Minutes

Meeting of the KID Board of Directors
Carl W. Petersen Board Room
Tuesday, January 2, 2018, 9:00 a.m.

2017 President Huffman called the meeting to order at 9:00 a.m. and Mr. Freeman called roll.

Directors Present:
Gene Huffman
David McKenzie
Dean Dennis
Ramen Venkata
Kirk Rathbun, by telephone

Staff Present:
Jason McShane, Engineering/Operations Manager
Kipp Drummond, District Treasurer
Seth Defoe, Land and Water Resources Manager
Lynda Rosenbaum, Real Property Manager
Doris Rakowski, Executive Assistant

Other Persons Present: Brian Iller, Legal Counsel

APPROVAL OF AGENDA: Mr. McShane asked to add consideration of an easement agreement with the City of Kennewick to the agenda.

Director Dennis moved to approve the agenda, adding the easement agreement. Director McKenzie seconded the motion and it carried unanimously.

President Huffman gave control of the meeting to Mr. Iller.

Oath of Office: Mr. Iller administered the oath of office to Raman Venkata and David McKenzie.

Election of Board President and Vice President: Mr. Iller called for nominations for Board President. Director McKenzie nominated Director Dennis. Director Huffman seconded the nomination. Hearing no other nominations or discussion, Mr. Iller called for a vote. Director Dennis was unanimously elected as Board President.

Mr. Iller called for nominations for Board Vice President. Director Huffman nominated Director Rathbun. President Dennis seconded the nomination. Hearing no other nominations or discussion, Mr. Iller called for a vote. Director Rathbun was unanimously elected as Board Vice President.

Mr. Iller gave control of the meeting to 2018 President Dennis. President Dennis thanked the Board and out-going President Huffman.

CONSENT AGENDA: Director McKenzie moved to approve the consent agenda. Director Huffman seconded the motion and it carried unanimously.

Items on the consent agenda were:
1. Minutes, KID Board Meeting, December 18, 2017
2. Vouchers/Warrant Approval

PUBLIC COMMENTS: none

PRESENTATIONS: none

PUBLIC HEARING: none

BOARD REPORTS: none

ACTION ITEMS:

Review of Policy 1.1 Conflict of Interest–Board Members/District Officers: Mr. McShane reminded the Board and District Officers review the Conflict of Interest policy and complete their annual disclosure forms. Mr. Iller offered to respond to any questions.

Confirmation of Bylaws: Mr. McShane reported that Mr. Freeman reviewed the bylaws for pertinence and accuracy, and found no revisions were needed with the exception of dates and director position updates. President Dennis called for a motion.

Director McKenzie moved to confirm the KID Bylaws. Director Huffman seconded the motion and it carried unanimously.

Confirmation and Appointment of District Officers and Board Secretary: Mr. McShane reported that staff recommended retaining the 2017 District Officers.

Director Huffman moved to retain the Board Secretary and all District Officers previously appointed. Director McKenzie seconded the motion and it carried unanimously.

Discussion of Appointments of Committee Members and Chairs: President Dennis said he would make appointments at the next board meeting and that the current appointments would be maintained until then. Schedules for committee meetings were discussed.

Discussion of Appointment of Board Representatives to Meetings of Other Agencies: President Dennis said he would make appointments at the next board meeting and that the current appointments would be maintained until then.

Easement Agreement – City of Kennewick: Mr. McShane presented the agreement which would allow the KID to move dirt onto the City's open space. He said the District would change the park topography and improvement of the plantings would be considered adequate compensation for the easement. He briefly reviewed terms of the agreement.

Mr. McShane confirmed to Director Huffman that the agreement terms were acceptable to staff. He said the work was budgeted in non-irrigation capital work. He confirmed that no additional insurance coverage was needed.

In response to a question from Director Venkata, Mr. McShane said KID would pay for the work, which would benefit the District by expanding the campus site.

Director McKenzie moved to approve the Easement Agreement between the City of Kennewick and Kennewick Irrigation District. Director Huffman seconded the motion and it carried unanimously.

RESOLUTIONS:

Resolution 2018-01, Rates, Charges and Assessments: Mr. McShane reported that the rates, charges and assessments had been reviewed at the December 5, 2017 board of equalization. He said staff recommended approval.

Mr. Drummond asked to confer with Mr. McShane.

A microphone check was performed while Mr. Drummond left the meeting to check a figure.

Mr. McShane reported a clerical error regarding the acreage for tier 2 was found on the resolution attachment and the potable water charges were being check to verify they were at intended 2018 levels.

President Dennis called a five minute break at 9:25 a.m. The break was extended for twenty minutes at 9:30 a.m. The meeting resumed in open session at 9:52 a.m.

Preparer's note: Due to operator error, the meeting audio was not recorded from 9:52 a.m. until the Board returned from executive session at 10:45 a.m.

Mr. McShane reported that tier 2 acreage had been corrected on pages three and five to read "Between 0.0751 and 0.150 acres" and in section 6.1, the Lorayne J service area monthly flat rate water fee had been corrected to "$115.99 monthly, billed bi-monthly".

Director Huffman moved to adopt Resolution 2018-01 setting the Rates, Charges and Assessments Roll - Tiers and Tolls, Surcharges applicable to certain locations or services, USBR debt payments, and excess water rates for 2018, as corrected. Director McKenzie seconded the motion and it carried unanimously.

STAFF REPORTS:

Finance Manager: Mr. Drummond reported regarding:

- 2017 year end accounting
- Last 2017 payroll and benefits
- Delinquencies, notifications and potential foreclosures. Letters would be sent to 29 accounts remaining on the potential foreclosure list.
- Draft December 2017 statements to be presented at the next board meeting. Updated reports to be reviewed by Finance Committee.

Engineering/Operations Manager: Mr. McShane said he would combine his report with the District Manager report.

Land & Water Resources Manager: Mr. Defoe displayed the usbr.gov diagram of Major Storage Reservoirs in the Yakima River Basin and Yakima River 5 Reservoirs graph, and spoke about storage. He displayed the usda.gov Washington SNOTEL Current Snow Water Equivalent (SWE) % of Normal map and line graphs, and spoke about snow pack compared to previous years. He displayed the noaa.gov temperature and precipitation graphs for Oct 2017 through Sept 2018 and spoke about weather conditions. He displayed the noaa.gov SST Anomalies 06 Dec 2017 map and monthly prediction maps, and spoke about La Nina conditions.

Mr. Defoe noted that the NWRA Leadership Forum would be held in Las Vegas later this week.

District Manager: On behalf of Mr. Freeman, Mr. McShane reported regarding:

- Lower River Subcommittee meeting
- Executive and implementation meetings
- Mandatory training scheduled for January 17th
- USBR meeting regarding what KID calling on storage would mean scheduled for January 12th

- Planned earthwork on the KID campus
- State trapper activities
- Concrete work at head end of Badger Canyon preparatory to earthwork and lining
- Residential encroachments at Candy Mountain removed and lining being completed
- Vegetation management program and pre-emergent applications

Corrections for the easement agreement were noted: On page 1 the unit should be SF, not acres. The Board President signatory should be updated to President Dennis.

WORKSHOP: None

At President Dennis's invitation, Director Venkata spoke briefly regarding his impressions of the Board proceedings.

Director Huffman passed the gavel to President Dennis.

EXECUTIVE SESSION: At 10:15 a.m., on behalf of the presiding officer, Mr. Iller announced that the Board would go into executive session at discuss with legal counsel representing the agency pending litigation, pursuant to RCW 42.30.110(1)(i), as relates to Acquavella adjudications, for 20 minutes until 10:35 a.m. He said action was possible in open session following executive session, but was not expected.

Executive Session was extended for ten minutes at 10:35 a.m.

OPEN SESSION: Open session resumed at 10:45 a.m.

Director Huffman moved to adjourn. Vice President Rathbun seconded the motion and it carried unanimously.

Attest:

Dean Dennis
Board President

Witness:

Jason McShane,
Engineering/Operations Manager

Approved February 6, 2018

Prepared by Doris Rakowski