

REGULAR MEETING
BOARD OF DIRECTORS

March 11, 2014

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on March 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
Dave Clark
Paul Mogan

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Sandum made a motion and it was seconded to approve the February 11, 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 12280 through 12323 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$161,878.72 and were broken down as follows:

Irrigation O & M Investment	\$ 34,345.62
Irrigation Construction	\$ 28,713.40
Domestic O & M Investment	\$ 56,016.40
Domestic Construction	\$ 1,584.96
Sewer O & M Investment	\$ 41,218.34
Sewer Construction	\$ -0-

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

RESOLUTION

Manager Anderson presented the Board with Resolution 14-02, Authorizing Investment of Lake Chelan Reclamation District Monies in the Local Government Investment Pool. The Resolution is required by the Local Government Investment Pool (LGIP) in order for us to continue using the pool.

A motion was made by Director Clark and seconded to approve Resolution 14-02 as proposed. Motion carried unanimously.

Manager Anderson presented the Board with Resolution 14-03 Cross-Connection Control Policy. The Resolution is per state requirements in WAC 246-290 giving Lake Chelan Reclamation District authority to protect the water distributed to our customers. All new buildings and

customers that have created high hazard situations are being required to install the backflow assembly device. We are in the process of notifying current customers of the state laws and working with them to bring them into compliance. We are using the state list for guidance, beginning with the highest known hazards and working down their list.

A motion was made by Director Sandum and seconded to approve Resolution 14-03 as proposed implementing the cross-connect program. Motion passed 2-1 with Director Mogan voting nay.

MANAGER'S REPORT

Administration: Manager Anderson is in discussions with RH2 Engineering to update our Irrigation Conservation Plan. The plan would have two phases. Phase I will begin in 2014 lasting two to three months at a cost of approximately \$31,000, which is included in our budget. This phase will include a water model of the irrigation system showing acreage capacity on each system and including where we could apply additional water if it becomes available. The model will include pumps, pipe sizes and what acreage is already being served. Phase II is scheduled for 2015 and will primarily be an evaluation of the current irrigation system and prioritizing future improvements needed for continued reliability system wide.

Christina Davis-Kernan from the USBR called Manager Anderson in response to management's letter requesting additional acres of irrigation. The Irrigation Conservation Plan will give us valuable information the Bureau will require in order to justify where additional acres could be applied. Our water rights currently state 6600 acres, but the USBR has allotted our District with 6336 when the system went in. The USBR is discussing a request for an additional 264 acres, bringing the total acreage up to 6600. We have to prove that our system can pump the water to the additional acreage. It was also brought to the Board's attention that a policy stating our process for adding any additional acreage to the irrigation system was needed.

On March 2, a car hit a power pole at approximately 8:30 pm and shut down the power to Lift Station #4. District on-call personnel mobilized our backup generator and pumped down the Lift Station around 10:00 pm, then were able to leave for the night. The power was reinstated at approximately 7:00 am the next day, with no further problems.

Manager Anderson informed the Board members that we are now leasing a new copier, and need to get dispose of the old copier, as it is taking up space. After some discussion, a motion was made by Director Sandum and seconded to scrap and discard the old copier due to its lack of value. Motion passed unanimously.

Manager Anderson stated that he would be out of the area on vacation for the next Board meeting and would like to change the date. After some discussion, it was agreed that the next Board meeting will be Tuesday, April 15, 2014 at 8:00 am.

OLD BUSINESS

Director Christopher and Manager Anderson had a telephonic meeting with Peter Becker from TVI Investments. TVI Investments receive 0.1% to 0.4% of Bonds purchased as their fees. Bonds are saleable at any time and earn approximately ten times more than what we currently earn from the LGIP. Peter suggested a ladder system investing approximately \$500,000 each year for three years. Manager Anderson will work with Peter Becker to set up the intermediary bank to get the paperwork started in the event the board wants to pursue this option.

NEW BUSINESS

There was no new business at this meeting.

PUBLIC COMMENT

There was no public comment at this meeting.

ADJOURNMENT

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

Signed: _____
President

Attest: _____
Secretary-Manager

March, 2014