion. All present voted in favor and the motion carried.

Resolution 2020-17, Sole Source Roller Purchase: Mr. McShane presented the request to purchase a used Bomag vibratory roller for approximately \$27,000 using a sole source contract. He spoke about why this particular unit was selected and use of this roller.

Director Ward moved to approve Resolution 2020-17, Authorization to Waive Competitive Bidding and Award a Sole Source Contract to Purchase a used 2016 Bomag Tandem Vibratory Roller from Sun Rental pursuant to 87.03.435(3)(c), with funds for this purchase to come from the Capital Upgrade and Improvement Fund. Director Venkata seconded the motion. All present voted in favor and the motion carried.

Mr. McShane clarified that the purchase was from Sun Rental in Walla Walla.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- Working with Piper Sandler
- 2019 Annual Report filing
- Social distancing
- Payroll

Mr. Drummond commended Ms. Olheiser for her work on the annual reports.

Engineering/Operations Manager: Mr. McShane reported regarding:

- New engineers, Allyx and Blaine
- Maintenance activities
- Brief review of system statuses on outage map
- Minor construction activities
- Amon electric lines

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

- Reservoir storage levels (as reported on the usbr.gov Yakima River Five Reservoir Diagram, and Water Year Graph)
- Snow pack (as reported on the nrsc.usda.gov snow pack map)
- One and three-month temperature and precipitation (as reported on the noaa.gov Precipitation and Temperature graphs)
- Long term forecast and ENSO neutral status (as reported on the noaa.gov El Niño/Southern Oscillation (ENSO) Diagnostic Discussion)
- USBR Water supply reports to be updated in June
- River Ops meeting - June 4th at 10:30 a.m.
- Title transfer cultural resources draft submitted
- SEPA reports

Mr. Defoe commended Brad Crawford for keeping the District's technology running during the switch to remote work due to the COVID-19 event.

District Manager: Mr. Freeman reported regarding return to work at the office plans.

At Mr. Freeman's request, Mr. Berglund reported regarding new KID LinkedIn and Instagram social media accounts, online posts planned for Memorial day (May 25th), National Water a Flower Day (May 30th), and National Smile Day (May 31st), and recent updates to the District's website.

WORKSHOP: None

EXECUTIVE SESSION: At 10:20 a.m., Mr. Freeman announced that the Board would go into executive session on a separate call 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 20 minutes beginning at 10:25 a.m. and ending at 10:45 a.m. unless extended. Action was possible following executive session.

Mr. Freeman noted said the Zoom Meeting platform would be left open for the public and participants would rejoin following executive session.

At 10:45 a.m., executive session was extended until 11:00 a.m. due to technical difficulties.
At 11:00 a.m., executive session was extended until 11:10 a.m.

OPEN SESSION: At 11:10 a.m., open session resumed.

Mr. Freeman reported that no further action was requested by staff.

It was noted that Directors Venkata and Huffman had not rejoined the meeting following executive session, but there was still a quorum.

Vice President McKenzie moved to adjourn at 11:12 a.m. Director Ward seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Kirk Rathbun, President
Minutes Approved June 2, 2020



Charles Freeman, Board Secretary

Prepared by Doris Rakowski