

**Beacon Hill Water and Sewer District
Commissioners' Meeting Minutes
Wednesday, October 12, 2011**

President Roden called the meeting to order at 4:30 pm on Wednesday, October 12, 2011 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

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

Also in attendance:
Ms. Suzanne Lamont
Mr. Clark Kudlacek

The special meeting was opened then closed for Executive Session to discuss performance review of District employee. No action will be taken and is expected to last one half hour.

With Executive Session closed at 5:00 p.m., it was moved by Dean Takko, seconded by Ted Branch, to approve the minutes of the September 20, 2011 meeting as drafted. Motion carried.

The Board welcomed Ms. Lamont and Mr. Kudlacek to the meeting. Ms. Lamont advised the Board that she purchased a bank owned property in the District. She explained that the property was shown to her by a realtor. Once she purchased the property, it remained unoccupied for approximately 6 weeks. She indicated that there was not a lock on the meter yet was charged a tampering fee. Kim reviewed history of work orders for the property. After discussion, the Board agreed to reverse the tampering fee.

Ms. Lamont and Mr. Kudlacek thanked the Board for their consideration.

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 – Loan Interlocal Agreement. Kim explained that presently there are two loans, a construction loan and a planning loan, for the PWTF Mint Farm Well Project; one held by the City of Longview and the other by the District. As payments come due, the District pays the full payment on the loan and bills the City of Longview for its percentage. The same is done with the loan held by the City of Longview. The City of Longview has agreed to transfer the loan held by the District. Monte requested a quarterly progress update on the project. A motion was made by Dean Takko, seconded by Ted Branch to approve the Interlocal Agreement to transfer loans for the Mint Farm Regional Water Treatment Plant to the City of Longview. Motion Carried.

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Item 2 – Budget Update. Kim stated that a draft budget will be presented at the meeting in November. There have been delays in preparing the budget due to software issues.

Kim presented a proposed personnel change for approval. She explained that currently the District has four Field I positions and 1 Utility position. The Utility position, which handles work orders exclusively, has the most interaction with the customers as well as office staff and generates the most compliments or concerns. Kim would like to move the employee in the Utility position to a Field employee at a range on the Field pay scale which most closely matches where they are now on the Utility pay scale. All five Field employees would rotate weekly to tend to work orders. The Board concurred with the change.

Item 3 – Water System Plan/Consultant Roster Workshop. Kim stated the draft version of the Water System Plan has been reviewed with comments from the Washington State Department of Health. The Water System Plan is ready for Board review and approval.

Kim advised that the District received much response for the advertisement for the Consultant Roster. Kim would like to schedule a public hearing to review both the Water System Plan and narrow the selection for the roster. Kim would also like to have a representative from Kennedy-Jenks on hand to discuss the Water System Plan. After discussion, the Board agreed to have Kim put together a selection grid for review. The public hearing was scheduled for Friday, October 28, 2011 at 3:30 p.m.

Item 4 – Career Fair. As an informational item, Kim said District staff recently participated in a Career Fair for high school students. On September 29, 2011, an article on the Career Fair appeared in The Daily News and was included in the Board packet.

Other Business. Monte advised that he was contacted last month by a customer who had purchased a property that had a District lien for non-payment. The customer did not get title insurance and claimed that they were unaware of the District's lien. Monte listened to the customer's concerns and the customer had to abruptly end the call. Monte advised him to call back when it was convenient and has not heard from him since. Monte came by the office to review account history, customer contacts for the property to find that the owner had been sent vacancy paperwork on multiple occasions that would reduce the bill during the foreclosure process. Office staff advised that the customer had paid the lien in full.

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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, October 12, 2011, the Board, by unanimous vote, does approve those vouchers in the above lists and further described as follows: Shaded September invoices the amount of \$146,287.13; and October invoices in the amount of \$65,706.88, payroll for October. The September Visa statements were not available by the time of the meeting and will be provided to the Board electronically upon receipt.

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.1428-1429. Motion carried.

The Board moved to Executive Session at 6:15 p.m. to discuss personnel issues with no action taken in Executive Session and expected to last 45 minutes.

At 7:00 p.m., the Board resumed the regular meeting. It was moved by Dean Takko and seconded by Ted Branch that because Jan Zintz has not successfully met the required performance indicators of the Employee Improvement Plan initiated June 13, 2011, the Board directs the general manager to offer a severance package of 90 days salary, dependent on agreement to the terms included in the Separation Agreement. If Jan chooses not to enter into the separation agreement her employment shall be terminated immediately.

There being no further business, the Board adjourned at 7:10 p.m. and the next meeting was scheduled for November 18, 2011 at 3:30 p.m.

Monte J. Roden, President

Ted A. Branch, Secretary

Dean A. Takko, Commissioner