



**MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT**

ADMINISTRATIVE CONTROL BOARD

MINUTES

JUNE 14, 2018

ATTENDANCE:

BOARD MEMBERS:

Mike Kobe Chairman
Tim Dougherty
Ian Schofield
Karin Wilson
Bob Neumeister (Absent)

STAFF MEMBERS:

Melissa O'Brien
Marti Gee
Lisa Hoffman
Doug Evans
Scott Morrison
Steve Anderson
Brian Davenport

GUESTS:

Dave Thomas, Chief Civil Deputy
Brian Bellamy, Human Resources

The Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah met in Regular Meeting session on **JUNE 14, 2018** at 6421 N. Business Park Loop, Suite A, Park City Utah, 84098 at 6:00pm.

- 1. Call to Order and Public Input** Mike Kobe called the meeting to order at 6:00 p.m. No Public Input. Brian Bellamy Human Resources for Summit County, stated that he had sent Mike Kobe and Bob Neumeister the schedule for advertising the General Manager position for MRW and would have the first round of applications for review by the MRW Board by June 20, 2018. Brian explained that the HR office will weed out the non qualified applicants that do not meet minimum qualifications and provide the applicants that qualify to the Board. The interviews would be scheduled a couple of weeks from the date the

Board reviews the applications and selects certain applicants. He suggested that the full MRW Board, a couple of Summit County Council members and a couple of MRW Staff members participate in the interviews. The meeting date to review applications was set for June 28, 2018. Brian will check with the Summit County Council to see whom would like to sit on the interviews. Brian would like to set up the interviews by the second week of July. There are about 12 -15 applications submitted so far to the County Human Resources Office.

2. **Executive Session - Personnel and Legal:** Motion made by Ian Schofield to move into Executive Session. Seconded by Karin Wilson. All voted yes, motion carried.
3. **Move to Open Session:** Motion made by Ian Schofield to move out of Executive Session. Seconded by Tim Dougherty. All voted yes, motion carried.
4. **Consent Agenda:** Melissa explained the use of a Consent Agenda. The Consent Agenda is intended to contain items that are regularly on the agenda and require limited discussion. She also explained that at Basin Recreation, the Consent Agenda assisted the Board in making meetings more efficient. If there are any questions about items on the Consent Agenda, items may be pulled out. The MRW Staff wanted to try to use this method to assist the Board in conducting efficient board meetings. Karin Wilson had one question about the Promontory Special Assessment Check. Lisa Hoffman explained that it is a reimbursement to Promontory for the fees that are collected at closings to account for the Assessment Bond for Infrastructure. Ian also asked if Tim Dougherty needed a check for a Board meeting that he attended and did not receive a check. Tim stated he was absent for that meeting. Motion to approve the Consent Agenda made by Karin Wilson. Seconded by Ian Schofield All voted yes, motion carried. The Consent Agenda Items included:
 - a. Approval of the May 10, 2018 Meeting Minutes
 - b. Approval of the April 2018 Check Register
 - c. Recommendation to the Governing Board of MRW to Approve the 2018 Certification of Delinquent Fees and Charges to the Summit County Treasurer
5. **Scheduling of Strategic Planning Work Session:** Dave Thomas explained that a full day retreat is very important for the MRW Board Members and Staff to focus on the issues surrounding regional strategic planning. Dave also discussed the need to keep all of those things like Impact Fee and Strategic Plans moving forward while protecting the ratepayers of MRW. Dave recommended that MRW set up a retreat in July. All Board Members and Administrative Staff will be available to go “off campus” away from distractions. The Board discussed dates and scheduled Friday July 20, 2018 Marti will check with Bob Newmeister to check his availability.
6. **Operations Report:** Brian Davenport reported the following activities for the Month:
 - a. Three Main line breaks so far this year. Summit Park hole in the pipe, Stagecoach weld on bend failed and Summit Park leak on tee.
 - b. 1 lateral leak in Silver Springs.

- c. As part of the Glenwild pipe replacement project MRW:
 - 1. installed a drain line on the Glenwild prv,
 - 2. installed blow-offs on prv's and
 - 3. rebuilt the valves in the project area. All bolts on the valves were corroded.
- d. Pulled both older pumps at Silver Springs and had them rebuilt and motors evaluated.
- e. Pulled a 450 HP pump in Lost Canyon and had it rebuilt and the motor was evaluated -1st time.
- f. Painted 100K steel tank in Summit Park.
- g. Installed gas to Lost Canyon pump station.
- h. Pulled 3 Mile well. Installed new pump and motor. Replaced electrical.
- i. Started maintenance plan to rebuild all pump control valves in all facilities.
- j. Continuing Hydrant maintenance 1 day / week.
- k. Rehab of Winter Park well 3.
- l. Rehab of Summit Park well 2.
- m. Preparation of taking over Community Water.
- n. Preparation of sanitary survey with the State of Utah DDW.

7. Financial Management: Lisa Hoffman

- a. Presentation of the April 2018 Financial Summary: Lisa Hoffman asked the Board if the summary is the preferred level of detail. Revenue is higher than projected because of the impact fees. All other expenses are tracking as projected. Park City is taking about twice as much water as last year, its Water Treatment Plant is online. MRW will need to go on peak power this year and Park City will share in the costs of the peak power needed to supply the water for the plant. Karin asked about the largest variance in this year to last year budget in the impact fees. Lisa stated that Scott Green used a ten year average and in the last three years, there has been higher development in MRW service area. Karin would like a detailed presentation of the finances. Tim thought that it is important to flag the items that are tracking indicators for variance from budget. The Board would like a summary in the interpretation of the report. The Board can then ask questions if it has the detail provided in the packet reports.
- b. Approval of a Resolution for Public Entities with PTIF Accounts from the Office of the State of Utah Treasurer: Motion to approve approve the Resolution for Public Entities

with PTIF Accounts from the Office of the State of Utah Treasurer made by Karin to have Lisa Hoffman and Marti Gee be the signatures on the account. Seconded by Ian Schofield. All voted yes, motion carried.

- c. Update on the 2018 Rate Study: Suzie Becker from Zions Bank has assisted on rate studies and impact fee studies for MRW and Basin Recreation District. Lisa recommend Zions Bank as it did the last impact fee study and was the lowest quote. All of the Board members agree that Zions Bank is a good choice for the rate study.
- d. Timeline for Debt Obligations: A Debt Obligation sheet was provided in the packet.

8. Legal: Dave Thomas

- a. Update on the Annexation and Asset Acquisition: The Annexation and Asset Acquisition Agreement was signed by Summit County Council May 30, 2018. There is a 90 day period before closing and before we can close we need the interconnect completed and easements complete. The interconnect contractors are very busy this season and it is difficult to get a responsive bidder. There was a productive meeting with Community Water and it has a contractor that may be able to do the work. MRW is waiting for bids to be submitted. There will be additional easements needed for some of the additional wells and the Bill of Sale and change of water right diversions are filed. The Drinking Water Board Loan meeting is July 13. There will need to be a rate hearing to approve the infrastructure fee that will be charged to Community Water customers in addition to their base water fee and water usage fee. TCFC will be responsible for the water system until August 28, 2018.

9. Engineering and Development: Scott Morrison

- a. **Silver Creek Pump Station and Tank:** is 95% complete and the start up for the pump station will be complete and will be online with a goal of Aut 1, 2018.
- b. Community Water Interconnect Status: The bid documents and civil construction plans have been completed and released for bidding by qualified contractors. We have not received a responsive bid at this time but are actively looking for contractors who may be interested in the project.
- c. Update on UDOT's Pinebrook / Jeremy Interchange Project: The Utah Department of Transportation is planning an improvement project at the Pinebrook and Jeremy Ranch interchanges and is scheduled to start late Summer 2018. This interchange improvement is collocated with a portion of Mountain Regional Water's Gorgoza Bypass Transmission Line identified in the District's 2013 Impact Fee Facility Plan. MRW staff recommends that the portion of the Gorgoza Bypass project which falls within the UDOT project boundary be completed as part of the UDOT project. This is approximately 650 feet of 12" culinary water line and will allow for future completion of Mountain Regional Water's Gorgoza Bypass project without impacting the UDOT

improvements. The budgetary price for the project is \$55,000. Motion made by Tim Dougherty to recommend the Gorgoza Bypass Transmission Line for MRW for \$55,000 that has been in the Capital Facility Plan of 2013 to complete concurrent with the UDOT project. Seconded by Karin Wilson. All voted yes, motion carried.

10. Energy and Resource Management: Doug Evans

- a. Update on Water Loss and Accountability: Doug discussed water rights from East Canyon currently at the State Engineer's office and he will report on the updates of the application. Doug is creating a model for the State Engineer on the water right changes. It has been 5 years of work to hopefully get approved.
- b. Update on Concurrency: see www.summitcountywater.org MRW's Concurrency Plan was approved. Doug recommended that at some point, he would like to spend his whole time at a board meeting to talk about concurrency.
- c. Update on Strategic Planning: Doug has completed a document for the framework for the strategic plan. He is working on a water energy model for the energy surcharge for the new water rates. Doug also talked about cathodic protection. Doug discussed the siting for the Community Water Well replacement. It may be placed near the new Silver Creek Water Tank. It may be possible to work with the SBWRD. Water loss was at 15% for MRW system.

11. Public Service: Marti Gee

2017 Consumer Confidence Report: Marti Gee reported that the Consumer Confidence Report is a requirement by DDW and EPA. It is online and available on the MRW web site. Ian asked about the ability to change the report and the definitions of NTU's and other levels. Marti also provided a meter update for the Board.

Issues encountered with older Meter Installations:

The following meter change outs have a newly discovered issue with existing check valves either failing or being nonexistent due to the age of the meter. The areas that are affected are Silver Springs, Spring Creek, Blackhawk, Summit Park, Atkinson, Park Ridge and Timberline, older homes before 1996. The discovery of the check valve issue has just come to light through the new meters capability of being able to detect a backflow.

- 12. Acting General Manager Comments:** Melissa O'Brien stated that staff has been so patient and so helpful this month. MRW is "business as usual" with the transition. Melissa recommended that the Board packets that BRD have may be helpful to standardize department reports for the Board. Community Water has been keeping us very busy, along with preparing for the Board retreat, and budgets. Melissa also wanted to make the Board aware of a memo concerning expectations. The direction for the memo is from the County. All of the Department heads need contracts and should have had contracts 18 months ago with the policies changed to give them some level of protection that the merit employees have. Mike Kobe thanked Melissa for helping MRW out.

Motion made by Ian Schofield to move into Executive Session for personnel. Seconded by Tim Dougherty. All voted yes, motion carried.

Motion made to move out of Executive Session by Karin Wilson. Seconded by Tim Dougherty. All voted yes, motion carried.

13. Adjourn at 8:25 p.m.