

**Beacon Hill Water and Sewer District  
Commissioners' Meeting Minutes  
Tuesday, September 25, 2012**

President Takko called the meeting to order at 3:30 pm on Tuesday, September 25, 2012 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

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

**Grant Easement for Access and Utilities to New Cingular Wireless.** Kim explained that she was contacted by New Cingular Wireless about obtaining an easement to access their property which is adjoining to our Cedar Gates Reservoir. The PUD, New Cingular Wireless and the District all access the property through the bottom of the District's property although there is not an easement. New Cingular Wireless is preparing to do some work on their cellular tower and would like to have the easement in place. Kim stated that Alan Engstrom has reviewed the easement and doesn't have any concerns with it. Monte suggested the language of the easement be modified to include cost sharing for maintenance of the road. Kim will have the modification made to the easement and bring it back at the next meeting for approval.

**Rate Model Discussion.** Kim presented the rate model program on a projector for the Board to review. Kim explained the rate model data for 2012 is projected, 2013-2014 is O&M projections and 2015-2017 is based on assumptions of inflation and growth. The Public Works Trust Fund loans reduce to 1/4% next year. The loan from the Cowlitz PUD is currently a 20 year loan at 4.50% and Kim suggested that she may be looking to reduce principle. The O&M worksheet shows revenues and expenditures and CIP input worksheet shows 2013-2016 capital projects taken from the water system plan. The Board discussed worksheets in detail with Kim. On the CIP input worksheet, the Board discussed future projects and Kim explained that a new facility was not factored into the worksheet but explained that funding for a new facility wouldn't have a significant impact on rates. Kim recommended that the Board cancel the scheduled 15% rate increase for 2013.

By consensus, the Board unanimously agreed to base the 2013-2014 budget on a CPI inflationary rate increase of 2.5%.

**Beacon Hill Water and Sewer District  
Commissioners' Meeting Minutes  
Tuesday, September 25, 2012**

There being no further business, the Board adjourned at 5:15 p.m.

---

Dean A. Takko, President

---

Monte J. Roden, Secretary

---

Ted A. Branch, Commissioner