

REGULAR MEETING  
BOARD OF DIRECTORS

April 11, 2017

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on April 11, 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

Arnold Baker  
Dan Baker

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Mogan made a motion and it was seconded to approve the March 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 14246 through 14298 (including EFT payment to Dept. of Revenue for Excise & Sales Taxes) totaled \$337,876.95 and were broken down as follows:

Irrigation O & M Investment	\$142,427.14
Irrigation Construction	\$ 0.00
Domestic O & M Investment	\$ 75,501.90
Domestic Construction	\$ 363.03
Sewer O & M Investment	\$117,234.80
Sewer Construction	\$ 2,350.08

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

MANAGER’S REPORT

Irrigation: Startup was 10 days later than normal, as approved by the Board at the March 14<sup>th</sup> meeting. The LC, A and B tanks are full and all cans are turned on at the District’s valve. The C system started filling today and D, E, F, G and H will follow in sequence. We are hopeful to have the entire system on by the end of this week, pending any unforeseen issues. During winter maintenance, it was found that C had transformer issues after the oil was tested and found to be bad, due to the system being shorted out last year from the pack rat. The transformer was repaired off site and reinstalled the end of last week.

In response to Director Clark’s request last month, Manager Anderson stated that the cost for the liability insurance for the two dams that have been breached, is \$6,056 each, the total being \$12,112 yearly.

The foreclosed property purchase has not been finalized at this time. If we do not see a resolution to this issue soon, our attorney will restart the foreclosure process, at the property owner's expense.

The rebuilt pump at LC was started, but does not work properly. The company has come to take it back and fix the problem, which is under warranty.

After some discussion, it was the consensus of the Board members to continue taking two water samples on the irrigation system in June and September for orchardists' Global Gap reporting. No third water sample will be added, unless it becomes mandatory for a majority of the orchardists.

Domestic: Nothing to report at this time.

Sewer: We have received the funds from the new lots to pay off the sewer LID in its entirety. We have discussed all concerns with our accountant and our attorney, and they are in agreement with their recommendations on how to proceed. We are now speaking with the auditors to ensure no unforeseen issues arise with their audit of our final decision on how to handle any fund overages received.

Administrative: In conformity with the Public Records Act, all Board members have read and signed both Basic of Records Management documents.

Manager Anderson informed the Board members that the Wells Fargo Bank branch in Manson will be closing in July. We are in the process of obtaining a scanner to directly deposit checks from our office directly into our bank account, but depositing cash will have to happen at the Chelan branch.

### OLD BUSINESS

Guy Evans has asked permission to walk the old water ditch line. As this is public land, the Board has no objection to his request. Director England asked if there was any interest shown in the Antilon Lake area. None shown at this time.

### NEW BUSINESS

Arnold Baker, Fire Chief of Manson Fire District #5, has requested that the language in the current rental lease agreement be amended, omitting the language with regard to maintenance of the water seepage into the Fire District's area downstairs. They are requesting that the language be omitted, as well as their maintaining anything with regard to the roof. They propose that the Fire Department maintain the inside of the building in their area, and LCRD maintain the outside of the building in its entirety. The water issue has become a significant problem, starting a few years ago, with water running in from the rain gutters. Manager Anderson stated that he was unaware of how significant the problem was. The materials have since been ordered to fix the rain gutter problem and direct the water away from the building. Fire Chief Baker believes this will take care of the issue, as it was working wonderfully up until a few years ago when he believes the drain was plugged. He stated that the roof run-off is the main issue, as there is no seepage when there is no rain. After considerable discussion, it was agreed to postpone signing the new lease until after the rain gutters have been fixed to see if the water issue is resolved. At that time both sides will reconsider the rental lease language.

Attorney Robert Siderius is in the process of reviewing our policy handbook, as some sections are outdated. He would like clarification in the irrigation section with regard to ownership of the lines in new developments. The LCRD will take ownership of new domestic and sewer lines installed

in all new developments, but not the irrigation distribution systems. After some consideration, it was the consensus of the Board that they do not want to take ownership of irrigation systems in new developments, but will continue taking ownership of the domestic and sewer lines installed, to the homeowner's meter box.

Manager Anderson explained to the Board members that the Lake Chelan Research Institute (LCRI) is asking for a \$10,000 contribution to help with their water quality monitoring and testing program they are initiating. They are taking water samples for testing on the lake at the exact same spot and depth for consistency, and to be pro-active with regard to water quality on Lake Chelan. Board members asked if they will need any equipment or man power in lieu of the contribution. Manger Anderson said he has asked and they have all the equipment they need and they are using the high school kids to assist with the labor aspect. After considerable discussion, Director Clark made a motion to donate \$5,000 to the LCRI for their water testing endeavors. For lack of a second, the motion failed. The Board members discussed the issue further and would like an accounting of the funds before committing a specific amount to be contributed, as well what their short-term and long-term goals are. Manager Anderson will obtain the information requested and present it at the May Board meeting.

PUBLIC COMMENT

No public comment at this time.

ADJOURNMENT

Being no further business to come before the Board, Board Vice President David Clark adjourned the meeting at 9:34 a.m.

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

April, 2017