

REGULAR MEETING
BOARD OF DIRECTORS

January 11, 2022

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on January 11, 2022. The meeting was called to order at 8:10 a.m. by Board President Dave Clark. Those in attendance were:

BOARD

David Clark
Todd Jeffries
Allan Torgesen

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Paul Mogan

OATH OF OFFICE

Allan Torgesen was administered the Oath of Office for a three-year term.
Chad Steiner was administered the Oath of Office for a three-year-term on Friday, January 7, 2022, at the District office, by Manager Rod Anderson and Deputy Clerk Jennifer Collins.

ORGANIZATION OF THE 2021 BOARD OF DIRECTORS

A motion was made by Director Jeffries and seconded by Director Torgesen to suspend the 2021 Board of Directors. Director Jeffries nominated Dave Clark as the 2022 Board President. The vote was unanimous. Dave Clark is the 2022 Board President. Director Torgesen nominated Todd Jeffries as the 2022 Board Vice President. The vote was unanimous for Todd Jeffries. Todd Jeffries is the 2022 Board Vice President.

APPOINTMENT OF OFFICERS

A motion was made by Director Jeffries and seconded by Director Torgesen to appoint the following slate of District officers for 2022.

Secretary-Manager/Treasurer/Auditor – Rodney L. Anderson
Deputy Manager – David Walters
Deputy Secretary – Mary Lou Brooks
Deputy Auditor – Jennifer Collins
Deputy Treasurer – Mary Lou Brooks

Motion carried unanimously.

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

A motion was made by Director Torgesen and seconded by Director Jeffries to approve the December 14, 2021 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 17159 through 17204 (including EFT payments) totaled \$320,422.06 and were broken down as follows:

Irrigation O & M Investment	\$ 70,890.88
Irrigation Construction	\$ 11,499.19
Bond Proceeds – MCC Upgrade Costs	\$ 55,461.63
Domestic O & M Investment	\$105,495.02
Domestic Construction	\$ 16,615.55
Sewer O & M Investment	\$ 43,902.15
Sewer Construction	\$ 16,557.64

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

MANAGER’S REPORT

Manager Anderson presented Paul Mogan with a Certificate of Appreciation for his years of service as a District Board member. Paul served from January 2013 to December 2021.

Irrigation: At the Pumping Plant A project the contractor has removed the old MCC gear and the new gear is on site. The concrete slab will be removed next week. The project is on a revised schedule, due to gear delays. We are still on schedule to start charging the system beginning March 15th.

Domestic: There were 50.25 domestic ERUs purchased in 2021, well above the amount budgeted.

Sewer: There were 37.35 sewer ERUs purchased in 2021, also well above the amount budgeted.

Manager Anderson stated he is looking into acquiring an additional section of land at Lift Station #2 for possible future expansion. The District will be obtaining bids for the Lift Station #2 upgrades, as well as installing a 3rd pump. We would propose installing a retaining wall at the new proposed boundary with the neighbor and relocating the security fencing to that location. We would make it attractive on their side, while making it more functional for the District. The immediate use of the property would be for storing one of the two large mobile generators recently purchased, making it easily accessible during an emergency. In order for the District to expand our existing easement and compensate the owner, we would have to obtain a fair market value number. After considerable discussion and clarification, it was the consensus of the Board for Manager Anderson to pursue the matter further and report back at the next regularly scheduled Board meeting.

Administrative: Manager Anderson discussed the investment fund totals, explaining that there are several large capital projects coming up that the District will be able to pay without incurring further debt.

Maria has returned from maternity leave and we are glad to have her back.

The field crew is currently out uncovering fire hydrants.

OLD BUSINESS

Manager Anderson presented the Board with the proposed 2022 Budget, including the 2022 Fee Schedule. As has been previously discussed in board meetings, he is proposing that water rates increase \$1.00 per month (a 2.9 % increase) and sewer rates increase \$1.50 per month (a 2.6%

increase), with sewer pump fees increasing to \$27.50 per month. He is further proposing increases to both water and sewer ERU hookups to \$7,000 each, and road crossing fees to \$2,500 per service to better cover actual costs. The tap fees will increase to \$1,500 per service, and the DCVA installation will increase to \$1,250 per ERU. Federal irrigation assessments will be increased to \$257.00 per acre and \$165.92 per parcel, with the minimum assessment at \$350.98 (a 5% increase for each). Domestic irrigation assessments will remain at \$334.26. Manager Anderson further explained the fees paid to the City of Chelan for the Manson sewage to be pumped to the Chelan facility, and the percentage of costs we incur for upgrades and improvements made to the sewer plant. The Board discussed several items within the budget, specifically the capital improvements and capital purchases proposed for 2022. Specific items discussed was the traveling screens to be replaced for the domestic water, and USBR infrastructure upgrades that need to be made on aging pumps and motors.

NEW BUSINESS

Resolution 2022-01 – 2022 Fee Schedule: Adopts the fee schedule for fiscal year 2022, including equipment rental rates. After some discussion and all questions answered satisfactorily, a motion was made by Director Jeffries and seconded by Director Torgesen to accept Resolution 2022-01 Fee Schedule with fiscal year 2022 rates as presented. Motion carried.

Resolution 2022-02 – Intercompany Transfers: Disperses overhead costs by allocating 40%, 49%, and 11% respectfully to the irrigation, domestic and sewer companies; transfers irrigation assessment income from irrigation to domestic for irrigation rights served through the domestic system; and transfers fees paid to the City of Chelan through the sewer collection system from domestic to sewer to cover water sent from the WTP through the sewer system. A motion was made by Director Torgesen and seconded by Director Jeffries to approve Resolution 2022-02 Intercompany Transfers as proposed. Motion carried.

Ware Irrigation Water Relinquishment: Mr. Erik Ware, residing at 490 High Point Lane, Chelan, would like to relinquish his 0.50 acres of federal irrigation water rights. There is currently no pipeline supplying this property with irrigation water. The document will be recorded with Chelan County indicating Mr. Ware has no water rights associated with this property. After some discussion and clarification, a motion was made by Director Torgesen and seconded by Director Jeffries to approve removing the 0.50 acres irrigation water rights from 490 High Point Lane, Chelan. Motion carried unanimously.

PUBLIC COMMENT

Paul Mogan complimented the Board on their good work.

ADJOURNMENT

Being no further business to come before the Board, Board President David Clark adjourned the meeting at 9:27 a.m.

Signed: David E Clark
President

[Signature]
[Signature]
[Signature]
[Signature]

Attest: [Signature]
Secretary-Manager

January 2022