

REGULAR MEETING
BOARD OF DIRECTORS

April 12, 2016

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on April 12, 2016. 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

Larry Jungk
Mary Stutzman

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Sandum made a motion and it was seconded to approve the March 8, 2016 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 13628 through 13686 (including an EFT payment to Dept. of Revenue for Excise & Sales Taxes) totaled \$277,333.28 and were broken down as follows:

Irrigation O & M Investment	\$ 62,141.95
Irrigation Construction	\$ 51,733.42
Domestic O & M Investment	\$119,307.73
Domestic Construction	\$ 0.00
Sewer O & M Investment	\$ 44,150.18
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: Manager Anderson informed the Board that late Friday evening there was a significant power outage due to a rodent gaining access to a high-voltage side breaker and blowing three fuses. The outage affected C, D, and E pumping plants, as well as F for a short time. The Chelan County PUD was a big help getting the power back on, and Western Electric out of Sumner came Monday morning to service and clean the side breaker.

Secondly, at approximately 1:30 am Saturday morning, a car somehow got past our backhoe and through the barriers to fall into a hole at one of our job sites. We received the police report that stated there was drinking involved and a wrecker pulled the car out.

During irrigation startup we had to tighten up a repair band that had come loose, as well as a line break by Apple Eye. Both were repaired without incident, and all irrigation customers that had paid had water by the 1st of April.

The agricultural drain at Ford and Green has been cleaned up and draining adequately. We installed another manhole and will be adding an additional manhole to prevent the same water problems in the future.

We have inspected all agricultural drains and have found that only 2 of the 12 have the iron ochre problem previously discussed.

Domestic: Nothing to report at this time.

Sewer: Nothing to report at this time.

Administrative: Jarred Teague was hired as of March 25, 2016. He will be a valuable asset, as he already has a lot of the qualifications and certifications we were looking for.

Several of our employees took a Wellness Survey in regard to our health benefits. Since we had over 50% of our employees take the survey, our monthly bill went down by approximately \$534, thereby giving us an increase in medical insurance by only 3% or 4% for 2016.

We have received the first of two payments from FEMA regarding the power poles replaced by the PUD that were damages by last year's fires. We received \$95,450, with another \$79,000 to be received soon. That will be the final FEMA payment reimbursement from the fires, with the state 12.5% being questionable.

Manager Anderson presented a list of items that we either no longer have or need to surplus and get off the depreciation schedules, as they have no value. After the Board members reviewed the list and discussed some of the items, Director Clark made a motion and it was seconded to surplus the items as listed. Motion carried unanimously

OLD BUSINESS

There was not any Old Business scheduled for the meeting this month.

NEW BUSINESS

Manager Anderson presented a Capitalization Policy change making the threshold at \$5,000, up from the current \$2,500, making only significant items to be tracked and depreciated. The policy will be for Irrigation, Domestic and Sewer. After some discussion, Director Mogan made a motion and it was seconded to increase the Capitalization Policy from \$2,500 to \$5,000. Motion carried unanimously.

Jimmy and Lucinda Gilbert, as well as Adrienne Carpenter for the Harriet Morehead Trust, have filled out paperwork to relinquish their irrigation allotments. Both have small lots and do not use enough water to justify keeping their allotments with the current rates. They have paid their 2015 assessments, as well as realize they will be paying the \$76.00 to cover the recording fees. After

some discussion, Director Clark made a motion and it was seconded to accept the Agreements for Relinquishment of Water Rights for Gilberts and Harriet Morehead Trust. Motion carried unanimously.

In the fall, before setting the Equalization Rolls, we will be sending letters to customers with small lots to educate them regarding relinquishment of irrigation allotments.

PUBLIC COMMENT

Larry Jungk made several comments regarding Board responsibilities, as well as generator purchase information.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 8:44 a.m.

Signed: _____
President

Attest: _____
Secretary-Manager

April, 2016