

REGULAR MEETING
BOARD OF DIRECTORS

July 8, 2014

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on July 8, 2014. The meeting was called to order at 3:00 p.m. by Board President Robert Christopher. Those in attendance were:

BOARD

Bob Christopher
Dave Clark
Paul Mogan

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Larry Jungk
Keith Nelson
Suzie Nelson

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Mogan made a motion and it was seconded to approve the June 10, 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 12645 through 12686 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$195,477.56 and were broken down as follows:

| | |
|-----------------------------|-------------|
| Irrigation O & M Investment | \$86,794.10 |
| Irrigation Construction | \$ 151.95 |
| Domestic O & M Investment | \$51,000.66 |
| Domestic Construction | \$ 13.76 |
| Sewer O & M Investment | \$57,517.09 |
| Sewer Construction | \$ 0.00 |

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

MANAGER'S REPORT

Irrigation: The USBR is requesting LCRD to identify where the water will be allocated before we possibly receive the additional requested acreage. We are discussing this issue and may have Christi, the Ephrata contract specialist, attend a meeting in the future to answer questions about this process. RH2 has the irrigation model mostly finished and is moving forward with field and scenario testing.

Water tests have come back and the numbers are in line with past years. Copies are available to the orchardists in the office or on our website.

Sewer: We are currently waiting to hear from the City of Chelan with regard to the new agreement regarding the Northshore Sewer Interceptor.

Administrative: AT&T is requesting an addition of a diesel generator at their tower within the Water Treatment Plant's facilities. Manager Anderson is meeting with the District's attorney to work on an addendum to the AT&T contract that includes this addition, as well as a clause about when their employees can access their equipment. Verizon is also inquiring about adding a tower on our premises for upgrading their services.

OLD BUSINESS

Keith and Suzie Nelson were in attendance to inquire about a setback waiver on Swartout Road. They explained that where they were wanting to build on their property was too close to a platted ditch line owned by LCRD. Their building site is 80 feet from the property line instead of the required 100 feet. In order to build at their preferred place, Chelan County is requiring they obtain a waiver signed by the District before they will be able to obtain the permits needed to proceed with their home. On recommendation by the District's attorney, an Indemnity and Hold Harmless Agreement benefitting LCRD will also be signed by the Nelsons. After considerable discussion, the Board approved Manager Anderson signing the Agreement for the Nelson's benefit. Director Clark made a motion and it was seconded for Manager Anderson to obtain an Indemnity and Hold Harmless Agreement with the Nelsons on behalf of LCRD. Motion carried unanimously.

NEW BUSINESS

Manager Anderson explained to the Board that as required by the state we are in the process of implementing the Domestic Water Use Efficiency Program Goals, which are a part of our 6-year Domestic Water System Plan. After some discussion, Director Mogan made a motion and it was seconded to accept the Domestic Water Use Efficiency Program Goals as presented by manager Anderson from the Domestic Water System Plan. Motion carried unanimously.

Manager Anderson further explained to the Board that the Domestic Water System Plan has been available for review and discussion by Board members, as well as all LCRD customers upon their request and the District has not received any comments. After some discussion, Director Clark made a motion and it was seconded to accept the Domestic Water System Plan as presented. Motion carried unanimously.

PUBLIC COMMENT

Larry Jungk inquired as to LCRD's knowledge of any customers stealing water. Manager Anderson indicated that the District has encountered a few, but they are sporadic and cannot confirm they were knowingly stealing the water. Each situation found like this has been rectified.

Larry Jungk also inquired about any paving projects in the future on Willow Point Road. Manger Anderson stated that there is no project in the near future, but is on the list to be fixed at some future time.

Larry Jungk inquired further about class 6, non-irrigable lands, if anyone has applied for irrigation water. Manager Anderson stated that before any water would be allocated on class 6 lands, a reclassification by the USBR would be required.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 3:42 p.m.

Signed: _____
President

Attest: _____
Secretary-Manager

July, 2014