

REGULAR MEETING
BOARD OF DIRECTORS

August 14, 2012

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on August 14, 2012. The meeting was called to order at 2:00 p.m. by Board President Rocky Libbey. Those in attendance were:

BOARD

Rocky Libbey
Brad Barnes
Dave Clark
Bob Christopher

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Ron Studham
Larry Jungk

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Barnes made a motion and it was seconded to approve the July 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 11337 through 11384 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$428,759.69 and were broken down as follows:

Irrigation O & M Investment	\$ 73,661.77
Irrigation Construction	\$ 86,467.84
Domestic O & M Investment	\$ 92,742.97
Domestic Construction	\$ 8,231.87
Sewer O & M Investment	\$167,655.24
Sewer Construction	\$ -0-

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

MANAGER'S REPORT

Irrigation: We spent \$4,000 to \$5,000 in overtime in July due to long days doing repairs as a result of the severe electrical storms. We also spent \$7,000 to \$8,000 for spare parts due to equipment being blown out in the storms.

Administration: We are in the process of rebuilding our website to make it easier for our customers to get current information about the District.

Many of our field radios are going to have to be replaced with newer radios by the end of the year, as new FCC regulations go into effect beginning January 1, changing from broad band to narrow band. Each radio will cost the District around \$600. Approximately 2/3 of the radios need to be replaced, because of their age; but 1/3 of the radios can be reprogrammed. The base radio in the office will also need to be replaced; it was purchased in 1984.

The District hired Jim Harding to take three truck-loads of scrap metal to Spokane. We received \$6,938.10 and paid Lakeshore Excavation \$1,816.08 for his services, with a net profit of 5,122.02.

OLD BUSINESS

Medina's claim for their window is \$462.67, which has been submitted to our insurance. As soon as the insurance finishes up their paperwork and sends us a bill, we will be paying it off, as it is below the \$1,000 insurance limit.

The fencing for the LC irrigation intake will cost approximately \$12,000. Using the fence to alleviate the pump 6 noise is not considered to be a very good fix. If installed, the fence would be more for security purposes. With the help of RH2 Engineering and a noise control manufacturing company, we have looked into the purchase of acoustical panels that appear to have a much better chance of dampening the high frequency noise. A shroud design is proposed which would allow adequate air flow to the motor and yet hopefully dampen the noise output. This approach looks to have the best chance to mitigate the noise problem. The shroud will cost approximately \$2,000 to test. Ron Studham was invited to join the conversation and stated his concerns as a homeowner in Mill Bay Estates.

The District is proposing raising our penalty fees as an incentive for the habitually late customers to pay their bills on time. We currently charge late fees of 1% per month, and if the account is turned off for non-payment, then a turn on fee of \$20. Our proposed rates are as follows: Late fee of 1% or \$10, whichever is greater; Shut Off fee \$30; Turn On fee during working hours \$30; Turn On fee after working hours \$90. These proposed fees are very much in line with other communities in our area. After a little discussion, Director Barnes made a motion and it was seconded to approve the new penalty fees beginning with the October/November billing cycle. Motion carried unanimously

Ryan from RH2 has been assisting the District with the Rocky Pointe Development, and proposed plans have been provided to the Board to review. The developer is looking for a recommendation from the Board so they can proceed with the domestic water plan at the Development. After some discussion, the matter was tabled for review at a later date when they can discuss it further with Don Phelps and Ryan from RH2.

After some discussion, the Board agreed to exempt the Lakeshore Drive short plat from the 150' lost line policy. This will be according to previous discussions, as well as in the District's best interest.

NEW BUSINESS

The Water Treatment Plant access road needs a seal-coat applied, which will cost the District approximately \$3,200. The bid includes prepping, cleaning, filling cracks, asphalt sealer for about 22,000 square feet, as well as parking lot restriping.

The District office parking lot is also in need of some attention. The preferred option is to apply an overlay on the lot, but the bid came in at \$12,875 plus tax. After some discussion, the Board recommends the Secretary-Manager Anderson to look into chip sealing.

Secretary-Manager Anderson recommends the board to authorize keeping a temporary employee through the winter months. The District has many maintenance projects to keep a temporary employee busy throughout the next year and we can reevaluate our employment needs next fall. After some discussion, the Board approved this recommendation.

PUBLIC COMMENT

There was no public comment at this meeting.

ADJOURNMENT

Being no further business to come before the Board, Board President Rocky Libbey adjourned the meeting at 3:08 p.m.

Signed: _____
President

Attest: _____
Secretary-Manager

August, 2012