



## Minutes

Meeting of the KID Board of Directors  
 Carl W. Petersen Board Room  
 Tuesday, March 5, 2013, 9:00 a.m.

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

**Directors Present:**

Gene Huffman, President  
 Patrick McGuire, Vice President  
 David McKenzie  
 Kirk Rathbun  
 Penny Hermanson

**Staff Present:**

Chuck Freeman, District Manager  
 Scott Revell, Planning Manager  
 Jason McShane, Engineering/Operations Manager  
 Dana Auckland, Customer Accounts Supervisor  
 Lynda Rosenbaum, Assistant Planner  
 Teresa Horrocks, Customer Service Specialist  
 Doris Rakowski, Executive Assistant

**Other Persons Present:**

Brian Iller, Legal Counsel  
 Dalia Ochoa, Community Action Connections

**APPROVAL OF AGENDA: Director McKenzie moved to approve the agenda. Director Rathbun seconded the motion and it carried unanimously.**

**CONSENT AGENDA: Director Rathbun move to approve the consent agenda. Vice President McGuire seconded the motion and it carried unanimously.**

Items included on the consent agenda were:

1. KID O&M Vouchers

**Accounts Payable**

Numbers: 65932 through	65977	\$	259,434.67	
<b>Total Accounts Payable</b>				259,434.67
<b><u>Payroll</u></b>				
Numbers: 32474 through	32480	\$	6,508.26	
Direct Deposit	2/20/2013		71,883.49	
<b>Total Payroll</b>				78,391.75
<b>Total Disbursements</b>				<u>\$ 337,826.42</u>

**Voided Checks:** None

**Public Comments:** None

President Huffman thanked the staff who put on the Home and Garden Show booth.

**Presentations:**

**Helping Hands, Benton Franklin Community Action Committee (BFCAC):** Dalia Ochoa, BFCAC's Home Base Program Manager for Emergent Services, reported that the BFCAC was now doing business as Community Action Connections (CAC). She listed a number of different helping hands programs and other assistance programs which were administered through their office. She reported that KID's program was working well as it had been restructured.

President Huffman thanked Ms. Ochoa for speaking to the Board and the good work on the program.

Ms. Auckland reviewed the draft Helping Hands Assistance Guidelines which was distributed before the meeting. She discussed changes to administration of the program including KID prequalification screening of applicants and required minimum payments from new or repeat participants. Ms. Auckland said the tracking system had been improved.

Ms. Auckland confirmed to Vice President McGuire that immediate approval was not necessary. President Huffman asked that the agreement be finalized and brought to a future meeting.

**Financial Reports through January 2013:** Mr. Freeman displayed the financial statements and reviewed highlights. Pages reviewed included:

- Balance Sheet as of January 31, 2013
- Statement of Revenues & Expenditures - Budget to Actual – Summary  
Mr. Freeman clarified to Director Hermanson what was included in revenue from Other Fees & Charges for Services and said expenditures for Computer Expenses included a new server and related equipment, as well as yearly software upgrades.
- Statement of Revenues & Expenditures – Comparative  
In response to a question from Director Hermanson, Ms. Rosenbaum and Mr. McShane explained that USBR Note Revenue payments on the USBR Construction Loan.
- Statement of Revenue Footnotes through January 2013 - Grant & Matching Funds Schedule
- Red Mountain Revenue to Expenses - LID Formation through January 2013

**Vice President McGuire moved to accept the Financial Reports as presented. Director Rathbun seconded the motion and it carried unanimously.**

**Public Hearing:** None

**Board Reports:** None

**Action Items:**

**Approve Access Easement and Two Temporary Licenses:** Ms. Rosenbaum discussed the need for a permanent easement for an access road. She briefly discussed terms of the negotiated agreement for a permanent easement and two temporary licenses for construction access. She reported that the agreement had been reviewed by the Finance Committee.

In response to questions from Director Rathbun, Ms. Rosenbaum confirmed that the easement was permanent and the payment period for the temporary licenses was through 2017. Mr. Freeman said these were Red Mountain South LID costs.

In response to a question from Vice President McGuire, Ms. Rosenbaum and Mr. Freeman discussed the appraisal of the property. Mr. Iller confirmed that the Board had latitude to agree to the negotiated amount, which would be significantly less than litigation.

**Director McKenzie moved to approve the payment of \$3,500.00 for the permanent access easement to Darl and Marilee Axtman and payment of \$260 per year for the temporary license agreements beginning 2013 and ending 2017. Director Rathbun seconded the motion and it carried unanimously.**

**Approve Purchase of 1.32 Acres for Reservoir Site:** Ms. Rosenbaum presented the proposed purchase recommended by RH2 Engineering for the 1070 foot elevation reservoir site. She discussed the negotiated terms of the proposed purchase.

In response to a question from Director Rathbun, Mr. Revell said county staff had agreed to the less than standard parcel size for this purpose and that there would be restrictions placed on the parcel to prevent a dwelling on the site.

Ms. Rosenbaum said the engineers, owners and KID agreed to placement of the reservoir.

**Director Rathbun moved to approve the KID's purchase of an approximate 1.32 acres, depending on the record survey, from Whitacre Hill Estates, LLC, for a total cash purchase price not to exceed \$26,400.00 and for KID to pay all closing costs associated with the sale and all costs associated with the creation of the lot. Director McKenzie seconded the motion and it carried unanimously.**

Vice President McGuire asked that it be specified in recommended motion language when actions were being taken for the Red Mountain South LID.

**Approve Policy 1.16, Public Records Disclosure, Revision 4:** Mr. Freeman presented the requested change to allow copy fees to be waived if less than \$7.50, as it would cost more than that to process the payment.

In response to questions from Director Rathbun, Mr. Freeman explained that copy charges were actual costs and statute did not allow the agency to charge for staff time or legal review costs. Discussion ensued regarding Oregon and Washington statutes and whether reform was likely. President Huffman said balance was needed to defray costs but not close access to records.

Discussion ensued regarding the possibility of denying the fee waiver if it appeared to be abused by repeated requests from the same person.

**Vice President McGuire moved to approve Policy 1.16, Public Records Disclosure, Revision 4. Director Rathbun seconded the motion and it carried unanimously.**

**Approve Policy 1.7, Records Management, Revision 3:** Mr. Freeman presented the proposed policy change and said maintaining an index was not required if it would be overly burdensome. He reported that work was underway to get the files in order and to aggressively monitor and follow retention schedules. Mr. Freeman said department heads and staff were reviewing records and placing them in plastic bins. He said indexing unnecessarily complicated the system without benefit to the District.

Mr. Freeman confirmed to President Huffman that the District was keeping historical records.

**Director Rathbun moved to approve Policy 1.7, Records Management, Revision 3. Vice President McGuire seconded the motion and it carried unanimously.**

**Approve Policy 4.17 Irrigable Land Recalibration Principles, Revision 2:** Mr. Freeman reported that the revision had been through extensive legal and committee review. He briefly discussed the purposes of the policy and said staff recommended moving the recalibration target for urbanized areas to 20%. Mr. Freeman said the Board would be asked to approve the lists generated by this process at a future meeting. He recommended publicizing the

opportunity to request an allocation and noted that allocations would be made based on several factors including safety and feasibility, not on a first come first served basis.

Mr. Iller discussed the drafting of the policy and said he would provide to Director Hermanson a legal opinion he previously wrote for the District. Mr. Iller said that without violating attorney-client privilege he could say that water users had rights only to water they could beneficially use, but not to speculate in water rights. He discussed the perpetual obligation of District members to remain in the District and pay their share. Mr. Iller said the policy provided the rare opportunity for those who could not use the water to reduce their obligation and those who could use the water to have access to otherwise unavailable water.

Discussion ensued regarding the past stage of recalibration efforts, and the new process to make changes in TruePoint.

In response to a question from Director McKenzie, Mr. Freeman said that as short plats were processed, water allotments were only removed from streets. Mr. Iller said it was critical that allotments were removed and reassigned simultaneously to maintain the number of irrigated acres. Mr. McShane confirmed to Vice President McGuire that the construction obligation moved with the water. Mr. Revell said this was different than property owner requested relegation, where construction loan payoff was required before relegation.

Final payoff the construction loan in about nine years was discussed. It was suggested that Carron Helberg of the USBR be invited to address the Board on the topic later this year.

**Director McKenzie moved to approve Policy 4.17 Irrigable Land Recalibration Principles, Revision 2. Vice President McGuire seconded the motion and it carried unanimously.**

**Resolutions:** None

**Staff Reports:**

**Finance Manager:** In Ms. Storms' absence, Ms. Auckland reported:

- Finance was working to get assessment bills to the printer by the end of next week.
- Ms. Storms was planning an Excess Water training event for Water Masters on March 18<sup>th</sup>.
- A community event would be held by KID on March 23<sup>rd</sup> at the Home Depot.

**Engineering/Operations Manager:** Mr. McShane reported:

- All planned work in the canals was scheduled to be finished by the end of next week, though some work in the rights of way would follow.
- Engineering was finalizing the data import to TruePoint for assessment billing.
- Badger East EPDM canal lining was complete and final work was being completed in the rights of ways, to improve roads and hydroseed.
- The water year forecast report was not yet issued by the USBR, but indications were for a normal water year.
- Other preparations for water on were being finished including de-winterizing pump stations, road grading, weed control, and repairs. TruePoint retraining for Operations and Customer Service was planned.
- A crack was found in a runner on the turbine that drives one of the pumps at Chandler. USBR engineers recommended a repair to be done to help it make it through the season. It was scheduled to be replaced after the water season.
- The USBR would start water March 28<sup>th</sup> for four days of testing prior to KID's Water On date.

**Planning Manager:** Mr. Revell reported:

- A briefing on the Integrated Plan was scheduled with County Commissioner Delvin in advance of the quarterly work group meeting next week in Yakima.
- Vice President McGuire and Mr. Revell attended last week's Columbia Snake River Irrigators Association meeting and the Columbia River Treaty with Canada was discussed.
- Progress on the administrative bill, the YRBWEP (Yakima River Basin Water Enhancement Project) bill, and the LID bill were discussed in the WSWRA (Washington State Water Resources Association) legislative call.
- Mr. Freeman said that he added House Bill 1964 sponsored by Representative Klippert to his weekly report and alerted Mr. Schwisow, as the legislation would require any public agency to create a real estate master plan and dispose of foreclosed property within five years. Discussion ensued.
- Mr. Revell reported the Association of Counties bill regarding Upper Basin exempt wells died in committee.
- The Planning Committee made good progress on the Drought Plan. Meetings would be held at the staff level on procedural elements before the committee takes action. The Planning Committee was strongly in favor of educating water users on the use of irrigation water to minimize demand, particularly in drought years.
- A decision from the USBR was expected in June on the remaining exclusion near the top of Red Mountain.
- Staff was working with the City of Richland on a Shoreline Management Act applicability issue in the Amon Wasteway, and would attend a workshop with Richland's Planning Commission next week to gather information.

**District Manager:** Mr. Freeman reported:

- Tentative job offers were extended to two applicants for field positions.
- The schedule for full seven day per week coverage during the water season was in place, and included the leadership team and more swing shift coverage. The schedule was received well, but should complaints arise, union members were reminded there was a procedure for grievances and they should not go directly to Board members.
- A work station was being set up in the shop for a Customer Service Specialist to use on weekends as needed. Scheduled overtime may be needed for one FTE in Customer Service. No scheduled overtime would be needed in the field, though there may be unscheduled overtime as needed.
- The start-up schedule would be posted on website
- The Water On meeting would be at the Richland Community Center on March 28<sup>th</sup> from 10:30 a.m. to 4:30 p.m. Topics would be first responders and claims management and exceeding customer expectations. Ten City of Kennewick employees would attend and would pay a portion of the speaker cost.

In response to a question from Vice President McGuire, Mr. Freeman discussed the reason for the construction start delay for the Red Mountain South LID project. He said a meeting would be held today with Paul Cross to discuss timing and the notice to proceed to the contractor.

Mr. Freeman confirmed to Vice President McGuire that the District was tracking time spent with Col Solare on the Red Mountain South LID project.

Regarding land for the Red Mountain South LID project pump station, Mr. Iller confirmed to Vice President McGuire that land held by KID in a proprietary capacity was different from land held for District purposes. He said if land held for the benefit of all District water users was to be used for LID purposes it needed to be purchased by the LID.

Director McKenzie noted that the City of Kennewick was working on an aquifer water storage plan for Southridge and asked if that could work for the District in the future. Mr. Revell reported that the Integrated Plan had an aquifer storage component and discussed Benton County Water Conservancy Board review of the plan. Discussion ensued regarding possible use for Amon storage, technical issues and water rights challenges.

Mr. McShane displayed pictures of the USBR Chandler Pumping Station and the cracked runner on the pump turbine and discussed maintenance and repair methods.

Director McKenzie recommended a tour of the Chandler Pumping Station for any board members who had not yet seen it.

Mr. McShane noted that KID asked the USBR for a commitment to thorough monthly flushing to remove sediment.

**Workshop:** None

**Executive Session:** None

**Director McKenzie moved to adjourn at 10:57 a.m. and Vice President McGuire seconded the motion. The motion carried unanimously.**

Attest:

Witness:

  
Gene Huffman, Board President  
Approved April 18, 2013

  
Chuck Freeman, District Manager

Prepared by Doris Rakowski