



**MOUNTAIN REGIONAL WATER  
SPECIAL SERVICE DISTRICT**

**APPROVED**

**ADMINISTRATIVE CONTROL BOARD**

**AGENDA**

**February 8, 2018**

**Attendance:**

Mike Kobe  
Bob Neumeister  
Karin Wilson  
Ian Schofield  
Tim Dougherty

**Staff:**

Andy Armstrong  
Marti Gee  
Lisa Hoffman  
Scott Green  
Scott Morrison

Dave Thomas Summit County Chief Civil Deputy Attorney

The Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah met in Regular Meeting session **February 8, 2018** at the Mountain Regional Water Special Service District office located at 6421 N Business Park Loop Road, Suite A, Park City, Utah 84098 at **6:00 p.m.** The following was the agenda for said session all times were listed were general in nature and were subject to change by the Board.

- 1. 6:00 p.m. Call to Order & Public Input:** Mike Kobe called the meeting to order at 6:05 P.M. No public attended the meeting there was not public input.
- 2. Motion to approve the January 11, 2018 Mountain Regional Water Special Service District Meeting Minutes:** Minutes were presented and Ian Schofield made a motion to

approve the January 11, 2018 Mountain Regional Water Special Service District Meeting Minutes as presented. Seconded by Bob Neumeister. All voted yes, motion carried.

- 3. Motion to move into Executive Session for Personnel & Legal discussion:** Motion to move into Executive Session for personnel and Legal discussions made by Bob Neumeister. Seconded by Karin Wilson. All voted yes, motion carried.
- 4. Motion to move into Open Session:** Motion made by Tim Dougherty to move into Open session and begin to advertise for a Accounting and Finance Manager position. Seconded by Karin Wilson. All voted yes, motion carried.
- 5. Financial:**
  - A. Presentation of the December 2017 Financial Reports:** See Scott Green presentation  
The new Auditor suggested changes to the Financial Reports for 2018.
  - B. Consideration of Approval of December 2017 Check Register:** Lisa Hoffman reported the checks that were above the \$10,000 level for December 2017. The checks were Gerber Construction for the Silver Creek Tank and Pump Station for \$97,996.38, Weber Basin Water Conservancy District for \$1,386,963.63, Rocky Mountain Power for \$37,555.74, Aistral Star for \$16,763.03, Payroll Checks, Wells Fargo Credit Card.  
Motion made by Bob Newmeister to approve the December 2017 Check Register.  
Seconded by Karin Wilson, all voted yes, motion carried.
  - C. Consideration of Approval of P. O. for 2 2018 Ram 1500 Quad Cab 4x4 Trucks for \$53,994.00 and Electro Power Utah LC for \$111,460.00 for 2 pump motor controls and motor control panel:** This P. O. will supply the Distribution department with two trucks and pump and motor controls. Motion made by Bob Neumeister to approve the above listed P. O. for 2 2018 Ram 1500 Quad Cab 4x4 Trucks for \$53,994.00 and Electro

Power Utah LC for \$111,460.00 for 2 pump motor controls and motor control panel.

Seconded by Karin Wilson. All voted yes, motion carried.

**D.** Other: Semi annual cash report no motion needed.

**6. Legal:**

**A.** Discussion of Community Water potential annexation and potential events schedule:

The time has been delayed for one week. Dave Thomas said that the Summit County Council required the support from the community and needs letters from the residents to insure the support from the community added to the Annexation Resolution.

Community Water representatives stated they would be able to get the letters of support for the Council. Andy Armstrong stated the the representatives from Community Water would have the letters of support for the meeting deadline. There was no petition presented to the Council, they will allow the Resolution without a petition if there are letters of support from the residents. Andy Armstrong explained that there are unique issues with the water right and they were “messed up.” Andy Armstrong stated that they have no surface diversion for the water treatment plant. It appears that the wells points of diversion are correct. Community Water has a need for wet water. MRW has a 1860 water right above the existing water treatment plant that potentially could be used on the plant if approved for moving the point of diversion with the State of Utah Engineer. Their sources are not adequate for the existing water users. Andy Armstrong discussed drilling a new well to have for a water source for them. Andy would like to drill the well in Willow Draw. He has the feasibility study funded for the well in the cost estimates of improvements. The residents have not been able to irrigate last summer due to the tank failure on their water system. There

is a water line relocation near the Grand Summit that Andy discussed. The need for the line has been changed by MRW fire flow. The Community Water owners stated that this line needs to be relocated due to the lack of an easement. This line may have a easement and Dave Thomas will confirm that an easement for the water line exists. The line costs per Andy Armstrong is \$150,000 extra. Dave Thomas found 18 easements for the Community Water system. The Community Water Company stated they had 5 easements for the Agreement. The discussion about obtaining the easements before the closing occurred. The Board expressed concerns that the easements were obtained before closing. There is a concern for any easements on the Colby School. They have no easements for their water lines there now. Andy explained that the Annexing of the property could be progressing and a lease arrangement for an interconnection between MRW and Community Water could begin with a agreement to lease fire flow and wholesale water if needed for the current rates for White Pine Zone. This vault is important to allow the residents irrigate this summer. It would be possible to have that line item in the capital improvements done early with guidance from Drinking Water for the procurement with an agreement with MRW. Community Water would fund it and be reimbursed with the loan proceeds if the annexation was successful or if they pursue the Public Utilities Rate Hearings solution for their future. The State of Utah Drinking water conditions would need to be followed to meet their requirements for reimbursement. In late March the public hearing is proposed with a 60 day protest period. Then the closing and the asset transfer could occur. The Board had concerns about the costs of the improvements because of the Bowens and Collins estimate was for \$4 Million and the Loan is for \$2

million dollars. The Bowens and Collins estimate is three years old. They wanted to make sure that the contingency and the total amounts of the projects would cover the costs. The concerns of the Board were about the adequacy of the contingency and the need for a back up plan for an additional loan and second assessment to Community Water. They were concerned that the existing MRW customers would not be responsible for paying for any shortfalls of the cost estimates on the capital improvements. The Board also discussed the Collection Authority of the assessments and water billing by requiring each tax id have a water account and the ability to lien that property tax id amount for any delinquent amounts. The water meter change out was also discussed and the ability to have all of the water meter working so accurate water bills can be sent to the water users. Increase levels in staffing at MRW were discussed with the increase of services by 10%. The Board was also concerned about the level of service and what service was defined as that they are paying for in their water rates and assessment. Defining that service for the future customers was a concern. They wanted to further discuss this in the next board meetings.

**B.** Discussion and Consideration of Agreement between MRW and Community Water Company Service Area for the Annexation and Asset Acquisition Agreement: Tabled until the appropriate exhibits are completed.

**C.** Other:

**7. General Manager Update:**

**A.** Update on Community Water Issues:

**B.** Update on Glenwild Water Line Replacement: Scott Morrison met with the Glenwild

HOA representative Patty W. about the complaints about water outages near Christmas. They have experienced five outages last year. Two outages were for water system improvements and three were for leaks, prv upgrades and meter change outs. The MRW staff observed that the pipe looks corroded. Scott Morrison explained that an installation of an isolation valve in beginning of project will allow for minimal interruptions during the water line replacement . Pressure Relief valves will be placed in PRV vaults to reduce pressure surges. The HOA representative suggested that the replacement begin during the mud season. Glenwild will have the least amount of residents affected at that time this Spring. MRW is having Aqua Engineering draft a set of plans to get to quotes from contractors to complete the work.

- C.** Revise Timeline for Capital Facilities Planning: Andy Armstrong would like to move the timeline 2 months in the future with the Community Water project. Lisa Hoffman will revise the Timeline.
- D.** Discussion of Operation & Incident Reporting on MRW Water System: Bob Neumeister had some recommendations to have a operations report presented to the Board on a regular basis. Andy Armstrong will try to get something for the next Board meeting. A dashboard presentation was discussed.
- E.** Other: Andy Armstrong discussed the EPA permit to get across the Silver Gate Drive overlay zone. MRW had a good meeting with the State and the EPA needs background information. EPA may need 3-4 months to review the information and study it. MRW will report the progress of this project. Andy Armstrong also discussed the Concurrency Meeting that occurred and the handout that was released at the

meeting with the concurrency totals for all of the water companies. Gorgoza wants out of concurrency as well as Summit County Service Area # 3. Summit Water Distribution has 364 ERC's. Andy Armstrong reported on a Regionalization meeting. Andy would like to discuss table "D" is our surplus and shortfall with the Board in a future meeting. Andy Armstrong would like to set up a work session to discuss with MRW Board and the Council the future water usage.

**F. Adjourn:** Board meeting adjourned at 8:45 pm.

Pursuant to the Americans with Disabilities Act, individuals needing assistance attending the March 8, 2018 at the at the Mountain Regional Water Special Service District office located at 6421 N Business Park Loop Road, Suite A, Park City, Utah 84098 at 6:00 p.m. please contact Marti Gee to make arrangements for assistance.