



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
Griffin Hanberg, via phone

Staff Present:

Charles Freeman, District Manager
Jason McShane, Assistant District Manager
Stuart Dezember, Comptroller/District Treasurer
Seth Defoe, Land and Water Resources Manager
Ben Woodard, Engineering and Operations Manager
Lori Gibson, Executive Assistant
Melissa Olheiser, Accounting Supervisor
Matt Berglund, Public Relations Coordinator

Other Persons Present:

John Crotty, Western Legal

APPROVAL OF AGENDA: Director Rathbun moved to approve the agenda. Director Hanberg seconded. The motion carried.

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

Items on the consent agenda were:

1. Minutes, KID Board Meeting, March 21, 2023
2. Minutes, KID Board Meeting, April 4, 2023
3. Minutes, KID Board Meeting, April 18, 2023
4. Minutes, KID Board Meeting, May 2, 2023
5. Minutes, KID Board Meeting, May 16, 2023
6. Easement Acceptance – 4112 W 24th Ave
7. Quit Claim Deeds – City View Boundary Line Adjustment
8. Travel Authorization – 2023 NWRA Western Water Seminar
9. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

	85510	through	85511	\$	3,892.54
	85512	through	85591	\$	302,505.08
	85592	through	85667	\$	492,201.94
	85668	through	85675	\$	93,745.26
Bank Drafts	FSA			\$	-
Bank Drafts	General			\$	-
Bank Drafts	AP			\$	105,390.29
Total Accounts Payable				\$	997,735.11

Payroll:

Numbers:

	34415	through	34417	\$	5,901.10
Direct Deposit		5/19/2023		\$	154,804.52
Total Payroll				\$	160,705.62

Voided Checks:

\$ -

Total Disbursements

\$ 1,158,440.73

PUBLIC COMMENTS: None

PRESENTATIONS:

Financial Reports – April, 2023: Mr. Dezember presented the Financial Statements for April of 2023.

- Balance Sheet, As of April 30, 2023
- Balance Sheet – Comparative, As of April 30, 2023 and 2022
- Statement of Revenues & Expenditures – Budget to Actual, Period Ending April 30, 2023
- Statement of Revenues & Expenditures – Comparative, Period Ending April 30, 2023
- Statement of Grant Revenues for Current Awards, Period Ending April 30, 2023
- Fund Balance Change, As of April 30, 2023
- Cash Investment Report, As of April 30, 2023
- Loans Payable, As of April 30, 2023

Director Rathbun moved to accept the Financial Reports for April, 2023. Director Ward seconded. The motion carried.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS:

Canyon Lakes Property Owners Association: Mr. Woodard presented this item. He explained that a tract of land owned by the Canyon Lakes POA is part of the canal easement and will be conveyed to KID. Director Hanberg inquired who would be maintaining the property. Mr. Woodard and Mr. McShane explained that KID would maintain the property along the canal, and under permit or license the POA would maintain any additional grass.

Director Hanberg moved to approve and accept the Statutory Warranty Deed conveying Tract ‘B’ of Canyon Lakes No. 17 Phase 4 to KID, and direct staff to obtain the necessary signatures, and record the fully-executed deed with the Benton County Auditor. Director Rathbun seconded. The motion carried.

Engineering Services for KID Real Property: Mr. Defoe presented this item. KID published a Request for Qualifications and received several responses, which were ranked. JUB will be awarded the contract. Mr. Freeman explained that although the KID Engineering department is capable of doing most of this work, JUB has the expertise to do this work without taking time away from our other internal engineering obligations, and this will be more expedient for the District.

Director Rathbun moved to approve the engineering services contract with JUB Engineers, Inc., and to authorize Charles Freeman, District Manager, to execute the contract. Vice President McKenzie seconded. The motion carried.

Policy 9.6, Leasing Commercial Real Property: Mr. Freeman presented this item to the Board, explaining the revisions to the Policy. Since the original Policy was authorized, there have been some revisions needed. These include what return on investment the District expects, the amount of an acceptable security deposit, acceptable commission, flexibility in negotiations to respond to market conditions. Director Rathbun and President Huffman expressed their approval of the leasing program.

Director Hanberg moved to approve Policy 9.6 as revised. Director Ward seconded. The motion carried.

Policy 9.7 Leasing Agricultural Real Property: Mr. Defoe presented this item to the Board, explaining the new Policy will give the District specific guidelines for agricultural leases. This Policy clarifies how taxes would be handled since there are equipment rentals included in many of the leases. It will also address reasonable commissions for agricultural leases. He further explained that the policy allows for flexibility when negotiating the leases.

Vice President McKenzie moved to approve Policy 9.7 Leasing Agricultural Real Property. Director Rathbun seconded. The motion carried.

Authorize Purchase - PC2023-19 Division IV 35.3 Transmission Pipeline (Materials Only): Mr. Woodard presented this item to the Board. A VMA was approved in 2021, but since they were outside the UGA, they were unable to use their existing infrastructure to service all the properties. KID coordinated with the developer, who is contributing what he would have in the VMA (\$186,000) toward this pipeline. KID is upsizing the pipe to allow us to develop a surcharge area to extend service to other properties off this lateral, as well as replace the existing concrete pipe. Director Hanberg inquired regarding the costs of installing PVC vs. ductile iron. Mr. McShane said there is no significance difference in the labor. Mr. Freeman asked if there is a life difference between the two materials. Mr. McShane replied that both materials have significant life spans. President Huffman asked if there is any difference in the repair costs. Mr. McShane responded that the rubber gasket is most often the location of failure, which is no different between ductile iron and PVC. Director Rathbun asked about expansion or contraction with the two materials, to which Mr. McShane explained that there is very little expansion or contraction.

Director Hanberg moved to authorize the District Manager, Charles Freeman, to execute Contract PC2023-19 Division IV 35.3 Transmission Pipeline (Materials Only) to the lowest responsible bidder. Director Ward seconded. The motion carried.

RESOLUTIONS:

Resolution 2023-24: Mr. Woodard presented the Resolution. He explained that the allocation would be removed from these two properties, and that staff will do further research of the surrounding area for a possible future larger area of removal of allocations not being utilized. Staff also requested that the 2023 assessment be waived in this case.

Director Rathbun moved to approve Resolution 2023-24 Water Allotment Recalibration for 7535 W Kennewick Ave and waive the 2023 assessments for the recalibrated properties. Director Ward seconded. The motion carried.

Resolution 2023-25 Project Acceptance and Release of Retainage for Public Work Contract PW2023-02 Southridge Estates Booster Pump Station Sawcutting: Mr. Woodard presented the Resolution, explaining that the project was completed, and the retainage should be released at this time.

Vice President McKenzie moved to approve Resolution 2023-24 Project Acceptance and Release of Retainage for Public Works Contract PW2023-02 Southridge Estates Booster Pump Station Sawcutting. Director Ward seconded. The motion carried.

STAFF REPORTS:

Finance Manager: Mr. Dezember reported regarding:

- Foreclosures – currently 7
- Annual Financial Report was filed on time
- No federal audit will be needed

Engineering/Operations Manager: Mr. Woodard reported regarding:

- Main Canal is currently at 250 cfs.
- Assura preventative maintenance software kickoff
- Aquatic treatments
- Parking lot seal coating and restriping
- License Agreements for Symphony Ridge and Southridge POA
- VMA Southridge Phase 8
- Cherry Creek Expansion
- Services will soon be installed for S AP
- Debris burning in Operations
- Mainline repair tracking

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
- wcc.nrcs.usda.gov - Washington SNOTEL Current Snow Water Equivalent (SWE) Proration lowered to 77%
- cpc.ncep.noaa.gov - Monthly and Seasonal Temperature and Precipitation Outlook
- El Niño/Southern Oscillation (ENSO) Diagnostic Discussion (currently a greater than 90% chance of El Nino this winter)
- System Observed Flow Volume Chart
- SMID Water Rights

Assistant District Manager: Mr. McShane reported regarding:

- BA and BIOP meetings
- No IP meetings planned this month.
- Commissioner Touton visit to Yakima Basin

District Manager: Mr. Freeman reported regarding:

- Union meeting today to discuss Maintenance IV
- NWRA Food Security Taskforce
- Staff Employee of the Quarter luncheon on 6/20/23

WORKSHOP: None

Executive Session: At 10:30 a.m., Mr. Freeman announced on behalf of the presiding officer that the Board would go into executive session at 10:35 a.m. to consider the minimum price at which real estate will be offered for sale or lease, pursuant to RCW 42.30.110(1)(c); and 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 unless extended. Action is possible after the meeting.

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

At 11:05 a.m., Executive Session was extended until 11:35 a.m.

Open Session: At 11:30 a.m., members of the public were re-admitted, and the meeting resumed in open session.

President Huffman called for a motion to adjourn.

Director Rathbun moved to adjourn at 11:30 a.m. Vice President McKenzie seconded. The motion carried.

Attest:

Witness:



Gene Huffman, Board President
Minutes Approved July 6, 2023



Charles Freeman, Board Secretary

Prepared by Lori Gibson