

REGULAR MEETING
BOARD OF DIRECTORS

January 8, 2013

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on January 8, 2013. The meeting was called to order at 8:00 a.m. by Board Vice President Brad Barnes. Those in attendance were:

BOARD

Bob Christopher
Scott Sandum
Brad Barnes
Dave Clark
Paul Mogan

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

Rocky Libbey
Larry Jungk

OATH OF OFFICE

Robert Christopher and Paul Mogan were administered the Oath of Office for three-year terms and Paul was welcomed to the Board as a new member.

ORGANIZATION OF THE 2013 BOARD OF DIRECTORS

Director Barnes nominated Robert Christopher as the 2013 Board President and Scott Sandum as the 2013 Board Vice President and made a motion that nominations be closed and a unanimous ballot be cast. The motion passed.

APPOINTMENT OF OFFICERS

Director Barnes made a motion and it was seconded to appoint the following slate of District officers for 2013.

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

Motion carried.

RESOLUTIONS

Resolution 13-01 disperses overhead costs by allocating 35%, 45%, 20% respectfully to the irrigation, domestic and sewer companies, and transfers irrigation assessment income from irrigation to domestic for irrigation rights served through the domestic system.

Resolution 13-02 proposes to increase the Revolving Fund (Wells Fargo Business Market Rate Public Fund Account) by \$25,000, bringing the total in the Revolving Fund to \$125,000 to adequately cover current and anticipate future needs of payroll and operations.

Director Barnes made a motion and it was seconded to approve both Resolutions as presented. Motion passed.

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Barnes made a motion and it was seconded to approve the December 11, 2012 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 11584 through 11627 (including EFT payment to Dept. of Revenue for Excise Taxes) totaled \$168,864.98 and were broken down as follows:

Irrigation O & M Investment	\$ 64,501.78
Irrigation Construction	\$ 2,387.41
Domestic O & M Investment	\$ 54,686.79
Domestic Construction	\$ 22,883.64
Sewer O & M Investment	\$ 24,405.36
Sewer Construction	\$ -0-

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

MANAGER'S REPORT

Irrigation: The acoustic panels have been installed at LC pumping plant.

Domestic: Nothing to report at this time.

Sewer: Nothing to report at this time.

Administration: Randy Batchelor has agreed to maintain and repair our vehicles and heavy equipment as needed. He started the first of January on a few maintenance issues identified and will bill us monthly for work preformed.

Manager Anderson reported that Brian Harris, chairperson from the Chelan County Fire District No. 5, has brought to his attention building deficiencies that have been identified through a fire district survey. Manager Anderson has reviewed the survey report and does not necessarily see what, if any, improvements the District would be interested in pursuing. After some discussion, director Barnes volunteered to review the survey report and evaluate what has been identified.

Manager Anderson indicated that he will be looking into the Willow Point Local Improvement District (LID) in detail and will have more information on LID budgetary issues at the regularly scheduled Board meeting in February.

OLD BUSINESS

Manager Anderson stated that he is waiting for a proposal from LocalTel showing what tanks/sites they want to utilize so we can plan a trade-off of services.

Mr. Duane Pearson was happy with the letter he received regarding the irrigation wash out and preventative measures the District will be implementing to avoid any future tank overflow occurrences.

Manager Anderson indicated he would be implementing the cell phone stipend this month for on-call employees so they can receive texts and alarms on their smart phones.

2013 BUDGET ADOPTION

Manager Anderson presented the Board with the 2013 Equipment Rental Rates sheet. A motion was made by Director Barnes and seconded to accept the 2013 Equipment Rental Rates as proposed. Motion carried.

Manager Anderson indicated his concerns with the sewer budget and proposed a rate increase of \$2.00 to \$4.00 per month. After some discussion, a motion was made by Director Barnes and seconded to increase the sewer rate from \$46 per month to \$48 per month beginning January 2013, and to review the rate next year for another possible increase. Motion carried.

Manager Anderson presented the proposed 2013 Budgets, the proposed 2013 Salary Schedule and the following Rate Schedule:

Irrigation: \$128 per acre plus \$90 per parcel – no changes from 2012

Domestic: \$30 per month per ERU – no changes from 2012

Sewer: \$48 per month per ERU – an increase of \$2 per month per ERU

This proposal would be the 5th year the irrigation and domestic systems rate structure have not been increased. The sewer increase is a direct result of meeting the future debt service needs of the Lake Chelan Reclamation District. Upon review and some discussion a motion was made by Director Barnes and was seconded to approve the 2013 Budgets, the 2013 Salary Schedule, and the Rate Schedule as presented. Motion passed.

NEW BUSINESS

Board President Bob Christopher presented Rocky Libbey with a Certificate of Appreciation for his years of service on the Board of Directors.

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

PUBLIC COMMENT

Larry Jungk expressed his concerns regarding the Willow Point LID. Manager Anderson explained that he has not had a chance to look into the matter in great detail, but will have more information at the next regularly scheduled Board meeting.

Larry Jungk asked how many new lots may be added to the Willow Point LID. Manager Anderson indicated there is a developer's proposal to add an additional 12 lots.

Larry Jungk asked how many new lots have been added since the start of the Willow Point LID and if they were paying as the rest of them. Manager Anderson indicated there have been less than 6 new lots added and they are paying their fair share.

Larry Jungk asked about the grinder pumps involved with the LID. Manager Anderson indicated that all grinder pumps have had to be replaced, at the District's cost.

Dave Clark asked about any warranty on the pumps when they went bad. Manager Anderson stated that there are no existing warranties on the pumps as they have been in the system too long now. The old pumps were never reliable as promised by the company, and they have been replaced as they failed with a far more reliable pump.

ADJOURNMENT

Being no further business to come before the Board, Board President Robert Christopher adjourned the meeting at 9:04 a.m.

Signed: _____
President

Attest: _____
Secretary-Manager

January, 2013