

REGULAR MEETING  
BOARD OF DIRECTORS

January 13, 2015

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on January 13, 2015. The meeting was called to order at 8:00 a.m. by Board President Robert Christopher. Those in attendance were:

BOARD

Bob Christopher  
Brad Barnes  
Dave Clark  
Paul Mogan

STAFF

Rodney L. Anderson  
Mary Lou Brooks

GUESTS

Mary Stutzman  
Larry Jungk  
Kari Grover Wier  
Mike Kaputa

OATH OF OFFICE

Brad Barnes and Dave Clark were administered the Oath of Office for three-year terms.

ORGANIZATION OF THE 2015 BOARD OF DIRECTORS

Director Barnes made a motion and it was seconded to suspend the 2014 Board and Director Clark nominated Robert Christopher as the 2015 Board President and Scott Sandum as the 2015 Board Vice President. The motion passed unanimously.

APPOINTMENT OF OFFICERS

Director Clark made a motion and it was seconded to appoint the following slate of District officers for 2015.

Secretary-Manager/Treasurer/Auditor – Rodney L. Anderson  
Deputy Manager – David Walters  
Deputy Secretary – Mary Lou Brooks  
Deputy Auditor – Jennifer Collins  
Deputy Treasurer – Mary Lou Brooks

Motion carried.

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Barnes made a motion and it was seconded to approve the December 9, 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 12928 through 12975 (including EFT payments to Dept. of Revenue for Excise Taxes and Dept. of Labor & Industries for 4<sup>th</sup> Quarter Payroll Taxes) totaled \$181,324.85 and were broken down as follows:

Irrigation O & M Investment	\$ 50,952.04
Irrigation Construction	\$ 17,540.67
Domestic O & M Investment	\$ 61,729.76

Domestic Construction	\$ 16,176.48
Sewer O & M Investment	\$ 34,925.90
Sewer Construction	\$ -0-

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

### MANAGER'S REPORT

**Irrigation:** Manager Anderson informed the Board that the final ending budget for 2014 is at 99% for Irrigation, 89% for Domestic and 94% for Sewer, with 101%.

Manager Anderson discussed the letter received from Ryan Patterson of the USBR Boise office recommending a contract amendment, without the ability to pay study portion. The letter stated the processes that needed to be accomplished by LCRD to acquire the additional 264 acres, several of which have already been done or in the process of being completed. He also stated that, after speaking with Christi, the entire process will take at least an additional year, if not longer. A motion was made by Director Clark and was seconded to draft a letter to Ryan Patterson in response and stating LCRD's interest in moving forward with their recommendations. Motion passed with two approvals and one abstain.

**Administrative:** After little discussion, it was agreed that there would be no further attention given to the Manson Business Association request for water on the non-irrigable field.

Dawn Wiedmeyer of the USBR has reiterated that marijuana growers cannot use the federal irrigation system, but the USBR has no objection the use of domestic water for their grow operations. After some discussion, the Board President stated that they will take no position on this matter.

Brock Gibson has resigned from LCRD as Electrician as of December 26, 2014 without notice. LCRD will begin advertising for an Electrician / Electronics Technician immediately to fill this position.

### NEW BUSINESS

USFS District Ranger Kari Grover, presented information regarding the USFS interest in Antilon Lake as a Holden Mine NRDA (Natural Resource Damage Assessment) Restoration Project. This has been identified as a possible mitigation project for NRDA. As part of this project it was identified years ago that LCRD may be interested in donating/exchanging District lands as long as the Antilon Lake dams were part of any exchange. Kari began her presentation stating that the USFS would not be interested in taking on the dams as part of the project but would like to discuss the option of the District donating lands or the less likely proposition of exchanging lands. After some discussion, the BOD was doubtful we would be interested in any arrangement that did not include the transfer of dams. Also, discussed was the way the Antilon Lake area would possibly be developed and the BOD expressed they would not like to see the area turned into a fee camping location and developed to that extent. They would be amenable to the possibility of some wetland enhancement but leaving the lands in a more native state.

Mike Kaputa, Director, Chelan County Natural Resource Department, spoke next on a related subject. Mike presented a series of Holden Mine NRDA projects identified, including Antilon

Lake, that would potentially involve District interests. Several projects involved cleanup/removal of abandoned water collection systems used historically by LCRD or its predecessors. Another project involved treatment of agricultural drains that eventually discharge into Lake Chelan. He informed the BOD that these projects are only considered options for possible mitigation at this time and it is unknown if or how much money may be allotted to do them. The board had minimal interest in the water collection system removal as they do have historical significance and if the reason is for fish passage, then it was questioned whether that is actually a factor or not. The board expressed some interest in the treatment of water being discharged into Lake Chelan as that has been a topic of conversation in years past. This type of treatment has been recognized as a viable way to help preserve the lake water quality.

### OLD BUSINESS

2015 Budget Adoption - Manager Anderson indicated his continued concerns with the irrigation budget and proposed a rate increase of \$10.00 per parcel and/or up to \$10.00 per acre. He also informed the Board that a new truck would again be purchased this year to replace one of the older ones we currently have. The budget also includes work being completed at the shop, our conference room, a forklift purchased if one can be found at the price indicated, and possibly an additional employee hired during the summer to train at the water treatment plant. After considerable discussion, a motion was made by Director Clark and seconded to increase the irrigation rate from \$90 per parcel to \$100 per parcel as well as increase the \$128 per acre fee to \$130 per acre beginning January 2015. Motion carried.

Manager Anderson presented the proposed 2015 Budgets, the proposed 2015 Rate Schedule:

Irrigation: \$130 per acre plus \$100 per parcel – \$10 per parcel rate increase  
Domestic: \$30 per month per ERU – no changes from 2012  
Sewer: \$50 per month per ERU – no changes from 2014

The irrigation increase is a direct result of meeting the future debt service needs of the Lake Chelan Reclamation District. Upon review and some discussion, a motion was made by Director Barnes and seconded to approve the 2015 Budgets and Rate Schedule as presented. Motion passed.

### PUBLIC COMMENT

Larry Jungk stated that he would like to see a camping area put in at Antilon Lake and believes it would be a very good place for one. He believes it would be significant to the economy bringing people to the area to use our resources.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 10:20 a.m.

Signed: \_\_\_\_\_  
President  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

Attest: \_\_\_\_\_  
Secretary-Manager

January, 2015