

**Beacon Hill Water and Sewer District
Commissioners' Meeting Minutes
Tuesday, September 20, 2011**

Secretary Branch called the meeting to order at 5:00 pm on Tuesday, September 20, 2011 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

Commissioners Ted Branch, Dean Takko
Alan Engstrom, Legal Counsel
Kim Adamson, General Manager
Jan Zintz and Vicki Kruse, Office Staff
Brian Wilson, Field Lead

It was moved by Dean Takko, seconded by Ted Branch, to approve the minutes of the August 10, 2011 meeting as drafted. Motion carried.

The Manager Report, which was delivered to the Board prior to the meeting, was the first item of discussion. A copy of said report is attached as a part of this permanent record.

Item 1 – Resolution 438. Resolution 438, which was signed last month, was changed in the heading at the request of Attorney Engstrom and corrected for signature at this meeting. It was moved by Ted Branch, seconded by Dean Takko, to approve Resolution 438 with modifications. Motion carried.

Item 2 – PWTF Loan Contract. Kim has received the PWTF loan contract for the Beacon Hill Pump Station in the amount of \$654,000.00. The term is 20 years at 0.50% interest. Attorney Engstrom noted a 0.25% reduction in interest if the project is completed within 48 months of execution. It was moved by Dean Takko, seconded by Ted Branch, to allow Kim to sign the PWTF Loan Contract PC 12-951-086. Motion carried.

Item 3 – Budget/Rate Update. Kim noted a couple of typographical errors in this section of the Manager Report. The Portland CPI is 2.6% not 1.6% and sewer rates are projected to go from \$47.25 to \$48.47 not \$46.50 to \$47.24. Sewer rates are automatically adjusted with the Portland CPI.

The District debt service for water in 2012 is \$435,000.00. Kim is requesting an 18% increase in the base rate and an average of 26% for water consumption as originally projected in the rate model.

Medical insurance premiums for 2012 are unknown at the date of the meeting but Kim has a meeting to discuss 2012 rates. The District will cover 85% of 2012 premium with the employee covering 15% as per last year's discussion.

Item 4 – Domestic Partner Insurance Coverage. Kim stated that the District has received an inquiry for medical coverage for domestic partners. The District

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currently pays a composite rate for coverage of employees and allowing registered domestic partners to obtain coverage would not cost the District more. After discussion, it was moved by Dean Takko, seconded by Ted Branch to allow insurance coverage to any registered domestic partnership. Motion carried.

Item 5 – Customer Issue. Kim informed the Board of a customer who recently had a leak repaired at their residence. The leak went on for some time due to delays on the part of the plumber doing the repairs. The customer expressed concern over applying for a leak adjustment given the 3 year wait to apply should they have another, more severe leak. The customer is not applying for a leak adjustment but given the circumstances and extensive leak resulting in an abnormally high bill, Kim is requesting an adjustment on the customer's behalf. By consensus, the Board allowed an exception and will grant this customer an adjustment.

Item 6 – Washington DC. Kim advised that she will be in Washington DC the week of December 4-10, 2011 in attendance of a policy trip as a requirement of the Master's Degree program she is currently enrolled in. As a requirement of the trip, Kim must bring a policy to discuss. She is planning to focus on the AWWA supported proposal for a federal infrastructure loan program. Her attendance will be of benefit to the District and while she will not be subsidized by the District for travel, Kim is requesting that she not be required to use vacation to attend. By consensus, the Board agreed.

Item 7 – Cell Phone. Kim presented a cell phone agreement for the Manager's phone. She is requesting a monthly stipend of \$130.00, which would be taxable, to cover her cell phone plan. After discussion, it was moved by Dean Takko, seconded by Ted Branch to enter into a cell phone agreement that would allow Kim a monthly stipend of \$130.00 for cell phone, data and text messaging plan. Motion carried.

Expenditures.

Vouchers audited and ratified by the auditing officers as required by RCW 42.24.080, and those reimbursement claims ratified by auditing officers as required by RCW 42.24.90, have been made available to the Board.

As of this date, September 20, 2011, the Board, by unanimous vote, does approve those vouchers in the above lists and further described as follows: Shaded August invoices the amount of \$113,156.80; and September invoices in the amount of \$117,996.12, payroll for September as well as the Visa statements.

Lien Information. The Board reviewed the monthly lien synopsis. It was moved by Dean Takko, seconded by Ted Branch, to confirm the filing of Lien Nos.1426-1427. Motion carried.

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The Board moved to Executive Session at 5:45 p.m. to discuss personnel issues with no action taken and expected to last 15 minutes.

There being no further business, the Board adjourned at 6:00 p.m. and the next regular meeting was scheduled for October 12, 2011 at 5:00 p.m.

Monte J. Roden, President

Ted A. Branch, Secretary

Dean A. Takko, Commissioner