

REGULAR MEETING
BOARD OF DIRECTORS

February 11, 2014

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on February 11, 2014. 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

OATH OF OFFICE

Scott Sandum was administered the Oath of Office for a three-year term.

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Barnes made a motion and it was seconded to approve the January 14, 2014 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 12225 through 12279 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$163,182.55 and were broken down as follows:

Irrigation O & M Investment	\$ 36,031.47
Irrigation Construction	\$ 3,615.95
Domestic O & M Investment	\$ 85,225.22
Domestic Construction	\$ 4,148.72
Sewer O & M Investment	\$ 34,161.19
Sewer Construction	\$ -0-

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

RESOLUTION

Resolution 14-01 disperses overhead costs by allocating 35%, 45%, 20% respectfully to the irrigation, domestic and sewer companies, and transfers irrigation assessment income from irrigation to domestic for irrigation rights served through the domestic system.

A motion was made by Director Sandum and seconded to approve Resolution 14-01 as proposed. Motion carried.

EQUIPMENT RENTAL RATES

Manager Anderson presented the Board with the 2014 Equipment Rental Rates sheet. A motion was made by Director Sandum and seconded to accept the 2014 Equipment Rental Rates as proposed. Motion carried.

MANAGER'S REPORT

Administration: Manager Anderson reported that he was in the process of ordering a new Ford F150 truck with a tool box in the bed of the truck through the state bid process.

Peter Becker from TVI was added to the Board meeting through a conference call to discuss with the Board the possibilities of alternate investment opportunities with capital funds. He explained to the Board the investments that public entities can participate in to earn more interest on their public funds. The investments need to be safe with little to no risk of loss. The interest rate through the Local Government Investment Pool (LGIP) is continually declining, with interest rates on Bonds being typically higher. Bonds are also a very safe asset that have never defaulted in their history. His company is currently working with other public entities with their investments, including City of Chelan. After all Board members' questions were answered by Peter Becker, the Board took the matter under advisement and will discuss the possibilities of contracting with TVI for future investments at the next scheduled Board meeting.

OLD BUSINESS

Manager Anderson has received no response from his letter to the Bureau. Although, Dave Reichert's office has responded saying they would make inquiries if we do not receive a response in a timely manner.

The 2011-2012 Audit exit meeting was held in our office on January 27th with Manager Anderson, Mary Lou Brooks, Bob Christopher, Scott Sandum and three members of the Auditor's team in attendance. Problematic items and solutions implemented since the audit were explained to the Board in detail. Included were the state bid process in buying vehicles; tagging of tools and equipment for better tracking; approval by the Secretary-Manager of all adjustments over \$25; immediately endorsing customer's checks at the counter; and inclusion of an attorney during all executive sessions discussing litigation issues.

NEW BUSINESS

Rod Anderson, Dave Walters and Jennifer Collins are meeting regularly to discuss the implementation of a cross-connect program for our District. They are reviewing Federal and State cross-connect laws for a District-wide policy. If we do not have a policy in place and something were to happen, we could be held liable. More details will be given at the next Board meeting.

PUBLIC COMMENT

Larry Jungk asked about stipulations regarding installing a back flow device in your home as opposed to outside and adjacent to the meter box. Will we come and inspect it if it's inside the customer's home? It was explained to him that we could not go into any customer's home for any reason, but a contractor could. If and when we implement a program in the future for testing the back flow devices, we would possibly contract with a company for their services.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 9:34 a.m.

Signed: _____
President

Attest: _____
Secretary-Manager

February, 2014