



APPROVED MINUTES

Administrative Control Board Meeting November 30, 2023

Attendance:

Board:

Karin Wilson
Ian Schofield
Mike Kobe
Joel Fine
Cory Shorkey

Staff:

Andy Garland
Lisa Hoffman
Steve Anderson
Chris Braun
Sam Grenlie
Brian Davenport
Anna Peacock

Summit County Attorney:

Dave Thomas

Guest:

Notice is hereby given that the Administrative Control Board of Mountain Regional Water SSD, Summit County, Utah will meet in a Regular Meeting session on November 30, 2023, at the Mountain Regional Water SSD District Office, 6421 N Business Park Loop Rd, Park City, UT 84098, at 6:00 p.m. For those who are interested in attending the meeting remotely, a Zoom link has been provided below.

Join Zoom Meeting:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/86352712470?pwd=M0xrcWV3UTFOQmpTWEU0NXd4MnZDZz09>

Passcode: **232882**

Webinar ID: **863 5271 2470**

To Dial in for Audio: **669-900-6833**

1. **Call to Order:** **Karin Wilson** called the meeting to order at 6:01 pm
2. **2024 Water Rates Presentation:** **Steve Anderson** presented the 2024 Water Rates
3. **Public Rate Hearing and Public Input:**
Karin Wilson opened the meeting for Public Input and inquired if there were any public in attendance.
There was one member of the public in attendance, **Deborah Lawler** residing in Summit Park.

Deborah Lawler lives on Aspen Drive in Summit Park and commented that she has two family members who pay significantly less than she does. One brother lives near Brigham City in Manoway and the other brother lives in Farmington. She wants to know what we (Mountain Regional Water, MRW) are doing wrong up here that the monthly rates are so egregious.

Andy Garland responded to Deborah Lawler that although he does not know the intricacies of Manoway and Farmington, the water MRW supplies to its customers comes from Wanship. MRW was also created to consolidate several failing water companies in the Snyderville Basin and that brought quite a bit of debt that MRW needs to repay. The base rate needs to be able to pay the debt off. Andy Garland commented that while Deborah Lawler is comparing water companies it is not a true comparison of water system to water system for many reasons but a few examples are the following reasons:

- The number of customers that the costs can be spread across could be very different.
- The cost of repairs related to the water systems will be different based on the age of pipeline installation, and elevation. Summit Park's infrastructure was put into place in the 1960's.

Andy Garland also commented that MRW is putting aside money for master plan repair.

Deborah Lawler commented that she is a very low water user. She uses water sparingly and the rates do not seem to favor water conservation. Deborah Lawler commented that she has already paid for a bond for new infrastructure in Summit Park and if there is debt owing, she would like to see the debt schedule.

Lisa Hoffman responded that the debt schedule is posted on our website.

Andy Garland offered to send the debt schedule to Deborah Lawler on the following Monday. He will call her to get her information and follow up for any additional questions she might still have.

Karin Wilson responded to Deborah Lawler and thanked her for attending the public hearing and for giving us her comments and concerns.

Karin Wilson moved to close the public rate hearing public input portion of the meeting and move on to the Consideration and Possible Approval of the 2024 Water Rates and Fees Schedule 6:23 pm.

Cory Shoreky commented that while he agreed with Deborah Lawler's comments, regarding the rate structure not being favorable to single families and promoting water conservation he is in favor of the rates currently.

4. Consideration and Possible Approval of the 2024 Water Rates and Fees Schedule:

Mike Kobe made a motion to Approve the 2024 Water Rate and Fee Schedule as presented.

Cory Shorkey seconded the motion.

Four are in favor. Joel Fine has abstained.

The motion passed with majority approval.

The next board meeting will take into consideration the High Elevation Pumping Surcharge (HEPS).

5. Consent Agenda:

a. Approval of the October 26, 2023 ACB Meeting Minutes: **no comment**

b. Approval of the October 2023 Check Register:

Karin Wilson inquired about a \$5,191.62 check to Audie Wheeler for sprinkler and landscape repair. Steve Anderson replied that this was for a repair to a homeowner's landscaping following a leak repair.

Karin Wilson inquired about the checks referencing Treatment Plant Verkada and Lost Canyon Verkada. Steve Anderson responded that this was part of the security system and was the camera for the Treatment Plant and Lost Canyon.

Chris Braun commented that the camera for Lost Canyon is at the intake at Weber Basin connection.

Karin Wilson inquired about the check referencing DOT. Steve Anderson replied that this was for the employees with CDLs and is for their annual physical.

Karin Wilson inquired about the \$34,623.00 check to Nickerson referencing pump. Steve Anderson replied this was for a pump at the Gulch well. Brian Davenport commented that there was a warranty on the pump but not on the labor to pull the pump.

Karin Wilson inquired about a USA BLUEBOOK Trash & Water Pumps \$3,108.44. Brian Davenport responded that this was a pump used on leaks and it is made to pump muddy water.

Karin Wilson inquired about the credit card charge to Marshall Industry referencing nuts and bolts. Steve Anderson responded that these were specialized nuts and bolts that are supposed to be rust resistant.

Karin Wilson inquired about the charge for William Olderman. Steve Anderson responded that this was a repair shop in Coalville and the merchant name comes through in the owner's name instead of as the shop name.

Ian Schofield inquired about Electro Power Utah LLC soft start for \$11,321.00. Brian Davenport responded that it was a pump that was replaced in White Pine (colony).

Ian Schofield inquired about the Waterford Services, LLC Hidden Creek/Sunpeak Well. Brian Davenport responded that this was for meters.

Ian Schofield inquired about the ESRI annual for \$11,500.00. Chris Braun responded that this was the annual license for the entire staff.

Joel Fine inquired if the District saw any vandalism and if the District is worried about this type of behavior.

Andy Garland responded that for the most part, the District is graffiti-free and theft-free. However, the District is worried about that type of behavior, which is why cameras and security gates have been added to District assets.

Joel Fine commented that the more the District can be transparent about water rates, the better off we are.

Ian Schofield made a motion to approve the Consent agenda as discussed.

Mike Kobe seconded the motion.

All were in favor and unanimously approved.

6. Consideration of a Recommendation to the Governing Board to approve updates to the 2023 Proposed Amended Budget and the 2024 Tentative Budget:

Steve Anderson presented that the Operating Revenue had previously been projected to be \$250,000 below budget for 2023. The new projection is now for the revenues to be \$380,000 below budget. Operating Expense savings will be amended from \$250,000 to \$380,000 to match the revenue shortfall. Since the 2023 Series Bond has been issued, 2023 interest earnings and interest expense need to be amended to reflect the interest that will be earned on the invested funds and the interest expense that will be accrued on the bonds. The Interest Earnings and Interest Expense amendments are both being increased by \$150,000 from \$34,700 to \$184,700. The 2023 Capital Budget Amendment is also being updated to reflect the use of all \$18 million in funds received to be spent on the Administrative Office and Maintenance Facility per a requirement of the bond. Since these funds can be used on expenses already incurred by the District such as architecture and infrastructure charges, and not just construction; this will not create an issue for the District. The 2024 Capital Budget request is being amended to show the request for \$1 million for Treatment Plant expansion work will come from Cash from Previous Years and Impact fees rather than proceeds from the 2023 Series Bond. The 2024 Operating Budget is being updated to reflect a decrease in Interest Expense. This change is because part of the interest expense on the Series 2023 Bond is now being accrued in 2023. The first payment due June 15, 2023, remains the same,

however, some of the interest expense is now being accrued in 2023, decreasing the expense that must be recognized in 2024.

Ian Schofield made a motion to Recommend to the Governing Board to approve updates to the 2023 Proposed Amended Budget and the 2024 Tentative Budget.

Mike Kobe seconded the motion.

All were in favor and unanimously approved.

7. Financial Management: Steve Anderson

- a. October 2023 financial results

Steve Anderson went over the financial results and highlights from October 2023.

8. Consideration of a Recommendation to the Governing Board to approve updates to the Impact Fee Facility Plan (IFFP):

Andy Garland commented that there were typos and some footnote updates by Bowen and Collins that needed to be made.

Steve Anderson commented that the impact fee calculations for 2024 will be based on not only square footage but also on the outdoor irrigation with the Landscape Plan.

No recommendation is needed tonight. The changes will go to the County Council for approval and then notice and then a Consideration to Recommend to the Governing Board to approve updates to the Impact Fee Facility Plan

9. Assistant General Manager Comments: Lisa Hoffman

- a. Presentation of the District's 2023 Fraud Risk Assessment

Lisa Hoffman presented the 2023 Fraud Risk Assessment for the District.

No action is required from the Administrative Control Board on the 2023 Fraud Risk Assessment. This is for informational purposes only and to present findings from the annual risk assessment performed.

- b. Consideration of Approval of the District's 2024 Annual Notice of Scheduled Meetings for the Administrative Control Board

Discussion was to move the January 18th meeting to the 25th. Move the April 18th meeting to the 25th.

Mike Kobe made a motion to approve the District's 2024 Annual Notice of Scheduled Meetings for the Administrative Control Board moving the January 18th meeting to the 25th and moving the April 18th meeting to the 25th.

Ian Schofield seconded the motion.

All were in favor and unanimously approved.

10. General Manager Comments: Andy Garland

- a. Consideration of Approval of an Annual Bonus for District Staff/2023 Highlights

Mike Kobe made a motion to approve the Annual Bonus of \$1500.00 for District Staff based on their hire date for 2023.

Joel Fine seconded the motion.

All were in favor and unanimously approved.

b. Regional Water Supply Contract 2024-2028

Andy Garland commented that no water is recommended for 2028.

c. 2023 Employee Survey Results

Andy Garland commented that the survey the employees completed was insightful and the administration staff intended to address them.

11. Legal: Dave Thomas had no updates.

12. Questions on Department Updates:

Karin Wilson had no questions.

Ian Schofield asked Brian Davenport about the Gulch well and the replacement pump. Brian Davenport responded that we are unsure why the pump did not last the normal operating time and the manufacturer was looking into it.

Ian Schofield asked Chris Braun about the Summit Park listening devices. Chris Braun responded that these were acoustic listening devices used to help in detecting leaks.

Cory Shorkey had no questions.

Mike Kobe had no questions.

Joel Fine had no questions.

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

No Executive Session needed.

14. Adjourn: Ian Schofield made a motion to adjourn. Joel Fine seconded the motion.

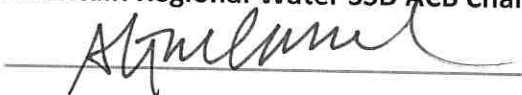
Karin Wilson adjourned the meeting at 7:33 pm

Pursuant to the Americans with Disabilities Act, individuals needing assistance attending the meeting on November 30, 2023 should contact Lisa Hoffman at 435-940-1916 Ext. 312 to make arrangements. The next MRW Administrative Control Board Meeting will be held on December 14, 2023.



Mountain Regional Water SSD ACB Chairperson

12/14/2023



Date

12/14/23

Mountain Regional Water SSD General Manager

Date