



Minutes

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

Directors:

Gene Huffman, President
 David McKenzie, Vice President,
 Kirk Rathbun
 Arland Ward
 Absent - Griffin Hanberg

Staff Present:

Charles Freeman, District Manager
 Jason McShane, Engineering/Operations Manager
 Seth Defoe, Land and Water Resources Manager
 Stuart Dezember, Comptroller/District Treasurer
 Matt Berglund, Public Relations Coordinator
 Lori Gibson, Engineering/Ops Executive Assistant
 Doris Rakowski, Executive Assistant

Other Persons Present:

John Crotty, Western Legal
 One member of the public

Vice President McKenzie moved to excuse Director Hanberg. Director Ward seconded. The motion carried.

APPROVAL OF AGENDA: Vice President McKenzie moved to approve the agenda. Director Ward seconded. The motion carried.

CONSENT AGENDA: Vice President McKenzie moved to approve the consent agenda. Director Ward seconded. The motion carried.

Items on the consent agenda were:

1. Minutes, KID Board Meeting, June 7, 2022
2. Minutes, KID Board Meeting, June 21, 2022
3. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

	84169	through	84240	\$ 205,241.30
Bank Drafts	FSA			\$ 2,250.30
Bank Drafts	General			\$ 6,159.87
Bank Drafts	AP			\$ 112,804.91
Total Accounts Payable				\$ 326,456.38

Payroll:

Numbers:

	0	through	0	\$ -
Direct Deposit		7/5/2022		\$ 143,398.32
Total Payroll				\$ 143,398.32

Voided Checks:

None \$ -

Total Disbursements \$ 469,854.70

PUBLIC COMMENTS: None

PRESENTATIONS: None

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS: None

RESOLUTIONS:

Resolution 2022-32, Approving USBR Dam Safety Repayment Contract 22SD102158: Mr. Freeman reported that the U. S. Bureau of Reclamation (USBR) would be doing a Safety of Dams project to modify the Kachess Dam to correct safety deficiencies for approximately \$37 million. Fifteen percent of the total cost, or \$5.5 million, was the responsibility of twenty-three contractors including KID. KID's portion of the repayment obligation was approximately \$277,540, or 5.377% of the \$5.5 million. Mr. Freeman said this was consistent with KID's storage contract with the USBR.

Mr. Freeman reported that KID previously elected to repay the amount over the expected construction years (2023-2027), avoiding accrual and application of interest.

Mr. Freeman said the USBR anticipated signing contracts in fall 2023 and asked that the repayment contract be approved by resolution of the KID Board, executed by KID, and returned no later than August 12, 2022.

Mr. Freeman said there would be no budget impact to the 2022 budget. Amounts needed in the following years would be:

2023: \$91,588
2024: \$149,872
2025: \$18,318
2026: \$9,714
2027: \$8,048

Mr. Freeman spoke about a provision of the contract to hold the federal government harmless.

Mr. Crotty read and discussed Section 9, Statement of Costs, which included "claims of all kinds, whether or not involving the negligence of officers, agents, or employees of the United States." He said he thought this could be lined out before signing the contract. He said that while KID had no choice about repaying their share, this seemed unreasonable.

Mr. Crotty read and discussed Section 11, Standard Provisions, line b, which conditioned delivery of water on payment. While he said this would not be a problem for KID, it was disproportionate since this was repayment a repair, not the entire project. He said it was probably not a deal breaker for KID, but it would be reasonable to state objections.

Mr. Crotty read and discussed Section 11, Standard Provisions, line c, which would allow the USBR to come and inspect KID for adequacy of Operation and Maintenance. He said that since the USBR was making the repairs, it should be the other way around, and it would be appropriate to ask that this section not apply. Discussion ensued.

Mr. Crotty summarized that the first provision discussed was overbroad and could burden the district in a way that could be harmful. He said should also raise objections to the other two provisions.

Mr. Freeman said the district would send back a marked-up copy of the contract and comments. He said KID may want to inspect the project scope and costs.

The resolution was tabled.

STAFF REPORTS:

Finance Manager: Mr. Dezember reported regarding:

- Analysis of bank balances to avoid paying fees and maximize the district's cash position
- June financial statements

Engineering/Operations Manager: Mr. McShane reported regarding:

- Endothall treatment last Friday. Crews ready for expected debris in about a week.
- Normal number of systems down. Crews getting them back online, despite backlogs for obtaining materials.
- Capital plan and scheduling
- Lining and vegetation control

Land & Water Resources Manager: Mr. Defoe displayed and discussed webpages including:

- usbr.gov - Hydromet - Major Storage Reservoirs in the Yakima River Basin ("Teacup") diagram, and Water Year Graph.
- cpc.ncep.noaa.gov - Monthly and Seasonal Temperature and Precipitation Outlook maps,
- wrh.noaa.gov -Temperature and Precipitation graphs for Pasco, Washington.

Mr. Defoe also reported regarding:

- Sockeye study
- Central Storage project EIS
- Ready to for cultural resources survey after tenant's crops harvested

In response to a question from Vice President McKenzie, discussion ensued regarding whether drawdowns would be needed for Kachess Dam repairs. Mr. Defoe said he would investigate whether operational changes were anticipated.

District Manager: Mr. Freeman reported regarding:

- KID hosting WSWRA tomorrow
- Presentation to City of Kennewick scheduled for August 23rd
- Plan to encourage masking with heightened COVID

Mr. Berglund reported about next steps regarding the Sandbox video and a news item regarding a children's pirate ship in a canal.

Mr. Freeman said President Huffman was interviewed for future guest editorial in which he would thank Representative Newhouse for helping get title transfer done.

WORKSHOP: None

EXECUTIVE SESSION: At 9:41 a.m., Mr. Freeman announced on behalf of the presiding officer that the board would go into executive session following a short break 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 about 15 minutes ending at 10:00 a.m. unless extended. Action could be taken following the executive session.

Members of the public were moved to the Zoom waiting room.

OPEN SESSION: At 10:02 a.m., the public was re-admitted, and open session resumed.

Mr. Freeman asked to add an action item to the agenda to authorize staff to send Gretl Crawford a non-binding counteroffer for a City View property. He spoke about the offer

Vice President McKenzie move to amend the agenda to add consideration of the City View Non-binding Counteroffer. Director Ward seconded. The motion carried.

Mr. Freeman reviewed terms of the non-binding offer between KID and Gretl Crawford regarding City View Lot 5.

Vice President McKenzie moved to authorize staff to sign and return the non-binding counteroffer. Director Ward seconded. The motion carried.

There being no further business, President Huffman called for a motion to adjourn at 10:06 a.m.

Vice President McKenzie moved to adjourn. Director Ward seconded. The motion carried.

Attest:

Witness:



Gene Huffman, Board President
Minutes Approved August 16, 2022



Charles Freeman, Board Secretary

Prepared by Doris Rakowski