

REGULAR MEETING
BOARD OF DIRECTORS

November 13, 2012

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on November 13, 2012. The meeting was called to order at 8:00 a.m. by Board Vice President Brad Barnes. Those in attendance were:

BOARD

Brad Barnes
Bob Christopher
Scott Sandum

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Larry Jungk
Marty Stierlen

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Sandum made a motion and it was seconded to approve the October 9, 2012 minutes, as mailed. Motion carried unanimously.

Director Sandum made a motion and it was seconded to approve the October 25 special meeting minutes, as presented. Motion carried unanimously.

Director Christopher made a motion and it was seconded to approve the 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 11478 through 11534 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$231,517.06 and were broken down as follows:

Irrigation O & M Investment	\$107,334.23
Irrigation Construction	\$ 5,629.44
Domestic O & M Investment	\$ 72,797.39
Domestic Construction	\$ 304.98
Sewer O & M Investment	\$ 31,223.12
Sewer Construction	\$ 14,227.90

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

MANAGER'S REPORT

Irrigation: The system has been turned off and we are in the process of winterizing all the cans.

Domestic: An automatic control valve was replaced last month that had failed over the summer. We are currently working all the bugs out of it.

Sewer: Nothing to report at this time.

Administration: LocalTel has initially approached us inquiring about putting equipment and/or antennas on our irrigation tanks. They are talking about trading services with us. Will continue contact with them, discussing our options.

Dwane at the City of Chelan is reviewing the North Shore Interceptor Agreement and may be lowering the percentage we are currently billed for the sewage we pump to their plant. The amount apportioned to us for the City of Chelan sewer upgrade may be less than previously anticipated.

Secretary-Manager Anderson stated that only two petitions were returned for the two open Board member positions for 2013-2015. By default, Bob Christopher and Paul Mogan will be declared LCRD Board of Directors and sworn in January 8th at the regular board meeting.

Secretary-Manager Anderson indicated there will need to be time set aside at the regular December Board meeting to review and discuss the 2013 Budget.

Director Sandum made a motion and it was seconded to set the Board of Equalization hearing for 8:15 am on the regular Board meeting day of December 11, 2012. Motion carried.

Marty Stierlen from the Housing Authority was present and is requesting a 50% leak rebate on their excess bill of \$4211.24 at Manson Villa. This will be their third request. Their plan moving forward to avoid excess bills is to monitor their meter weekly and track the usage, as well as fix their private lines as they can afford to do so. They believe this will alleviate any future excess bills and catch leaks as they occur instead of waiting for the bills to catch them. After considerable discussion, Director Christopher made a motion and it was seconded to approve a one-time 50% leak rebate to the Housing Authority for Manson Villa, on the condition that Housing Authority continue to make permanent repairs to their private water system to alleviate this problem in the future. Motion carried.

OLD BUSINESS

The developer for the Rocky Pointe Development is looking for guidance in proceeding with a water system design. Secretary-Manager Anderson stated that he needs recommendations for basic design criteria that best fits our District's needs. After considerable discussion, it was the consensus of the Board for the developer to provide 750 gpm for fire flow to be included in their project designs.

Secretary-Manager Anderson stated that he and Billing Clerk Jennifer have been working with our attorney to clarify our Irrigation Policies, as well as add penalties to assist in obtaining payment. The changes/additions shown in red are as follows:

Assessments: The District assessments shall be due in full on February 15 of each year and shall be payable prior to receiving District water. Interest charges

*of one percent shall be charged after April 30th, and shall accrue at one percent per month simple interest thereafter until paid in full. Assessments shall be delinquent **on May 1st, after October 31 unless one-half of the assessment is paid on or before April 30th. If one-half of the assessment is paid on or before April 30th, the remaining balance shall be due on or before the following October 31st, and shall be delinquent after that date. District water will not be turned on if all irrigation assessments are not paid in full.** Assessments are based upon the number of shares in the system. The number of shares or fraction thereof is equivalent to an equal number of units of benefit.*

*Delinquent Accounts Assessments: District water will not be turned on if all irrigation ~~accounts~~ **assessments** are not paid in full. Each year's excess fees **shall be included on the yearly assessment roll and shall be treated as an assessment for purposes of collection and delinquency.** ~~are delinquent if not paid by January 1 of the following year. Delinquent excess fees are subject to a penalty of 1% per month simple interest.~~ Delinquent assessments are treated by the District Treasurer consistent with RCW 87.03.265 through RCW 87.03.272. **Any delinquent assessments shall have a formal lien notice recorded with the Chelan County Auditor for public record 30 days after they become delinquent (May 30th and November 30th). Such lien shall not be removed until the assessment and a release fee of \$150 are paid in full.***

After consideration discussion, Director Sandum made a motion and it was seconded to approve the Irrigation Policy changes as stated above. Motion carried.

NEW BUSINESS

Vice President Bard Barnes signed the water and sewer extension agreements proposed for the Chelan Cove Development near Willow Point.

The Calendar of Events was presented by Manager Anderson for review and discussion.

PUBLIC COMMENT

Larry Jungk asked several questions regarding the new development near Willow Point, indicating that his LID rate should go down as the new lots are added. Secretary-Manager Anderson stated that there are extenuating circumstances with the Willow Point LID and we are in the process of sorting out that situation. We will get the necessary information to the individuals concerned as soon as we have anything to tell them.

ADJOURNMENT

Being no further business to come before the Board, Board Vice President Brad Barnes adjourned the meeting at 9:05 a.m.

Signed: _____
Vice President

Attest: _____
Secretary-Manager

November, 2012