

REGULAR MEETING
BOARD OF DIRECTORS

June 11, 2013

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on June 11, 2013. The meeting was called to order at 8:00 a.m. by Board President Robert Christopher. Those in attendance were:

BOARD

Bob Christopher
Scott Sandum
Brad Barnes
Dave Clark
Paul Mogan

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Larry Jungk

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Sandum made a motion and it was seconded to approve the May 14, 2013 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 11835 through 11887 (including an EFT payment to Dept. of Revenue for Excise Taxes) totaled \$758,219.73 and were broken down as follows:

Irrigation O & M Investment	\$107,605.62
Irrigation Construction	\$ 870.62
Domestic O & M Investment	\$263,861.74
Domestic Construction	\$ 16,543.44
Sewer O & M Investment	\$297,807.37
Sewer Capital Reserves	\$ 70,000.00
Sewer Construction	\$ 1,530.94

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 are scheduled to have a USBR inspection on June 25, which is to inspect and advise us on hazardous material storage.

Domestic: Pine Street Replacement will be finishing up next week.

A downtown manhole was moved and re-plumbed, in conjunction with the County's road and sidewalk work, and a new meter and backflow assembly has also been installed for the downtown business association. The County will maintain the water line, while we will maintain the backflow assembly. This system waters the plants and flower planters along the main downtown corridor.

Sewer: Nothing to report at this time.

Administration: In 2011 LCRD had 5 Domestic and 3 Sewer hookups.
In 2012 LCRD had 7 Domestic and 7 Sewer hookups.
To date in 2013 LCRD has 15 Domestic and 12 Sewer hookups.

The 2012 Annual Report has been finished and mailed to the State Auditor's office.

Board President Bob Christopher and Secretary-Manager Rod Anderson went to Antilon Lake to inspect any damage incurred after the Memorial Day weekend. To their surprise, it was cleaned up very well. Four dumpsters had been requested from Zippy, of which we will pay half of the cost.

Chad Gosvener was hired to fill the Utility Operator position recently advertised. Chad will have a probationary period of six months. There were five individuals on the interview committee, who interviewed five candidates for the position.

OLD BUSINESS

Approximately \$28,000 in delinquent irrigation assessments was in arrears at the end of May. Of that amount, approximately \$17,000 has been paid, with one property actually being started in the foreclosure process. The owner of the delinquent property on Wapato Point has made a payment so we are waiting to see what happens in the future before pursuing any further.

Manager Anderson has spoken with the employees and they were in favor of staying with the health insurance we currently have. The insurance will be extended for 18 months, through December 2013, and the amount paid will not change during that time. After considerable discussion Director Clark made a motion and it was seconded to keep the insurance package offered to the LCRD employees "as is." Motion carried unanimously

Manager Anderson stated that we currently have 86 acres over planted, but we are under the 6,336 total irrigable acreage allotted by the Bureau by 45 acres. Out of the 86 acres, approximately 80 have been reclassified as irrigable. We are currently compliant with the Bureau, but waiting on our request to receive additional water. LCRD will also pursue getting the 45 acres back into usage, but need to decide the procedures to follow. Approximately 125 acres are on the waiting list for irrigation water, and agriculture land will be given preference.

Director Clark asked if there were any further complaints regarding the pumping noise at LC. Manager Anderson stated that there have not been any complaints this year.

NEW BUSINESS

A widely used investment firm has approached LCRD to see if there was any interest investing outside the Local Government Investment Pool. The funds are more aggressive, with a higher yield on return. The money is locked in for a specific amount of time until its maturity date. After some discussion, the Board was not interested in pursuing this further.

The Calendar of Events was presented by Manager Anderson for review and discussion.

PUBLIC COMMENT

Larry Jungk asked several questions regarding the backflow assembly device and its installation. The approximate cost of the backflow assembly device is \$125. The device should be installed at the road, as we are not allowed in a customer's home if we decide to test the device as a service to our customers. We may hire an independent contractor to do the inspections, at a cost to the customer, but that is not guaranteed at this time, and will have to be looked at. Several

cities are getting more aggressive to become compliant with the State requirements. Currently we are requiring all new hookups to install a backflow assembly device before they get hooked into the water system. We will also start getting the higher risk properties to be compliant at the earliest possible opportunity we have.

Manager Anderson stated that his home is for sale and they have a buyer. He stated that they may have to rent outside the District and wanted to know if this would be an issue for his employment. The Board members stated that they could not see any issues this may arise, as his employment does not mean he has to be in this District.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 8:56 a.m.

Signed: _____
President

Attest: _____
Secretary-Manager

June, 2013