

**Summit County Service Area #3**  
**March 25, 2019**  
**APPROVED MEETING MINUTES**  
**BOARD OF TRUSTEES MEETING**  
**629 E. Parkway Drive, Suite 1,**  
**Park City UT 84098**

**BOARD OF TRUSTEES**

Vince Pao-Borjigin, *Chair*  
Suzanne Carpenter, *Vice Chair*  
Larry Finch, *Clerk*  
Robert Olson, *Treasurer*

Eileen Galoostian  
Michael Montgomery  
Peter Keblish

**In Attendance (Board):** Vince Pao-Borjigin, *Chair*; Suzanne Carpenter, *Vice-Chair*; Bob Olson, *Treasurer*; Larry Finch, *Clerk*.

**Not in Attendance (Board):** Mike Montgomery; Eileen Galoostian; Peter Keblish.

**Electronically:** No participants.

**In Attendance (Staff/Contractors):** Marla Howard (GM); Chris Bullock (Roads Manager and Water Operator); Eileen Haynes (Assistant Clerk); Nathan Bracken (Legal); Ben Miner (HAL Engineer).

**Public Meeting Attendees:** no participants.

**1. Welcome and call meeting to order:** Vince called the meeting to order at 5:43pm.

- a. Review of February 25 meeting minutes: Bob provided corrections to minutes prior to the meeting which are included in today's packet. Larry amended Page 4 of 7 to "we are not substantially in debt" and page 6 of 7, paragraph c, fourth line, change to "are we going to require someone to pay a fee".
- b. Approval of minutes: *Suzanne* motioned to approve the February 25<sup>th</sup> meeting minutes as amended. Bob seconded the motion and approval was unanimous.

**2. Administrative & Financial:**

- a. Staff reports:
  - *Fund balances and quarterly financial review:* Marla reported the General Fund is lower than last year by \$30k; the Water Fund is higher by \$10k. Marla has updated the Conference Room Whiteboard to reflect the current cash position.
  - *Letterhead options:* Vince and Larry approved the placement of the Board member names on the letterhead. Marla noted, our letterhead will be printed as needed, on nicer paper using a digital letterhead. Board consensus prefers 2a-1. Nathan stated, Peter serves until his replacement is appointed so keep him in the masthead and other documents until that time.
  - *Water User's Conference (WUC):* Marla posted several valuable water presentations on Google Docs under Training. Drought.gov predicts with another wet summer and winter we should end our 19-year drought. She recommended Brian McNerny's presentation as it shows the entire 2018-2019 winter weather pattern. Chris felt *WUC* was more of a review. He appreciated the Dam Safety Presentation. He prefers the *Rural Water Association's Conference (RWAC)*, also in St. George, which has more technical training applicable to the Water Operator. Nathan agrees, the *RWAC* is designed for the small jurisdiction Water Operators while the *WUC* is broader and more appropriate for policymakers and users.

- b. Open House date and proposed agenda: Marla stated, Staff proposes Monday, June 3, 2019 as the Open House date to be held at the Church. This date was selected to garner higher attendance since the school year has not ended. Marla envisions the following presentations: Board Welcome and Accomplishments, Board Vision, Mission and Branding, Fire Department regarding Fire Prevention, Arsenic Treatment by HAL along with explanatory graphics, Fire Flow, Road Plan and Trail Plan if it is completed. The Fire Department has great handouts. On a side note, the Park City Fire Department has formed a Task Force to better educate our community on fire prevention.

Vince asked if the second floor will be vacant. **Marla will follow-up with the landlord.** Bob recommended SCSA3 offices or the Church. Suzanne suggested the Richins Building. Larry recommended 6 or 6:30pm and that we serve food. Vince may be out of town and will know more in the next few weeks. He suggested we retain June 3<sup>rd</sup> as a tentative date. Suzanne suggested June 17<sup>th</sup> (Board Meeting date). Larry preferred to have the Open House 2 weeks prior to the Board Meeting. Marla stated, June 3<sup>rd</sup> is ideal for discussing Fire Prevention. **Larry stated, he wants Staff to publicize these summer projects on Nextdoor as soon as possible such as the Wasatch Project and Fire Flow Project.** Marla proposed May 6<sup>th</sup> for the open house event. Bob replied that is too early.

- c. Invoice review: Marla stated we sent out the SH Legal invoice separate from the Board Packet. Included in the packet are 2 invoices for HAL, the Utah Local Government Trust for our annual insurance from whom we received \$900 in credit and Chris' invoices for February. Marla noted, our Bond payment is due in January.
- d. Franchise agreement update: Marla reported she has not heard back from the County regarding the March 5<sup>th</sup> letter she had sent. Nathan reiterated why he recommended a letter come from the SCSA3 Board and not their attorney. **He further recommended the Board Chair follow-up rather than Staff.** He restated that the County's draft document is not appropriate for SCSA3 and they need to amend the current Roads agreement preferably with an Interlocal Agreement.

Suzanne stated, when we think about our charter, are we a charter under the County or the State? Nathan replied, *SCSA3 is a Local District which is a political subdivision of the State. Local Districts can be created by other local governments (i.e. the County) to provide services that they do not want to provide or cannot provide. However, once they create you, they cannot dissolve you. SCSA3 is a State Entity which is why the Board is elected. Because you are elected, you are not beholden to the County in any way. You are not a subdivision of the County.* Since they have given you road authority it does not make sense for you to sign a separate agreement. Eileen Haynes suggested we confirm that the County received our letter. Vince suggested we invite someone from the County to our meeting for a discussion. Nathan pointed out, in the letter, we asked to speak at their meeting and get on their agenda. **Vince stated, he will reach out to Chris Robinson.**

- e. Legislative update: Nathan stated, he had sent out a written update and included links and summaries to each of the listed 'passed' bills provided by UASD. The bills that apply to SCSA3 are:
- **HB 64** expanded gifting rules to include all the SCSA3 Board. This bill makes local government officials 'lobbyists' so if you take a legislative representative to lunch or a game or spend money on them in any way you must report those expenditures.
  - **HB 240** added Brokered Certificates of Deposits to the list of allowable investments.
  - **HB 311** is the most significant which deals with governmental immunity. In order to promptly be served with a lawsuit, where time is of the essence, we must keep our contact information current on the Division of Corporations and Commercial Code website. We must respond quickly, or we could lose the suit. HB 311 expanded the eligibility of those who can be served to include every

elected Board member and the Board's attorney. Nathan's advised the Board to put Marla's name and to be sure to update it when Marla leaves.

- **SB 179:** UASD approved bill "Truth in Taxation" was structured to allow Local Districts to hold Truth-In-Taxation meetings in conjunction with a budget hearing or a hearing to increase fees.
  - **SB 28:** The Statewide Registry of Local Government Entities, passed in 2018 but is going into effect July 1, 2019, creates a new local government registry requiring: 1) resolution forming SCSA3: "*SC Title 2 Chapter 27*"; 2) map showing boundaries of service area; 3) Service Area name; 4) Type of Local District: "*Service Area Act, Section 17B-2a-901, et seq*"; 5) Service Area Government Function: "*Section SC2-27-1*"; 6) Service Area Physical Address; 7) The names of each Trustee and Managers, explanation of electoral appointment process for each Trustee; 8) Source of Revenue. We must renew each year and update it with Staff and Board changes. **If you do not receive this notice by the end of April, remind Nathan and he will follow up.** Compliance is critical to ensure the State Auditor does not withhold your money.
- f. Easements: Nathan stated, regarding 314 Redden, he had spoken to Jamie Bracken of Summit County Attorney's office. Because Summit County owns the underlying ROW, we will need to do a Plat Amendment and Vacation of the original platted road. This will give the County the new aligned ROW. However, because you manage the ROW for the trails and SCSA3 is the Trails authority, we will need a separate easement for the trails. We need to outline this with the property owners: SCSA3 will do the plat amendment and the street vacation. Then, contingent upon that process going through the property owners will execute an easement for the trail.

The Greenfield Well easement, which was supposed to be dedicated to the Service Area through a Plat Dedication, was written according to Code to be dedicated to and give Title to, a County or City government which the Service Area is not. This creates uncertainty as to the propriety of the process. He has followed up with Summit County Attorney, Jamie Bracken and is waiting to hear back from her. Otherwise, the Service Area will need a quit claim deed from the HOA. Marla stated, we must meet the HOA covenants so we may not put up a chain link fence for example; the fence must be a wrought iron fence. If we expand the Well House to accommodate the Arsenic Filtration, we must meet their covenants. Nathan reviewed the plat dedication details are all signed and notarized. There is ambiguity in the code whether a quit claim deed from the County would release the property to us. Nathan expressed shock that the form was in a dedication and not a deed. Larry stated, there may be a deed around and we do not know about it. Nathan replied, there is language in the HOA CC&R's referencing that a deed was executed conveying title to this property to SCSA3, but no one can find it because it was not recorded. If a deed is not recorded, it does not exist.

### 3. Road:

- a. Drainage plan for water mitigation: Chris reported, every day the water goes up and every night it goes down. He does not see many issues as he drives Silver Creek roads checking Redden, Maples and Parleys where we have the big issues. In Unit 'I', Chris observed the sump pumps running continuously. When the freeze/thaw cycle ends, warm weather will cause a problem. We have sand bags available at the Mail Center. He has the bags for the Boy Scouts to fill which will remain at the Mail Center for residents to pick up as needed. Suzanne reported, there is two feet of snow in Lewis Park and both ponds and beaver dam are open.
- b. Silver Creek road issues: Chris reported, we have settling and every lateral is showing. There is settling around the manholes and the concrete is sticking up about 1/2". Nathan recommended the Board enter a closed session to discuss this further.

*Closed Session to discuss Silver Creek Road Issues:* Larry motioned to move into Closed Session to discuss Silver Creek Road issues and end the recording which Suzanne seconded; approval was unanimous. After discussion, Larry motioned to end the Closed Session and return to the Open Board meeting. This was seconded by Suzanne and was approved unanimously by the Board.

- c. Road fee schedule discussion: Marla reported, Suzanne requested we consider other exceptions or exclusions to the Road fee such as certain maintenance-type tasks: reroofing, window replacement or other maintenance. Suzanne noted, we do not want to discourage our residents from doing maintenance. Also, with landfill and grading, if it requires a permit in these types of maintenance or landscaping situations, that is when we would expect an impact fee. When they are doing their landscaping and sprinkler system, do we expect an Impact Fee? Vince, replied no. He stated, for painters, window replacements, reasonable landscaping, and the like, he does not want an impact fee. Suzanne noted, horse arenas are bringing in new sand in the spring which is usually a couple of truckloads. The operators get certs for every truckload delivered. Vince asked, who is going to monitor and enforce that? Chris replied, we need to checkout properties to see what is occurring. Vince stated, he does not want Staff to track down every truck that enters Silver Creek Estates. Nathan stated, you want to verify this information independently of the property owner. **Larry stated, he wants to see the final list of exemptions before we move forward.** Vince stated, we should find out what the county requires so we do not worry about exceptions. Suzanne noted SCSA3 will match our impact fees to the County's permit schedule.
- d. Easements: *discussed under 2f.*
- e. 2019 Road construction bid update and discussion: Larry stated, since this is a bid we must go with the lowest qualified bidder. *Advanced Paving and Construction* did the work on Silver Creek Road and they were great. There is a \$5k spread. Suzanne asked, are we coordinating with the Fire Flow? Marla replied, he cannot do anything on fire flow due to an easement issue on Beehive Dr. The line was put in Utah Department of Transportation's (UDOT) easement. Chris stated, we should move forward with the Fire Flow Request For Proposal (RFP). We should go forward with the two that we have authorization for to coordinate with Wasatch Way. If a 3rd, which is Division Street, does not materialize we can figure it out later. Suzanne and Larry are in agreement. Marla stated, regarding the Fire Flow, HAL must wait for the snow to melt in order to find the survey pins then we have to resolve the issue with the UDOT easement.
- f. Approved vendor list discussion and RFQ: Larry noted, he is curious, why isn't this an RFP? Why are we calling it a *Request For Qualification (RFQ)*? Nathan stated, *Request for Proposal (RFP)*, is correct in this instance. The RFQ is to create a vendor list. Chris stated, in an RFP, are we able to rate them and not choose the low bid? Suzanne stated, she liked the scoring. Nathan noted, this RFP is based upon Park City. We do not have a standard RFP, nor do we have a standard contract. Park City's is much bigger than what we need. He proposed, should we develop a standard RFP and a standard contract? We know what is in each contract so that we can enforce them uniformly. In 2017, he sent SCSA3 a memo that outlined the criteria to create an approved vendor list. The contract, based upon Park City which Nathan did not revise, would be difficult for SCSA3 to enforce. Marla replied, SCSA3 needs our own contract. Larry supports use of the RFP and the development of our own contract. Nathan advised, do this RFP and ask the applicants to attach their contract for our review just to get this project out. Larry stated, the *Statement of Work (SOW)* should only be a couple of pages. Vince noted, we should expand our preferred vendor list. **Larry asked Chris and Marla to provide the board with a list of services the SCSA3 need then we can use the Request For Information (RFI) standard.** He stated, another option is to use the State of Utah vetted Vendors that have gone

through an RFI or an RFP process to get on their list. The State will send someone out to help us set this up.

- g. Wolff contract renewal: Marla stated, Wolff has asked that his contract be renewed. She noted we do not have an approved vendor list. Larry asked, is there a renewal in the contract? Marla replied, we have never seen a contract with Wolff. Chris replied, we had a contract at one time. We have agreed upon rates. Bob stated, he does not think we could call our current agreement a contract; we only approved the rates. Even if they had a contract, we need another one. Chris stated, they want an answer as soon as possible.

#### 4. Water:

- a. Water request 725 Parkway Drive: Marla reported, this is a rental property and the property owner has requested a 2<sup>nd</sup> meter because they are renting the garage separate from the house. They had overages which were billed to the renter and later corrected by us. Larry replied we should not be reconciling a private property's water bill. Larry asked, why a second connection? Chris replied, all fire sprinklers are a secondary connection on commercial buildings. Larry asked, is there a house on the property? Do they have a Conditional Use Permit (CUP)? If they do not have a CUP, it is a residential property. Nathan recommended, one connection for one meter; not two meters. You have only paid one connection. Our policy is this is a residential connection. Bob stated, it was built as an office. Chris stated, this is in the 3<sup>rd</sup> building on the lot. A fire sprinkler is not metered; it is treated as a fire hydrant inside your building. So, no fire sprinkler connection as this point until we know which governing body and if there is a CUP. Nathan replied, they paid for one connection. They were permitted for an extra shed; we were not planning on an extra bathroom or a fire sprinkler. We approved a residential connection.
- b. Water filtration RFP proposal review discussion: Ben Miner (HAL) stated, he has responded to SCSA3 comments and asked if there are any additional questions or comments regarding the Arsenic Filtration RFP? Suzanne summarized her questions. **On Page 11, it says "the Service Area may require" change to "they will require a pilot study"**. On Page 12, do we want to know about the removal of other mineral or metal? Can the provision of a larger pool of testing data be a criterion for the selection of the vendor? Besides arsenic, are we seeing any other alarming data? Ben replied, other than the arsenic, he is not aware of any other violations arising. However, we can look at and track the data we have. Suzanne stated, she noted the results went from "non-detect" in August to "3 ppb in February" so it appears the metal levels have risen now that the Greenfield well has been sitting. **Let's give the proposals a little extra in the scoring when they expand the data provided.** Ben replied, yes, that is doable. Sometimes we can change or add to our parameters and he can chart other data. Sometimes there is technology that can remove other things simultaneously but often it becomes an additional and separate process. **At the RFP stage, we can have the vendors address these other parameters.**

Suzanne noted, under Section 7 on Page 12, what would be the on-going maintenance? Should we add that to the criteria? What technical expertise is necessary? What criteria might we consider that would differentiate among the proposals and systems? **Ben replied, he had danced around the subject of maintenance, but he will amend the RFP to specifically address maintenance.** He will create a spreadsheet to include some of the other parameters to compare them to the Environmental Protection Agency (EPA) levels. Suzanne restated, it would be helpful to give vendors opportunities to address something that might break a tie in our selection process.

Ben stated, we do not want the vendor discharging because we will not have a discharge permit. They must report the number of gallons per minute they produce. We could have them haul it off or we

could hire someone. He wants to see how many gallons-per-minute they project in the contractor's submittal.

Larry stated, he is ready to vote tonight. **Marla stated, we are pretty much there, and we will let you know tomorrow.**

- c. Review RFP for rate study and discussion: Suzanne and Vince noted, there are some outstanding questions. **Marla will remove one paragraph. Item c does not matter. The other questions are relevant, and she will issue the RFP.**
  - d. Semi-Annual Arsenic Report and draft concurrency report review: Chris and Marla are meeting with the concurrency group Wednesday morning. HAL did the arsenic. Suzanne noted it is a much better report than last year. Marla stated, it was filed on time. She has the list of vendors. Marla stated, both she and Chris have reviewed this and understand how it works.
  - e. Tank inspection RFP and bids: Marla stated, she contacted the last vendor, who charged \$500. They have not gotten back to her. HAL contacted this known vendor which brought up the question of whether we need an RFP for the tank inspection. Our purchasing policy states it is required for anything \$25k or more. She had the vendor list for Park City's RFP, but they have 15 tanks with 3-year contracts. Larry noted, they have an impressive list of recommendations. Let's call a few of the smaller ones. **Chris will do so.**
5. Strategic Plan:
- a. Vision and mission: Suzanne stated, she has some comments. Larry and Vince have not read it. **Suzanne will send to Marla.** There is conflict because the document states early on that we are "built-out". But on page 3 it states that 22% of the 97 lots are not built. **Marla will doublecheck the numbers.** Suzanne stated, she does not think we are buying any future parks. Vince stated, we need to consider lots for future wells and even future parkland. Suzanne noted, we state we do not have enough money for roads; we have constraints. Marla stated, we have no trail plan. Suzanne stated, she thinks we should be talking about a "trail network" and noted, if we do not have the money to maintain our roads we shouldn't be spending money on year-round trails. **The Board will review and send Marla their comments.**
6. EMERGENCY MEETING:
- a. Mountain Regional request for water: Chris reported that Mountain Regional must shut down water to Woodside Homes in order to make a repair. Marla stated, Nathan has reviewed the contract with Mountain Regional. We were not able to find their "interruptable water price" but that is the price we will charge them; and if SCSA3 requires an emergency connection to Mountain Regional, that would be our fee. Bob noted, all the valves and connections are in place. Chris' analysis indicates we have sufficient water. Vince stated, we should assist without hesitation. Chris agreed. The current season is a low-use water season. There are 80 homes in Woodside Homes. **Vince requested Chris to keep the board up-to-date.** Nathan recommended the Board make a motion to approve. According to the contract, the reason Mountain Regional accepted the Woodside Homes was on condition we approve this interconnect agreement which indicates we will provide back up.

*Larry motioned to end the Working Session at 7:32pm and move into Public Comment. Suzanne seconded this motion and approval was unanimous.*

7. **Public Comment**: no public attended.

*Larry motioned to move into voting which Suzanne seconded. Support was unanimous.*

**8. Voting:**

- a. Invoice Approval: Larry moved to approve the invoices as presented in the Board Packet and email which Bob seconded. Support was unanimous.
- b. 2019 road construction vendor award: Larry motioned to award the Wasatch Way Road Project to Advance Construction as the lowest qualified bidder which Suzanne seconded. Support was unanimous.
- c. Water Rate RFP approval: Suzanne motioned to approve the Water Rate RFP as amended which Larry seconded. Support was unanimous.
- d. Water filtration RFP approval: Suzanne motioned to approve the Water Filtration RFP as discussed and amended at this meeting which Larry seconded. Support was unanimous.
- e. Approved vendor list: Larry motioned for “Staff to solicit assistance from the Utah State Purchasing Office for the creation of an SCSA3 Vendor List which meet Utah State Qualification Standards and to present their findings to the SCSA3 Board for approval. Suzanne seconded this motion and Board support was unanimous. Discussion ensued. Nathan noted, you can invite vendors to respond to our RFQ. Larry amended the motion to state: “Staff to solicit assistance from the Utah State Purchasing Office for the creation of an SCSA3 Vendor List which meet Utah State Qualification Standards, **according to the Nathan’s 2017 Legal Memo and SCSA3 Policy**, and to present their findings to the SCSA3 Board for approval.” Suzanne seconded this motion and Board support was unanimous.
- f. Wolff Contract: Marla noted, we are going to do an RFP. Suzanne motioned to change the Board Packet RFQ to an RFP for soliciting Snow Removal services which was seconded by Bob. Support was unanimous.
- g. Open house date: Suzanne motioned to tentatively hold an Open House on June 3<sup>rd</sup> to be finalized at the next Board Meeting on April 22<sup>nd</sup> and Staff is directed to proceed with planning for that date according to the description in the Board Packet. Bob seconded the motion and support was unanimous.
- h. Emergency Water Supply to Mountain Regional: Larry motioned to direct the SCSA3 Water Operator to satisfy the Emergency Water Request submitted by Mountain Regional Water. Suzanne provided a second and support was unanimous.

- 9. Adjournment:** Larry motioned to adjourn the meeting at 8:04 pm which was seconded by Suzanne. Approval was unanimous.