

REGULAR MEETING  
BOARD OF DIRECTORS

May 8, 2018

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on May 8, 2018. 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

Mary Stutzman  
Phyllis Gleasman

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

Director Clark made a motion and it was seconded to approve the April 10, 2018 minutes, budgets, trial balances and investments, as mailed. Motion carried unanimously.

ACCOUNTS PAYABLE

Secretary-Manager Anderson presented the accounts payables for review and approval. Accounts payable checks 14880 through 14970 (including EFT payments) totaled \$567,106.96 and were broken down as follows:

Irrigation O & M Investment	\$ 77,140.75
Irrigation Construction	\$ 54,633.83
Domestic O & M Investment	\$ 69,008.36
Domestic Construction	\$ 0.00
Sewer O & M Investment	\$361,603.60
Sewer Construction	\$ 4,720.42

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

MANAGER'S REPORT

Irrigation: West Water Management is currently working on a valuation for the additional USBR water. They are gathering the pertinent information and should have the valuation complete by the end of July at the latest. The contract for their services is \$10,000.

The cost of the water rights is currently estimated between \$7,500 and \$10,000. As of this date, 36 people have paid their deposits and returned the pre-application. Of those 36, ten are new applicants, with 26 being on the list beginning in the 1970s. When we obtain the purchase price from West Water Management, due to their circumstances, some individuals may elect not to purchase the additional water. Some requests may not be valid due to the acreage requested, or the system they are asking to increase acreage on. Systems B, C and D would likely need upgrades to the pumping plants to accommodate significantly more irrigable acres. The District would like

to remedy current unauthorized use, then put in place penalties for any future overplanting issues. The Bureau stated that we can go back six years to recover past assessments for overplanted areas, which is approximately \$1,000 per acre, but they do not support fining or penalizing for past unauthorized use.

We are scheduled to test the irrigation water again in June and September of this year as we have done in the past. After some discussion, a motion was made by Director Clark and was seconded to have the irrigation water tested in June and September 2018. Motion passed unanimously.

Manager Anderson informed the Board that the grant money of \$72,500 for the turnout upgrades was received the day after we put in our request.

Domestic: There are currently 19 new domestic hookups that have been purchased to date, which is on track to exceed the new hookup totals from last year.

Manager Anderson is recommending again to contribute \$10,000 toward the water quality effort for Lake Chelan. After some discussion a motion was made by Director Mogan and was seconded to pay \$10,000 to the Chelan County Treasurer when invoiced for assisting in covering costs of water tests taken in Lake Chelan. Motion passed unanimously.

Sewer: The contract with the City of Chelan is technically agreed upon, but we are waiting for the attorneys to agree upon the language. Manager Anderson is still hopeful to have the document signed in June, but it may be July.

The District is reviewing the option of assessing an 'Impact Fee' on developments within the domestic and sewer systems. We are considering \$500 per created lot for domestic upgrades and \$1000 per lot for sewer. These fees would be imposed on the developer and not the individual lot owner. There are currently four or five new developments at various stages within our district. After discussion at length, it was the consensus of the Board for Manager Anderson to pursue obtaining information related to 'Impact Fees', including the legalities from attorney Bob Siderius regarding this particular fee structure. He hopes to have further information at the Board meeting in June.

Administrative: Manager Anderson read a thank you note from the Lake Chelan Community Service Council for letting them use our conference room for their meetings. They also provided cookies for our staff.

Manager Anderson voiced his desire to hire two interns for the summer months to assist Jennifer in the office, as well as helping in the field. Project work could include mapping crop types, watering system types, and comparing ownerships within our District to the County records. Manager Anderson's son is a first-year engineering student, as well as his nephew. Both would be managed by Jennifer Collins in the office and Dave Walters in the field. After some discussion, it was the consensus of the Board to hire the two interns stated during the summer months.

#### OLD BUSINESS

Nothing to report at this time.

NEW BUSINESS

Resolution 2018-09 – Amending the District Employee Handbook. The Resolution would add a 25-year step for cashing out sick leave at retirement, as well as adding VEBA (Voluntary Employee Beneficiary Association) as an alternative to a payout in the stepped incentive program. A motion was made by Director Mogan and seconded to add the 25-year step sick leave cash out and the Voluntary Employee Beneficiary Association addition as proposed. Motion carried.

PUBLIC COMMENT

Phyllis Gleasman informed the Board of a new development starting behind her home, which will have approximately 20 parcels. Manager Anderson informed her that it was outside of the District boundaries, so it will not affect us.

Phyllis Gleasman also thanked the Manager and Board for doing their homework regarding the sale of the additional water.

Mary Stutzman said she was very glad to hear someone is testing the water of the lake.

Phyllis Gleasman asked how does phosphorus increase in the lake? Manager Anderson stated that one theory is that it could be in part due to the recent fires in the area. Fires have a lot of phosphorus in the ash, and right now it's off the charts in the lake. Also, all the flooding transports ash from off the surrounding hills and watersheds and again into the lake.

ADJOURNMENT

Being no further business to come before the Board, Board President Bob Christopher adjourned the meeting at 10:03 a.m.

Signed:

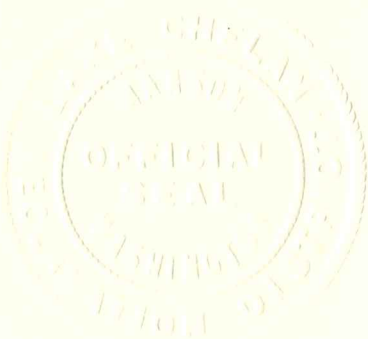
*Bob Christopher*

President

*David E Clark*

*John Jeff*

*Nathan Engle*



Attest:

*[Signature]*

Secretary-Manager

May, 2018