

REGULAR MEETING
BOARD OF DIRECTORS

November 12, 2019

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on November 12, 2019. The meeting was called to order at 8:00 a.m. by Board President Dave Clark. Those in attendance were:

BOARD

David Clark
Todd Jeffries
Paul Mogan
Nathan England

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Mary Stutzman

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

A motion was made by Director Mogan and seconded by Director Jeffries to approve the October 8, 2019 minutes, budgets, and investments, as mailed. Motion carried unanimously.

ACCOUNTS PAYABLE

Secretary-Manager Anderson presented the accounts payables for review and approval. Accounts payable checks 15817 through 157874 (including EFT payments) totaled \$376,826.61 and were broken down as follows:

| | |
|-----------------------------|--------------|
| Irrigation O & M Investment | \$135,457.18 |
| Irrigation Construction | \$ 1,176.19 |
| Domestic O & M Investment | \$ 94,227.24 |
| Domestic Construction | \$ 6,932.28 |
| Sewer O & M Investment | \$135,427.60 |
| Sewer Construction | \$ 3,606.12 |

A motion was made by Director England and seconded by Director Mogan to approve the accounts payables as listed. Motion passed unanimously.

MANAGER’S REPORT

Irrigation: The Sportsman’s Club has asked permission to dredge out the reeds at Antilon Lake to make a fisherman’s path to the lake. This is an on-going procedure they do every few years.

Due to the early cold weather, there were 23 irrigation valves damaged.

Domestic: There are currently 20 automatic meters in our District, with 10 more to be placed in strategic places for monitoring purposes.

Sewer: The sewer line running through Jay Richardson's property broke again. We fixed the line and buried it deeper to avoid it being broke again.

Administrative: There was one Board application returned by Todd Jeffries for the open Board position. There will be no election.

A risk assessment for invasive mussels was conducted on Lake Chelan and the report came back as high due to a variety of factors. The Board will be kept informed as to how our district may be able to help in the efforts to fight the introduction of the invasive mussels.

The grant process for the purchase of two generators is moving forward. Will keep the Board up to date on the progress,

Manager Anderson invited the Board members to attend the WSWRA Conference, December 4-6, 2019, in Spokane, Washington.

The bi-annual Audit has concluded, and it went well. We have three small items that will be fixed before our next scheduled Audit.

Black Dot has started calling again to renegotiate the AT&T Lease for their equipment on our water tower. Their first proposal is paying \$1,215 per month, with no incremental yearly increases, which is now at 4%. Their second proposal is buying the Lease at \$320,000, which would be equivalent of 23 years at their current rate. After considerable discussion, the Board would like to hold off on any changes at this time.

BOARD OF EQUALIZATION

President David Clark recessed the regular meeting at 8:18 am and opened the Board of Equalization. Manager Anderson presented the proposed 2020 Assessment Roll and reported that our assessed acres increased by 144.37 acres in irrigation, with 24.25 remaining available for sale. Domestic increased by 18 parcels in 2020, with four acres of water being relinquished. There being no questions or comments, Board President David Clark declared the 2020 Assessment Roll to be equalized as presented, adjourned the Board of Equalization at 8:25 am, and reconvened the regular Board of Director's meeting.

MANAGER'S REPORT (CON'T)

Jorge Ochoa, owner of Eastern Washington Construction, has agreed to pay half of the hookups for Apples Casitas, the hotel his company is building. Thereafter, there will be three equal payments within three years, until paid in full per negotiated agreement. The project will require a minimal water line extension for a hydrant. After some discussion, a motion was made by Director Jeffries and seconded by Director Mogan to approve the water and sewer line extensions for the Apples Casitas project. Motion passed unanimously.

OLD BUSINESS

Manager Anderson presented the Board with the proposed 2020 Budget including the 2020 Fee Schedule. He is proposing that water rates increase \$.50 per month and sewer rates increase \$1.50 per month. He is further proposing increases to both water and sewer road crossing fees to \$1500

per service to better cover actual costs. The tap fee will remain at \$1000 per service. Irrigation assessments will be increased as approved several years ago but will be reviewed during the 2021 budget season. Revenue is expected to slightly decline in 2020 due to lower irrigation excess, as well as fewer water and sewer hookups for residential housing. Healthcare will increase by 4.1%. The Board is expected to approve the 2020 Budget at the December Board meeting after further review.

NEW BUSINESS

Manager Anderson presented the Board with a Chelan County Hazard Mitigation Plan. He explained that if we become part of the Chelan County Plan, we will qualify for future FEMA funds for any losses we may incur if a disaster strikes (i.e. fires). After some discussion, the Plan was tabled until December at Director Mogan's request to allow for time to review it more thoroughly.

The District is currently negotiating the water and sewer contract with Wapato Point Management Company. At this time, the Management Company would like to remove 47 ERUs to their current bill, as they do not require the services to the El-Lo-Wee Condominium. The building has been boarded up and they are in the process of removing the Condominium building in its entirety. The Management Company understands that water and sewer hookup fees will be required to be paid in full when they rebuild. After considerable discussion, and all questions answered, a motion was made by Director England and seconded by Director Jeffries to remove 47 ERUs on the water utility invoices for Wapato Point Management Company and on the sewer invoices for El-Lo-Wee Condominium, beginning January 1, 2020. Motion passed unanimously.

PUBLIC COMMENT

No public comment at this time.

EXECUTIVE SESSION

Being no additional new business or public comment Board President David Clark recessed the meeting at 9:02 a.m. as allowed under RCW 42.30.11(g) to review the performance of a public employee. The session was set for 15 minutes and subsequently the regular meeting was reconvened into open session at 9:22 a.m.

