



**MOUNTAIN REGIONAL WATER**  
**SPECIAL SERVICE DISTRICT**

**ADMINISTRATIVE CONTROL BOARD**

**MINUTES**

**October 25, 2018**

**Attendance:**

**BOARD MEMBERS:**

Mike Kobe  
Bob Neumeister  
Karin Wilson  
Tim Dougherty  
Ian Schofield excused

**STAFF:**

Scott Morrison  
Marti Gee  
Lisa Hoffman  
Doug Evans  
Brian Davenport  
Steve Anderson  
Kathy Gratteau

**GUESTS:**

Susie Becker Zions Bank  
Dave Thomas Summit County Chief Civil Deputy

The Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah met in Regular Meeting session on October 25, 2018 at the Silver Summit Academy located at 6407 N. Business Park Loop, Park City Utah, 84098 at 6:00pm.

- 1. Call to Order and Public Input:** Mike Kobe called the meeting to order at 6:01p.m. There was no Public Input at the meeting. No public attended.
- 2. Rate Hearing:** Mike Kobe opened the Public Hearing and there was no public input. Mike Kobe Closed the Public Hearing. Bob Neumeister made a motion to approve the MRW Resolution No 2018-02 consisting of a 3% increase on the water base fees and water usage fees, including all fees and charges. Karin Wilson seconded the motion. All voted yes. Motion carried.
- 3. Executive Session - Personnel and Legal:** Motion to move into Executive Session for Personnel and Legal made by Tim Dougherty. Seconded by Bob Neumeister. All voted yes, motion carried. Motion to move out of Executive Session for Personnel and Legal made by Bob Neumeister. Seconded by Karin Wilson. All voted yes, motion carried.
- 4. Move to Open Session:**
- 5. Consent Agenda:**

- a. Approval of the September 13, 2018 ACB Meeting Minutes
- b. Approval of the August & September 2018 Check Register
- c. Consideration of Approval of PO for GAC Exchange and Reactivation of 60,000 lbs. from Calgon Carbon for \$78,405.00: Motion made by Bob Neumeister to approve the Consent Agenda Items. Seconded by Tim Dougherty. All voted yes, motion carried.

**6. Questions on Department Updates:** There were some questions about Merit exempt employees and the employment contracts. Dave Thomas explained to the Board that when the new Personnel Policies for MRW were adopted the employees who were determined merit exempt need to have Employee Contracts. Merit Employees are what the rest of the employees that are employed by MRW are classified as in the Personnel Policies. Scott Morrison would like to have a discussion with the Board Members next month on the rates for water above the required Settlement Agreement amount of water for Summit Water Distribution. He would like to discuss with the Board the cost of water or the market rates for water in future water rates for wholesale water. There was a question on when the last Impact Fee Analysis was approved, it was in 2014. The District needs to adopt a new Impact Fee in 2019. Tim Dougherty suggested trimming down the number of goals and simplify the Strategic Plan.

**7. Financial Management:** Lisa Hoffman

- a. September 2018 Financial Report: Lisa Hoffman and Steve Anderson reported that Through September 2018, change in net position is \$3.46 Million which is \$1.84 million better than projected. This positive variance resulted from higher revenue that exceeded projections by \$1.56 million (17.6%), primarily due to higher impact fees of \$538,310 and higher retail water sales of \$846,019. Meanwhile, expenses are \$285,217 (3.9%) below budget year-to-date. Expenses are \$515,963 (8.0%) higher than last year, due to higher power costs, Weber Basin lease fees and higher repairs and maintenance to date; but these increases were planned in the budget. In 2018 so far there have been 79 new connections which is below the four-year-average of 96 new connections. However, the total impact fee collections are 14.9% higher than the four year average and the average per connections is \$3,721 (41%) higher than the four year average. Through September 2018 larger impact fees have come in for homes in the Colony, Woodside and Spring Creek Areas.
- b. Consideration of Approval of Recommendation to the Governing Board the Proposed 2019 Tentative Operating, Capital and Debt Service Budgets, and the Proposed 2018 Amended Operating, Capital and Debt Service Budgets: Bob Neumeister asked the district to look at the rate stabilization funds. Tim Dougherty requested the Budget spreadsheets be checked for errors and set up a process to check the spreadsheets for errors in the future. Karin Wilson stated that she concurs with Tim on the spreadsheets process. Karin also has some concerns that MRW staff may be too cautious and is concerned MRW is getting too conservative with budgeting numbers. Lisa stated that MRW is using two dry years and one average year to estimate the budget numbers, it is a three year average. There was a brief discussion about the implementation of a future drought rate if WBWCD enforced a cut back of water. Bob Neumeister made a Motion to Approve the Recommendation to the Governing Board the Proposed 2019 Tentative Operating, Capital and Debt Service Budgets, and the Proposed 2018 Amended Operating, Capital and Debt Service Budgets. Seconded by Tim Dougherty. All voted yes, motion carried.

c. Other: None.

**8. Legal:** Dave Thomas

- a. Consideration of Approval of Recommendation to the Governing Board to Annex Certain Real Property PP-87-6-A into MRW: Tim Dougherty made a motion for recommendation to the Governing Board to Annex Certain Real Property PP-86-6-A into MRW. Seconded by Karin Wilson. All voted yes, motion carried.
- b. Update on Community Water: Same place as last month, waiting for easements from Vail. Scott Morrison stated the bid package for Community Water is close to being done.
- c. Other: None.

**9. General Manager Comments:** Scott Morrison would like to discuss with the Board the methodologies for wholesale water costs for the future years. Scott stated he hopes to have the Employment Contracts for the merit exempt employees ready for the MRW Administrative Control Board to hopefully approve and make a Recommendation of Approval to the Governing Board. Scott also told the Board he has a new engineer for MRW hired and she has been with the Division of Drinking Water for the State of Utah for the last twelve years. Julie Cobleigh has assisted MRW the last twelve years on many projects and she will be joining the MRW team November 5, 2018.

**10. Adjourn:** 8:19 p.m.

Pursuant to the Americans with Disabilities Act, individuals needing assistance attending the meeting, December 13, 2018 should contact Marti Gee to make arrangements. The next MRW Board Meeting will be held on November 15, 2018.