

# MINUTES

**KENNEWICK IRRIGATION DISTRICT  
SPECIAL\* MEETING OF THE BOARD OF DIRECTORS  
CARL W. PETERSEN BOARD ROOM  
JANUARY 13, 2009, 9:00 A.M.**

**CALL TO ORDER/ROLL CALL – BOARD SECRETARY:** The meeting was called to order at 9:00 a.m. by Director Jaksch. Secretary/Manager Grover took roll call as follows:

**PRESENT:** John A. Jaksch  
John C. Pringle  
David McKenzie  
Patrick McGuire  
Gene Huffman

**STAFF:** Doug Grover, Secretary/Manager  
Margo Hines, Assistant Manager-Administration  
Joetta Rupert, Real Estate Manager  
Brian Iller, Legal Counsel  
Clark Haueter, Comptroller/District Treasurer  
Scott Revell, District Planner  
Doris Fiske, Executive Assistant

**I. APPROVAL OF AGENDA:** Director Jaksch proposed to add Lobbying Update to District Business and Upcoming Ecology Meeting to Realty. \*Discussion ensued regarding the status of this Board Meeting as regular or special. The meeting was declared a special meeting due to the change of date. Director Jaksch withdrew the proposed additions and asked they be put on the agenda of the January 20, 2009 Board Meeting.

**II. ACTION ITEMS:**

**A. Interim Chair:** Director Jaksch handed control of the meeting to Brian Iller.

**B. Oath of Office:** Mr. Iller administered the Oath of Office to David McKenzie, Patrick McGuire, and Gene Huffman.

**C. Election of Board Officers:**

**1. Board President:** Director Huffman nominated John Jaksch for the office of President. Director Pringle seconded the nomination. There being no further nominations, a vote was taken and John Jaksch was unanimously elected.

**2. Vice President:** President Jaksch nominated John Pringle for the office of Vice President. Director McKenzie seconded the nomination. There being no further nominations, a vote was taken and John Pringle was unanimously elected.

**D. Interim Chair:** President Jaksch resumed control of the meeting and the Interim Chair was excused.

**E. Policy & Procedure 1.1, “Conflict of Interest – Board Members/District Officers”:** Manager Grover reviewed the policy and procedure with the Board.

### III. APPOINTMENTS:

**A. Confirmation of Appointment of Secretary:** Director McKenzie moved to confirm Doug L. Grover, District Manager, as Board Secretary. Vice President Pringle seconded the motion and it carried unanimously.

**B. Appointment of Officers:** Director McKenzie moved to appoint Margo Hines as Assistant Secretary, Clark Haueter as Treasurer, Darrell Stewart as Auditing Officer, Diane Rourk as Claims Agent, and Rettig Osborne Forgette as Legal Firm. Vice President Pringle seconded the motion and it carried unanimously.

**C. Committee and Committee Chair Appointments:** President Jaksch appointed Vice President Pringle as Chair of the Finance Committee and Chair of the Realty Committee. President Jaksch appointed himself Chair of the Operations and Engineering Committee. President Jaksch invited the Directors to contact him regarding their interest in serving on committees and will make the remaining committee appointments at the January 20, 2009 Board Meeting.

### IV. APPROVAL OF AGENDA:

Director Huffman moved to approve the agenda. Vice President Pringle seconded the motion and it carried unanimously.

### V. CONSENT AGENDA:

Vice President Pringle moved to approve the Consent Agenda. Director Huffman seconded the motion and it carried unanimously. Items on the Consent Agenda were:

- A. KID O&M Vouchers
- B. Minutes, KID Board Meeting, December 2, 2008
- C. Minutes, KID Board Meeting, December 15, 2008
- D. Bylaws, Amended January 13, 2009
- E. Resolution 2009-01, “Assessment Roll for 2009”
- F. Resolution 2009-02, “Authorizing the Sale of Real Property, VB&TP Lot 12”

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**Accounts Payable**

Numbers:	55719 through 55773	\$	223,423.24
"	55774 through 55778		58,373.29
"	55779 through 55889		<u>73,478.63</u>

**Total Accounts Payable** \$ 355,275.16

**Payroll**

12/18/2008	30959 through 30959	\$	828.38
	30960 through 30975		15,113.33
	30976 through 30980		5,394.67
Direct Deposit			63,432.64
12/31/2008	30981 through 30997		13,041.27
Direct Deposit			<u>66,370.45</u>

**Total Payroll** 164,180.74

**Total Disbursements** \$ 519,455.90

**Voided Checks**

Check#55349 in the amount of \$600.00, void and re-issued due to not being received by the vendor.

**VI. SCHEDULED VISITORS: None**

**VII. UNSCHEDULED VISITORS:** Dale Walter, past Board Member and water user in LID 25, residing at 5624 W 10<sup>th</sup> in Kennewick, addressed the Board regarding the LID structure. He said it was reported that KID assessed \$1,643,000 in 2008 but had only \$600,000 in charges to LIDs. Mr. Walter said Manager Grover told him small lots use all the water and require the most maintenance, so why is KID charging \$1.6 million? He said the recently passed tier structure measures in acre-feet instead of gallons to confuse people and noted that a quarter acre is charged \$2.10 per 1000 gallons while a farmer is only charged \$.09 per 1000 gallons. Mr. Walter said delivering water should be more consistent; not varied from \$.09 to \$2.10 per 1000 gallons. Manager Grover responded that the KID's contractual obligation with USBR determines measurement in acre-feet.

**VIII. DISTRICT BUSINESS:**

**A. District Manager:**

**1. NWRA Leadership Forum Report:** Manager Grover reported the NWRA Leadership Forum. The purpose of the conference was to consider the focus the NWRA wanted for the 111<sup>th</sup> Congress. The conference was disproportionately well attended by representatives from the Yakima Valley region.

Manager Grover shared a letter to Nancy Pelosi and Harry Reid from Thomas F Donnelly, excerpts of an article from Western Waterlaw, and a paper titled "What the KID is asking for?"

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President Jaksch asked that copies of those materials be included in the next board Packet. Director Pringle suggested holding a Planning Committee Workshop. President Jaksch directed a Planning Committee Workshop be held at 8:00 a.m. on Tuesday, January 20, 2009. Required staff will be invited to attend.

While at the conference, Manager Grover met with Mark Barrett, manager of CH2M Hill's Washington DC office. President Jaksch asked Manager Grover to provide a summary of the various entities and people with whom the KID interacts regarding funding opportunities (i.e. Mark Limbaugh, Mark Barrett, CH2M Hill, Yakama Nation, Washington State, other districts) at the next Board Meeting. Manager Grover said funding requests need to be completed before the end of February.

**B. Operations and Engineering:** None

**C. Business Administration:** None

**D. Finance: Policy 67 Explanation and Update** – Treasurer Haueter reviewed the history of Policy 67 and the revisions that are in progress. He reported that Board directions that a separate account be set up for realty reserves have been implemented. \$1.6 million has been identified and will be deposited in that account as the CDs mature. A capital improvement fund has been created. A new chart of accounts has been set up that will track these funds including deposits, cash from sale of realty, and interest. Mr. Haueter has conferred with Real Estate Manager Rupert and they have implemented the Board's direction on separating these monies.

Director McGuire asked if there was a completion date for the Policy 67 revision. Mr. Haueter said the chart of accounts is ready and has been submitted to Springbrook for conversion. The completion date is unknown, but hoped to be late January or early February. Allocations for 2009 will be made when the conversion is complete. Discussion ensued. President Jaksch instructed an update be placed on the agenda of the 2<sup>nd</sup> Board Meeting in February. Manager Grover commended Treasurer Haueter for negotiating with Springbrook to do the conversion at no cost to the KID.

**IX. REALTY: 2009 KID Legislative Agenda:** Scott Revell, District Planner, discussed the current legislative session and said he expects KID interests are at least two cycles out with regards to federal items. Mr. Revell asked for Board direction regarding prioritizing projects. President Jaksch directed this be discussed at the next Planning Committee Meeting at which time direction will be provided.

President Jaksch called a break at 9:58 a.m.

**X. EXECUTIVE SESSION:** The meeting reconvened at 10:05 a.m. in executive session for thirty minutes to discuss with legal counsel pending litigation regarding the Loch case.

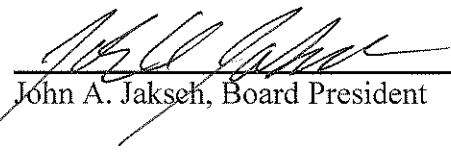
**Gene Huffman moved to adjourn the meeting at 10:35 a.m. Vice President Pringle**

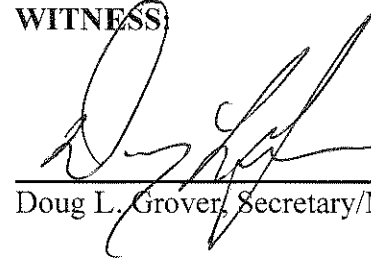
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seconded the motion and it carried unanimously.

**ATTEST:**

**WITNESS**

  
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John A. Jaksch, Board President

  
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Doug L. Grover, Secretary/Manager