

**Beacon Hill Water and Sewer District  
Commissioners' Meeting Minutes  
Friday, February 22, 2013**

President Takko called the special meeting to order at 4:10 pm on Friday, February 22, 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

It was moved by Monte Roden, seconded by Dean Takko, to approve the minutes of the January 18, 2013 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 – 2012 Financial Reports.** Kim notified the Board that she would be generating new financial graphs and a summary of 2012 water/sewer funds. The 12-month graphs will be included in the Board packet each month. Monte requested to see a monthly snapshot of the District's budgeted projected items. Kim will determine how best to glean the information from the COSA report into the data presented.

**Item 2 – New Facility.** Kim updated the Board that she and Alan have done some follow-up as requested by the Board at the last meeting. Kim met with John Brickey from the City of Longview and found no zoning issues. Kim spoke with John Brickey and there is a sprinkler system throughout. Alan found lease rates to be between .25 - .33 per square foot. Kim inquired if there would be any interest in our building and they may be interested.

Alan Headley, as a representative of Cowlitz 2 Fire and Rescue, approached Kim who said that they might be interested in looking at a joint facility, which is similar to what is currently in use in Silverdale, Washington. Cowlitz 2 Fire and Rescue is starting to revisit options for a new facility. Kim and Mr. Headley discussed having a joint meeting to determine public interest in a joint facility. Kim explained that in Silverdale, water staff is able to issue fire permits and fire staff are able to accept water payments.

Ted asked what the price of the Columbia Heights property is and Kim replied that she guesses around \$1.5 million, which is the assessed value. The Board discussed possible options. Monte said that he would like to explore all options before committing to a lease at the Columbia Heights building.

**Item 3 – Mission SCADA.** Kim informed the Board that they had another demonstration in January. Kim said she has been apprehensive to commit to a cellular SCADA system due to reliability but their connection stats show a 99.5% connection rate. Mission also includes all equipment upgrades in their monthly monitoring fee. Mission has offered to install a

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couple of trial units to see how they work. Kim stated that the annual cost for the SCADA would be comparable to the dedicated telemetry lines currently in use. Monte inquired if the system could be remotely accessed and Kim stated that the system could be remotely accessed and provides for control of pumps from remote locations. All water pump stations and the two largest sewer pump stations will have real time data availability and the remaining sewer pump stations and all the water reservoirs will have hourly trends available. Stations with hourly info can be pinged to receive instantaneous real time data as well.

**Item 4 – Mint Farm Update.** The treatment plant went online January 24, 2013. The District has received one complaint about chlorine levels in the water but it has since settled to previous levels.

**Item 5 – Feasibility Study with Cowlitz County.** Kim said she was initially against any combined utility but, after reviewing the numbers, there is a slight cost savings to our ratepayers. A combined utility is projected to reduce overhead to about \$15.00 per customer for our customers. The County's system would keep their own rate schedule. The system would generate approximately \$300,000.00 per year for capital projects. Acquiring the additional ratepayers would make the District unassumable. Dean inquired why the County wants to get rid of the system. Kim stated that, similar to Cowlitz PUD, they believe that we are in a better position to manage it and if the customers benefit it would be worthwhile. Kim clarified that the County is not pushing for this but thought it was time to take a closer look. Kim stated that she would like to coordinate a meeting to have one of our Commissioners meet with one of the County Commissioners and the staff who worked on the study. Dean expressed concern about the distance from the District to Ryderwood. Alan suggested that the District take only Woodbrook due to the contiguous service area. The Board discussed at length and agreed to meet with a County Commissioner and staff.

**Item 6 – Senior Discount.** Kim stated that a senior discount has been in place for a number of years. We have required customers to be eligible for a property tax discount through the county to qualify for the senior discount. According to BHWSO policy, the discount is for low-income seniors and over the years, a handful of customers who are disabled or veteran status got into the program as a result of qualifying for a discount through Cowlitz County. After lengthy discussion, the Board agreed to continue to use reduced tax eligibility for qualification and allow for low-income disabled and veterans. Kim will bring a policy change for approval at the next meeting.

**Action Items:**

**Item 1 – Officer Elections.** Monte recommended that each election, the President moves to Secretary and the Secretary moves to Commissioner and Commissioner moves to President. A motion was made by Monte, to nominate Ted as President and Dean as Secretary and seconded by Dean Takko. Motion carried.

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**Item 2 – Resolution 451 – Change Official Meeting Time.** It was moved by Dean Takko, seconded by Monte Roden to approve Resolution 451 that changes the meeting date from the second Wednesday of each month to the third Wednesday of each month to change the time from 5:00 p.m. to 4:00 p.m. Motion carried.

**Item 3 – Accept Grandview Pre-construction PWTF Loan.** It was moved by Dean Takko, seconded by Monte Roden to authorize Kim and Alan to sign the contract for the PWTF loan. Motion carried.

**Item 4 – Custodial Services Contract.** It was moved by Dean Takko, seconded by Monte Roden to authorize Kim to enter into a contract for custodial services with ABM. 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, February 22, 2013, the Board, by unanimous vote, does approve those vouchers in the above lists and further described as follows: January claims in the amount of \$110,055.04; and February invoices in the amount of \$67,026.35, payroll for January. The January 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 Dean Takko, to approve the filing of liens 1491 through 1493. Motion carried.

There being no further business, the Board adjourned at 6:20 p.m. The next meeting was scheduled for March 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