

REGULAR MEETING  
BOARD OF DIRECTORS

May 8, 2012

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on May 8, 2012. The meeting was called to order at 8:00 a.m. by Board President Rocky Libbey. Those in attendance were:

BOARD

Rocky Libbey  
Brad Barnes  
Scott Sandum  
Dave Clark  
Bob Christopher

STAFF

Rodney L. Anderson  
Mary Lou Brooks

GUESTS

Mary Stutzman  
Arnold Baker

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Barnes made a motion and it was seconded to approve the April 10, 2012 minutes, budgets, trial balances and investments, as mailed. Motion carried unanimously.

ACCOUNTS PAYABLE

Secretary-Manager Anderson presented the accounts payable for review and approval. Accounts payable checks 11187 through 11228 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$148,479.90 and were broken down as follows:

Irrigation O & M Investment	\$62,878.64
Irrigation Construction	\$ 1,754.69
Domestic O & M Investment	\$44,184.72
Domestic Construction	\$ 97.56
Sewer O & M Investment	\$22,895.10
Sewer Construction	\$ 2,441.29
Willow Pt LID Fund	\$14,227.90

A motion was made by Director Sandum and was seconded to approve the accounts payable as listed. Motion passed unanimously.

MANAGER'S REPORT

After many phone calls and conversations with Chelan County PUD they have recalculated the District's percentage share of transmission line O&M contract. We had budgeted \$78,000 per year for the next three years. After several discussions, it was determined to review the calculations for repayment. Under the old calculations we were responsible for 75% of the work done. Under the new calculations we are responsible for 35.64%, with a credit of \$54,058.23 which was billed and paid over the past 6 years.

Domestic: We currently have consultants hired by the Washington State Department of Health (DOH) evaluating our Water Treatment Plant, as well as our distribution system to give us some input on how we may be more efficient in our operation. Concurrently, the DOH is performing a bi-annual sanitary survey of our facilities.

Sewer: We will be starting the downtown sewer project on Monday, May 14<sup>th</sup>, after Manson's Apple Blossom this weekend.

### OLD BUSINESS

Director Sandum stated that Cork Ott purchased the boom truck from TNT crane after they closed the business; therefore, he has two boom trucks available for rental in the Manson area.

Director Barnes made a motion and it was seconded to amend the meter location policy, wording it to make 150' the maximum length from a mainline for a service, but giving the Board the ability to review appeals on a case-by-case basis making exceptions as needed. Motion carried unanimously.

Director Clark made a motion and it was seconded to add language to the 'Standby and Weekend Pay' employee policy establishing one hour of overtime pay for being on standby for the Water Treatment Plant operator on off-hour duty.

Arnold Baker gave an update to the Board members regarding the work thus far by the ERU Committee, comprised of himself, Mary Stutzman, Bob Knaus, Rocky Libbey and Rod Anderson. He stated that they are in the process of evaluating a simplified policy for water and sewer ERU classifications of non-residential customers. The policy would be built around actual water use and establishing a water and sewer ERU rate based on the previous 12 month usage. The committee wants to see the policy more fair and equitable to all customers of Lake Chelan Reclamation District, including business. They believe the policy should be more in line with usage for businesses to promote conservation and easier to classify for individual residences and apartment complexes. The committee will continue working on the ERU issues, bringing a recommendation to the Board upon completion.

Director Barnes made a motion and it was seconded to accept the ERU Committee recommendation to change the 'mother-in-law' living space to one-half water and sewer ERUs, as well as paying one-half the water and sewer hookup fees for this addition. Motion passed.

### NEW BUSINESS

Director Barnes made a motion and it was seconded to appoint Jennifer Collins as Deputy Auditor for the remainder of 2012. Motion carried.

Secretary-Manager Anderson reported to the Board that two Conveyance Agreements have been signed, notarized and accepted for domestic mainline infrastructure installed in two developments. Those developments being Ric Owens' project 'The Nest' and Lee Vorwerk's mainline extension.

The Manson Community Library sent a 'thank you' card with regard to the lease extension with no increases, which Secretary-Manager Anderson read out loud.

The Board members were given an updated packet of information for the employee's medical, dental, vision and life insurance premiums renewal. A 10% increase was included in the 2012 budget for the projected premium increase. Medical has gone up, but dental has dropped, therefore making a smaller increase in premium amounts. Under the current plan, District premiums would increase about 12 percent. If we change to the Solutions 500 plan, we will have comparable coverage with lower premiums. After some discussion, it was recommended by the Board to extend the Solutions 500 medical insurance plan, paid in full, to the full-time employees. If the consensus of the employees would like to upgrade to the Choice 3 medical insurance plan, they may do so with the understanding they will pay the difference in premiums out-of-pocket. The Board also opted to offer supplemental insurance plans for critical illness, 24 hour accident, and family legal protection at employee expense if anyone is interested.

PUBLIC COMMENT

There was no public comment at this meeting.

EXECUTIVE SESSION

At 8:55 a.m. Board President Rocky Libbey recessed the meeting until 9:00 a.m. as allowed under RCW 42.30.110 to discuss litigation issues. The regular meeting was reconvened at 9:10 a.m.

ADJOURNMENT

Being no further business to come before the Board, Board President Rocky Libbey adjourned the meeting at 9:10 a.m.

Signed: \_\_\_\_\_  
President

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\_\_\_\_\_  
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Attest: \_\_\_\_\_  
Secretary-Manager

May, 2012