

**Beacon Hill Water and Sewer District
Commissioners' Meeting Minutes
Wednesday, May 18, 2016**

Commissioner Roden called the meeting to order at 5:15 pm on Wednesday, May 18, 2016 at the District office at 1121 West Side Highway in Kelso, Washington. Those in attendance were:

Commissioners Monte Roden, Bonnie Decius and Keath Huff
Dell Hillger, General Manager
Debbie, Finance Administrator
Alan Engstrom, Legal Counsel
Audience: Brandt McCorkle, Galen Page, Bill Fashing and Brian Ranney

It was moved by Commissioner Huff and seconded by Commissioner Decius to approve the minutes of the April 20, 2016 meeting. Motion carried.

Dell introduced Bill Fashing, who is the Executive Director for Cowlitz-Wahkiakum Council of Governments. He interacts with all the agencies in Cowlitz and Wahkiakum County. Mr. Fashing handed out the Cowlitz-Wahkiakum Council of Governments 2015 Annual Report and offered their service or assistance if needed.

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.

Item 1) Projects

- a. New District Office – Dell introduced Galen Page and Brandt McCorkle from Page and Beard Architects to the Board. Dell invited them to attend the meeting to begin the discussion of the District's plans for the new office design. Dell took them on a tour of the facility earlier in the day to give them an idea of what they have to work with. They met with Nick Little, Deputy Director at the Cowlitz County Building and Planning office. Mr. Little helped walk them through some of the permitting issues. They also stopped at the offices of Gibbs & Olson to introduce Mr. Page and Mr. McCorkle to Rich Gushman, PE and Rich Williams, PLS. Mr. Williams has done the survey work on topography and boundaries of our site. We have not officially approved a proposal with Gibbs & Olson for this project but Dell would like to work with them due to their familiarity of the area and the Districts working relationship with them. Page and Beard also likes to work with local engineers as much as possible.

Mr. Page thanked the Board for inviting them to the meeting. He said this initial meeting is to gather information, present some ideas and answer any questions the Board may have. Mr. Page referred the Board to the Project Design and Status Report provided to the Board in their meeting packet. He presented a slide show of various projects they have worked on, the District's building site for this project and a few designs of what the end project might look like. Commissioner Roden commented that he would like this project

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planned out for future growth to meet the District's needs for the next 40 or 50 years. Mr. Page agreed and said that he has given a questionnaire to Dell to help determine what the District's sustainable long-term growth is. To keep the District up-to-date on the project they will be setting up a website or Dropbox for the District to access.

Open discussions followed on the building design, parking, easements and possible permitting issues. Visual examples of 3-D modeling of exterior and interior spaces were presented. Commissioner Roden commented that we need to make sure we do a good job in planning so that when the customers look at the new building it does not look like we spent too little or too much but somewhere in between. A simple and functional Northwest design would be preferred. Within the space, a lunchroom and multi-function conference room was preferred. After the new building is constructed, the plan is to utilize the current building for the field crew. One idea was to move their offices downstairs.

As part of the decision making process on this project, Commissioner Huff suggested that we might want to schedule additional meetings in order to move the process along.

Dell asked the Board to consider an additional land purchase to expand the building site. The property he has in mind is not being utilized and he would like to approach the current owners to see if they have an interest in selling it to the District. The Board agreed that it might be something we look into down the road.

Dell asked Mr. Page to comment on long-term plans and the permitting process. Mr. Page said that in their earlier discussion with Nick, the use permit does not have to have the one-year expiration date. All you have to do on the form is ask for whatever timeline you are going to need in order to comply with your master plan. You could go 20 years, 30 years, etc. Dell thought we should include possible upgrades to the entire operations in the permit. At this time, it is unclear what the additional costs would be with this type of plan for the permit. Since we are looking at the site as a whole already, a conceptual site plan of future buildings could be presented as diagrams, descriptions and attached to our master plan. The exact requirements will be confirmed with Building and Planning. Mr. McCorkle recommended that we keep the shoreline permit in mind in the initial plan. It may or may not be required but if it is, each time you go through the process it can take four to six months for approval and over time, the requirements may change.

That concluded the presentation. After a brief discussion, the Board members were all in agreement with the process so far.

Dell thanked Mr. Page, Mr. McCorkle and Mr. Fashing and they left.

- b.** Lexington Reservoir – Dell welcomed Brian Ranney from GeoEngineers to the meeting. He invited Mr. Ranney to attend to discuss the Lexington Water Tank Landslide Evaluation so far and to discuss the change order request.

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Mr. Ranney said the reservoir was constructed in 1977 and that a previous landslide was reactivated in 1978 downhill from the reservoir. One of the results of the landslide was movement of the fill site constructed close to the reservoir. There has since been movement over the years up to the edge of the reservoir tank path. When originally investigated, the concern was that we have seen movement beyond the tank, but is it possible it will expand to include the tank.

Dell originally contacted GeoEngineers to see if we could safely fill the tank under current conditions. Mr. Ranney said from the original scope of work, and everything we know, the tanks is founded on this medium stiff and basically firm cut soil. The movement has always been down slope so they did a couple borings to define the movement down slope a little better. They also help to verify the soils by the tank are firm and will provide reliable support to make a better conclusion whether this landslide can potentially creep up and include the reservoir. By the fill site, the drill borings went down about 65 feet and revealed about 19 feet of fill soil that was delineated by an organic layer at the bottom. The hand auger borings that were done six feet off the tank revealed very soft soils for a depth of about 12 feet, which concerned them quite a bit. They did two 16-foot deep hand auger borings with a dry probe test, one by the original drill boring and another right next to the tank foundation. This was to evaluate the density of the soils. Right next to the tank they found some relatively better soils but still quite soft.

In addition, part of the scope of work was to evaluate surface monitoring points established all around this area to see if they could figure out the movement and how much has occurred here. The surface monitoring point showed them almost nothing. The data had movement in all directions. Some of the points were moving up hill, some side hill with hardly any moving downhill, which you would expect with a landslide. Dell asked how much movement were they talking about and Mr. Ranney said anywhere from 3/10 of an inch up to 26 inches, which was obviously not right. From 2010 to 2016 that data was unreliable. The only reliable data they could find was before and after the landslide occurred in 2008, which show some consistent movements in the downhill direction as expected.

At this point, there is a concern that filling the tank might be a risk of actually imposing more stress on the landslide and potentially having it migrate up slope and involve the tank in the future. They would like to do a stability analysis to try to prove out that there is some factor of safety when you fill the tank up.

Commissioner Huff asked what Mr. Ranney thought about the soft soils they encountered around the foundation and the fact that the tank hasn't cracked or moved. Mr. Ranney said that it is puzzling. The tank was founded on native soils and all the settling that was going to occur has long since done so. The tank has performed very well. They have walked the tank several times and found no cracks in the foundation and the tank looks to be in good

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shape. The real concern with the soft soils is that when you fill up the tank are you going to create a punching failure that will allow the landslide plain to creep up slowly into the tank area. Commission Huff asked at this point if there was anything that alarmed or concerned him with the tank's existence as it is today or only if it is filled. Mr. Ranney said that based on the performance alone, he is not so worried about it. However, those soft soils, even in its current state are concerning. In terms of blow counts to determine the stiffness of the soil, a stiff soil would be around thirty and a real soft soil would be zero. In the upper twelve feet of the boring next to the tank the blow counts were two, three, zero and five. At zero you would set the sampler down, it would sink under the weight of the drill rod and that is what is so concerning. The way to resolve this issue right now either way is to run the Numerical Stability Analysis.

Dell said the Lexington and Hillside Reservoirs are four or five miles away from each other and in between them is our office. As an alternative to filling the tank, we could put in an actuated valve at our office, which is where the feed line comes from Longview to the Lexington area. Then we could tie in our SCADA system to the tank so at a certain elevation level that we consider full, the valve will close and the whole Lexington area is fed off the Lexington Reservoir until it drops down to our preset lower level where it opens up the actuated valve. A rough estimation of cost between the valve and construction is around \$60,000.

Mr. Ranney expressed that since this situation is a little puzzling to them as well, they are partners in trying to figure this out. They have spent countless hours they have not billed us for so they have a stake in the results as well.

The Board was in agreement with having GeoEngineers complete the Numerical Stability Analysis. If the numbers come back with a safety factor of 1.2 or higher, we would be able to fill the tank with a level of confidence that the tank is stable. If it comes in below 1.2, we would have to use an alternative method to utilize this tank.

There was a brief discussion of options to monitor any movement at or around the tank going forward. Mr. Ranney said he could look at those options and costs for us. One idea is to install an inclinometer to monitor any movement.

It was moved by Commissioner Huff, seconded by Commissioner Decius to approve the additional tasks up to \$7,900 for the continued work on the Lexington Water Tank Landslide Evaluation project. Motion Carried.

Mr. Ranney should have the results of the Numerical Stability Analysis within a couple of weeks. He will forward the results to the District in an electronic pdf format upon completion. Dell and the Board thanked Mr. Ranney and he left.

- c. Facility Property – As outlined in the manager's report the Lexington Flood Control Zone District (LFCZD) would like to give the District the Beacon Hill

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storm water pump station and property. Currently the District pays LFCZD \$50 annually to lease a portion of this area. Dell reviewed the pros and cons of doing this with the Board. Alan was concerned that the District would be made responsible for the pipe that runs through the dike. If there is a failure, it could be a problem. Dell will find out more about what our responsibilities would be with that pipe. Commissioner Huff asked what the impact of a failure of this pump station would be. Dell reviewed the area with the Board from the map provided in the Manager's Report. The Board expressed interest in this pump station and property and feels the District will do a good job in managing it. Dell will continue to research and let the LFCZD know that we are interested in discussing it. The Board gave Dell permission to include this pump station and property in the master plan.

Item 2) Purchasing Policy – Dell presented to the Board Resolution No. 485 revising the Purchasing Policy and Flowchart as outlined in the Managers Report. All changes are indicated in red. The Purchase Flowchart under Labor and Materials is missing “*Budgeted Item*” in the last three items. That is what was intended and Dell will update these three sections.

After a brief discussion, Commissioner Huff made a motion, seconded by Commissioner Decius, to approve Resolution No. 485 to modify the Purchasing Policy and Flowchart with new limits and edits recommended by the Board. Motion carried.

Item 3) Additional Dwelling Units (ADU) – Dell presented to the Board Resolution No. 486 to establish a District policy for ADU's as outlined in the Managers Report.

After a brief discussion, Commissioner Huff made a motion, seconded by Commissioner Decius, to approve Resolution No. 486 establishing the District's ADU policy. Motion carried.

Confirmation of Lien Filings - The Board reviewed the monthly lien synopsis. There were no lien filings for the month of April 2016.

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, May 18, 2016, the Board, by unanimous vote, does approve those vouchers in the lists provided and further described as follows: 2016 claims submitted after April 20, 2016 for \$52,980.66; and May 2016 claims to date in the amount of \$235,577.32 and payroll for April and May 2016. The April 2016 Visa statements were provided to the Board electronically prior to the April 2016 meeting.

Other Business – Dell will not be able to attend the June 8, 2016 TRRWA Board meeting. Commissioner Roden will attend as the alternate. Effective July 1, 2016 TRRWA will have a Board of Directors of which Commissioner Roden will be the Chair and Commissioner Decius the alternate.

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Other Business – The District will be sponsoring an employee family bowling night on May 26, 2016. The Board, employees and family members are invited to attend.

Other Business – Our new employee has finished his six-month probation period. Dell and the entire staff agree that he is doing a great job, has met almost all of his probation period requirements and appears to be a good fit for both the employee and the District. After the employee completes his CDL, Dell would like to move him from a Field Maintenance 3 to a Field Maintenance 2 position. The Board was in agreement with the increases Dell proposed and making him a regular full time employee.

Other Business – Commissioner Huff inquired as to the progress at Rocky Point. Dell will find out and provide the Board with an update on this project.

The next Board meeting will be a regular meeting and scheduled for Wednesday, June 15, 2016 at 5:15 p.m. There being no further business, the Board adjourned at 8:30 p.m.

Monte J. Roden, President

Bonnie L. Decius, Secretary

Keath B. Huff, Commissioner