



Minutes

President Huffman 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:

Gene Huffman, President
 Kirk Rathbun, Vice President
 Dean Dennis
 Arland Ward
 David McKenzie - Absent

Staff Present:

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

Other Persons Present:

John Crotty, Western Legal
 One member of the public

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

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

CONSENT AGENDA: Ms. Rakowski said a clerical correction was needed on the June 1, 2021 minutes to reflect that Vice President Rathbun called the meeting to order.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, June 1, 2021
2. Easement Vacation Request – 1303 Kensington Way, Richland, WA 99352
3. Easement Vacation Request – 2528 W 32nd Avenue, Kennewick, WA 99337
4. Short Plat 2021-014 – McGuire
5. Binding Site Plan 21-08 – Hawthorne Devco
6. Preliminary Plat - Fairhaven
7. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

82348	through	82349	\$	3,364.19
82350	through	82354	\$	87,890.94
82355	through	82442	\$	203,459.04
82443	through	82444	\$	11,915.79
82445	through	82496	\$	362,211.77
Bank Drafts	FSA		\$	-
Bank Drafts	General		\$	-
Bank Drafts	AP		\$	97,405.10
Total Accounts Payable			\$	766,246.83

Payroll:

Numbers:

	through	\$	-	
Direct Deposit	6/4/2021	\$	136,664.42	
Total Payroll				\$ 136,664.42

Voided Checks:

	None	\$	-	
Total VOID				\$ -
Total Disbursements				\$ 902,911.25

PUBLIC COMMENTS: None

PRESENTATIONS:

April 2021 Financial Reports: Mr. Drummond presented highlights of report pages including:

- Balance Sheet, as of April 30, 2021
- Statement of Revenues & Expenditures – Budget to Actual, Period ending April 30, 2021
- Statement of Revenues & Expenditures - Comparative, Period ending April 30, 2021
- Fund Balance, as of April 30, 2021
- Cash Investment Report, as of April 30, 2021

Director Dennis moved to accept the April 2021 Financial Statements. Director Ward seconded the motion. All present voted in favor and the motion carried.

Southridge Collections and Payments on the Bob Olson Parkway Loan: Mr. Drummond presented the report which had been requested by Director McKenzie.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Piper Sandler Engagement: Mr. Drummond discussed re-engaging Piper Sandler to explore funding options for future capital projects. Engagement terms included no cost or financial obligation to KID for Piper Sandler’s assistance up to actual placement or issuance of debt, no obligation to use Piper Sandler’s underwriting services, and no cost for withdrawal from the agreement at any time, for any reason. Piper Sandler would not act as a formal financial advisor or have a fiduciary obligation to KID. KID legal counsel had reviewed the agreement.

Vice President Rathbun moved to authorize Charles Freeman to approve and sign this underwriter engagement letter with Piper Sandler dated May 25, 2021. Director Ward seconded the motion. All present voted in favor and the motion carried.

Reopening Plan: Mr. Freeman said KID’s priority was employee and public safety. KID would rely on guidance from Washington State’s Department of Health and Department of Labor and Industries. Management would continue evaluating and complying Washington State’s Safe Start Plan and KID’s Comprehensive COVID-19 Plan.

Mr. Freeman said KID would encourage employees to be vaccinated for COVID-19, but not require vaccinations or proof thereof. Until the state declared the pandemic over, masks would remain required when sharing vehicles, and in KID buildings away from one’s work station.

Off-campus meetings would continue to be attended virtually to save time and costs, and minimize emissions, unless in-person attendance was needed for content, or developing and maintaining professional relationships. In-person travel and meetings would require a manager's approval.

Due to the success of remote working, that arrangement would continue at the district's discretion. Remote employees would inventory of KID-supplied and purchased office equipment, furniture and supplies. Upon separation or return to the office, these items would be returned to the KID.

The office would remain restricted for the public until Washington State was fully open. Until then, in-person meetings by appointment would be allowed, with masks required, social distancing practiced, and visitor health screening (temperatures) completed with no fever present.

By departments, remote and in-person work would be as follows:

- **Customer Service:** Customer Service Representatives would continue to work in-person, and would continue to not receive in-person payments, instead directing customers to the payment drop box, and phone or on-line payment systems. Customers insisting on in-person meetings would be directed to the Customer Accounts Supervisor who may schedule an in-person meeting.
- **Finance Department, Executive, and Land & Water Resources:** All positions would continue working remotely indefinitely, transitioning back to the office at the KID's discretion.
- **Engineering:** Engineering group employees would be assigned to either a home office with a shared workspace available on the KID campus, or a workspace at the KID office. Assignment of employees to a home office for all or a portion of the workweek would be made by the Department Manager, with approval from the District Manager.
- **Operations:** Consistent with KID's Comprehensive COVID-19 Plan and the latest L&I guidance, Operation employees would continue to report to work in person and practice social distancing, wearing masks, and good hygiene.
- **Board of Directors:** Director would attend meetings in person or virtually at their own discretion. Policy 1.9 entitled Telephonic Voting would be amended to include virtual attendance for purposes of establishing a quorum, and virtual attendance would be considered the same as in-person attendance with full rights and responsibilities.

Potential use of under-utilized offices, and logistics of future elections were briefly discussed.

Director Dennis moved to approve the re-opening plan. Vice President Rathbun seconded the motion. All present voted in favor and the motion carried.

RESOLUTIONS:

Resolution 2021-20, 2021 Authorized Positions & Salary Range Rev. III: Mr. Freeman presented the request to raise the wage for four temporary positions from \$14.77 to \$16.42 per hour, to allow the district to be competitive in the hiring market.

Director Ward moved to approve Resolution 2021-20, 2021 Authorized Position and Salary Range Revision III. Vice President Rathbun seconded the motion. All present voted in favor and the motion carried.

Resolution 2021-21, Project Acceptance and Release of Retainage for Public Works Contract PW2019-10 Red Mountain Pump No. 5 Removal: Mr. McShane spoke about the Red Mountain Pump No. 5 Removal project and reported that terms of the contract were met.

Vice President Rathbun moved to approve Resolution 2021-21, Project Acceptance and Release of Retainage for Public Works Contract PW2019-10 Red Mountain Pump No. 5 Removal. Director Ward seconded the motion. All present voted in favor and the motion carried.

Resolution 2021-22, Project Acceptance and Release of Retainage for Public Works Contract PW2020-04 Pavement Milling at Vancouver Avenue: Mr. McShane spoke about the Pavement Milling at Vancouver Avenue project and reported that terms of the contract were met.

Director Dennis moved to approve Resolution 2021-22, Project Acceptance and Release of Retainage for Public Works Contract PW2020-04 Pavement Milling at Vancouver Avenue. Director Ward seconded the motion. All present voted in favor and the motion carried.

Resolution 2021-23, Project Acceptance and Release of Retainage for Public Works Contract PW2020-08 Red Mountain Pump #4 Repair: Mr. McShane spoke about the Red Mountain Pump #4 Repair project and reported that terms of the contract were met.

Director Dennis moved to approve Resolution 2021-23, Project Acceptance and Release of Retainage for Public Works Contract PW2020-08 Red Mountain Pump #4 Repair. Vice President Rathbun seconded the motion. All present voted in favor and the motion carried.

Resolution 2021-24, Project Acceptance and Release of Retainage for Public Works Contract PW2020-09 PSA 54 Well Replacement: Mr. McShane spoke about the PSA 54 Well Replacement project and reported that terms of the contract were met.

Vice President moved to approve Resolution 2021-24, Project Acceptance and Release of Retainage for Public Works Contract PW2020-09 PSA 54 Well Replacement. Rathbun Director Dennis seconded the motion. All present voted in favor and the motion carried.

STAFF REPORTS:

Finance Manager: None

Engineering/Operations Manager: Mr. McShane reported regarding:

- Maintenance activities
- Temperature outlook and aquatic weed management
- Lorayne J service reconnection
- Six-year Capital Plan
- Civil Engineer recruitment

Land & Water Resources Manager: Mr. Defoe reported that water supply was above average. He displayed and discussed web pages including:

- wcc.nrcs.usda.gov - Snow Water Equivalent map
- usbr.gov - Yakima River Five Reservoir Diagram
- noaa.gov - Final La Niña Advisory moving to ENSO (El Nino/Southern Oscillation) Neutral
- noaa.gov - Temperature and Precipitation graphs

Mr. Defoe spoke about progress towards title transfer, including a draft Environmental Assessment, and new versions of the title transfer agreement and deed.

District Manager: Mr. Freeman reported regarding:

- Liability insurance bid and renewal
- WSWRA Executive Committee – June 16
- Tristate Meeting – June 18

WORKSHOP: None

EXECUTIVE SESSION: At 9:56 a.m., Mr. Freeman announced that the board would go into executive session after a short break, 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, ending at 10:30 a.m., unless executive session was extended. Action was possible but not expected following executive session.

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

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

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.

Vice President Rathbun moved to add action items to the agenda, to consider a conflict of interest waiver for legal counsel, and to amend contract with Water Strategies, LLC. Director Ward seconded the motion. All present voted in favor and the motion carried.

ACTION ITEMS:

Conflict of Interest: Mr. Freeman displayed a letter from Mr. Crotty regarding potential conflict of interest due to representation of both KID and Water Strategies. He said KID would need separate legal counsel if a conflict arose between the district and Water Strategies.

Vice President Rathbun moved to authorize the District Manager to sign the consent to representation letter from John Crotty, Western Legal. Director Dennis seconded the motion. All present voted in favor and the motion carried.

Water Strategies Agreement: Mr. Freeman requested authorization to scope and enter into an agreement with Water Strategies for supplemental advocacy and outreach services regarding the lower river interests and water supply. The negotiated agreement would be brought to the board for confirmation.

Vice President Rathbun moved to authorize the District Manager to scope and enter into an agreement with Water Strategies for supplemental advocacy and outreach services. Director Dennis seconded the motion. All present voted in favor and the motion carried.

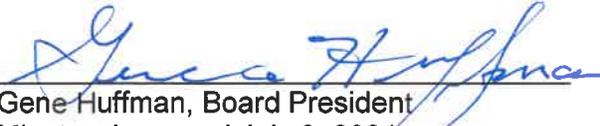
Director Dennis thanked K-club for inviting the directors to their outdoor barbeque luncheon. Mr. Freeman said he recommended the employee club host events monthly to help staff reconnect.

At 10:43 a.m., President Huffman called for a motion to adjourn.

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

Attest:

Witness:


Gene Huffman, Board President
Minutes Approved July 6, 2021


Charles Freeman, Board Secretary

Prepared by Doris Rakowski