

REGULAR MEETING
BOARD OF DIRECTORS

June 9, 2020

The Board of Directors of Lake Chelan Reclamation District met for their regular Board meeting at the office of the District on June 9, 2020. The meeting was called to order at 8:00 a.m. by Board President Dave Clark. Those in attendance were:

BOARD

David Clark
Paul Mogan
Nathan England
Todd Jeffries
Chad Steiner

STAFF

Rodney L. Anderson
Mary Lou Brooks

GUESTS

MINUTES – FINANCIAL REVIEW – STATUS OF FUNDS

A motion was made by Director Jeffries and seconded by Director Steiner to approve the May 12, 2020 minutes, budgets, and investments, as mailed. Motion carried unanimously.

ACCOUNTS PAYABLE

Secretary-Manager Anderson presented the accounts payable for review and approval. Accounts payable checks 16176 through 16222 (including EFT payments) totaled \$308,440.65 and were broken down as follows:

Irrigation O & M Investment	\$151,011.02
Irrigation Construction	\$ 37,079.09
Domestic O & M Investment	\$ 88,177.18
Domestic Construction	\$ 0.00
Sewer O & M Investment	\$ 32,173.36
Sewer Construction	\$ 0.00

After some clarification on proposed payments, a motion was made by Director Steiner and seconded by Director England to approve the accounts payable as listed. Motion passed unanimously.

MANAGER'S REPORT

Irrigation: Manager Anderson had a pre-construction meeting with Farmers Electric II, LLC, the contractor who was awarded the bid for Phase I of the MCC upgrade project.

Financing for Phase 1 will likely be through an issuance of public bonds. A schedule was passed out outlining critical dates to be met. A Resolution, which is included for the Board members to review, is scheduled to be approved and signed at the July Board meeting.

Domestic: The year-long trial for the Automatic Meter Reading (AMR) is coming to an end with very good results being reported. We have received favorable comments and letters from customers who currently have the AMRs installed. We would like to make them a part of all new buildings constructed going forward as part of the water hookup fee. The change-over cost, if we stay with Badger meters, is estimated to be around \$425,000 for the meters and software, taking approximately 3-4 years to implement District wide.

Sewer: Nothing to report.

Administrative: We are following all COVID-19 guidelines as directed by the Governor. We do not anticipate opening the office to public access until Phase 3 of the Washington State 'Safe Start' Program.

We can move forward on our shop building after the appeal period, as we were recently approved for our Shoreline Substantial Development Permit, Shoreline Variance Permit and Conditional Use Permit. We have conducted and should be receiving the report on our geologic site evaluation. We are also soliciting specs and design drawing for bidding. We are requesting a 3-sided, 40' x 90' steel structure, which Steel Structures of America estimates at \$125,000 to build. The pumps, motors and heavy equipment will be housed in the structure. After considerable discussion a motion was made by Director Mogan and seconded by Director Steiner to move forward with the shop building project. Motion passed unanimously.

The Snyder property, which is adjacent to the water treatment plant, is for sale at \$210,000. Manager Anderson believes the price is a little high when compared to similar properties. The Giles property, which is also adjacent to the water treatment plant and is currently for sale, is approximately \$135,000 for 1.25 acres. After all questions were answered, it was the consensus of the Board to table the matter until Manager Anderson had further information regarding Mr. Giles property.

Mary Sherer is helping us put together a publication about Lake Chelan Reclamation District's Centennial.

OLD BUSINESS:

No old business at this time.

NEW BUSINESS

The Bond Counsel Engagement Letter for the Issue of Water Revenue Bonds 2020 with Foster Garvey P.C. outlines their services with procuring financing for the MCC upgrade project. The fee schedule is worded to automatically adjust with relation to funds obtained, which is typical for all clients. Foster Garvey P.C. will be the entity to prepare all documentation, as well as the transcript of proceedings, for any bond sales. Lee Marchisio, Principal, Foster Garvey PC, called into the board meeting at 8:30 and described his services, the process, and answered questions. After significant discussion, as well as several questions being answered, a motion was made by Director Mogan and seconded by Director Jeffries to accept and sign the Engagement Letter as mailed and presented. Motion passed unanimously.

Harmony Meadows is requesting to have the board review their hookup rates for their upcoming building project. Their plan is to build 3-unit buildings of which each unit will have a shower and toilet, but there will be no kitchens, tubs or on-site laundry facilities. They believe the units will be in use less than six months out of the year and that none of our current rate structures fit what they are planning to build. After considerable discussion, it was the consensus of the Board to charge Harmony Meadows the current hotel hookup rates.

Board President Clark inquired about the irrigation usage to date. Manager Anderson stated that it's looking pretty normal and currently at approximately 100 feet per day, which is roughly 65% of capacity.


PUBLIC COMMENT

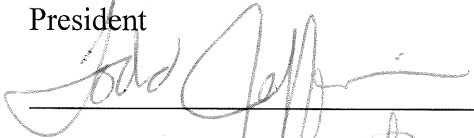
No public comment at this time.

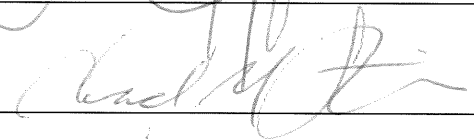
ADJOURNMENT

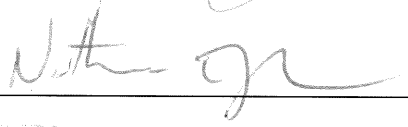
Being no further business to come before the Board, Board President David Clark adjourned the meeting at 9:08 a.m.

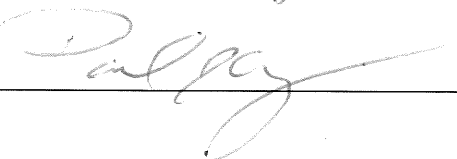
Signed:



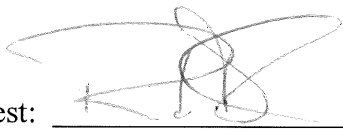
President








Attest:



Secretary-Manager

June 2020