



Minutes

Vice President Rathbun called the meeting to order at 9:00 a.m. and Mr. Freeman called roll. Due to the COVID-19 office closure, participants were present remotely via the Zoom platform.

Directors:

Kirk Rathbun, Vice President
 David McKenzie
 Dean Dennis
 Gene Huffman, President - joined in progress
 Arland Ward – absent

Staff Present:

Charles Freeman, District Manager
 Kipp Drummond, Comptroller/Treasurer
 Jason McShane, Engineering/Operations Manager
 Seth Defoe, Land and Water Resources Manager
 Ben Woodard, Assistant Engineering/Ops Manager
 Melissa Olheiser, Accounting Supervisor
 Matt Berglund, Public Relations Coordinator
 Aaron Howell, Infrastructure Engineer
 Zach Petsch, GIS Analyst-Developer
 Doris Rakowski, Executive Assistant

Other Persons Present:

John Crotty, Western Legal
 One member of the public

Director Dennis moved to excuse the absences of President Huffman and Director Ward. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Vice President Rathbun said Directors Huffman and Ward would try to join the meeting shortly.

APPROVAL OF AGENDA: Director Dennis moved to approve the agenda. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, April 18, 2021
2. Surcharge Consideration - Coyne
3. Surcharge Consideration - Baddley
4. Final Plat - Zintel Creek Estates
5. Binding Site Plan 21-06 - North 44 Homes LLC
6. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

	82270	through	82347	\$	238,273.70
Bank Drafts	FSA			\$	962.67
Bank Drafts	General			\$	8,539.37
Bank Drafts	AP			\$	205,630.85
Total Accounts Payable				\$	453,406.59

Payroll:

Numbers:

	34359	through	34359	\$	758.77
Direct Deposit		5/20/2021		\$	133,340.59
Total Payroll				\$	134,099.36

Voided Checks:	None	\$	-
Total VOID		\$	-
Total Disbursements		\$	587,505.95

PUBLIC COMMENTS: None

PRESENTATIONS:

Annual State Auditor Office Financials and Notes – Unaudited: Mr. Drummond presented contents of the Schedule 9 Schedule of Liabilities, which had been filed with the Washington State Auditor. He noted that the monthly reports to the board were more detailed.

President Huffman joined the meeting, but asked Vice President Rathbun to continue to run the meeting due to technological issues.

Mr. Drummond presented the Notes to the Financial Statements. He said that the KID’s Schedule 9 and Notes would be available to the public on the State Auditor’s website: <https://sao.wa.gov/reports-data/audit-reports/>.

December 2020 Financial Reports – Final: Mr. Drummond presented highlights of report pages including:

- Balance Sheet, as of December 31, 2020
- Statement of Revenues & Expenditures - Budget to Actual, Period ending Dec. 31, 2020
- Statement of Revenues & Expenditures - Comparative, Period ending Dec. 31, 2020
- Statement of Grant Revenues for Current Grants
- Fund Balance, as of December 31, 2020
- Cash Investment Report, as of December 31, 2020

Director Dennis moved to accept the Financial Statements for the period ended December 31, 2020. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS: None

RESOLUTIONS:

Resolution 2021-18, Sole Source Purchase of Used 2017 Irrigation Circle Pivot System: Mr. Defoe spoke about KID property in Badger Coulee which was being leased for agricultural purposes. He said KID was paying rent to the owner of the irrigation circles on the property, but had an opportunity to purchase that used equipment. Cost of ownership per year (over 5 years) of this used equipment would be \$12,000, compared to continued annual rental of \$20,000 for this or other comparable equipment options.

The purchase of this used Irrigation Circle Pivot system will be made from the Realty Reserve Fund. The negotiated purchase price was \$60,000, plus applicable sales tax. Discussion ensued.

Director McKenzie moved to approve Resolution 2021-18, Authorization to Waive Competitive Bidding and Award a Sole Source Contract to Purchase a Used Irrigation Circle Pivot System; Pursuant to 87.03.435(3)(c), with funds for this purchase to come from the Realty Reserve Fund. Director Dennis seconded the motion. All present voted in favor and the motion carried.

Resolution 2021-19, Voluntary Mitigation Agreement (VMA) - Marcello Estates: Mr. McShane presented terms of the VMA for an alternative means of serving the subdivision, which was requested by the subdivider. He noted that the developer had purchased pipe that would not be needed in the new plan, but due to COVID-19, staff recommended that KID accept the piping material as an in-kind contribution to the cost.

Mr. McShane said future upsizing was expected to cost approximately \$25,000.

Vice President Rathbun moved to approve Resolution 2021-19, Approving Voluntary Mitigation Agreement for Marcello Estates Subdivision. Director Dennis seconded the motion. All present voted in favor and the motion carried.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- Banner Bank loan
- Customer service activities
- April 2021 Financial Statements

Engineering/Operations Manager: Mr. McShane reported regarding:

- Water Use Subcommittee meeting last week
- USBR new spreadsheet tool to evaluate new storage projects in the Integrated Plan
- KID tour by Congressman Newhouse
- Lorayne J service replacement before planned City of Richland chip sealing of roads
- Target flows in Main Canal

Land & Water Resources Manager: Mr. Defoe reported that the Department of Ecology had received new authority to issue drought advisories, and recently issued their first advisory. He displayed and discussed web pages including:

- wcc.nrcs.usda.gov - Snow Water Equivalent map
- usbr.gov - Yakima River Five Reservoir Diagram and Water Year Graph
- noaa.gov - Final La Niña Advisory moving to ENSO (El Nino/Southern Oscillation) Neutral
- noaa.gov -Three-Month Outlook maps

Mr. Defoe introduced Aaron Howell, KID's new Infrastructure Engineer.

District Manager: Mr. Freeman expressed appreciation for Congressman Newhouse taking time to tour KID, and said that, at the Congressman's request, KID would work with his staff to schedule a future tour.

He also reported regarding:

- YRBWEP (Yakima River Basin Water Enhancement Project) Workgroup - June 2, 2021
- Title Transfer activities
- 2022 Budget
- Capital Improvement Plan Draft

WORKSHOP: None

EXECUTIVE SESSION: At 10:10 a.m., Mr. Freeman announced that, following a short break, the board would go into executive session 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 20 minutes returning to open session at 10:35 a.m., unless executive session was extended.

The member of the public was moved to the Zoom waiting room until the end of executive session.

OPEN SESSION: At 10:35 a.m., executive session ended, the member of the public was re-admitted, and the meeting resumed in open session.

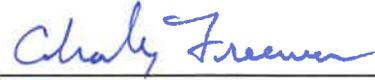
Director Dennis moved to adjourn. Director McKenzie seconded the motion. All present voted in favor and the motion carried.

Attest:

Witness:



Gene Huffman, Board President
Minutes Approved June 15, 2021



Charles Freeman, Board Secretary

Prepared by Doris Rakowski