



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

**APPROVED BY ACB**

**MOUNTAIN REGIONAL WATER**  
**SPECIAL SERVICE DISTRICT**  
**ADMINISTRATIVE CONTROL BOARD**  
**AGENDA**

**April 5, 2018**

**Attendance:**

**Board Members:**

Mike Kobe  
Bob Neumeister  
Karin Wilson  
Ian Schofield

**Staff:**

Andy Armstrong  
Marti Gee  
Lisa Hoffman  
Scott Morrison

**Summit County Attorney:** Dave Thomas Summit County Chief Civil Deputy Attorney

**Guests:** Steve

**Excused:** Tim Dougherty

The Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah will meet in Regular Meeting session **April 5, 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 the session all times listed are general in nature were subject to change by the Board.

1. **Call to Order & Public Input:** Mike Kobe called the meeting to order at 6:04 p,m,
2. **Motion to approve the March 8, 2018 Mountain Regional Water Special Service District Meeting Minutes:** Motion made by Bob Neumeister to approve the March 8, 2018 Mountain Regional Water Special Service District Meeting Minutes. Seconded by Ian Schofield. All voted yes, motion carried.
3. **Motion to move into Executive Session for Personnel & Legal discussion:** Motion made by Bob Neumeister to move into Executive Session for Personnel & Legal discussion. Seconded by Ian Schofield. All voted yes, motion carried.
4. **Motion to move into Open Session:** Motion to move into Open Session by Bob Neumeister. Seconded by Ian Schofield. All voted yes, motion carried.
5. **Special Service District Board Member Training Dave Thomas:** See Dave Thomas Presentation attached.
6. **Financial:**
  - a. Consideration of Approval of P. O.: Bob Neumeister made a motion to approve the P.O. to Hydro Specialties Company for Meters for \$228,753.00. Seconded by Ian Schofield. All voted yes, motion carried.
  - b. Audit Update: Lisa Hoffman updated the Board that there will be a draft of the Audit available very soon for Bob Neumeister and Karin Wilson to review . The presentation of the Audit will be next month at the May 10, 2018 Board Meeting.
  - c. Other: See Lisa Hoffman's report. Karin Wilson reviewed the Financial Report and she stated that she likes the format and also reviews it thoroughly in each Board Packet.
  - d. Check Register: The MRW checks that were paid this month that need approval above

the limit of \$10,000 are Utah Local Government Trust Insurance Payments for \$74509.63, Gerber Construction for Silver Creek Tank and Pump Station for \$99,902.90, Rocky Mountain Power for \$36,752.48, Wellson Commercial Card for \$15,611.07, and Payroll costs. Motion made by Karin Wilson to approve the Check Register as presented. Seconded by Ian Schofield all voted yes, motion carried.

## **6. Legal:**

- a. Engineering Report: Scott Morrison / Andy Armstrong Scott Morrison asked if there are any questions about the Engineering Report. Andy Armstrong wanted to complement Scott Morrison on a comprehensive Engineering Report. Scott Morrison stated in his review of the data he took to heart the Board directive to complete as many upgrades on the Community Water system as possible with the funding available. The cost per customer's estimate is \$28.50 per month. The loan that will be requested from the Division of Drinking Water Board will be a twenty year bond. Andy Armstrong thinks it will change once the jobs are bid out and bid amount will set an amount for the payments per customer. The debt service coverage is built into the monthly rates. The ability to borrow the coverage amount in the loan will be discussed with the Drinking Water Board. Bob Neumeister asked about PCMR retaining some of the water rights for development or snowmaking. That is not known at the time, the water rights for the Community Water System will be pledged to MRW. The LookOut Cabin is not part of this annexation. Andy Armstrong explained that TCFC has a lot of water rights and within the Asset Acquisition Agreement the water rights are pledged to the Community Water System. The Interconnect to Community Water System will be next to the Canyons Fire Station. There is a tee box on the Golf Course and the MRW

Interconnect facility will be a small shed on the back of the tee box. The building will be approximately 120 square foot that will not require a building permit. Water Quality is good at the interconnection and all MRW will need to do is Cl2 the water. Community Water has two wells that will be chlorinated and there will not be any water going into the MRW system. Fire Flow projections were discussed in the Engineering report. Bob Neumeister stated that the interconnection will enhance the Fire Flow for the existing system without the tank that failed. Scott Morrison agreed and Mike Kobe stated that the future demands for fire flow will be dictated by the Fire Marshall.

- b. Work Session and possible recommendation of approval to the Governing Board of MRW for the Annexation and Asset Acquisition Agreement: Dave Thomas discussed the Annexation and Asset Acquisition Agreement components and went through the exhibits. The only changes were to the notice of the tax I.D. parcels for a couple of properties. The Thorntons and Axtils were part of the Annexation and the exhibit needs to reflect those additions. They did get the notices for the Annexation. Motion made to give the Governing Board of MRW a positive recommendation to approve the Annexation and Asset Acquisition Agreement made by Karin Wilson. Seconded by Ian Schofield. All voted yes, motion carried.
- c. Other: Open meeting act Training is online individually. Marti Gee will send an email with the link for the Open Meeting Training Session. Andy Armstrong reconnoized the staff on the steller job in preparing the Community Water Information. All Board members agree.

**7. Discussion Water Source Capacity and Demand Projections Work Session:** Scott Morrison stated that this information was extremely important and it may take longer than

fifteen minutes. He also stated that he and Andy Armstrong had learned a lot from this material and wanted the MRW Board to learn a lot from this material also about the future water source capacity. Andy Armstrong stated that this should be a work session with the Summit County Council next to set the capital projects for MRW in the future. The discussions about this material will be the basis of what MRW will do in the future.

Scott Morrison provided 2 exhibits in the packet. The information is based on peak demand of July 15 of each year. The demands are for the consumption of the MRW customers, and the remaining capacity is our surplus capacity. There are three projections for the MRW Board to review. The second projection has some flaws in it after further review, Scott and Andy have developed a third projection that will be discussed tonight in the Board Meeting. MRW has more raw water capacity than it does have treatment of the raw water. There are approximately 14 other sources comprising the treatment plant, spring and wells. The water system losses are taken into account along with the system demands, growth projections, and basic math on what is left is the surplus capacity. Long term projections should be evaluated on the Rockport intake. Bob Neumeister asked if the totals that were used were very conservative or how did those get developed. Scott Morrison responded that the data is as real as possible. The projections that Scott and Andy used are near term 10 years, and long term is if there are a reduction in Rockport, MRW will buy additional Ag water. Mike Kobe asked about drought conditions. Andy Armstrong stated we would just work our wells harder than they should be, that is just the reality of the situation, and if they lose capacity, they will just be worked harder during a drought.

Scott explained his methodology of growth, MRW core using the ten year historical growth. Who connects and uses water. 120 ERC's per year is the average growth of new connections.

The second category is Silver Creek Village (1,300) units assuming 1000 ERC's with large parks and the assumption is that they will use the same as the other MRW customers. The third category is the Canyons Village. Andy Armstrong stated that with concurrency MRW is the only one with surplus capacity. He is looking at the third category that whomever is getting the subscription for water there will be a deficiency for water in the basin. Andy stated he is projecting that Summit Water is using the temporary water of 800 acre feet of water per year for Summits projections. Weber Basin Water Conservancy District will make Summit whole with a new project. MRW is the only one that will have water for development. Bob Neumeister asked if MRW has any future projects that will be coming on that MRW has a commitment for water service? Scott stated that there are the fill in lots and small projects. After 2026 MRW does not supply Summit Water any water is will be supplied from the new project. MRW will have between 10 - 15 years if growth is steady as planned and SWDC gives water back in 2026.

In the second exhibit by the Summer of 2022 there will need to be a source project considering SWDC and MRW usage. The excess capacity in 2022 is the result of a capital project. On line by 2022, completed. The entire basin will not have any excess source capacity. Ian Schofield stated that the line in growth and the source capacity need to add the line and with and without any capital project. Bob Neumeister asked if we do not take care of SWDC how far out will our source projections go? Scott Morrison stated 2033. Karin Wilson also asked if we could use the pipeline will we need additional storage to assist with the source capacity. Andy Armstrong stated that MRW bought a block of Davis and Weber Canal Water. This water could be moved through the pipeline or a minor importation project that could get us through 10 years or so. By adding additional treatment and using the 800 ac of water

committed in the existing pipeline. The small amount is just a ledger change by WBWCD and not a change in the point of diversion. Andy stated that WBWCD committed to give MRW 800 ac ft of water in the pipeline capacity that exists. The infrastructure is there will need additional pumps and also need treatment. Lost Canyon pump station needs modification with additional pumps. The Lost Canyon Water Treatment Plant will need to have another plant built of almost the same size of 6 - 7 million dollars. The future location of the water treatment plant needs to be determined. Andy Armstrong told the MRW Board that he wanted to have a work session with the Summit County Council to have this 10 million dollar project that will take us out 10 years before the new big project to import water needs to start that Weber Basin Water Conservancy District would build and finance. Dave Thomas suggested to Andy that he should get SWDC, PC and WBWCD, and TCFC's support before moving forward.

Dave Thomas stated that MRW does not want to be at risk for buying water or building a project without having commitments for water. Get Summit Water on board with these ideas. They are looking for the big importation project they are getting water from MRW now, but will replace that with the importation project. TCFC is in the same position. They cannot pull building permits before the importation project is underway. Andy Armstrong stated that Andy Garland is totally comfortable with this arrangement and MRW ideas. Andy Armstrong stated that Weber Basin thinks inside the box. Andy Armstrong is showing this to Tom Fisher tomorrow from Summit County and is meeting with Andy Garland next week. Dave Thomas said you need to have some kind of buy off of the other stakeholders before you schedule a work session with the Council. The Board was concerned about MRW paying for more than their share of any new project. This will be an ongoing discussion.

#### **8. General Manager Update:**

- a. Interconnection Agreement between Community Water and MRW Update: Andy Armstrong stated TCFC needs to sign the agreement before any work will commence on the project. Once they sign the agreement a schedule can be provided on the project. CVMA may need to approve the shed for the interconnect.
- b. Glenwild Pipeline Update: Scott Morrison reported that the bid packages are available and out for bid to be submitted and due next Friday.
- c. Drinking Water Board Funding for Community Water Update: Andy Armstrong Julie from Drink Water had a good meeting with MRW staff and MRW will submit information to be on the agenda for the July Drinking Water Board Meeting to request funding for the Community Water Improvements. The Well could be bid earlier and Aqua could prepare the work that needs to begin if Community Water wants to front \$70,000 for engineering to get started before the hopeful approvals from the Drinking Water Board are completed.
- d. Other: None.

**9. Adjourn:** 9:20 P.M. adjourned.

Pursuant to the Americans with Disabilities Act, individuals needing assistance attending the May 10, 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.