



APPROVED MINUTES

Administrative Control Board Meeting March 21, 2024

Attendance:

Board:

Karin Wilson
Ian Schofield
Mike Kobe
Joel Fine-remote
Cory Shorkey

Staff:

Andy Garland
Lisa Hoffman
Steve Anderson
Chris Braun-absent
Sam Grenlie
Brian Davenport
Anna Peacock-absent
Jessica DiCaprio-absent
Jackie Judd
Casey Wilde

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 March 21, 2024, 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/81116114190?pwd=a1VCYmUweUlRdXFTY2xZMTNjZk9Kdz09>

Passcode: 481241

Webinar ID: 811 1611 4190

To Dial in for Audio: 669-900-6833

1. **Call to Order:** Karin Wilson called the meeting to order at 6:03 pm
2. **Executive Session – Personnel, Possible Litigation, and Property Acquisition**
No Executive Session.
3. **Consent Agenda:** (15 minutes)
 - a. Approval of the February 15, 2024 ACB Meeting Minutes
 - b. Approval of the January and February 2024 Check Registers
Ian Schofield had a question about an entry labeled Century. Steve Anderson explained what it was. Ian Schofield also asked about the Badger meters we've been purchasing. He asked the prices for the meters. Steve Anderson explained the price ranges of the meters. Ian Schofield further asked if these meters are

being installed into new construction homes. Steve said he can provide a breakdown of the new installations. Andy Garland added that we have to plan for the lifespan of the meters as well, to replace them. Ian Schofield then asked about the Signal Hill Solar Array installation and when we are scheduled to start. Steve Anderson said he thought May would be when they're scheduled to start. The total cost is \$1.8 million, these expenses listed are just early payments on engineering costs. Over half of the cost will be paid by grant money and the tax credit. Ian Schofield asked about the Flare construction booster supplies. He was curious about the labeling as Flare is a construction company but it was labeled as supplies. Andy Garland explained that because we took over the maintenance of the Rockport intake from Weber Basin and decided to lease a piece of equipment from Flare in order to continue the maintenance. Ian Schofield then asked about the USA Bluebook, he was curious about the safety supplies and needing harnesses and asked how often the District does confined space training. Brian Davenport explained that this happens monthly, and the District needed to replace the harnesses as they are past their shelf life. Karin Wilson asked about the Info Water subscription for \$8800.00. Sam explained it is a hydraulic modeling software, critical to District operations. Karin Wilson also inquired about the Summit County monthly charge and if that is the health insurance. Steven Anderson confirmed that it was. Mountain Regional Water also bought an emergency food supply. Karin Wilson was curious as to why we purchased it. Brian Davenport answered that after we saw what happened with other natural disasters we started buying an emergency food supply which is kept at the plant with enough for every employee. Karin Wilson then mentioned the Women of Water Organization. She was curious how many people in Utah are part of that organization and she liked that it was available. Karin then moved on to the well-siting report and wondered where we were in the process with that. Sam explained it is a report with the study for the well. They haven't decided on a specific site yet. But he can provide the information from that study to the board. Karin Wilson asked about the vac trailer and if we already had a PO for it. Steve Anderson confirmed that we do.

- c. Approval of Purchase Orders: no purchase orders
- d. Other

Karin Wilson asked if there was a motion to approve the consent agenda. Ian Schofield made a motion to approve the consent agenda as discussed. Cory Shorkey seconded the motion. All were in favor and unanimously approved.

4. Engineering Comments: Sam Grenlie (15 minutes)

- a. Snyderville Basin Supply and Demand Discussion

Sam Grenlie referenced his presentation that provided pictures displaying the supply and demand in Park City and the Snyderville Basin. It is a very simplified

version of the three main water boundaries in the service areas and illustrates current peak numbers. The presentation also detailed where possible deficits could be in the service area. Mike Kobe asked about the delivery and demand. He asked if Park City Municipal provides water to Summit Water Distribution. Sam Grenlie said yes. Andy Garland explained that Summit Water Distribution has source issues right now. Ian Schofield asked what year the District's responsibility to provide water to Summit Water ends and it was answered the year 2025.

Sam Grenlie further explained the most water to be transported from Park City Municipal is just under 1100 gpm. Further discussion happened about the direction of flow between the three water agencies through the system and when it is being exchanged.

Sam brought up the study done by Bowen Collins to discern build out in the area. They used the year of 2065 as the estimated timeline, though that is a bit misleading. Build out will probably be sooner than that.

Sam Grenlie then moved on to the proposed interconnect on highway 224 to connect Park City to Summit Water Distribution. It more directly benefits Park City Municipal and Summit Water Distribution than Mountain Regional Water, but frees up capacity for Mountain Regional Water on the 248 system. Sam Grenlie explained that for the basin it has a lot of pros and could be a long term strategy in the future for the District. Cory Shorkey asked if there was a map showing how close the borders of the water agencies really are. Sam Grenlie stated that we do have really good maps. Cory Shorkey asked if a big interconnection is necessary or if smaller interconnects would be better.

Sam Grenlie said a large interconnect transmission line would work better. This interconnect is modeled on 2400 gpm and that is the best number. Ian Schofield asked if Mountain Regional Water is contributing financially to this. Andy Garland answered yes we are, as a long term strategy. The cost to the District is approximately \$1.8 million and Mountain Regional Water is not obligated to pay its portion until 2026.

Further discussion went into the size of the interconnection and the timeline for completion. Summit Water Distribution has to have it done by 2026 in order to receive their allocation of water from Park City Municipal. The pipeline will be owned by Weber Basin, however Park City Municipal will operate the water line and Summit Water Distribution will pay the expenses. Cory Shorkey asked who is responsible to pay for the pipe if it breaks. Andy Garland answered that generally it is who benefits from it, would have to pay it. Further discussion continued on the interconnection and how it would impact the bordering service areas. Brian Davenport commented that a benefit with this interconnect location is that this area is the closest for us to access the Atkinson zone. Sam Grenlie agreed and further explained the benefits. Mike Kobe brought up the section of our system

at Old Ranch Rd that has a pump station. Sam Grenlie said that yes we do and explained the benefits. Mike Kobe said this seems to be more of a redundancy aspect for the District's system.

Andy Garland explained that what Sam is showing with this presentation is the broader discussion of the treatment plant and why eliminating the treatment plant isn't feasible. The District has asked two engineering firms their opinion on starting new or building on to the existing plant. Both of them said this is a \$6 million asset now and starting new doesn't make the quality of water better. It would stay the same. MRW is working with Corrollo and invited the board members to participate in the scoping.

Sam Grenlie then explained that the amount of raw water available is 2000 gpm but we can't treat it. We are getting close to meeting the build out plan with that existing raw water and other water rights we have available.

Ian Schofield asked how much water the golf courses use. Sam Grenlie went through the approximate amounts each golf course uses and how it affects our projections. Steve Anderson explained if the regionalization works then it would benefit everyone in the basin. Sam Grenlie's last chart shows the master plan peak demand and maximum source production. He explained how the projections on this chart are figured.

5. Financial Management: Steve Anderson (15 minutes)

a. January and February 2024 financial results

Steve Anderson discussed the budget. Revenue is higher with some notable points such as the water sales to the Olympic Park, and the Parley's Park impact fee that was paid.

Ian Schofield asked if we will get any other impact fees from schools. It was answered that we do not have anything coming up that we know of. Steve Anderson continued on with the operating expenses being under budget currently. There are no large trends right now.

The District's cash position is higher due to added money that came from what the District borrowed for the new building, as well as interest earnings.

Mike Kobe asked who approves this and about the bond. Steve Anderson explained the approval and stipulations of the bond. Customer growth for January- February was 14 new requests for connections. Mountain Regional Water is close to the 2023 numbers for future growth. So far, in 2024 we have used about the same amount as 2023. Olympic Park has taken more water this year. Cory Shorkey asked if we can expect this much usage from Olympic Park in the future? Steve Anderson said most likely yes. Andy Garland commented that the Olympic Park will be doing more projects in the future. Olympic Park drilled a well, but still takes water from Summit Water which is wheeled through

Mountain Regional Water. MRW has been encouraging Olympic Park to develop a water master plan. Dave Thomas commented on further development of the Olympic park such as a hotel and building a Gondola.

Steve Anderson then continued the budget discussion highlighting that through February everything is off to a good start. He also added that summer months are what really drive the District's budget.

b. Audit update

Auditors are coming up Wednesday of next week.

6. Assistant General Manager Comments: Lisa Hoffman (15 minutes)

a. Water conditions/supply update

Lisa Hoffman referenced 6a in her presentation. She gave everyone a sense of the future in water supply, etc. All of the seasonal precipitation outlooks seem to be above average currently. It is good news heading into April. She highlighted the current snowpack in Utah. Weber Basin drainage is trending average but should increase with the precipitation coming in the future. Soil moisture is in good condition at the 90th-100th percentile. Reservoir totals are at 83% compared to last year of about 52%. Ian Schofield asked why Flaming Gorge wasn't in the stats. Lisa Hoffman said she believes it was skewing the information a bit so they took it out. She expects the drought recommendation to be "normal". MRW is meeting with Weber Basin next week to discuss water rate increases, current situation, etc. Steve Anderson further explained why the water rate increases will be occurring in the future.

b. Legislative Update

There is a report in the Board packet. Lisa Hoffman highlighted a few recent legislative updates:

House bill 11- no overhead spray irrigation is allowed at government facilities unless it is in an active recreation area.

Utah waterways amendment- standards were created for education k-12 involving water and what can be taught in the classroom

HB275-HOAs can no longer require lawns.

HB280-Funding for water infrastructure projects. There would be an annual infrastructure plan to be submitted to a new council. They then develop the unified water infrastructure plan which uses a ranking system. They also created a fund for the water projects to be developed. A study is being done to further decide how the funding will be distributed.

HB453-Pertains to the Great Salt Lake and creating a management plan for it. Including understanding water rights.

Senate Bill 211- Generational water amendment. Creates a new council made up of the 5 largest water providers: Weber Valley, Jordan Valley, Central Water,

Washington and Metro. They will plan infrastructure. Funding will also be allotted to them. Currently not subject to public opinion.

Lisa Hoffman further explained that a lot of discussion was happening around conservation. She also mentioned the bills that did not pass.

SB86-Local government bond amendments would prohibit lease bonds if they went over the specific limit that is stated. Dave Thomas then gave a more detailed description of what the leases are and how they generate revenue. Utah Retirement Systems Amendments- ran a bill this year because on 7/1/2024 government employees in the tier 2 hybrid system will now be required to contribute .7% to their retirement. It didn't not pass. The general discussion at the Legislature about this is that they would like to see increases in employees pay rather than increasing benefits.

- c. Consideration and possible approval of changes to the Backflow Administrator job description

Lisa Hoffman explained that this does require approval by the board. It was decided to make this change because it is a new position and the work this person is doing and continued District growth is impacting the role more significantly. Pay Grade and job description were reviewed. This position does help with inspections and customer service in the field as well. The job responsibilities are now 50% in office and 50% field work. Ian Schofiend asked about the job description red lines. Lisa Hoffman said the changes updated the job environment in the job description. Andy Garland clarified that there is no financial impact or change to budget or pay. It was strictly to update the job description and the Pay Grade for this position. Cory Shorkey made a motion to approve the changes to the Backflow Administrator job description. Ian Schofield seconded. All were in favor and unanimously approved.

7. General Manager Comments: Andy Garland (10 minutes)

- a. New Admin Office and Shop update

Andy sent an invitation to all of the Board members for the groundbreaking of the new building. Plans have been submitted to Summit County and the District is hoping to mobilize in May 2024. The shop building has been ordered and should arrive in June.

- b. 2024 Water Users Conference update

Andy Garland said we are more apt to have drought than the current conditions. We have the "known knowns" of weather getting warmer, and population increase. These are why we need to continue to conserve. Andy Garland said he will be attending the Weber River Watershed council meeting on Monday. Doug Evans asked Andy if he would fill in on the council. Andy Garland further explained that he will be stepping in permanently to that position.

Cory Shorkey had a comment about the new office and new shop. He noticed there is still blasting equipment and asked if the cost for that was being monitored. Andy Garland said John Angel from Summit County and Mike Kendall may be there. Dave Thomas then commented Summit County has an on-site employee watching the onsite blasting. Cory Shorkey feels the amount of rock being moved out of the new office building site is very expensive. Continuing that if Summit County expects MRW to pay for it, the District needs to fight it. Andy Garland said we have a set cost for it, and did explain that extra work is happening there. Cory Shorkey feels like it looks like a “sweetheart deal”. Dave Thomas said he wasn’t sure how it seemed like a “sweetheart deal”. Dave Thomas said Summit County has renegotiated the contract. Cory Shorkey just wanted to make sure the cost is being watched, as it doesn’t seem like it is being monitored.

Dave Thomas said the District can be assured that they are watching this and have a better understanding of the geotechnics on the site. Andy Garland said that MRW is paying differently than other entities because we do not have the same oversight that they do.

Cory Shorkey said that he feels that the cost is still too high. Mike Kobe asked if Mountain Regional Water does have a fixed fee? Andy Garland said yes we do have a number from Summit County. The District has had to pay more than anticipated, but is always trying to be cost conscious.

8. Questions on Department Updates: (10 minutes)

Karin Wilson asked a question about WIFIA. Lisa Hoffman said we submitted a letter of interest for the treatment plant funding. The EPA has set aside funding for 80% of the project, approximately \$22M. The interest rate at closing will be tied to the treasury rate, currently at 4.25%. This is just an option to see if it could be possible funding for the treatment plant. There are some stipulations with federal funding, but the District would qualify for a waiver from Buy America Build America (BABA). Lisa further explained the payments on the loan. Andy gave further details on requirements for the projects using this funding.

9. Administrative Control Board Elections: Karin Wilson (15 minutes)

Karin Wilson discussed the Administrative Control Board elections and asked if anyone had a preference for a position. All board members are on the Audit Committee. Karin asked how the board members wanted to proceed. Currently Karin Wilson is Chair and Audit Committee Chair, Ian Schofield is Vice Chair and Conservation Chair, Joel Fine is Personnel Committee. Karin Wilson asked Cory Shorkey if he had any interest. Cory Shorkey said finance is not his forte but anything else is fine. Ian Schofield said he is fine staying Vice Chair and changing from Conservation. Mike Kobe asked what the duties of a Conservation Chair

are. Discussion of the positions and their related responsibilities ensued. It was then decided that all position holders would stay the same except Cory Shorkey took over the Conservation Committee Chair position, replacing Ian Schofield.

Karin Wilson asked if there was a motion to approve the ACB Positions as discussed.

Ian Schofield made a motion to approve the ACB Positions as discussed.

Cory Shorkey seconded the motion. All were in favor and unanimously approved.

- a. Chairman of the Board- Karin Wilson
- b. Vice Chairman of the Board- Ian Schofield
- c. Audit/Finance Committee Chair-All Board members
- d. Audit Finance Committee: All Board Members
- e. Conservation Committee Chair Cory Shorkey
- f. Two Board Members for the Personnel Committee
 - i. Board Member: Joel Fine
 - ii. Board Member: Mike Kobe
- g. District Clerk for 2024-2025: General Manager - Andy Garland
- h. Treasurer for 2024-2025: Chief Financial Officer - Steve Anderson

Karin Wilson asked if there was a motion to approve the ACB Positions as discussed.

Ian Schofield made a motion to approve the ACB Positions as discussed.

Cory Shorkey seconded the motion. All were in favor and unanimously approved.

10. Annual Administrative Control Board Training: Dave Thomas (60 minutes)

Dave gave his annual training presentation about Administrative Control Board 's roles. There were a few changes from the most recent legislative session. He discussed the rules governing the County Council's roles and responsibilities. And that there may be some changes on what the County Council is involved with. Perhaps changes pertaining to the operational policies.

General Manager role and responsibilities were discussed as well as appointments and decisions he can make. Including whether or not he needs to seek further approval for those decisions and why.

He expanded on Mountain Regional Water, as a special service district. How they are to be structured, their abilities in making decisions for the district. The Administrative Control Board can override decisions made by the General Manager. But they must communicate through the General Manager for individual employee grievances. They have no power over individual employees.

The Meetings Act was then discussed. It described how notices are to be made and posted. Notices: timeline of notice, where it needs to be posted. Utah Public Notice Website and the entities website. But it is no longer a requirement to publish in the

newspaper. There was further discussion on posting meetings and what post if a meeting goes into executive session. Mountain Regional Water does have to post its meetings. Mike Kobe asked if we post the board meetings on social media. Andy Garland answered that we haven't. Mike Kobe asked if we have to post meetings done in executive session. Dave said we do have to mention what is discussed in general. But not a detailed explanation.

Dave Thomas mentioned a new statute, that there is not a requirement for an anchor location as long as it meets the criteria for not needing an anchor location. And one of the big changes is that the definition of a meeting has changed. Dave Thomas gave the full updated definition of a meeting. He further explained that any gathering not formally convened by the chair is not considered a meeting.

He talked about record keeping, which pertains to written and recorded records and how those need to be made available to the public. Dave Thomas described the legal and civil actions that pertain to all kinds of meetings, and record keeping; common violations that occur and how to avoid it. Steve Anderson asked about the two-thirds rule to go into a closed meeting. Dave Thomas explained the two-thirds rule. Dave Thomas further explained meeting procedures and the limitation of public comment during meetings.

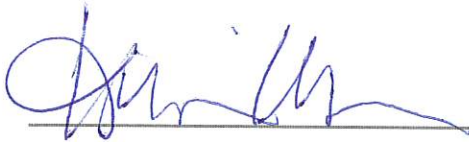
He then recapped some helpful tips on best practices for meetings.

Dave Thomas discussed ethics and conflicts of interest in decision making, and when to disclose and/or recuse yourself in the decision making process. Not to solicit gifts and the value limit on gifts that can be accepted. Members of the board cannot supervise relatives or be an employee of the district while they are on the board. Andy Garland said that we will probably notice the groundbreaking event but will not convene a meeting. Karin Wilson asked if there will be separate training for the Administrative Control Board and Dave Thomas replied no.

Adjourn: Ian Schofield made a motion to adjourn the meeting.

Cory Shorkey seconded the motion. All were in favor and unanimously approved.

Karin Wilson adjourned the meeting at 8:43 p.m.



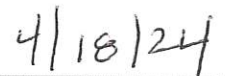
Mountain Regional Water SSD ACB Chairperson



Date



Mountain Regional Water SSD General Manager



Date