



MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT

APPROVED MINUTES

Administrative Control Board Meeting
May 20, 2021

Attendance:

Board:

Mike Kobe
Joel Fine-absent
Karin Wilson
Tim Dougherty
Ian Schofield

Staff:

Scott Morrison
Lisa Hoffman
Steve Anderson
Chris Braun
Brian Davenport
Anna Peacock
Sam Grenlie

Summit County Attorney:

Dave Thomas

Notice is hereby given that the Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah will meet in Regular Session on May 20, 2021, via Zoom at 6:00 p.m. Consistent with provisions of the Utah Open and Public Meetings Act, Utah Code Ann. §52-4-207(4), the Chair of the Administrative Control Board (the “Board”) of Mountain Regional Water SSD, has issued a written determination supporting Mountain Regional Water SSD decision to convene electronic meetings of the Board without a physical anchor location. Due to the health and safety risks related to the ongoing COVID-19 pandemic and considering public health orders limiting in-person gatherings, members of the public should not attend Board meetings in person. However, members of the public are invited and encouraged to view and participate in the Board’s electronic meetings as described in the Memorandum entitled Determination Regarding Electronic Meetings Without an Anchor Location, dated May 11, 2021. All participants and the public wishing to attend should do so via Zoom using the following information:

Join Zoom Meeting:

Please click the link below to join the webinar:
<https://us02web.zoom.us/j/89253165664>

Webinar ID: 892 5316 5664
To Dial in for Audio: 669-900-6833

1. Call to Order:

Mike Kobe called the meeting to order at 6:01 pm.

Mike Kobe read the Determination Regarding Electronic Meetings Without an Anchor Location.

2. Public Attending & Input: Dana Howell (OSBORNE, ROBBINS & BUHLER, P.L.L.C. Certified Public Accountants) to present the 2020 audit report.

No public input.

- 3. 2020 Audit Presentation: Dana Howell & Steve Anderson (6:03 pm)** Dana Howell briefly explained the 2020 Audit Presentation. Dana Howell expressed that page 11 of the Audit regarding the Drought Response was new to the audit. Dana Howell briefly explained financial statements - Dana Howell briefly summarized the next 14 pages of the Discussion and Analysis. Dana Howell briefly explained page 31 of the Statements of Net Positions. Dana Howell briefly explained on page 46 regarding the Restricted Assets. Dana Howell briefly explained on page 49 regarding the long-term obligations and bond repayments. Dana Howell briefly explained on Page 57 regarding the pledged revenues that MRW cash net revenues of \$58.85 million are pledged to the repayment of debt. Dana Howell briefly explained on page 61 regarding the pensions and Employer contributions are very similar and we could plan to budget that every year. Dana Howell briefly explained the schedule on page 75 regarding the MRW debt service coverage ratio. Dana Howell briefly explained the letter regarding what the auditors refer to as the "Yellow Book Letter". Dana Howell briefly explained the State of Utah Compliance letter. Dana Howell briefly explained that there were not any audit findings or issues found during the audit.
- The ACB did not have any questions or concerns for Dana Howell regarding the 2020 Audit Presentation.

4. Executive Session – Personnel, Possible Litigation, and Property Acquisition

No Executive Session

5. Consent Agenda: (6:27 pm)

- a. Approval of the April 22, 2021 ACB Meeting Minutes: No questions or comments
- b. Approval of the April 2021 Check Register:
- c. Consideration of Approval of Purchase Orders: No Purchase Orders
- d. Other:

Ian Schofield inquired about the credit to the UOP and if this was their final credit. Steve Anderson responded that it was. There was a question about the IMA reimbursement. Steve Anderson described that this is similar to Promontory and is the repayment of pre-paid impact fees. Ian Scolfield inquired about the Nickerson pump charge? Steve Anderson responded that it was for a shallow well pump at Lost Canyon, Brian Davenport confirmed. Ian Schofield inquired about

the Delco Western check. Steve Anderson responded that it was for Chlorine parts. Brian Davenport confirmed this as well.

Karin Wilson inquired about PLC card replacement. Chris Braun explained that PLC is an acronym for Programmable Logic Controller. These are cards that needed to be replaced and we had SKM's assistance with this. The cards were the original equipment and had reached their end of life.

Tim Dougherty inquired about what the "card" was. Chris Braun explained that the term "card" is used for a piece of equipment where all the communication wires terminate. Chris Braun displayed an example of a "card" for the board.

Karin Wilson made the motion to approve the Consent Agenda. Ian Schofield seconded the motion. All voted in favor of the motion. Motion passed.

6. Financial Management: Steve Anderson (6:36 pm)

a. Update on April 2021 Results

Steve Anderson briefly reviewed the Executive Summary for April 2021. b. Consideration of Approval to Award Construction Contract for the Kilby Water Line to Newman Construction in the amount of \$289,000

Sam Grenile briefly discussed the Kilby Water Line project location and the reason for the project.

Ian Scholfield made the motion of Approval to Award Construction Contract for the Kilby Water Line to Newman Construction in the amount of \$289,000. Tim Dougherty seconded the motion. All voted in favor of the motion. Motion passed.

c. Update on prepayment of debts held with Zions Bank. Debts to be prepaid are: 2014 Property Lease in the amount of \$228,642, and 2017 Equipment Lease in the amount of \$320,012. Park City will share in their proportional amount as debts are related to Lost Canyon.

Scott Morrison explained the prepayment of the debt. Steve Anderson shared his screen and explained the reasoning for the prepayment and the benefits to both Park City and MRW.

Tim Dougherty inquired who owned the property regarding the lease? Steve Anderson responded that MRW owns the property. But the costs were shared. The term lease was a classification by Zions instead of the term loan or mortgage. Park City Municipal only shared in the costs of the remodel of the existing structure for the use of an office. Dave Thomas explained in further detail the lease revenue bond for Municipalities.

d. Other:

7. Human Resources: Lisa Hoffman (7:07 pm)

a. Consideration and Approval of the Energy & Technology Technician Job

Description

Lisa Hoffman briefly explained the updated Energy & Technology Technician Job description. David Warnock from the Summit County HR department has reviewed the updated description and he had no comments or improvements. Ian Scholfield made the motion for Approval of the Energy & Technology Technician Job Description. Tim Dougherty seconded the motion. All voted in favor of the motion. Motion passed.

8. General Manager Comments: Scott Morrison (7:14 pm)

a. District Office Update

Scott Morrison gave a brief update on the District Office and the MRW is directly involved with the County in the planning process.

b. Other:

Scott Morrison gave a brief update on the Water Users group conference he attended. Scott Morrison attended the conference with regards to receiving more information on the Drought discussions. Scott Morrison stated that our office is reaching out to our customers about drought awareness and water conservation. Scott Morrison gave a brief overview of the status of the Wildfire Mitigation group regarding their funding. Scott Morrison briefly discussed the information in the packet regarding the Concurrency report MRW provided to the County.

9. Legal: Dave Thomas (7:29 pm)

a. Discussion Regarding Hybrid Approach to Open Meetings

Dave Thomas gave a brief overview of a Hybrid Approach to open meetings regarding joining in-person and electronic meetings. This is MRW's last meeting without an anchor location. MRW's June ACB meeting will need an anchor location where the public can attend. MRW can continue to have electronic meetings in conjunction with in-person meetings. MRW can not require social distancing or mask-wearing at the anchor location.

b. Other:

Dave Thomas briefly discussed the Summit County Treasurers' position in regards to MRW annual liens being placed on the property taxes and the County not paying MRW unless the County has received the funds. Lisa Hoffman stated that by the Summit County Treasurers' office not paying MRW in full for the annual lien exhibit this would be problematic due to the fact that all of MRW's bonds state MRW is reimbursed in full by Summit County.

Scott Morrison asked Dave Thomas about what needs to be included in the Annexation Fee in regards to the future annexation of PMMWC. The ACB, Dave Thomas, and staff discussed the topic of what needs to be included in the

annexation fee agreement.

10. Questions on Department Updates: (8:14 pm)

Tim Dougherty asked about the reference of “bridge” in reference to the well being pulled at Silver Springs. Brian Davenport explained that there was a material obstruction that he hoped could be broken through as part of the brushing and bailing process.

Karin Wilson had no questions but liked the pictures of the pigging project. Ian Schofield inquired about third-party support for the pigging project and our future pigging projects. Brian Davenport explained that MRW had support from a third party this year and the previous year but we want to do it ourselves in the future. Mike Kobe had no questions.

11. Adjourn: Mike Kobe adjourned the meeting at 8:18 pm

Pursuant to the Americans with Disabilities Act, individuals needing assistance attending the meeting on May 20, 2021, should contact Lisa Hoffman at 435-940-1916 Ext. 312 to make arrangements. The next MRW Administrative Control Board Meeting will be held on June 17, 2021.