



**MOUNTAIN
REGIONAL
WATER**

APPROVED MINUTES

**Administrative Control Board Meeting
August 17, 2023**

Attendance:

Board:

Karin Wilson-Remote
Ian Schofield
Mike Kobe
Joel Fine
Cory Shorkey

Staff:

Andy Garland
Lisa Hoffman
Steve Anderson
Chris Braun
Sam Grenlie
Brian Davenport
Jackie Judd

Summit County Attorney:

Dave Thomas

Guest:

Notice is hereby given that the Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah will meet in Regular Meeting session on August 17, 2023 at the Mountain Regional Water SSD District Office, 6421 N Business Park Loop Rd, Park City, UT 84098, at 6:00 p.m. For those who are interested in attending the meeting remotely, a Zoom link has been provided below.

Join Zoom Meeting:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/86352712470?pwd=M0xrcWV3UTFOQmpTWEU0NXd4MnZDZz09>

Passcode: **232882**

Webinar ID: **863 5271 2470**

To Dial in for Audio: **669-900-6833**

- 1. Call to Order & Public Input:** Ian Schofield called the meeting to order at 6:00 pm
No public in attendance. No public input.
- 2. Executive Session – Personnel, Possible Litigation, and Property Acquisition**
No Executive Session
- 3. Consent Agenda:**

a. Approval of the July 20, 2023 ACB Meeting Minutes:

Ian Schofield asked if anyone had any questions. There were no questions.

b. Approval of the July 2023 Check Register:

Karin Wilson inquired about a payment for the Snyderville Basin Water Reclamation District USGS annual monitoring station, and the charges that Audi Wheeler, the landscaping company we hired to do repairs at homes in Summit Park and Silver Springs, as well as the payment for the lost canyon pumps. She was wondering if they were budgeted for beforehand. Steve answered that they were not budgeted for but there is money in the budget for the expenses. Karin Wilson also asked about a large refund made. Steve Anderson explained it was an impact fee refund for one of the dream lots in the Colony. Karin Wilson also mentioned that the water sample testing seems higher than normal. Steve explained it had the pesticide testing included with the usual testing, which made it higher. Karin Wilson also noticed there was a charge for a family member of an employee who had an accident. She just wanted to make sure the family member was ok. Steve explained who it was and what the expenses were for. And yes, they are doing better and actually worked on our summer crew this year. Karin Wilson inquired about the windshield being replaced on Erik Malling's vehicle. Steve Anderson explained that Erik Malling's windshield had been damaged and that the mother of the kid that did the damage is repaying it in installments.

Ian Schofield inquired if the Energy Management Corp charge is an annual charge. Chris Braun said yes and explained that it is for various pumps and booster stations in the District.

Ian Schofield inquired as to what badger meters were purchased again. Steve Anderson and Chris Braun clarified that the meter purchases are for new customers, and explained the general pricing for the meters. Ian Schofield also inquired about the 2006 Crane Truck purchase. He was curious about the age of the crane. Steve explained the 2006 truck was not replaced, only the crane.

Mike Kobe had no questions.

Cory Shorkey had no questions.

Joel Fine had no questions.

Ian Schofield made a motion to approve the consent agenda as discussed.

Karin Wilson seconded the motion. All were in favor and unanimously approved.

4. Financial Management: Steve Anderson (10 minutes)

a. July 2023 results

Steve Anderson summarized the July 2023 financial results. Explaining that District expenses are still on budget and the repair costs are still below budget.

Operating cash reserves dropped due to large payments made for capital projects. Mike Kobe inquired about the large payment that dropped reserves.

Steve Anderson explained that it went towards the Summit Park tank project. That can be funded 30% from impact fees. Customer growth has increased, but not as much as 2021 levels. The District is back to a historical growth pattern. Acre feet usage has gone down even though District growth has increased. He Mike Kobe asked about the prepaids and how they are used. Steve Anderson explained the history of the prepaids and how we use them in the impact fee process. Ian Schofield inquired about standby fees and when you wouldn't have to pay them. Steve Anderson said it would require a Restricted Covenant to be placed on the property. Mike asked how Steve feels about our budget.

Steve Anderson feels good about it and explains why. Mentioning how revenue will fluctuate depending on customer usage. Mike Kobe mentioned that he has turned his sprinklers off and Lisa Hoffman said that she feels customers are more mindful of their usage. Steve Anderson said he feels that drought rates in 2022 also helped people to be more mindful as they had to pay more for what they used. Joel Fine asked if we are getting bids with any expenses we have had.

Steve Anderson said that it depends on the situation and the District follows all state procurement policies. Lisa Hoffman commented that District staff always try to get the best price, regardless if the state procurement code requires a quote or not.

b. Discussion of auditors and audit timeline in Administrative Policies

Steve Anderson requested that the District keep the same auditors for one more year because there are extenuating circumstances. Karin Wilson said that she feels the rules are in place for a reason. Joel asked if the auditor is doing a good job at finding mistakes or saving us money? Steve Anderson explained that they do a good job at making sure we are doing everything correctly and Chris Braun agreed that our current auditor does a great job. Ian Schofield asked if there is precedent of other Districts having extended beyond the six year term for auditors. Dave Thomas could not remember it happening. Lisa Hoffman did remember it happening with Mountain Regional Water once before. Karin Wilson asked if Lisa Hoffman agreed with Steve Anderson in asking for a one year extension. Lisa Hoffman agreed and explained her position is due to timelines, the circumstances, etc. Joel asked that we do not wait until the last minute to find a new auditor. And Lisa Hoffman said they will start a search for a new auditor in a timely manner. Karin Wilson made a motion that they continue audit services for one year. Joel Fine seconded the motion. All were in favor and unanimously approved. Steve Anderson explained the semi-annual cash report.

Karin Wilson had a question pertaining to page 6. The \$1.2 million dollar payment due to Zions Bank this year. Steve Anderson explained that every

month the District transfers funds to restricted debt service accounts held by Zions and that is why operating balances decrease and restricted balances increase, in order to make bond payments at the end of the year. There were no further questions.

5. Engineering Updates: Sam Grenlie (20 minutes)

a. 2023 Capital Project Quarterly Update

Sam Grenlie explained the Tier 1 tank project and described what has been accomplished. Woodland Place and Woodland Drive still need to do chemical testing but no problems are anticipated. Mountain Regional Water is installing isolation valves currently. Operations have been very instrumental in the progress of the project. Ian Schofield asked if we are still on target for the October completion date. Sam Grenlie answered, yes it will be tight but is still confident in meeting the deadline. Also discussed was Summit County's concerns with the two trenches in the road. Sam Grenlie stated the District is working through problems that have come up as quickly as possible. The discussion then moved on to the Tier 2 Project- Sage Hills Estates in Promontory. This has caused no changes to the budget and Promontory seems to be motivated to stay on schedule. Ian Schofield asked if on the Sun Peak well will we start a procedure for getting it pumped and if it has been pumped in the past. Brian Davenport said yes it has been pumped in the past. Sam Grenlie said we will be watching that closely. Brown's Canyon road is part of a betterment project. It has not yet been awarded by Promontory. It's a bit of an unknown right now. Tier 3 Project pump station is getting electrical and the building is almost complete. And new paved access will be provided to that building. The project in Silver Springs and the Atkin pump is almost completed. The fabricator Mountain Regional Water usually uses was unable to assist so a new fabricator is being used that is a bit more expensive but the work is still good. The five pumps in that station tie together three pressure zones. Sam Grenlie will provide end-of-year expenses, etc when he can. Sam Grenlie said staff will be watching that closely. The Sun Peak Well 2 is progressing. Chris Braun explained the electrical needs and the lead time for Rocky Mountain Power's schedule. No changes in budget. Schedule is included in the packet. Ian Schofield asked if on the Sun Peak Well will we start a procedure for getting it pumped and its containable yield, and if it has been pumped in the past. Brian Davenport said we will get the containable yield, and yes it has been pumped in the past.

Sam Grenlie said staff resources will be switching to the Colony air brake upgrade. Parts and plans are in place, just waiting on availability with the Operation's staff schedules.

b. Draft Master Plan Section 2 - Conveyance & Storage

Master Plan- Sam Grenlie commented that it is helping to feed information in chunks. The goal is to have a draft of the IFFP, and then have a more in depth presentation to explain it.

Mike Kobe asked about the tank sizes. He feels that the sizing criteria compared to the state is low. Sam Grenlie explained the sizing is based off of a system specific standard, and uses an average annual number. Mike Kobe asked if we have that number. Sam Grenlie said he can provide it. The tank sizing system for the State seems to be conservative and aggressive depending on the location of the tank. Karin Wilson asked if our capacity is sufficient moving forward, and about the life cycle of the tank. Sam Grenlie said table 11-2 in the packet is a good illustration of the work and explained the table and how our budget is affected. Sam Grenlie feels like the District has a unique situation and need to be as smart as possible in making improvements with our asset management. That is why the chart is there to give perspective of where we are and what we are up against. Ian Schofield commented more on the table and where it says the wells have 80-100 years of service life. But seeing this chart gives perspective on our situation.

Sam Grenlie then began discussing the Olympic Park. The District needs to make sure to work closely with them to see what their needs are and what assistance District staff can provide. Andy Garland commented that he sent out an updated version of the projected costs that was not in the packet. Mike Kobe inquired as to if we know how the Olympic park will affect us. Sam Grenlie responded that we do need to have more talks with them to determine their full situation and get some long term answers. Andy Garland commented that with the Olympics possibly coming back to Utah, he feels the talks will happen more often. It was commented that a lot of the Olympic Park infrastructure is a stacked water system that was never intended to make snow for a ski season. Olympic Park is adding more and will need to make big decisions on how to make it possible for MRW to meet their needs. Joel asked if we also need to anticipate anything happening with places like Woodward or other places like it? His concern is that with the Olympics coming that everyone will want to make improvements and how it will affect MRW. Ian Schofield asked if there were any other questions.

No further questions

6. General Manager Comments: Andy Garland (10 minutes)

- c. Andy Garland mentioned that engineering is interviewing for a staff engineer position. Ian Schofield asked how many candidates. Sam Grenlie replied that we have had 5 good candidates
- d. Andy said the District is in the process of submitting the CUP and MPD to Summit County. Will meet with all parties related to the MRW project on site to be sure

we have everything in place for next spring. Lead times for ordering supplies such as electrical are long.

Joel Fine asked if we're doing fundraising? Andy Garland explained we are looking for funding as far as applying for grants and exploring other opportunities and options that we are eligible for. Mike asked about how much we would be financing. Steve Anderson said a lot of the retreat will be discussing the costs of the building and the treatment plant.

- e. for the boarding meeting retreat agenda: is there anything the board would like to add or subtract from it? Would like to add asset management as a priority. MRW will be doing an SOQ to get this managed better. The staff engineer will be paramount to this process.

Ian Schofield said he supports breaks and mentioned adding team building exercises. Mike Kobe suggested having other entities be able to give their input. Andy Garland suggested tours of other facilities such as the 3 kings treatment plant. Or our treatment plant. Purpose of the meeting is getting more direction and collaboration from the board. Mike would like to learn more about the concurrency program. Karin Wilson asked if there is a regionalization meeting happening and when and where. Andy Garland will get more details from Weber Basin and update those interested.

Andy Garland commented on the private fire hydrant maintenance and that we have met our goal. No further questions

- 5. **Legal: Dave Thomas (5 minutes)**
 - a. Dave had nothing to add.

6. Questions on Department Updates:

Karin Wilson had no questions.

Mike Kobe had no questions.

Ian Schofield had a question for Chris Braun. Who did the geo tech work? Chris Braun answered-The tech was from Arizona with the geotech firm.

Joel Fine asked about Summit Park. Are we making good progress? Andy Garland said yes we are. He also mentioned there have been a lot for leak repairs as well. Mike Kobe mentioned his firm being possibly involved in the future, and would recuse himself if that happens. Joel Fine is concerned about Summit Park and the residents must be tired of all the repairs. Ian Schofield commented that the response times have been amazing and the water service has only been off a handful of times. Mike Kobe asked how old the infrastructure in Summit Park is. Brian Davenport said some infrastructure was installed in the 1960s and then again in the 1990s. It was all bedded on bedrock. Cory Shorkey mentioned sewer lines being bedded on old tires in that area.

There were no further questions.

7. Adjourn:

Ian Schofield adjourned the meeting at 7:27pm.

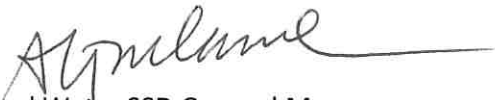
Pursuant to the Americans with Disabilities Act, individuals needing assistance attending the meeting on August 17, 2023 should contact Lisa Hoffman at 435-940-1916 Ext. 312 to make arrangements. The next MRW Administrative Control Board Meeting will be held on September 14, 2023.



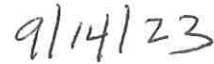
Mountain Regional Water SSD ACB Chairperson



Date



Mountain Regional Water SSD General Manager



Date