

**Beacon Hill Water and Sewer District Regular Board Meeting
Wednesday, March 21, 2018 5:15 p.m.
1121 West Side Hwy, Kelso, WA 98626**

Meeting called to order at 5:15 p.m.

In Attendance:

Members: Commissioners Monte Roden, Bonnie Decius and Michelle Hollis
Staff: Dell Hillger, General Manager, Debbie, Finance Administrator and Alan Engstrom, Legal Counsel
Audience: Bob Byman, Dan Laulainen and Bryan Laulainen
Jeff Cameron, Public Works Director, City of Longview
Kurt Sacha, Interim City Manager, City of Longview
Jim Nelson, Senior Vice President, D.A. Davidson
Chris Gonzales, Project Manager, FCS Group

Commissioner Hollis made a motion to approve the minutes for the District's February 21, 2018 regular meeting. Motion carried.

The following agenda items were discussed as outlined in the Manager's Report:

1) Fishers Lane Water Treatment Plant (WTP) Lease

Jeff Cameron, Kurt Sacha and Alan Engstrom discussed with the Board the changes in the Fishers Lane WTP Lease. Also discussed was revising the Water Operating Board's Participation Agreement and Wheeling Agreement in the near future.

Upon Commissioners review of the lease, Commissioner Decius made a motion to authorize Dell to sign the final lease agreement between City of Longview, Beacon Hill Water and Sewer District and MiningSky, Inc., assuming no major changes to the lease language and upon acquisition of an Indemnification Agreement between Beacon Hill Water and Sewer District and MiningSky, Inc. Motion carried.

From 8:00 p.m. to 8:20 p.m. the Board went into executive session to discuss dual ownership of Fishers Lane WTP. No action was taken.

2) Customer Request – Request to Lift Moratorium in Pressure Zone

After a brief discussion, Commissioner Decius made a motion to approve the memorandum to lift the moratorium in the lower Lone Oak pressure zone, allowing additional water connections adjacent to but outside the Service Area Boundary. Motion carried.

3) Rate/GFC Analysis

Jim Nelson gave a presentation to the Board on bond financing and its process. With this option the District could fund current and future capital project planning aligned with the Water System Plan.

Chris Gonzales presented to the Board the water rate and general facility charge study, followed by a Board discussion. No decisions were made on rate changes at this time. The Board will continue this discussion at the April Board meeting.

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4) Proposed Developments

5) Project Updates

- a) New District Office
- b) Nevada Drive Water Main Improvements
Commissioner Roden made a motion to accept the low bid and award a contract to Clark and Sons Excavation in the amount of \$614,503.21 contingent upon further reference checks. Motion carried.
- c) Maddock Place Water Main
- d) Water System Plan
- e) Nevada Canyon Sewer Main Improvements
- f) Hillside Pump Station
- g) West Side Highway Emergency Sewer Replacement
- h) Lexington Reservoir Landslide Monitoring
Dell requested a revised proposal from GeoEngineers for the next three years, 2018-2020. The cost is around \$14,000 with the assumption of doing an average of three visits per year with the flexibility of requesting additional monitoring as needed.
- i) Sewer Force Main Condition Assessment

6) Miscellaneous

Confirmation of Lien Filings - The Board reviewed the monthly lien synopsis. It was moved by Commissioner Hollis to approve the filing of the February 2018 Liens 1689 and 1690. Motion carried.

Financial Report – The Board reviewed the financial report.

Expenditures – After reviewing the District claims from the lists provided, Commissioner Decius made a motion to approve the claims as of this date, March 21, 2018 for claims submitted after February 21, 2018 for \$68,209.83, claims submitted to date for March 2018 for \$317,528.22 and payroll for February 2018 and March 2018. Motion carried. The February 2018 credit card statements were provided to the Board electronically prior to the March 21, 2018 meeting.

Other Business

- a) Dell received a proposal from Gibbs and Olson for performing inspection services on the Matkowski project off of Columbia Heights. The cost of this proposal will be reimbursed to the District by the developer.
- b) Dell discussed with the Board a customer's request regarding boundary line adjustments on Crown Point to combine lots and the use of an existing unused sewer stub for a separate proposed shop building. The Board unanimously agreed that this would require the customer to pay the full general facility charges for an additional sewer connection.
- c) Commissioner Roden said the City of Kelso is starting Phase II of a project and asked Dell to contact them to find out about the preconstruction meeting.

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The next regularly scheduled Board meeting is April 18, 2018 at 5:15 p.m.

There being no further business, the Board adjourned at 8:55 p.m.

Monte J. Roden, President

Bonnie L. Decius, Secretary

Michelle L. Hollis, Commissioner