

REGULAR MEETING
BOARD OF DIRECTORS

June 12, 2012

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on June 12, 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

Robert Peebles
Nat Bender
Jim Colbert
Michael Para

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Barnes made a motion and it was seconded to approve the May 8, 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 11229 through 11291 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$774,091.25 and were broken down as follows:

Irrigation O & M Investment	\$111,305.39
Irrigation Construction	\$ 733.80
Domestic O & M Investment	\$246,585.46
Domestic Construction	\$ 6,962.13
Sewer O & M Investment	\$346,746.09
Sewer Construction	\$ 26,758.38
Sewer Capital Reserves	\$ 35,000.00

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

MANAGER'S REPORT

Irrigation: There was another leak at the corner of Roses and Wapato Lake Road, which turned out to be a faulty repair made 3-4 years ago that probably had been leaking for quite a while.

Secretary-Manager Anderson met with RH2 to discuss long-range plans for the irrigation system. We are discussing replacement of LC and A pumps and motors, which are 40 years old, and exploring way to determine what would be the most efficient system.

Domestic: There is a long-standing agreement with the County for use of our fire hydrants when cleaning streets. Secretary-Manager Anderson stated that he requested them to document their water usage for our Water use Efficiency Report.

The report from the consultants looking at our Water Treatment Plant was very favorable. They did not find any productivity issues that we need to address and were impressed with our operator knowledge. They feel our guys have been doing an outstanding job and we are far below any DOH levels of concern.

Our 2012 Sanitary Survey of the WTP came back and we have two minor issues to resolve. A screen on the over flow, which has already been taken care of; and one cross-connect concern will be finished by the end of this month. Both of these issues have been in existence since the plant was put online.

The 2011 Drinking Water Quality Report, which is provided for your review, will be distributed to LCRD customers with their May/June bills. The 2011 Water Use Efficiency Report, also provided for your review, shows 7.8% in water lost. Anything below 10% is excellent.

At our request, S&B Inc. has prepared a bid of \$90,000 to upgrade the computer system at the WTP. Included in the bid are computers, server, and software upgrades for the office and control system. Also, included is the PLC upgrade which controls plant operation. This equipment is nearly 15 years old. We will be requesting additional bids for this upgrade and choose the most cost-effective for the District.

Sewer: An irrigation leak took place at the same time as the downtown sewer project. The project was completed on schedule, in spite of the extra work load.

One of our customers has complained to the Chelan-Douglas Health District on several occasions regarding foul odors at Lift Stations 1 and 2, but has never contacted our office. The Health District wanted to make us aware of these complaints, but had no concerns.

Lift Station 1A, serving Hyacinth Road, had a control system computer fail several weeks ago. We replaced it with the spare we keep on hand, but that leaves us without a backup unit and the version we have is no longer manufactured or supported. We are looking at a new and upgraded version to test in our system. The cost of the upgraded version is approximately \$7,500 for the hardware, plus \$3,000 to \$5,000 for programming. A motion was made by Director Sandum and was seconded to purchase the upgraded control system and test it at Lift Station 1A. Motion passed unanimously.

Dave Walters has been calculating the volume of water sent through the sewer system from the Water Treatment Plant as a by-product of the filter wash. We apparently have been sending more water than needed, and being charged by the City of Chelan for this extra water being sent to their waste water treatment facility. It is our hope to decrease the volume of water being sent to the City of Chelan. Rough calculations indicate we can cut our bill by one-third.

We had a couple of concerned customers indicate their concern for the Antilon Lake area. Over the Memorial Day weekend a large amount of garbage was left at the site. After considerable discussion, they will be taking their concerns to the Forest Service for a solution.

We have become aware of some cabins possibly being plumbed directly into the irrigation system. Secretary-Manager Anderson will be contacting the District's attorney to address our concerns, as well as the District's responsibility to this situation.

Mr. and Mrs. Anthony Medina have filed a claim for a broken window they believe occurred due to vibrations from our sewer project in front of their establishment. We will negotiate with Tony to see if he can do the work if we pay for the window.

NEW BUSINESS

Nat Bender stated to the Board his and his wife's concern over the noise from the new pump at LC pumping plant. He indicated that the pump is so loud that it wakes them at all hours of the night, and makes it uncomfortable during daylight hours. He would like something done to reduce or delete the noise put out by this pump at the end of the irrigation season.

Michael Para was present to ask the board to forego the cost of a full ERU hookup fee, and allow him to plumb one home and one garage with a living area to the existing waterline and have one meter service both living accommodations. After some discussion Mr. Para will have to abide by the District's policy and purchase an additional ERU hookup, as well as pay for the tap into the domestic line.

Robert Peebles from Chelan Fruit asked the Board members to consider testing the irrigation water for the Global Gap requirements. He has been in contact with the State to get their recommendations, as well as the frequency of the testing being required. There will have to be approximately 8 to 10 samples completed annually, one take from each irrigation subsystem. Robert Peebles will be in contact with Secretary-Manager Anderson on the specific Global Gap requirements, as well as the locations of the tests to be taken. After considerable discussion, a motion was made by Director Barnes and was seconded to implement a testing program for the orchardists in our District to assure they are compliant with the Global Gap requirements. This program will be reevaluated again next year. Motion passed unanimously.

We are interested in purchasing an E-Bill Module for our billing program. The initial cost is \$2,000, but could save approximately \$1,885 per year in office hours, printing bills and postage. Several customers have requested this service from the District. After some discussion, the Board agreed to purchase the software and implement an E-Bill system for customers who request the service.

The 2011 Annual Report was presented to the board for their review.

OLD BUSINESS

Secretary-Manager Anderson recommended the Solution 500 option for the employee medical insurance benefits renewal. The Solution 500 has a 4.8% increase, and the dental and vision insurance have not changed. A motion was made by Director Clark and was seconded to accept the contract for Solution 500 option for the employee medical insurance benefit renew. Motion passed unanimously.

PUBLIC COMMENT

There was no public comment at this meeting.

EXECUTIVE SESSION

At 9:30 a.m. Board President Rocky Libbey recessed the meeting until 9:40 a.m. as allowed under RCW 42.30.110 to discuss litigation issues. The regular meeting was reconvened at 9:40 a.m.

ADJOURNMENT

Being no further business to come before the Board, Board President Rocky Libbey adjourned the meeting at 9:40 a.m.

Signed: _____
President

Attest: _____
Secretary-Manager

June, 2012