

REGULAR MEETING  
BOARD OF DIRECTORS

December 13, 2016

The Board of Directors of Lake Chelan Reclamation District met for their rescheduled regular Board meeting at the office of the District on December 13, 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  
Todd Jeffries  
Nate England

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Sandum made a motion and it was seconded to approve the November 15, 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 14039 through 14092 (including an EFT payment to Dept. of Revenue for Excise & Sales Taxes) totaled \$219,222.20 and were broken down as follows:

Irrigation O & M Investment	\$ 44,441.91
Irrigation Construction	\$ 0.00
Domestic O & M Investment	\$ 92,886.69
Domestic Construction	\$ 0.00
Sewer O & M Investment	\$ 67,665.70
Sewer Construction	\$ 14,227.90

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

MANAGER’S REPORT

Irrigation: K&N Electric has repaired and returned a motor that burned up last summer. Eastside Electric has picked up a second motor that had a vibration during the season. They will be repairing it and returning it when finished with repairs.

Manager Anderson explained that he is requesting RH2 Engineering to assist with our irrigation electrical comprehensive plan. The plan will consist of evaluating all electrical requirements and controls of the irrigation plants including an arc flash safety study. The entire plant analysis will take two years. He would like to start with the electrical evaluation in 2017, collecting data for the pumps and motors, all electrical components, testing and summary of each plant, as well as a vibration analysis for each plant. When the comp plan is completed, we will have to go out for bids for the replacement projects. This is the first initial step, and will give us a plan moving forward, as well as the condition of the equipment at each plant.

The B-4 lateral line break has been settled and closed by Enduris. We were reimbursed our out-of-pocket costs of approximately \$16,000, as well as the Gebbers Farms claim.

Domestic: The Chelan Fruit building had a significant water leak for several weeks from a 2" water line, bringing their excess domestic water bill to \$20,452. The water was turned on for an inspection during the sale of the second building, and never turned back off. The scrubbers had the leak which went into the holding tank, then to the stormwater system. After considerable discussion a motion was made by Director Clark and was seconded to take 50% off their domestic excess bill if our costs have been covered. Motion failed. After further discussion of a 25% rebate amount, a motion was made by Director Clark and was seconded to split the difference and charge them 67% of their domestic excess, therefore making them responsible for their negligence. Motion passed with 2 yes, and Director Sandum opposing the motion.

Sewer: Nothing to report at this time.

Administrative: Manager Anderson informed the Board members that he had spoken with the responsible individual regarding his delinquent account, as directed by the Board in a previous meeting. The responsible party is in agreement with removing the domestic water ERU from the land and charging him approximately \$2,100, plus interest, from 2010 when the home burned down. He was very enthusiastic with this suggestion and thanked us for our consideration. A motion was made by Sandum and was seconded to charge the individual \$2,366.58, remove the ERU from the land, and attach the new amount due to the irrigation assessment as a special assessment. Motion passed unanimously.

New Home Missionary Baptist Church had a domestic excess bill in the amount of approximately \$1,100. The orchardist next door was loading fruit and ran over one of the sprinklers. They were asking for half off their excess, requesting the leak rebate for this bill. After considerable discussion, it was the consensus of the Board members that this does not qualify for a leak rebate and we are bound by our policy. Also, the break was in the irrigation system, which does not qualify under our leak policy. Furthermore, it was the negligence of the orchardist, therefore being his responsibility.

#### OLD BUSINESS

Manager Anderson informed the Board that we have received three bids for our shop, two of which are good bids, but the third had no effort put into it. The shop will have a 6" concrete slab and five bays, which will house our two backhoes, the mini-excavator, the fire tender and the dump truck. This will get them out of the elements and under cover. The building is scheduled to be built the spring of 2017. After some discussion, a motion was made by Director Sandum and was seconded to award the bid to Western Ranch to build our additional shop building on Wapato Lake Road, next to our current shop building. Motion passed unanimously.

Manager Anderson informed the Board that the irrigation budget had a slight recovery from the increase in assessment fees last year. He is proposing another increase of \$5.00 per parcel and \$5.00 per acre for the 2017 irrigation season to increase our reserve in the irrigation budget. Also in the budget are capital purchases of shop garage doors to be replaced, a new truck to purchase, the new shop building, the new sewer vac truck that has been ordered at the Board's earlier approval, a 200 kw generator for the water treatment plant, as well as an inspection camera for the sewer system. After considerable discussion, a motion was made by Director Sandum and seconded for an irrigation assessment rate increase of \$5.00 per parcel and \$5.00 per acre. Motion passed unanimously.

After further discussion, a motion was made by Director Clark and seconded to accept the 2017 budget as proposed by Manager Anderson. Motion passed unanimously.

Manager Anderson informed the Board that the letter Attorney Bob Siderius and he has been working on with regard to the irrigation acreage issue has been mailed to the USBR.

NEW BUSINESS

No new business at this time.

PUBLIC COMMENT

Larry Jungk asked how many houses were going in the new subdivision. Manager Anderson replied that 64 lots will be planned. Larry Jungk also asked if Chelan Cove has indicated when they will be buying into the Willow Point LID. Manager Anderson stated that they are currently in litigation and will wait until that is finalized before paying the fees due.

EXECUTIVE SESSION

Being no additional new business or public comment Board President Robert Christopher recessed the meeting at 9:34 a.m. as allowed under RCW 42.30.110 to review the performance of a public employee. The regular meeting was reconvened into open session at 10:07 a.m.

A motion was made by Director Clark and seconded to approve the 2017 Salary Schedule and employee compensation package as proposed. Motion passed.

A motion was made by Director Mogan and was seconded to renew the medical, dental, vision and life insurance policies with our current plan with the increase in premium being paid 100% by the District. Motion passed.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 10:09 a.m.

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

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

December, 2016