



MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT

Dear Community Water Customer:

Mountain Regional Water is excited to provide an update on the annexation of the Community Water service area into our district. The Annexation of the properties contained in the Community Water service area has been completed. The Annexation and Asset Acquisition Agreement between Mountain Regional Water and TCFC, the current owner of the Community Water Company, is scheduled to close on August 30th. Once closed, Mountain Regional Water will own and operate the system previously known as Community Water.

Current Community Water customers can expect to begin receiving bills from Mountain Regional Water in early October. These bills will be based on September's usage and will follow our adopted rate structure. Details regarding our rates can be downloaded from the following web page: <https://www.mtregional.org/water-rates/>.

Mountain Regional Water is also happy to report that construction on the water system improvements to the Community Water system are moving forward. As you may know, Mountain Regional obtained a subsidized loan from the State Division of Drinking Water for \$2,600,000 at a 2.0% annual interest rate to pay for these improvements. This equates to a \$26.50 monthly assessment. Billing for the monthly infrastructure assessment, used to repay the Drinking Water loan, similarly begins following the August 30th closing discussed above. Once adopted, the assessment fee will be included in the first bill received from Mountain Regional Water in early October.

PLEASE NOTE – The Administrative Control Board of the Mountain Regional Water Special Service District, Summit County, Utah, will meet in regular public session to receive a staff explanation, entertain public comment, deliberate, and make a final decision on the establishment of a new water rate and infrastructure assessment for the former customers of the Community Water Company, whose customers were annexed into the District. We invite you to carefully review the information on the next page and visit our WEB page at mtregional.org to learn more about MRW. **This public session will be held on Thursday, August 16, 2018 at the Silver Summit Academy, 6407 N Business Park Loop Rd, Park City, Utah. The public hearing portion of this public session will commence at 6:00 p.m.**

For questions we can be reached at 435-940-1916 X300 during regular business hours.

Mountain Regional Water

Estimated Monthly Water Bills - Community Water

Based Upon 2015 and 2016 Usage Provided by TCFC

August 9, 2018

	Infrastructure Units	Monthly Water Bill	Monthly Infrastructure**	Monthly Total
Residential				
Park West Village Homes	49	\$ 91.59	\$ 26.50	\$ 118.09
Park West Village Canyon View Condos	20	72.89	26.50	99.39
Park West Townhomes	30	127.30	26.50	153.80
Red Pine Townhomes (Includes Pool) <i>Only 3 of 5 irrigation and 1 of 2 indoor meters are working. For this analysis, the usage for these broken meters is estimated.</i>	62	80.27	26.50	106.77
Red Pine Condos (Includes Pool)	202	72.99	26.50	99.49
Hidden Creek Condos (Includes Open Space & Pool)	132	89.54	26.50	116.04
Total Residential	495	82.65	26.50	109.15
Non-Residential				
7-11	1.0	133.54	26.50	160.04
Shepherd Church	2.4	394.19	62.64	456.83
Colby School	1.0	145.91	26.50	172.41
Canyons Resort	1.0	2,724.68	26.50	2,751.18
Total Non-Residential	5			
Total Community Water	500			

**Monthly Infrastructure Assessment

\$ 26.50

**To cover the \$2,600,000 loan at a 2.0% annual interest rate for 20 years.

**MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT
RESOLUTION NO. _____**

A RESOLUTION AMENDING THE DISTRICT-WIDE RATES & FEES SCHEDULE

WHEREAS, pursuant to Utah Code Annotated (UCA) §17B-1-643, the administrative control board of a special service district, after holding a properly noticed public hearing, may adopt a resolution establishing rates and fees for services provided by that district; and,

WHEREAS, the Administrative Control Board of the Mountain Regional Water Special Service District (the "District") held a properly noticed public hearing on August 16, 2018 with regard to an amendment to the District-Wide Rates & Fees Schedule as it pertains to the annexation of the Community Water Company system customers; and,

WHEREAS, pursuant to that certain Annexation and Asset Acquisition Agreement, dated May 30, 2018, the District committed to various upgrades and replacements of the Community Water Company system, necessitating the issuance of a long term, low interest bond to be purchased by the Utah Division of Drinking Water (the "Bond"); and,

WHEREAS, this amendment to the District-Wide Rates & Fees Schedule is necessary to pay for the annualized costs of indebtedness associated with the repayment of the Bond;

NOW THEREFORE, BE IT RESOLVED, pursuant to UCA §17B-1-643, the Administrative Control Board of the Mountain Regional Water Special Service District, Summit County, State of Utah, hereby amends the District-Wide Rates & Fees Schedule as follows:

Section 1: Amendment and Adoption. The Administrative Control Board hereby amends and establishes a District-Wide Rates & Fees Schedule attached hereto as **Exhibit A**.

Section 2: Effective Date: This Resolution shall take effect on September 1, 2018.

APPROVED, ADOPTED, AND PASSED and ordered published by the Administrative Control Board, this 16th day of August, 2018.

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT
SUMMIT COUNTY, UTAH

By: ADMINISTRATIVE CONTROL BOARD

Mike Kobe
Chair

APPROVED AS TO FORM:

David L. Thomas
Chief Civil Deputy

Date of Publication _____, 2018.

Exhibit A

Mountain Regional Water Special Service District

District-Wide Rates & Fees Schedule

Water Rates

Amount

Residential

Mountain Regional's standard Residential water rates are based upon one (1) Equivalent Residential Connection (ERC). Most residences are billed at this rate. However, at the time the building permit is issued for a residential customer, the customer may choose to be billed at one (1) ERC, or select to be billed using the ERCs based upon quantity of water purchased with that lot's impact fee.

For example, if a lot is assessed an impact fee based upon 1.5 ERCs, the customer may choose to be billed at either one (1) ERC, or one and a half (1.5) ERCs. Once a customer selects an ERC amount, it can't be changed. The minimum ERCs for billing purposes is one (1.0), for which the monthly billing rates are shown below.

Residential - 1.0 ERCs

Monthly Base Rate	\$	60.00	Per Connection
Usage (in gallons)			
Zero to 5,000		1.75	Per 1,000 Gallons
5,001 to 20,000		4.50	Per 1,000 Gallons
20,001 to 30,000		5.00	Per 1,000 Gallons
30,001 to 40,000		8.00	Per 1,000 Gallons
40,001 to 60,000		12.00	Per 1,000 Gallons
60,001 to 80,000		15.00	Per 1,000 Gallons
80,001 to 100,000		18.00	Per 1,000 Gallons
Above 100,000		21.00	Per 1,000 Gallons

When a customer selects to use the ERCs based upon the quantity of water, both the base rate and the quantity of gallons in each rate block are multiplied by that ERC amount; while the usage block rates per 1,000 gallons remain the same. The impact of this on the rate schedule for one and a half (1.5) ERCs is shown below. In this case, the customer will pay a higher base rate, but will also be able to use a larger quantity of water before reaching the higher conservation usage rates.

Residential - 1.5 ERCs

Monthly Base Rate		90.00	Per Connection
Usage (in gallons)			
Zero to 7,500		1.75	Per 1,000 Gallons
7,501 to 30,000		4.50	Per 1,000 Gallons
30,001 to 45,000		5.00	Per 1,000 Gallons
45,001 to 60,000		8.00	Per 1,000 Gallons
60,001 to 90,000		12.00	Per 1,000 Gallons
90,001 to 120,000		15.00	Per 1,000 Gallons
120,001 to 150,000		18.00	Per 1,000 Gallons
Above 150,000		21.00	Per 1,000 Gallons

Non-residential - Per ERC

Monthly Base Rate		77.00	Per Connection
Usage (in gallons)			
Zero to 5,000		2.75	Per 1,000 Gallons
5,001 to 30,000		4.50	Per 1,000 Gallons
30,001 to 40,000		8.00	Per 1,000 Gallons
40,001 to 60,000		12.00	Per 1,000 Gallons
60,001 to 80,000		12.00	Per 1,000 Gallons
80,001 to 100,000		12.00	Per 1,000 Gallons
Above 100,000		12.00	Per 1,000 Gallons

Water Rates (continued)

Amount

Culinary Irrigation - Per ERC

Monthly Base Rate	60.00	<i>Per Connection</i>
Usage (in gallons)		
Zero to 5,000	2.75	<i>Per 1,000 Gallons</i>
5,001 to 30,000	4.50	<i>Per 1,000 Gallons</i>
30,001 to 40,000	8.00	<i>Per 1,000 Gallons</i>
40,001 to 60,000	12.00	<i>Per 1,000 Gallons</i>
60,001 to 80,000	15.00	<i>Per 1,000 Gallons</i>
80,001 to 100,000	18.00	<i>Per 1,000 Gallons</i>
Above 100,000	21.00	<i>Per 1,000 Gallons</i>

Common Wall Irrigation

Rate Multiplier	# of Units	
Monthly Base Rate	-	<i>Per Unit</i>
Usage (in gallons)		
Zero to 3,000	1.23	<i>Per 1,000 Gallons</i>
3,001 to 11,000	4.31	<i>Per 1,000 Gallons</i>
11,001 to 27,000	4.92	<i>Per 1,000 Gallons</i>
27,001 to 47,000	5.54	<i>Per 1,000 Gallons</i>
47,001 to 87,000	6.15	<i>Per 1,000 Gallons</i>
87,001 to 147,000	9.85	<i>Per 1,000 Gallons</i>
147,001 to 227,000	14.77	<i>Per 1,000 Gallons</i>
Above 227,000	19.69	<i>Per 1,000 Gallons</i>

Interruptible Sources (Construction/Snowmaking/Wholesale)

Monthly Base Rate	120.00	<i>Per Connection</i>
Usage	13.00	<i>Per 1,000 Gallons</i>

Pumping Surcharge

Colony	3.17	<i>Per 1,000 Gallons</i>
Discovery	0.78	<i>Per 1,000 Gallons</i>
Glenwild	0.63	<i>Per 1,000 Gallons</i>
Preserve	3.07	<i>Per 1,000 Gallons</i>
Redhawk	3.07	<i>Per 1,000 Gallons</i>
Stagecoach	3.07	<i>Per 1,000 Gallons</i>
Summit Park	0.78	<i>Per 1,000 Gallons</i>
Sun Peak	1.18	<i>Per 1,000 Gallons</i>
Timberline	0.78	<i>Per 1,000 Gallons</i>
Weilenmann	0.78	<i>Per 1,000 Gallons</i>

Applies to all water rates. Newly annexed areas will be assigned to the most appropriate pumping surcharge based upon the location of that development.

Olympic Park

Monthly Base Rate	120.00	
Usage (includes Sun Peak Pumping Surcharge)	5.13	<i>Per 1,000 Gallons</i>

Untreated Secondary Water

Per Contract

Stagecoach

Monthly Infrastructure Assessment	143.00	<i>Per Lot</i>
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Community Water

Monthly Infrastructure Assessment	26.50	<i>Per Unit/Per Month</i>
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Standby Fees

Monthly Charge	38.50	<i>Per Lot or Prepaid Connection</i>
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Meter/MXU Connection Fees

Connection Fee - Meter/MXU	Each Additional Meter In A Multiple Unit Building Installed at a Single Location		
	Single Meter		
Security Deposit (Refundable)	\$ 1,500	n/a	Per Connection
Up to 3/4" Meter	1,800	900	Per Connection
1.0" Meter	2,000	1,000	
1.5" Meter	2,400	1,200	
2.0" Meter	2,700	1,350	
3.0" Meter			
4.0" Meter	\$2,700 plus		
6.0" Meter	Incremental Meter Cost	\$1,350 plus Incremental Meter Cost	
MXU Only	300	300	Per Connection

(1) - In order to qualify for the 50% lower Connection Fee - Meter/MXU for additional meters, all of the additional meters must be installed in a single location at the same time, and only provide water service to individual units

Amount

Summit Park Lateral Fee	\$ 1,700	Per Connection
Disconnection of Service		
Removal of Meter	250	Per Occurrence
Resumption of Disconnected Service	8 time Monthly Base	Per Occurrence
Buried Meter Service Fee	Peak Monthly Gallons for Previous Year at Current Rates Per Month	Per Connection
Fire Hydrant Rental		
3" Meter - Deposit (Refundable)	1,500	Per Connection
3" Meter Wear Fee (Non-Refundable)	350	
3" Monthly Base Rate	120	
3" Usage Rate	13.00	Per 1,000 Gallons
1" Meter - Deposit (Refundable)	500	Per Connection
1" Meter Wear Fee (Non-Refundable)	125	
1" Monthly Base Rate	60	
1" Usage Rate	13.00	Per 1,000 Gallons

Operating Fees

Amount

Delinquent Accounts

Delinquent Lien Fee	\$	50	<i>Per Occurrence</i>
Shutoff Notice		30	<i>Per Occurrence</i>
Late Charge		1.50%	<i>Monthly Charge</i>
Water Shutoff		100	<i>Per Occurrence</i>

On-Site Visit (formerly inspection fee)

100 *Per Occurrence*

Private Fire Hydrant Meter Flushing & Inspection Fee

Monthly Ongoing Fee 10 *Per Lot with Private Hydrant*

Resumption of Service Fee

100 *Per Occurrence*

Title Transfer Fee

100 *Per Occurrence*

Alternate Water Service Provider

4,700 *Per ERC Under Contractual Commitment with MRW Who Switches to Another Provider*

Conservation Violations

1st Violation		<i>Warning</i>	<i>Per Violation</i>
2nd Violation		50	
3rd Violation		100	
4th Violation		500	

Leaking Water

Credit for estimated water leaked between one meter read, less cost of water production
Per Occurrence

Release of Restrictive Covenant

Assess all back fees and charges, plus 1.5% annual interest
Per Lot

Theft of Service

1,000 *Per Occurrence*

MRSSD- Community Water

PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan & 0 % P.F.

PRINCIPAL	\$2,600,000.00	ANTICIPATED CLOSING DATE
INTEREST	2.00%	01-Oct-18
TERM	20	01-Jan-20
NOMIN. PAYMENT	\$159,007.47	
		PRINC. FORGIVE.: \$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2019	\$2,600,000.00		\$13,000.00 *	\$0.00	\$13,000.00	\$2,600,000.00	0
2020	\$2,600,000.00		\$159,000.00	\$107,000.00	\$52,000.00	\$2,493,000.00	1
2021	\$2,493,000.00		\$158,860.00	\$109,000.00	\$49,860.00	\$2,384,000.00	2
2022	\$2,384,000.00		\$158,680.00	\$111,000.00	\$47,680.00	\$2,273,000.00	3
2023	\$2,273,000.00		\$159,460.00	\$114,000.00	\$45,460.00	\$2,159,000.00	4
2024	\$2,159,000.00		\$159,180.00	\$116,000.00	\$43,180.00	\$2,043,000.00	5
2025	\$2,043,000.00		\$158,860.00	\$118,000.00	\$40,860.00	\$1,925,000.00	6
2026	\$1,925,000.00		\$159,500.00	\$121,000.00	\$38,500.00	\$1,804,000.00	7
2027	\$1,804,000.00		\$159,080.00	\$123,000.00	\$36,080.00	\$1,681,000.00	8
2028	\$1,681,000.00		\$158,620.00	\$125,000.00	\$33,620.00	\$1,556,000.00	9
2029	\$1,556,000.00		\$159,120.00	\$128,000.00	\$31,120.00	\$1,428,000.00	10
2030	\$1,428,000.00		\$158,560.00	\$130,000.00	\$28,560.00	\$1,298,000.00	11
2031	\$1,298,000.00		\$158,960.00	\$133,000.00	\$25,960.00	\$1,165,000.00	12
2032	\$1,165,000.00		\$159,300.00	\$136,000.00	\$23,300.00	\$1,029,000.00	13
2033	\$1,029,000.00		\$158,580.00	\$138,000.00	\$20,580.00	\$891,000.00	14
2034	\$891,000.00		\$158,820.00	\$141,000.00	\$17,820.00	\$750,000.00	15
2035	\$750,000.00		\$159,000.00	\$144,000.00	\$15,000.00	\$606,000.00	16
2036	\$606,000.00		\$159,120.00	\$147,000.00	\$12,120.00	\$459,000.00	17
2037	\$459,000.00		\$159,180.00	\$150,000.00	\$9,180.00	\$309,000.00	18
2038	\$309,000.00		\$159,180.00	\$153,000.00	\$6,180.00	\$156,000.00	19
2039	\$156,000.00		\$159,120.00	\$156,000.00	\$3,120.00	\$0.00	20
			\$3,193,180.00	\$2,600,000.00	\$593,180.00		

*Interest Only Payment