

**Beacon Hill Water and Sewer District  
Commissioners' Meeting Minutes  
Friday, January 18, 2013**

President Takko called the special meeting to order at 4:01 pm on Friday, January 18, 2013 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

Commissioners Dean Takko, Ted Branch, Monte Roden  
Kim Adamson, General Manager  
Alan Engstrom, Legal Counsel  
Vicki Kruse, Office Staff

**Audience:**

Bonnie Decius

It was moved by Monte Roden, seconded by Ted Branch, to approve the minutes of the December 14, 2012 meeting as drafted. Motion carried.

The Board welcomed Ms. Decius to the meeting. Ms. Decius explained that she was upset that she is paying more for water and sewer service than others in nearby unincorporated Longview and served by the City of Longview. Ms. Decius presented rate schedules that she obtained on the websites for Kelso and Longview and based on her information, are lower than the rates charged by the District. Ted commented that it was his understanding that we were one of the lowest rates in the County. Kim and the Board explained our rates as well as our operational costs. Monte requested that staff look at the information and get back with Ms. Decius. Kim will generate a current year comparison and have it available to Ms. Decius on Monday. Ms. Decius expressed dissatisfaction with the base rate of 500 cubic feet. Kim explained that when the base rate increased to 500 cubic feet, the rate for the additional 200 cubic feet was not adjusted. Ms. Decius thanked the Board and stated she would contact Kim on Monday.

The Board read a letter from Steve Postmus regarding special consideration for an adjustment to his mother's account. Vicki explained that a leak adjustment was processed and notification mailed before it was determined that the customer had received an adjustment 2 years prior. After discussion, the Board agreed to allow the adjustment given the oversight by staff.

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 – Building Space.** Kim recently looked at a building space at the base of Columbia Heights that is currently for lease but the owner would be interested in selling. There are three buildings in total; an office space, a shop of 10,000 square feet and a shop of 18,000 square feet. The building is large enough to house all the equipment with room for a meeting room and possible option of leasing to another business who may need additional storage space. Kim asked the Board if this is something to further investigate. The Board discussed and agreed

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to have Kim continue research. Kim will contact the City of Longview with regard to any zoning concerns.

**Item 2 – WebCheck.** Kim updated the Board that the WebCheck software agreement, discussed at the December meeting, was presented to the District and is being reviewed by Alan Engstrom. Alan explained that he has had some trouble dealing with the attorney for WebCheck. Alan expressed concerns over indemnification clauses that are in the contract and that he believes that he will be able to come to some sort of agreement.

**Item 3 – Door hangers.** Kim explained that last month 140 door hangers were delivered taking four employee's 1 ½ days. It is faster for staff to double up, one driver and one employee to hang the door tag as opposed to having a single staff member drive and hang door tags. Kim calculated the expense to the District at \$1,300.00 excluding printing costs and office time. The City of Kelso quit issuing door hangers 18 months ago with initial concerns from a few customers who used the door hanger as a reminder to make a payment on their account. Kim would like to discontinue the issuance of the door hanger, modify the wording on the final notice to include the date of disconnect and send a copy of the final notice to the residence. The board agreed. No formal action is necessary.

**Item 4 – Audit.** The CPA completed review of the financials and is reclassifying some of the debt. The financials will then be submitted to the Auditor to finalize the audit and move forward with the finding and response. Kim is recommending that the District continue to have the CPA review future financial statements prior to submitting to the Auditor's Office.

**Action Items:**

**Item 1 – Customer request.** By consensus, the Board approved the adjustment for Mrs. Postmus. Motion carried.

**Item 2 – Contract Extension – Beacon Hill Pump Station.** It was moved by Monte Roden, seconded by Ted Branch to approve the contract extension from December 21, 2012 to May 28, 2013 with PR Worth Inc. Motion carried.

**Item 3 – Alan Engstrom – Legal Agreement.** It was moved by Monte Roden, seconded by Ted Branch to approve the 2013 Retainer Agreement with Alan Engstrom. Motion carried.

**Item 4 – Finance Policy Revisions.** It was moved by Ted Branch, seconded by Monte Roden to approve Resolution 449 to adopt revisions to the District's Financial Policy. Motion carried.

**Item 5 – General Terms and Conditions Revision.** It was moved by Ted Branch, seconded by Monte Roden to approve Resolution 450 to adopt revisions to the District's General Terms and Conditions retroactive to January 1, 2013. Motion carried.

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**Item 6 – WebCheck Agreement.** It was moved by Monte Roden, seconded by Ted Branch to authorize Kim to enter into an agreement with WebCheck upon contract review and approval with Alan Engstrom. Motion carried.

**Item 7 – General Manager Contract.** It was moved by Ted Branch, seconded by Monte Roden to approve the contract with the General Manager as a 3-year contract and change the title from an Annual Employment Agreement to the 2013-2015 Employment Contract. 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, January 18, 2013, the Board, by unanimous vote, does approve those vouchers in the above lists and further described as follows: December claims in the amount of \$172,156.01; and January invoices in the amount of \$65,808.02, payroll for December. The December Visa statements were delivered electronically prior the meeting.

**Confirmation of Lien Filings.** The Board reviewed the monthly lien synopsis. It was moved by Monte Roden, seconded by Ted Branch, to approve the filing of liens 1487 through 1490. Motion carried.

There being no further business, the Board adjourned at 5:55 p.m. The next meeting was scheduled for February 22, 2013 at 4:00 p.m.

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Dean A. Takko, President

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Monte J. Roden, Secretary

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Ted A. Branch, Commissioner