



MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT

Administrative Control Board

Minutes

March 12, 2020 - APPROVED

Board Members:

Mike Kobe
Bob Neumeister
Karin Wilson
Tim Dougherty
Ian Schofield - Electronically

Staff:

Scott Morrison
Lisa Hoffman
Chris Braun
Steve Anderson
Brian Davenport

Summit County Attorney:

Dave Thomas
Blaine Thomas

Notice is hereby given that the Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah met in a Regular Meeting session on March 12, 2020 at the District Office - 6421 N. Business Loop Rd., Suite A, Park City Utah, 84098 at 6:00 p.m.

- 1. Call to Order and Public Input:** Mike Kobe called the meeting to order at 6:00 p.m. No public input, no public attended.
- 2. Executive Session – Personnel, Property Acquisition, Potential Litigation:** No Executive Session.
- 3. Consent Agenda:** (5 minutes)
 - a. Approval of the February 2020 ACB Meeting Minutes:
 - b. Approval of the February 2020 Check Register: Tim Dougherty requested additional information regarding credit card purchases. Lisa Hoffman explained that the cards are used for District supplies and parts purchased locally and online. Tim Dougherty asked if there was anyone in the organization that is monitoring the credit card purchases to make sure the purchases are within the

rules of the organization. Lisa Hoffman explained that each department head has to review all purchases from their respective department every month and code them appropriately. The paperwork is then reviewed by the Accounting Clerk and by Lisa Hoffman before the bills are paid. Ian Schofield had a question about the per diem for the Rural Water Conference for Anna Peacock. She got an additional check due to her staying with family members and not in a Hotel. Karin Wilson asked about the check that paid for a drug screening. Lisa Hoffman explained that there was a minor vehicle accident and there are also employee random tests each quarter.

- c. Consideration of Approval of P.O.: No P.O. this meeting.
- d. Other: None.

Mike Kobe asked for a motion to approve the Consent Agenda. Bob Neumeister made a motion to approve the Consent Agenda. Seconded by Ian Schofield. All voted yes, motion carried.

4. Questions on Department Updates: (10 minutes)

Ian Schofield asked who Tom Mills was? Scott Morrison replied that he works for Creative Energies. He was working with Doug Evans on floating solar panels on the pond at the Water Treatment Plant. He is looking for possible grants for that project. Scott Morrison answered Ian's question about Home Depot, the billing error has been resolved.

Ian Schofield also had a question for Brian Davenport about the Jail House well why it was bailed and brushed and if this activity was normal maintenance? Brian explained that the pump has not been pulled in about 20 years and it was due to be cleaned. The pump was also lowered to the original of the pump level as part of this maintenance activity. Brian Davenport was not aware of any sediment material that they bailed out of the well at this time.

Bob Neumeister asked Lisa Hoffman about issues with Community Water collection and are we properly recognizing the revenue. The issues that were listed in the Public Service Updates are related to master meters. Steve Anderson and Marti Gee had billing challenges with the Master accounts. There have been checklists put in place to ensure that all of the master meters are properly billing customers each month. Public Service and Accounting continue to work toward a seamless process with the proper checklists. Scott Morrison explained that there is a deeper dive into the Billing System to ensure all customers are being billed properly in light of the Home Depot billing error. Minor issues have been identified with some accounts where they have been

underbilled. The customers will receive a letter if they were underbilled to make sure they will be aware of the changes to their account and warning their bills are likely to be higher going forward. Bob Neumeister had some questions about service lateral water leaks, Brian Davenport explained that last year there were 12 lateral leaks. Most of the time the connection of the lateral to the main is the issue. There was some discussion about the lateral lines in the various subdivisions and leaks that could occur. Bob Neumeister also asked about the pigging of the Lost Canyon line and how that is working out. Scott Morrison responded that we will be doing that the first part of May. Scott also discussed the water usage reporting required by the State. The District is wrapping up this effort in the coming weeks and does not have any concerns.

5. Policy Updates: Lisa Hoffman (15 minutes)

- a. Personnel Policies - Consideration of a Recommendation to the Governing Board to approve the Districts's updated Personnel Policies:

Lisa Hoffman presented the following information:

Background Summit County approved several updates to their Personnel Policies in October 2019 which prompted the District to review and incorporate applicable updates to District Personnel Policies. The detailed red-line changes to those sections of the Personnel Policies are included behind this memo and below you will find a summary of the significant changes.

District management is also recommending changes to the cell phone and internet reimbursement which is addressed in the District's Administrative Policies. In addition, there are a few other minor clean-up edits included. The detailed red-line changes to the document are included behind this memo and a summary of the significant changes are listed below.

The Personnel Policies have been reviewed by Brian Bellamy and the Administrative Policies have been reviewed by Dave Thomas. Their corresponding revisions and comments have been incorporated.

Personnel Policies

Sections 8.M: Additional Assignment

- A Summit County update which allows for a temporary increase in base pay,

between 2%-5%, when additional assignments are allocated to an employee, beyond the scope of their current job description.

Section 8.O.4: Annual Bonus Program

- Changing the annual bonus maximum from \$1,000 to \$1,500

Section 9.C.2: Continuation of Benefits

- A Summit County change providing a deceased employee's dependents up to four months of COBRA coverage, paid for by the District.

Section 9.D: General Group Insurance Programs

- A Summit County change providing additional clarity on the difference between Short Term Disability and Long Term Disability. For clarification purposes only, no change to current ST or LT Disability plans.

Section 9.G.9: Vacation

- A Summit County change providing newly hired employees a vacation accrual credit for prior work experience. For employees hired after October 2014 to the adoption of this policy, the employee may receive one year of vacation accrual credit for every two years of prior work experience, not to exceed the amounts awarded to current employees in the second tier (6-10 year) period. The determination of the vacation credit will be made by the General Manager and the Personnel Director.

Section 9.Q.1: Retirement

- A Summit County change providing clarity on years of service credit for employees on Worker's Comp, Short Term and Long Term Disability.

Section 17.C: Worksite Wellness Physical Activity and Nutrition

- A Summit County addition provides for a commitment to the wellbeing of employees by offering a thirty minute paid physical activity break up to three

times a week as well as other activity suggestions.

Administrative Policies

Section 12.3: Cell Phone Usage

- District management recommends no longer administering a cell phone plan, but instead providing a monthly reimbursement, as determined by the General Manager. The monthly reimbursement amount recommended is \$75.00. The District currently provides a \$55.00 reimbursement for non-District cell phone plans, the additional \$20.00 is to cover hardware cost for the phone (free phone options are currently available to all District employees; this benefit will be eliminated as the District moves away from administering a cell phone plan).

Section 12.4: Internet Connection Allowance

- The District currently provides a monthly internet allowance for designated employees. District management recommends eliminating this allowance.

Recommended Action

Recommend the Summit County Council approve the revised District Administrative Policies and Personnel Policies.

Upon approval by the Summit County Council we will hold a District wide meeting to review and discuss all changes with employees

After some discussion Bob Neumeister made a motion to make a recommendation of approval to the Governing Board of Mountain Regional Water for the updated Personnel and Administrative Policies. Seconded by Karin Wilson. All voted yes, motion carried.

6. Finance Update: Steve Anderson (10 minutes)

- a. Regional Water Supply Rate Study Consultant Selection

Steve Anderson presented the following information:

Background

Due to the difficulty of setting a water rate last year for the Regional Water Supply sold to Summit Water via the Weber Basin Water Conservancy District, the District, in agreement with the Administrative Control Board and the Summit County Council has decided to hire an external party to perform a Wholesale Rate Study.

Lewis Young Robertson & Burningham Proposal

David Robertson and Fred Philpot visited the District Offices on February 20th to discuss their interest in performing this study. In their proposal submitted March 2nd it was clear they grasped the need and nuances of what is required. A few key points are:

- Identified the need to look at the possible subsidization by our retail customers
- Described a multi-year approach with the rate changing as costs and other factors may change
- Broad scope of information they will bring including the affordability of the rate

Zions Public Finance, Inc.

Susie Becker visited the office on February 19th and Matt Millis participated telephonically from Boise, ID. Susie has helped the District previously with our Retail Rate Study and Impact Fee Rate Study. Key points from the proposal submitted by Zions Public Finance are:

- Matt Millis is experienced in the water industry including working on the AWWA wholesale water rate studies
- Their proposal seemed to lack some recognition of the audience and all the factors that are in play

Recommendation

Although the District believes both parties could complete the task successfully and provide a quality product, the District recommends the selection of Lewis Young Robertson & Burningham due to the following factors:

- Better grasp of the unique situation in which the District finds itself
- Chance to learn from other professionals that may add to the knowledge base of District employees
- The potential difficulty in having Matt Millis from Zions attend critical meetings due to having to travel from Boise

Discussion about the study and why the study is being done occurred. Scott Morrison stated that the District agreed to perform this study late last year when the 2020 Regional Water Supply rate was set by the Summit County Council. The Study will cost approximately \$10,000. If this study leads to an increase in the Regional Water Supply rate, the cost of the study will likely be recovered. A draft should be available by the end of April. The Board was in favor of the staff's recommendation of Lewis Young Robertson & Burningham.

b. Other: None.

Steve Anderson stated that the finance team is finishing up the closing of February. It will be available next month. There is a slow down in impact fees so far this year. There are some projects on the horizon that would be large that may come in later this year.

Bob Neumeister has a question about the projects that were previously discussed in Browns Canyon. Dave Thomas explained that the MIDA – The Military Installation Development Authority is only in Wasatch County and not in Summit County. The projects that were discussed were adjacent to the MIDA property. The developers went to the State Legislature and they were turned down to try to join the MIDA project. The developers have made an application to Summit County for a mixed use project but the General Plan would need to be changed and rezoned to a mixed use and a subdivision plan approval and the developers would be required to have water for their project. There will likely be a mixed use with commercial, residential, and affordable residential across from the Home Depot.. Traffic is a concern and many options are being looked at in that area.

7. Legal: Dave Thomas (30 minutes)

- a. Annual Administrative Control Board Training: Dave Thomas presented the training. (attached)
- b. Administrative Control Board Elections

The Administrative Control Board held elections for all current positions. No new positions were added. All Board members elected to maintain their current positions. The 2020 positions are detailed below:

2020 Positions

Chair: Mike Kobe

Vice Chair: Bob Neumeister

Personnel Committee: Ian Schofield, Tim Dougherty

Audit Finance Committee Chair: Karin Wilson

Conservation Chair: Tim Dougherty

Bob Neumeister made the motion to approve the 2020 Board Member positions. Ian Schofield seconded the motion. All voted yes, motion carried.

- c. Other:

8. General Manager Comments: Scott Morrison (10 minutes)

- a. Silver Creek Well Update: The safe yield of the Silver Creek Well is approximately 60 gallons per minute. It's less than what the District was projecting for this new source. Scott Morrison stated that he needs to evaluate the Community Water sources and water consumption to determine what additional sources will be needed. Scott stated that this will take time to get accurate information due to incomplete metering in the past and behavioral adjustment due to the District's higher water rates. MRW will need to seek source development sooner than expected due to the poor production of the Silver Creek Well. The Regional Water Supply numbers for peak day cannot be adjusted due to commitments in the District's Settlement Agreement with Summit Water Distribution Company.
- b. Recruitment for the Staff Engineering Position Update: Scott reported that Sam Grenlie will be the new District Engineer. He is currently employed by the Division of Drinking Water. He will begin working for MRW on March 30th, 2020.
- c. Home Depot Billing Adjustment Update: Scott reported that the billing correction has been completed.

- d. Other: COVID-19: Scott explained the actions that Summit County and MRW are taking currently. Sick employees are to stay home from work. Employees working from home will keep careful track of their time. Summit County declared a Local Public Health Emergency and wants employees to work from home that can telecommute. Scott explained that this will mostly affect the office staff.

Scott further explained that he would like to keep a minimal presence at the office. There is a note on the front door that gives phone numbers for the public to call if they have questions or need help. The door is not locked but there have been only 2 members of the public that have had questions that needed to enter the office since the note was placed on the door. Staff has been directed to not enter any home unless it is an emergency. The Park City Fire District is not entering any home without personal protective equipment. All non essential meetings are canceled. Tim Dougherty asked if there was a definition for a non essential meeting and asked Scott to get definitions for essential meetings and non essential meetings. There is a posting on the District website about the safety of MRW water from the State Division of Drinking Water and the EPA. Scott explained that MRW will be following the directions from Summit County on the COVID-19 requirements. Tomorrow the office will be closed.

Tim Dougherty asked if Summit County knows when the peak of the COVID-19 will occur?

Dave Thomas stated that the County does not know when the peak will occur. Some factors that will play a role is a possible vaccine and the warmer weather may cause the virus to slow down. Summit County wants to be proactive and hold off community spread.

Tim Dougherty asked if they close the schools how many employees will be home taking care of their kids at home? Scott reported that the District has redundancy in key areas with the current staff so essential functions are expected to proceed without disruption. Limiting exposure of employees to the public and sick employees is important to limit absentee challenges.

Tim Dougherty asked about employees that have to self quarantine. Maybe the staff could quarantine at the plant or pump station if they have no symptoms? Dave Thomas said that MRW would need to talk to Dr. Rich Bullough, the Summit County Health Director, because that approach is not consistent with the CDC requirements of self quarantine at home. Dave stated that the County is

continuing to perform critical County services. The Board thanked Dave Thomas for the updates.

Tim Dougherty and Ian Schofield have been reviewing the personnel salary ranges compared with other local entities. Snyderville Basin Water Reclamation District, Park City Municipal Water, and other Water Districts in the Salt Lake Valley have been the examples to compare against. Tim and Ian stated that it was difficult to quantify the total compensation package and recommended the District have a third party do a salary survey. Tim and Ian suggest the District ensure MRW stays competitive with local salaries for similar skill sets to retain employees. Tim suggested both the private and public sectors be included in the salary survey make sure MRW salaries are competitive. Lisa Hoffman stated that MRW does not have a lot of turnover of employees. She also suggested that this needs to be discussed with Brian Bellamy before any consulting groups are contacted to perform a study and get pricing.

9. Adjourn: Meeting adjourned at 8:35 p.m.

Pursuant to the American with Disabilities Act, Individuals needing assistance attending the meeting March 12, 2020 should contact Marti Gee at 435-940-1916 ext. 302 to make arrangements. The next MRW Administrative Control Board Meeting will be held on April 16, 2020.