

REGULAR MEETING
BOARD OF DIRECTORS

March 14, 2017

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on March 14, 2017. The meeting was called to order at 8:00 a.m. by Board President Robert Christopher. Those in attendance were:

BOARD

Bob Christopher
Dave Clark
Paul Mogan
Todd Jeffries
Nathan England

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Larry Jungk
Guy Evans

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Mogan made a motion and it was seconded to approve the February 14, 2017 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 14197 through 14244 (including EFT payment to Dept. of Revenue for Excise & Sales Taxes) totaled \$268,884.27 and were broken down as follows:

Irrigation O & M Investment	\$142,348.83
Irrigation Construction	\$ 10,707.47
Domestic O & M Investment	\$ 63,247.62
Domestic Construction	\$ 16,049.03
Sewer O & M Investment	\$ 33,396.94
Sewer Construction	\$ 3,134.38

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

MANAGER’S REPORT

Irrigation: After considerable discussion, it was the consensus of the Board members to postpone starting the irrigation, making the startup date on March 27th. All customers will have irrigation water on or before April 10th barring any setbacks.

We recently discovered that there was significant damage at the ‘B’ pumping plant, due to neglecting to open one of the drains in the fall shut down. The water froze, pushing the pump backward, sheering all pins holding it in place, bending the motor shaft. It also shifted the pipe. The pump has recently been removed and taken to be repaired. We can run the pumping plant without this pump for some time, as it was one of the smaller pumps we have there.

The tanks were recently inspected for maintenance. There is some minor issues that need to be addressed, i.e. spots that need to be sanded and cleaned up, but we can accomplish these with our crew and will not have to hire any additional help.

The property we have started foreclosure on is now in the process of being sold privately, so the foreclosure has been put on hold at this point. All irrigation assessments due, as well as all of our costs and fees incurred for the foreclosure action, will be paid at the time the sale is finalized.

Manager Anderson explained that he met with Clyde Lay who is the USBR contact in the Ephrata office. It was a very good meeting, and he has offered to try and help us get a timely response from our letter to Ryan Patterson who is in the Boise USBR office.

We recently received the draft Irrigation Comp Plan, and will have copies available at the next Board meeting for your review.

Domestic: The field crew has brought to the attention to Manager Anderson the fact that the shoreline by the Lakeshore intake is eroding heavily, with the need for repairs to be made. RH2 Engineers have been contacted to look at the erosion and determine the cost for the repairs to be made

The Board having expressed an interest in touring the water treatment plant decided on the following Friday to do so. It was determined that they would meet at 10:00 a.m. here at the office, then drive to the water treatment plant. It was anticipated to last approximately one hour.

Sewer: We recently received payment from the Chelan Cove development paying their portion of the Willow Point LID. We now have the amount necessary to pay this debt off in its entirety. We will immediately cease sending any further bills out to our customers for repayment of this loan. Manager Anderson is seeking out advice from our consulting accountant at Cordell and Neher and from district attorney Bob Siderius on how to most equitably close out the LID and all active customers.

Administrative: We are in the process of obtaining bids to get the front steps replaced after they collapsed a couple of months ago. We are hoping to get them fixed as soon as we possibly can.

The shop building is moving forward, slower than we anticipated. The County is requiring a Conditional Use Permit, as the zoning for that area is incorrect. We are working with the County to correct this error, which they are requiring before we can proceed with the new building.

Manager Anderson showed the Board members the amount of interest we received from the Bonds since they were purchased, versus the amount we would have received if left in the LGIP account. There was a significant difference.

Manager Anderson passed out Public Records Act information for the Board to read thoroughly, then sign and return. This will bring us into compliance.

OLD BUSINESS

No old business at this time.

NEW BUSINESS

Manager Anderson introduced Guy Evans of the Lake Chelan Trails Alliance. Mr. Evans explained to the Board members that the Trails Alliance has a vision for putting together a trail system using the old irrigation flume line. He believes it would be beneficial to the tourists, as well as the local community. After considerable discussion, the Board believes there would be significant liability issues, as well as problems with people crossing through agriculture and private property. The agricultural issue would be the orchardists spraying the orchards, and the privacy issue being people using the trail and it going through or close to back yards. Mr. Evans stated that the Alliance is envisioning this in the very distant future, realizing the issues involved with certain areas of the line at this particular time. He further explained that there would be no liability involved, because public access and recreational uses are exempt. The Board does not see a time when these issues would not cause a problem. Mr. Evans asked the Board to consider the trail maybe 25 to 30 years down the road. In the meantime, Mr. Evans will be walking the flume line in April or May to discover and document what is exactly there. Manger Anderson informed Mr. Evans that very small portions of the flume line have been sold, and the District no longer owns those areas. President Christopher thanked Mr. Evans for his recommendations for them to consider.

PUBLIC COMMENT

Larry Jungk expressed his desire for a public meeting for all the LID customers to discuss the issues concerning paying off this loan early. He believes the Reclamation District should be open and transparent in closing this issue, giving the customers the opportunity to ask questions and get any issues they may have answered.

Larry Jungk stated that he believes the irrigation flume trail would not work for the concerns expressed by the Board members. He believes a better trail would be at Antilon Lake, as well as added camping areas. He believes the Lake is sorely under-utilized, and believes it has the greatest capacity for additional uses.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 9:09 a.m.

Signed: _____
President

Attest: _____
Secretary-Manager

March, 2017