

**Beacon Hill Water and Sewer District  
Commissioners' Meeting Minutes  
Wednesday, December 18, 2013**

Commissioner Roden called the meeting to order at 4:02 pm on Wednesday, December 18, 2013 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

Commissioners Ted Branch, Dean Takko and Monte Roden  
Dell Hillger, General Manager  
Alan Engstrom, Legal Counsel  
Debbie, Finance Administrator  
Vicki, Office Staff

Audience: Bonnie Decius  
Peggy Skeahan

The Board welcomed Ms. Decius and Ms. Skeahan to the meeting. Dell notified the Board that he and Peggy attended a Cowlitz-Wahkiakum Council of Governments (CWCOG) Rate Stabilization meeting on December 12. Peggy provided a summary of the wellness programs completed this year. Peggy stated that the District continues to have 100% employee participation and is pleased with the results. It was also noted that our region is the only region in Kaiser that offers the Wellness programs and is the test market for future programs in other areas. Peggy stated that each group nominated a Wellness Champion who will receive a plaque and some logo apparel. Staff had selected Peggy as the District's Wellness Champion. The first mini grant for 2014 has been approved and will include six self-challenges. The Board thanked Peggy for her report.

It was moved by Dean Takko, seconded by Monte Roden, to approve the minutes of the November 18, 2013 meeting. 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 – Customer Request – 102 Shadywood Lane.** Dell presented a letter from a customer requesting additional consideration for a leak adjustment. The homeowner received an adjustment in March 2012 for a leak that occurred in August 2011 and current policy allows for one adjustment every 3 years. After review, the Board declined the request.

**Item 2 – Customer Request – Penalty Fees.** Letter requesting additional consideration was not received.

**Item 3 – Customer Leak.** As an informational item, Dell was contacted by a homeowner whose meter lock had been cut and water turned on causing damage to the home. The homeowner who is out of town for the winter, was contacted by the neighbor to advise of water running from the homeowner's garage. Dell stated that the cause was not the fault of the

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District who had locked the water off and applied a yellow cap to the meter. Dell has contacted the Water Sewer Risk Management Pool to advise of a potential claim.

**Item 4 – Health and Wellness.** Peggy discussed at the beginning of the meeting.

**Item 5 – Beacon Hill Office/Facility Improvements.** Dell met with the Pastor of the Seventh Day Adventist Church to discuss purchasing or acquiring an easement. The Pastor requested a letter addressing the District's request that will be forwarded to the property owner, Oregon Conference Adventist Churches for review.

On December 9, Dell met with the Lexington Flood Control Zone District (LFCZD). The LFCZD seemed receptive and will contact the District with its response.

Dell suggested installing a drive up drop box in the parking lot to minimize customer wait time in the lobby as well as for safety purposes. A security camera would be directed to the location of the drop box and a security light to illuminate the area. By consensus, the Board agreed.

**Item 6 – Tim Wa Mobile Home Park.** The District was contacted by the Park Manager and the Region Manager of Tim Wa Mobile Home Park about terminating the existing contract and the park would be responsible for billing the residents. Prior to 1999, the former water system owner, Cowlitz PUD, read only the master meter. Monte recommended that staff send the residents letters to notify of the change. Dean stated that he would like to have a signed agreement that the Park will not make the request to once again have the District read all meters for a specified time. By consensus, the Board agreed. Alan will check to see if a State statute prohibits Tim Wa Mobile Home Park from billing their tenants directly. It was noted that another mobile home park in the District is billed for the master meter only.

**Item 7 – General Engineering Services - Gibbs & Olson.** Dell informed the Board that there are times when he is reviewing a project, that he would like to have another Engineer review his work. He has signed a task order with Gibbs & Olson for general engineering services of \$4,000.00.

**Item 8 – Capital Assets Policy and Threshold.** Dell updated the Board that Debbie has created a Capital Assets Policy, which will help better meet State Auditor requirements. It was moved by Dean Takko, seconded by Monte Roden to approve Resolution 458 adopting the Capital Assets Policy. Motion carried.

**Item 9 – Bond Investment.** Dell updated the Board on a recent bond maturity and reinvestment.

**Item 10 – Staff Wages and Benefits.** Dell updated the Board that seven of the nine employees will be at the top step of the wage grid. The 2014 COLA is 2.2% and is less than the estimated rate of 2.5% used in the 2013-2014 budget. The wages and benefits from 2012 - 2014

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was presented for review. Benefits are expected to increase 5.9% and the District's contribution for 2014 is \$1,215.27 per employee, per month.

**Item 11 – Annual Rate Increases.** In accordance with District policy, the annual CPI rate adjustment is 2.2%. Dell recommended postponing any additional increases until he has performed a Cost of Service Analysis. Dell has received the 2014 TRRWA budget and the District's share of wastewater treatment will increase in 2014. Dell stated the City of Longview's share was less than anticipated and increased the District's cost 9.50%. It was moved by Monte Roden, seconded by Dean Takko, to approve the annual rate increase. Motion carried.

**Item 12 – General Manager Contract and Performance Review.** It was discovered that there was not a current contract in place between Dell and the District. A contract was presented for review.

Monte recommended that the General Manager's review take place in open session. The Board evaluated Dell's performance in the areas of budget, policy and planning, management, staff development, organizational/managerial effectiveness, public service, leadership, respect and recognition. Dell was scored satisfactory or significantly better than satisfactory on areas observed. The Board is pleased with the open level of communication demonstrated by Dell. The Board recommended a step increase to 105% of midpoint for 2014. It was moved by Dean Takko, seconded by Monte Roden, to approve the contract with one step increase and change the severance package to one month per year for a maximum of four months of service based on date of hire. Motion carried.

**Other Business.** Dell stated changes to the General Terms & Conditions last month was accepted but not formally approved. It was moved by Monte Roden, seconded by Dean Takko, to approve Resolution 457 modifying the General Terms & Conditions. Motion carried.

Dell updated the Board that the Yelton Pump Station has been having problems with the pump not being able to pump all the way through. Richmond Engineering is taking responsibility for finding a solution and the issue appears to be design related.

Dell presented a draft of a newsletter to be mailed to households the end of January for Board review. Monte commented that he is glad to receive a copy of the newsletter prior to mailing. Dell asked the Board to have comments back to Dell before January 6, 2014.

Alan stated that he would bring the annual contract with the District to the January meeting and including a COLA increase.

**Confirmation of Lien Filings.** The Board reviewed the monthly lien synopsis. It was moved by Dean Takko, seconded by Monte Roden, to approve the filing of liens 1526 through 1530. Motion carried.

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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, December 18, 2013, the Board, by unanimous vote, does approve those vouchers in the above lists and further described as follows: November claims in the amount of \$53,686.74; and December invoices in the amount of \$216,236.17, payroll for November. The November Visa statements were provided to the Board electronically prior to the meeting.

The next meeting was scheduled for Friday, January 17, 2014 at 4:00 p.m. There being no further business, the Board adjourned at 7:10 p.m.

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Monte J. Roden

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Dean A. Takko

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Bonnie Decius