

**Beacon Hill Water and Sewer District
Commissioners' Meeting Minutes
Wednesday, September 21, 2016**

Commissioner Roden called the meeting to order at 5:15 p.m. on Wednesday, September 21, 2016 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

Commissioners Monte Roden and Keath Huff
Dell Hillger, General Manager
Debbie, Finance Administrator
Audience: Chris LaBaum and guest

Commissioner Decius attended the meeting via conference call at 6:00 p.m.

It was moved by Commissioner Huff and seconded by Commissioner Roden to approve the minutes of the August 17, 2016 regular meeting. Motion carried.

The Board welcomed Chris LaBaum and his guest to the meeting. Mr. LaBaum addressed the Board concerning a \$250 meter-tampering fee charged to his account. He said that they did not tamper with the meter. Mr. Labaum and his grandmother Betty came in on May 26, 2016 and paid the amount due to bring the account up to date and remove the lien on the property. At that time, Betty said they would call us when they wanted the water turned on. In the meantime, Mr. LaBaum had done some work on the hot water tank. That evening when he returned to the service location to do some work he turned the valve on to the hot water tank and it began to fill so he thought our office had come out that day and unlocked and turned on the water. Mr. LaBaum said the only water used was to fill the hot water tank. The read history indicated a small amount of usage during the period in question, which could have been the amount to fill a hot water tank. Commissioner Roden asked if they had gotten a bill in the last five months and Mr. Labaum presented him with a bill dated 7/28/16. He said he might have gotten one other bill after this one. Due to meter reads showing usage on this locked off account, the office staff generated a work order on 7/5/16 to see if the meter was still locked off. The field crew indicated that the meter was on and there was no sign of a cut lock and that there were people working on the house.

The Board reviewed the time lines, notes and usage on the account. Based on the information presented and reviewed, the meter being in good standing and no losses to the District, the Board unanimously agreed to waive the \$250 meter-tampering fee. Mr. Labaum thanked the Board and left.

A brief discussion followed regarding the type of locks the District used and the average number of lock offs performed each month.

Manager Report – 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.

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Item 1) Project Updates:

- a. **New District Office** – Dell reviewed with the Board the status report, updated floor plan and site plan that was included in the manager's report. Dell then presented to the Board a 3-D presentation of the floor and site plan.

The geotech's have completed the drilling and test pits on the proposed building site. Dell spoke to them during the tests and they told him that they hit bedrock at ten or twelve feet. In terms of stability, where the building is going should not be a problem. The slope is more of a concern, especially on the left side but if we do the drainage right, it should be fine.

At the left side of the District entrance, the field crew did some maintenance clearing and cleaning up in the drainage ditch area.

We are through the first three phases of the project and the Architect would like to attend the October Board meeting to discuss and review a preliminary estimate for the next phases of the project. During his trip, he will also be meeting with the County on permitting issues and Gibbs & Olson regarding civil design. We may be able to submit the plans at this time for the special use process. The Architect would not be able to make the regular scheduled meeting on October 19 but would be available on October 12 or 26. After a brief discussion, the Board unanimously agreed to move the October Board meeting to a special meeting on October 12.

In looking at the timeline of the project, Commissioner Roden would like to see the project go out to bid the first part of 2017. Dell will review and discuss all the timelines with the Architect to see if they can be shortened.

- b. **Hillside Pump Station** – Dell reviewed the update on this project as presented in the manger report. We are clear on the permitting and we are now refining our design with the City of Longview.
- c. **Lexington Reservoir** – Dell reviewed the update on this project as presented in the manger report. The inclinometer data shows no significant casing deflections since they were installed. Therefore the deflection is likely not indicative of slope movement. During site reconnaissance, they would also monitor ground crack locations and surrounding area for surface indications and did not observe any ground indications either. In their opinion, it is holding steady and at this point, we will go to the original plan of waiting until there is a rain trigger event to do additional monitoring.
- d. **Olson Road – Pressure Reducing Valve (PRV)** – Dell reviewed the update on this project as presented in the manager report. He is working on getting bids to install a PRV at the end of Olson Road where it transitions into Inglewood.

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- e. **THM Results** – Dell reviewed the update as presented in the manager report. They will continue to monitor all the reservoir locations and see where we can keep improving.

Item 2) N. Lexington PUD LLC – Dell reviewed the information presented in the manager report. The developers feel the District has treated them fair with the costs they have incurred so far and allowed them to move ahead in the permitting process on this project. Based on the review of the system, the Board unanimously agreed that N. Lexington PUD LLC's portion of the contribution is the cost of the review and the cost to upgrade the Louise Street Pump Station impellers, with a total cost estimated at \$13,250. Dell will let them know the Board's decision.

Commissioner Huff made a motion to approve the agreement for engineering services with Gibbs & Olson for the third pump at the Lexington Sewer Pump Station for \$31,800, seconded by Commissioner Roden. Motion carried.

Item 3) State Audit – The State audit started today. Dell gave the Board the dates available for the entrance conference. Commissioner Roden will attend the entrance conference at the agreed upon date of September 29, 2016 at 4:30 p.m.

Item 4) 2017-2018 Budget – The first draft of the 2017-2018 budget is scheduled to be presented at the October meeting.

Confirmation of Lien Filings - The Board reviewed the monthly lien synopsis. It was moved by Commissioner Huff, seconded by Commissioner Roden, to approve the filing of August liens 1640-1644. Motion carried.

Financial Report – The Board reviewed the financial report.

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, September 21, 2016, the Board, by unanimous vote, does approve those vouchers in the lists provided and further described as follows: 2016 claims submitted after August 17, 2016 for \$65,548.96; and September 2016 claims to date in the amount of \$162,168.58 and payroll for August and September 2016. The August 2016 Visa statements were provided to the Board electronically prior to the September 2016 meeting.

Other Business – Dell met with the City of Longview this afternoon. Their staff met with CH2M Hill and Confluence Engineering to look at the alternatives for optimizing the water plant such as dissolved oxygen and silica removal. They discussed silica related testing, talked with Water Tectonics about electrocoagulation (EC) and discussed dissolved oxygen processes. Based on those conversations they were able to eliminate silica removal alternatives and narrowed it down to reverse osmosis (a process that uses chemicals to flocculate and remove the silica), EC, and a

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couple of others. The most expensive process at this point is the reverse osmosis at around twenty to thirty million dollars. With EC one of the questions to Water Tectonics was can you do this on a larger scale, scale up to a 12 million gallons system, and what would the capital cost be. The largest system they have installed was 1.5 million gallons and their reply was yes, they could scale up. They would have to do lab testing at a cost of around \$9,000 to determine the capital cost. Another option would be the pilot testing for a 90-day period of 20 to 30 gallons per minute at a cost of \$100,000. If we did go to the pilot testing phase, we could reduce it down to 30 to 45 days, which in turn would reduce the cost. Water Tectonics said the lab testing would be enough to determine those capital costs without doing the pilot testing. Everyone thought it would be worth investing in the lab test.

They also discussed the dissolved oxygen option and the pros and cons of the different processes. Direct air injection was the least costly, less complicated and worth looking into. The cost for this process is around \$200,000 to \$500,000. This would help reduce the taste and odor issues.

The next step will be to bring this information to the Water Operating Board to discuss and give recommendations to the participants and City Council on what they think would be a recommended treatment. The Water Operating Board is planning to move the meeting from September to an October date. Commissioner Huff would like the Water Operating Board to meet prior to the District's October Board meeting. If that is not possible, Dell asked if the Board would be open to a special meeting that dealt with just that issue. The Board was open to that idea. Dell will continue to communicate with the Board on those meeting dates as they become available.

The next Board meeting for October 2016 will be a special meeting and is scheduled for October 12, 2016 at 5:15 p.m. There being no further business, the Board adjourned at 7:03 p.m.

Monte J. Roden, President

Bonnie L. Decius, Secretary

Keath B. Huff, Commissioner