



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
 Griffin Hanberg
 Arland Ward

Staff Present:

Charles Freeman, District Manager
 Jason McShane, Engineering/Operations Manager
 Stuart Dezember, Comptroller/District Treasurer
 Melissa Olheiser, Accounting Supervisor
 Matt Berglund, Public Relations Coordinator
 Ben Woodard, Assistant Engineering Manager
 Lori Gibson, Executive Assistant to Engineering
 Doris Rakowski, Executive Assistant

Other Persons Present:

John Crotty, Western Legal
 Eight members of the public

APPROVAL OF AGENDA: Director Rathbun 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 Special Meeting, July12, 2022
2. Final Plat Crimson Hills
3. Vouchers/Warrant Approval

Accounts Payable:

Numbers:

	84440	through	84486	\$ 266,039.66
Bank Drafts	FSA			\$ 883.34
Bank Drafts	General			\$ 2,684.99
Bank Drafts	AP			\$ 106,341.81
Total Accounts Payable				\$ 375,949.80

Payroll:

Numbers:

	0	through	0	\$ -
Direct Deposit		9/6/2022		\$ 151,632.14
Total Payroll				\$ 151,632.14

Voided Checks:

	None			\$ -
Total Disbursements				\$ 527,581.94

PUBLIC COMMENTS:

Anthony Nagel, 1210 Kensington Way, Brookshire Estates Homeowners Association President. Mr. Nagel addressed the board regarding the history of his neighborhood's private line area, and their efforts in 2016 and 2021-2022 to have KID take over the system. He reported that the 2021 advisory vote after a public meeting was in favor of the idea, however the neighborhood could not agree to accepting liability for the pipeline that provides water to the subdivision. Mr. Nagel said the HOA was denied a franchise agreement by the City of West Richland. He said there was an

engineering and operations design to do the transfer, but KID did not anticipate being able to do the work for five to ten years. The HOA learned that it would be acceptable to cut the streets as soon as 2024 but would not be able to do the construction.

Doug Rybarski, 1122 S Willow PR in Kennewick. Mr. Rybarski described his previous irrigation system. He noted that he was grouped in with parcels on Tranquility Lane, but there never was an election for watermaster. Mr. Rybarski said he went his own way and hired a licensed engineer and contractor, but the neighbors just tied their existing pipes in. He reported he was approached by Watermaster Blain Barton who said they tied in illegally, and that Ben Woodard was aware of the situation. He asked how Ben could know and let this happen.

Mr. Freeman agreed that they connected to the system illegally and were being disconnected. The issue was being addressed today.

Mr. McShane confirmed that Tranquility Lane was the connection point. The connection was isolated and turned off, and this was the first time KID knew that the Willow side had connected. KID staff would follow up and physically verify the situation in the field. KID did not allow unauthorized connections.

PRESENTATIONS:

Financial Reports, August 2022: Mr. Dezember presented highlights of report pages including:

1. Balance Sheet, as of August 31, 2022
2. Statement of Revenues & Expenditures – Budget to Actual, Period ending Aug. 31, 2022
3. Fund Balance Change, as of August 31, 2022
4. Cash Investment Report, as of August 31, 2022

Director Rathbun moved to accept the financial statements for the period ended August 31, 2022. Director Ward seconded. The motion carried.

PUBLIC HEARING: None

BOARD REPORTS: None

ACTION ITEMS: None

RESOLUTIONS:

Resolution 2022-39, Authorization for Collection of Surcharges for PLA properties in the MC 23.2-4 Benefit Area: Mr. McShane presented the request to establish surcharges to allow construction of infrastructure for the benefit of a specific group. He spoke briefly about the history of private line areas (PLA) in the district and the challenges they present.

Mr. McShane explained how assessments were established to cover all costs and noted that KID was not a for profit agency. He spoke about cost of the new delivery construction and how it would be recovered.

Mr. McShane displayed a map of the MC 23.2-4 service area and spoke about properties included. He said water used to come from the canal through an open lateral, but as the area was improved, the Clotfelter master plan was created. This was similar to the Cherrycreek master plan to eliminate open weir boxes. He said two delivery points were provided with the assumption that owners would connect at some point.

Mr. McShane said direct connections had not been allowed and unauthorized direct connection to the pressurized system would be investigated. He said his understanding was that Tranquility Lane had their own pump station but instead connected to the pressurized system. The water was throttled to non-pressurized through a butterfly, but customers were paying pressurized rate as pressurized water was available.

Mr. McShane said the surcharge would provide for future construction to provide irrigation water directly to the customers instead of through the PLA. Cost of construction was estimated at \$959.52 per EIU. Future properties subdivided would have to pay the same connection cost.

In the event enough interested property owners wanted to proceed, when construction was complete, cost must be repaid. Mr. McShane reviewed terms of the payment options. He noted that the surcharge is not designed to make money.

Mr. McShane said this plan was similar to past options and recommended approval.

Mr. McShane spoke about the Oakhills area and explained how such projects were handled with incomplete participation at the outset. He said the only difference here was the unauthorized connection. He noted that PLA connections to pressurized networks had been allowed in the past, but the PLA would be responsible for the system and any damage.

Mr. McShane said adequate participation was considered to be about 50% in the area, but it would be up to the board to determine the best course of action. He spoke about staffing levels and said he did not anticipate building until next year at the earliest.

Mr. McShane confirmed to Director Ward that PLA services were installed.

In response to a question from Director Rathbun, Mr. McShane clarified that providing pressurized water to the PLA was temporary, with the intention that it be upgraded to a pressurized service area (PSA) in the future. He said there was still water at the traditional weir box. Mr. Freeman said the neighborhood could repair their pump and not need this project. The proposed project would eliminate the need for a watermaster.

Mr. Rybarski said there was no provision to tie the pressurized line to existing lines. A \$3,000 pump repair was needed but Blain Barton chose to connect instead. He said they need to unhook as was required of him.

Blain Barton said he was asked by neighbors to act as watermaster and had been doing so for about eight years. He said he lived on Tranquility Lane with the pond on his property. The assistant watermaster lived on Willow with the weir box on his property.

Mr. Barton said KID put the pressurized system to their property line. He said they were happy paying for unpressurized water but received a letter this year saying they would be charged pressurized rates though they were not receiving pressurized water. He said they would like a pressurized connection if paying for a pressurized line. Mr. Barton reported that the pump failed this year and since they were paying pressurized rates, contacted KID. He said they were not told yes or no or requested to do anything. He said they throttled amount of water being provided, but if Willow were also connected, they would not have to run an overflow.

Mr. McShane said that when a property owner signed a service agreement they were required to pay. The commitment runs with land. He said that at the point of connection, the existing PLA

would no longer receive water. Side-by-side systems would not be allowed in this case. Shut off happened Thursday last week. More than 50% of paperwork was provided. Following board action staff would contact property owners regarding participation.

Willow was also turned off on Thursday and was back to using the weir box and their own pump.

Director Rathbun moved to approve Resolution 2022-39 Authorization of Collection of Surcharges for PLA properties in the MC 23.2-4 Benefit Area. Director Ward seconded. The motion carried.

STAFF REPORTS:

Finance Manager: Mr. Dezember reported regarding:

- Inventory for insurance renewal process
- 2023 budgeting process
- Delinquent accounts list and foreclosure process
- One customer asked for a waiver of interest and penalties

Engineering/Operations Manager: Mr. McShane reported regarding:

- Reduction in water use with cooler temperatures
- Tentatively, pending board action, October 12th would be the last full day of delivery
- Hiring progress
- New employee training
- Off season work preparation
- Central Storage Reservoir Design Committee meeting to follow the board meeting

Land & Water Resources Manager: On behalf of Mr. Defoe, Mr. Freeman reported regarding:

- Realty Committee scheduling
- Real Property Manager position
- Interest in properties being steered toward lease option
- Informational meeting with realtors to explain KID's lease direction recommended
- Progress on the agricultural leases
- Remote option for WSWRA meeting in Manson
- Conversation with Jennifer Carrington
- Webinar regarding small storage funding opportunities
- Archeologist making test pits for environmental review process
- Kachess dam repair repayment. KID objected to the request to indemnify the federal government for their own negligence and was waiting for a reply.

District Manager: Mr. Freeman reported regarding:

- Riverfest – Saturday, October 8th from 10:00 a.m. to 3:00 p.m. Volunteers needed.
- WaterSMART grant awarded for \$2 million

WORKSHOP: None

EXECUTIVE SESSION: At 10:09 a.m., Mr. Freeman announced on behalf of the presiding officer that the board would go into executive session beginning at 10:15 a.m., following a short break, 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 about 20 minutes, ending at 10:35 a.m. unless extended.

Members of the public left the Board room or were moved to the Zoom waiting room.

OPEN SESSION: At 10:35 a.m., the public was re-admitted, and open session resumed.

There being no further business, President Huffman called for a motion to adjourn.

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

Attest:

Witness:



Gene Huffman, Board President
Minutes Approved October 18, 2022



Charles Freeman, Board Secretary

Prepared by Doris Rakowski