

JANUARY 14, 2019

PUBLIC MEETING

6PM

BOARD OF TRUSTEES

SUMMIT COUNTY

SERVICE AREA #3

629 Parkway Drive Park City, UT 84098

Summit County Service Area #3

January 14, 2019

Public Meeting

629 E. Parkway Drive, Suite 1, Park City, UT 84098

*** Please turn off all cell phones ***

Topic	Time	Presenter(s)
1. Welcome and call meeting to order (*see attachment) a. Review of January 07, 2019 meeting minutes * b. Approval of minutes	6:00 – 6:15	Suzanne Carpenter
1. Administrative: a. Review of project list and prioritization * b. Capstone or Class Workshop Project review * c. Newsletter proposed content, schedule and Board review process *	6:15 – 6:45	Marla, Eileen
2. Financial: a. Auditor Engagement letter * b. Preliminary 2018 Financial Statement * 1) Profit and Loss approach 2) Board approach to Depreciation expense	6:45 – 7:00	Marla
3. Water: a. Enterprise Fund financial review b. Extension of Cottonwood water line * c. Additional Well location, timing	7:00 – 8:00	Suzanne, Larry Chris, Marla
4. Roads, Trails and Current projects: a. Snowplow update b. Road, Trails, Projects update	8:00 – 8:15	Marla, Chris
5. Election of New Officers a. Nominations for Chair and Vice-Chair (one year terms) * b. Nominations for Clerk and Treasurer (two year terms) *	8:15 – 8:30	Suzanne
6. Public Comment – limited to 3 minutes each	8:30 - 8:40	Public
7. Voting: a. Update priority list as needed b. Capital approval for water projects c. Board Officer election (Resolution 2019-01) d. Other items discussed during meeting	8:40 – 9:00	Board
8. Adjournment	9:00	Suzanne

Minutes, agenda and policies available at: <http://summitcounty.org/923/Documents>

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WELCOME
and
CALL MEETING
TO ORDER

Summit County Service Area #3
January 7, 2019
PENDING MEETING MINUTES
BOARD OF TRUSTEES MEETING
629 E. Parkway Drive, Suite 1,
Park City UT 84098

BOARD OF TRUSTEES

Suzanne Carpenter – Chairman

Eileen Galoostian

Vince Pao-Borjigin – Vice Chairman

Peter Keblish

Larry Finch – Clerk

Michael Montgomery

Robert Olson - Treasurer

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

Not in Attendance (Board): Mike Montgomery; Eileen Galoostian

Electronically: none

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

Meeting Attendees: Gary and Linda Kelsch (Lot 30).

1. Welcome and call meeting to order: Suzanne called the meeting to order at 6:11pm with a quorum present.

- a. Review of December 17 meeting minutes: Larry, Suzanne and Bob made several corrections.
- b. Approval of minutes: Larry motioned to approve the minutes as amended with Bob offering his second. The motion carried unanimously.

2. Administrative:

- a. Review of project list and prioritization: Marla stated she is wrapping up the financials and has completed the treasurer's filing of the PTIF and Wells Fargo account balances and will be completing additional filings in the next few weeks such as the water filing. She is capturing information from 2018 invoices and income and observed the need to get numbers for Class B road funds. The Board needs to approve Larsen and Company as our auditors. Larry asked Marla to put on agenda for next meeting.

Marla stated she is creating RFP's, which the Board will review, for dissemination for Board-identified Capital Projects including Wasatch Way, Arsenic study, Land Surveys to complete Easements trail for Lots 314 and 315 on Redden Road; Eileen G has identified some ROW violations. Larry requested that Mike or Eileen participate in Lot 117 trail property dedication discussion.

Vince stated, there are 3 very obvious on Wasatch Way pushing snow across the road and stacking snow 4-5 feet deep on the trail. Suzanne stated, she has seen some improvement of the violations. Marla stated, Eileen has reported her concern that Westwood and Silver Creek trails may be damaged due to plowing by volunteers. Suzanne, asked what damage is happening to trail? Bob replied, none. Vince and Larry agreed, it's an improvement.

Suzanne stated, she has observed Wolf trucks sliding off the road and causing damage. Larry said, if there is damage to the road we should talk to Wolf. These things are going to happen, and we can mitigate them in the spring. Vince said, part of it is our terrain. Suzanne stated, the purpose of the Capstone Project is to identify potential solutions to these problem areas.

Vince requested an update on snow violations and the follow-up plan to ensure corrections. Marla replied, we will submit a detailed letter along with photographs of the violations to the violators with a personalized letter requesting a correction and advising that violators will be referred to the County for enforcement action because at this time, we have no “teeth”. Nathan responded, the Service Area has limited authority to enforce fines, but may institute fees.

Nathan distributed a Draft Service Area #3 Policy, which lays out the process and the authority, in November. Marla replied, one violator did about \$2k damage and we need to have the ability to get reimbursed for that. Vince stated, we are going to bill you and the county will cite you.

Vince stated, he is hopeful we can get into a good newsletter routine educating our homeowners going forward. Vince asked Marla to verify that he is receiving Trello access to SCSA3 project boards.

b. 2019 Calendar, deliverables and board member sponsorship: Suzanne proposed the following discussion items for 2019 Board Meetings:

- January 7 (Water)
- January 14 (Regular Board Meeting)
- January 28 (RFP Review)
- February 4 (Policy Review and Updates)
- February 25 (Regular Board Meeting)
- March 4 (Prototype Water Filtration review and cost estimates)
- March 25 (Regular Board Meeting)
- April 15 (Community Meeting re: landscaping for residential fire prevention)
- April 22 (Regular Board Meeting)
- May 6 (Capstone Project Presentation)
- May 20 (Regular Board Meeting)
- June 3 (Road, Trails and New Construction)
- June 17 (Regular Board Meeting)
- July 15 (Regular Board Meeting)
- August 5 (?)
- August 19: (Regular Board Meeting)

Nathan stated, the revised Roads Policy institutes a fee which will need a Public Hearing prior to adoption. They envision staff will create and develop the subject contents, circulate it among the board for comments and present a final document for voting at the Board Meeting. Vince reminded the Board we have a staff template for reports.

C. GM contract review and renewal: Discussion tabled until closed session which will occur at the end of the public portion of the Board Meeting today.

3. Request for Relief

- a. Water leak and financial hardship: For the *water leak applicant*, Marla recommended about \$3,500 in forgiveness due diminishing water use and making necessary repairs. The *financial hardship applicant, due to extreme medical bills*, is currently paying an extra \$19 per month and would like to pay less. They have been delinquent 2-3 years. Marla will review to see if they were liened. Consensus was reached to accept the \$19 repayment plan while the Service Area will also not charge any interest or fees on the overdue amount.
 - b. Habitually late customer: Their home went up for tax auction in May 2018 along with our water lien. They were able to recover their property and pay our charges by securing a home loan. They are 5-6 months in arrears totaling about \$900. The Board determined the home owner must bring their account current within 90 days or their water will shut-off.
- 4. Conditional Use Permit Review:** Marla stated, the homeowners have determined they will continue to use their well and not connect to the Service Area even though they are adjacent to our water line. The CUP seeks approval for an indoor-soccer field and 2 lock-out apartments. At this time, they are very close to using all of their water share allocation for their current use. After some discussion, the Board determined they would not support construction until an additional Water Share allocation of .9-acre-feet has been acquired and dedicated. We don't want to risk that a property owner will acquire a water right and turnaround and convey it to someone else. Bob proposed to speak to the property owners to direct them to others who have an extra water share.
- 5. Water:**
- a. Capital review and approval for water projects from 2018 water plan: Bob stated, he is extremely disappointed with HAL study on Cottonwood Trail because they exceeded their Scope of Work. Cottonwood trail is a lower priority compared to other needs in SCE. He is also concerned about giving the impression he is seeking to personally benefit from any work authorized by the Board. The HAL cost is \$2500. The booster station is estimated to cost \$200k.
Chris stated, he is concerned about the neighboring tree farm operation whose heavy equipment could spark a wildfire. Additionally, a *dead-end* line is not good for drinking water. Vince stated, we don't have the budget to extend this to the top of Cottonwood Trail. Marla was directed to send a letter stating the project is not feasible at this time.
 - b. Establish timeline for water filtration project and board sponsorship and support from HAL: Larry recommended Marla make an appointment with HAL to develop a plan to get the work done. Suzanne asked, do we want HAL to do the arsenic treatment plant? Larry suggested HAL oversee the SOW and send out the RFP; Nathan stated HAL is a fantastic engineering company, but he doesn't know if HAL does drinking water. Marla will ask for recommendations. Vince agreed, including HAL more will give them a greater understanding of our water system. Larry stated, he wants a supervisory engineer on the project.
 - c. Water Communication: Marla stated, we are refunding deposits to homeowners whom we have ensured our meeting our meter standards. Larry stated, this is under your authority. He and Bob will sign the checks.
- 6. Roads, Trails and Current projects:**
- a. Initiating Capstone project for transportation planning, trails, roads, parks and mail delivery along with board participation: Marla stated, she and Chris met with Eileen G to discuss the Scope of

Work for our future phone meeting with the Urban Planning Professor of University of Utah. Suzanne invited the Board to make recommendations for items they would like the students to consider like pocket parks, dog parks, civic center, trails. Marla would like them to create community maps. Larry, Vince and Bob are against a dog park, not wanting the expense or maintenance it would require. Vince would like to be more open-ended and see what the students come up with.

Bob stated, for Chris' information the speed bump at the bottom of his property is 2/3 destroyed and he thinks more speed bumps have been damaged along SCE roads due to snow plows. Larry suggested Chris remove the speed bumps in fall and replace them in the spring. Chris stated, speed 'bumps' cost about \$1,800 while the speed 'humps' are a little bit more and the 'raised' crosswalks cost approximately \$3,500. Not counting damage by snowplows, the humps/bumps have a 5-year lifespan. Vince suggested, with labor costs added, we should begin to consider "stamped-in" speed bumps.

Bob stated, we have had quite a few people slide off Silver Creek Road. Bob requested increased sand application on Silver Creek Rd. Suzanne stated, the snowplow drivers are turning the sand distribution off when plowing. It is only on in the intersections, the flats and the steep sections. Also, they are not applying sufficient sand. Chris stated, this is a safety issue of which he will make them aware as well as encourage more generous sand application. Chris stated, he has salt and it is effective at cutting the ice almost instantly while the sand must be applied multiple times. The sand builds up offering the benefit of significant traction, much more than salt, but the Service Area needs to sweep the roads in the spring. We have avoided regular salt applications because of the negative effects on wetlands and our unfinished roads. Salt destroys roadbase. Chris will consider applying salt more often.

Vince stated, let's do a public information reminder about tires, snow chains. Should we look at other types of communication?

- b. Easement Survey Bids: Marla stated, we want to survey Redden and Westwood Rds. We have gone out for bids and the staff seeks the Boards permission to proceed. Larry and Vince confirmed they are in Marla's spending authority. Bob and Larry directed Marla to accept the lowest qualified bid.

7. Election of New Officers

- a. Nominations for Chair and Vice Chair (one-year terms): Nathan stated his support to table the nominations because of the absence of 3 board members and this isn't your regularly scheduled meeting but a special meeting. Bob made a motion to table the Election which Vince seconded. Support for this motion was unanimous.
- b. Nominations for Clerk and Treasurer (two-year terms): also tabled as above.

Larry motioned to move into Public Comment. Vince seconded this motion and support was unanimous.

8. Public Comment – limited to 3 minutes each

Linda Kelsch asked the Board to review the purpose of the capstone project. Marla restated the capstone project ideas. We want to look at the entire community. We want GIS of all of our roads and trails, identify topography, consider the community as a whole, strategic plan support, and get a 3rd party unbiased opinion. Linda loves that! Vince asked, what is your vision of Silver Creek? Linda stated, she

likes the paved roads, and suggests improvements to steep road areas. She would like the roads to be safer. She loves what the Board has done with some roads. Peter asked her for her concerns? Linda replied, road safety such as speeding is a concern; she asked the Board to put a stop sign on Oakridge South coming into Silver Creek. It is a very dangerous intersection. Peter suggested that Wolf sand that intersection extensively. Linda stated, her adult kids cannot make that climb without studded snow tires. Chris stated, Wolf doesn't experience our intersections like we do because they have chains on. Vince stated, the board is authorizing Chris to put up "icy" signs.

Linda stated, her well is in! They went 500 feet deep. The water is clean enough to drink. Zimmerman is their contractor.

Vince asked, if the service area needs a new municipal well, would you be interested in having a new well on your property? The Service Area doesn't have much property to use. We need a high point and we will offer compensation. Linda asked, would neighboring properties be required to connect? Vince replied, he does not think so. Nathan replied, that it is up to you. If you are a dry lot, you are connecting to the system. He advised Linda to think about it.

Larry motioned to move from Public Comment into Closed Session which Bob seconded. Support for this motion was unanimous.

Vince motioned to end the Closed Session into which Larry seconded. With no discussion, support for this motion was unanimous. Larry motioned to move into Voting which Vince seconded. Support was unanimous.

9. Voting:

- a. Update to priority list: no items
- b. 2019 Calendar review and adjustment: no changes
- c. GM contract renewal: *Larry motioned to approve Marla Howard's 3-year contract extension at a salary of \$67,500 to include annual adjustments in salary based upon her annual review. Vince seconded this motion. With no further discussion support was unanimous. Larry moved to extend a \$5k annual bonus for her 2018 workplace performance. Vince seconded this motion and support was unanimous. Nathan stated, Marla's contract indicates a discretionary performance bonus is permitted without a cap on the amount. It replaces the old paragraph 4.6 which gives the Board more discretion.*
- d. Conditional Use Permit Review: we have given Marla direction.
- e. Capital approval for water projects: we authorized the drafting of the RFPs.
- f. Initiation of Capstone Project for trails, transportation and parks: Staff has been directed to proceed.
- g. Voting on officers: *tabled*
- h. Other items discussed during meeting: none

10. Adjournment

Larry motioned to adjourn which Bob seconded. Support for this motion was unanimous and the meeting ended at 8:19pm.

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ADMINISTRATIVE

PROJECTS AND PRIORITIES

item 2a

Item	Assigned to:	Start Date	Due Date	Status
ADMINISTRATION				
Audit	Begin year end analysis	Marla	12/15/2018	
	Contract with auditors	Marla/Board Chair	1/15/2019	1/17/2019
	Re-check connection fees total.	Maria	10/15/2018	
	Invite Michael Howard, SC Auditor, to review accounting procedures best practices with staff.	Marla	12/17/2018	
Depreciation Analysis	Water Delivery Depreciation Analysis	Marla	12/17/2018	1/17/2019
Governance Policy	Marla incorporate comments into policy	Marla		1/10/2019
Grants	Talk to Glen Colvin	Eileen H	10/15/2018	
Newsletter	Create quarterly newsletter	Eileen H		12/31/2018
Postal boxes	Determine box and bank size	Vince	10/15/2018	
	Determine location of postal boxes, and get them ordered	Eileen H		12/15/2018
	Make an appointment with the postmaster	Marla	5/8/2018	5/11/2018 done, met with postmaster on 5/11/2018
	Meet with postmaster	Marla, Bob	5/8/2018	5/11/2018 done, met with postmaster on 5/11/2018
Public Service Announcement	Remind residents to use appropriate snow tires + chains	Marla	1/7/2019	1/10/2019
Redhawk	Dumpsters: Contact RH HOA	Larry	10/15/2018	
	Cleanup at Mailboxes	Marla	10/15/2018	
Refund Request Lot SL-H-484A	Call Erin at Boerboom for backup documentation.	Chris	12/17/2018	
Rules of Order	Comments, changes, correct to Eileen H.	Board	12/17/2019	1/25/2019
Strategic Plan	Create planning dates with Suzanne	Marla	12/17/2018	
Westwood CUP	Follow-up with owner regarding our questions	Chris	10/15/2018	
Water Relief	Kivett letter			1/10/2019
	Carpenter letter			1/10/2019
	Tabarracl Letter			1/10/2019
Westwood CUP	Notify owners that they need to get an additional share of water		1/17/2019	Bob
STRATEGIC PLAN				
	Have a board retreat and create the strategic plan which incorporates the Create Trail Master Plan			
	Create Vision and mission statements, identify core values and goals			
	Work with U to obtain analysis of SCE as a community	Marla	1/7/2019	4/30/2019
	Meet with the U to discuss the scope and opportunity for a project	Marla	1/11/2019	1/11/2019 completed

PROJECTS AND PRIORITIES

ROADS + TRAILS

Capital Trail Projects	Give Marla input for longterm Capital Trail Projects	All Board Members	10/15/2018	
	Notify HAL we are not proceeding with Cottonwood Expansion	Marla	1/7/2019	
Church Project	Status	Chris	1/17/2019	Church hired new contractor to complete.
	Put all communicatuon in writing with due dates.	Chris/Marla	12/17/2018	
Easements	Meet with Kelsches	Suzanne/Larry/Nathan	11/19/2018	In process.
	Measure the ROW on Bob's property	Chris/Marla	12/10/2018	
	Meet with Lot 117 about dedicating trail property	Marla/Chris	12/31/2018	
	Identify other easements needed for trail plan	Board	5/31/2019	Chris needs assistance from Eileen+Mike
ROW Encroachments	List of ROW violations to Eileen G	Chris	10/15/2018	See ROW encroachment list
	Begin notifying the more serious violators	Marla	1/31/2019	
Roads	Identify capital road projects for 2019	Chris/Marla	1/17/2019	
	Get projects approved	Board	12/31/2018	
	Issue RFPs	Chris/Marla	1/17/2019	
Road Policy	Marla incorporate comments into policy document	Marla	1/10/2019	
ROW process	Get with county - clarify their process	Marla, Chris	5/8/2018	5/11/2018 done
	Create letter	Marla, Chris	5/8/2018	5/11/2018 done
	Review letter	Nathan		done
	Prioritize ROW offenses	Eileen G, Chris	5/8/2018	5/11/2018 Identify public-threatening violations.
	Prepare and send letter to lot 117			Not in violation.
Row Notifications	Identify most pressing ROW issues	Marla/Chris	12/15/2018	
	Meet with Wrattens	Marla/Chris	12/16/2018	
	Notify more serious ROW issues	Marla/Chris	1/31/2019	
Signage	Put up "ICY" signs in areas of concern	Chris	1/7/2019	
Silver Creek Road	Increase sand application	Chris	1/7/2019	
	Notify Wolf to increase sand application in dangerous areas	Chris	1/7/2019	
Snow Removal Violations	Document violations and send letters	Chris/Marla	12/17/2018	
	Create visual documentation of violators	Chris	ongoing	
	Notify violators	Marla	2/15/2019	Stress County enforcement action
	Wolf Road Damage	Chris	1/7/2019	ongoing: let Wolf know
Trails				
Silver Creek Trail	Eileen G review trail materials before it is applied	Chris	10/15/2018	Eileen G please review.
	at Lot 118 repair as per County Code	Chris	10/15/2018	
Upper Redden Rd	Go over road with a compactor	Chris	10/15/2018	
Redden Trail	Termination: Get an easement from Lot 314	?	10/15/2018	
	Between Maple/Parleys: fine infractions	Chris	10/15/2018	See row encroachment list

PROJECTS AND PRIORITIES

Lewis Park Trail	At Westwood, add more material	Chris	10/15/2018	
Westwood Trail	Enforcement Action Lot 117	Chris	10/15/2018	trail not in ROW
Maple Trail	Easement Lot 153; survey/legal descrip to Nathan	Chris	10/15/2018	Marla price from Ferrleri.
Trail Summary	Pics of filled in culver possibly Lot 292	Eileen G	10/15/2018	
Construction Packet	Recap Punch List to Chris	Eileen G	10/15/2018	
	Add guidance re penalties for damage to trails/roads	Chris	10/15/2018	Recommendations from Nathan- Also calls
Trail Signs	Identify Signs Plan	Board		Waiting on board direction
	Price and get materials for installation	Chris	done	Waiting on board direction
	Install signs	Chris	done	Waiting on board direction
Trail Maintenance Plan for 2019	Identify realistic priorities		1/1/2019	4/30/2019
	Revisit proposed resolution 2013-6		1/31/2019	
	Meet with Eileen G and review trails and park options		1/4/2019	1/4/2019
Trail Maintenance plan	Work with board on creating a plan		1/1/2019	4/30/2019
WATER				
App	Get everyone on Eye on Water	Maria/Eileen	5/31/2019	10 homes left; notice residents again or enroll them with a generic password.
Meter Relocation	Get the last 12 or so meters moved	Chris	5/31/2019	
Water Policy	Develop Draft recommendations	Nathan	10/15/2018	
	Marla, Chris, Nathan meet/review recommendations	Nathan	10/15/2018	
	Marla Incorporate comments into policy	Marla	1/10/2019	
Water upgrades	Analyze Water Plan and Fire Flow study for next steps	Board	1/17/2019	
	Work with HAL to get RFP for arsenic study bids	Marla/Chris	3/31/2019	1/10/2019 Larry requests a supervisory Engineer
	Work with HAL to get RFP for fire extension/master plan bids	Marla/Chris		1/10/2019
	Notify HAL we are not proceeding with Cottonwood Expansion	Marla	1/7/2019	
PROJECT MANAGEMENT				
Trello	Get projects up on Trello	Maria/Chris/Eileen	1/31/2019	

COMPLETED ITEMS

ADMINISTRATION				
Grants	Research grants: People for Bikes	Eileen H	10/15/2018	11/12/2018
Mail Center	Meet with postmaster	Marla, Bob	5/8/2018	5/11/2018 done, met with postmaster on 5/11/2018
Newsletter	Creat a Newsletter proposal	Eileen H	1/7/2019	1/11/2019
Project Mgt tools	Demonstrate products to Marla/Eileen H	Vince	10/15/2018	complete
Record Retention	Finish the last 8 boxes	Marla/Eileen H		1/15/2019
	Organized all resolutions	Marla/Eileen H		10/31/2018
	Identify resolutions that are still in effect	Marla		12/31/2018
RFP Preparation	RFP Preparation	Marla	12/17/2019	1/11/2019
ROADS + TRAILS				
Berms	Hydroseeding berm	Chris	5/8/2018	5/11/2018 done
	Watering berm	Chris	5/8/2018	5/30/2018 done
Easements	Obtain bids for surveys for easements	Marla		1/4/2019 Marla directed to accept lowest qualified

PROJECTS AND PRIORITIES

Plat Amendment	Determine surveyor and initiate surveys for first easements	Marla	1/8/2019 Bob also met with the surveyor
Followup Jonas&Bywater	Establish the existence of easements	Nathan	5/31/2018 done
	Meet with Jonas - detail next steps	Chris	6/5/2018 done
	Prepare letter from legal counsel to demonstrate advantages of easement	Nathan	6/22/2018 done
Westwood Trail	Enforcement Action Lot 117	Marla/Chris	10/15/2018 11/30/2019 trail not in ROW
WATER			
Water issue	Vayda	Marla	11/19/2018 completed
	Archibald	Marla	11/20/2018 completed

Summit County Service Area #3

STAFF REPORT

From: Marla Howard, Eileen Haynes

Date: January 11, 2019

Subject: University of Utah Capstone/Workshop Class project

INTRODUCTION

The Board has directed Staff to initiate a “Capstone” (or similar) project through the University of Utah, School of City and Metropolitan Planning inviting them to consider how their fresh perspective could generate Policies, Plans and Vision to direct growth in Silver Creek Estates that reflects the desires of the residents while sustaining our rural and Western heritage.

We shared the history of SCE with **Stacy Harwood, Department Chair**, as well as our existing challenges. Although the project entails several different disciplines, Stacy believes her functional area is the best starting point. Some of the issues we discussed with her are:

1. The “Civic” Center and the need for a safe school bus stop.
2. The lack of public transportation.
3. The disparity of homes, that is the older original residents versus the larger “estates”.
4. The attraction of the area of animal lovers since SCE is only one of two communities that allow livestock such as cows, llamas and horses.
5. The desire for trails for recreation and equestrian use, and the interplay with Basin Recreation.
6. The impact of the future frontage road.
7. Safety challenges.
8. Our charter limitations of Water and Roads.

STATUS: *The timeline for project completion, if we use students, will be significantly delayed depending upon their availability stretching most likely to 2020.*

Stacy feels the scope of our project requires the attention of a competent Master’s candidate or the oversight of a Professor directing a group of students in a Fall Workshop. Stacy will present our project to Graduate students (who are considering their thesis topics at this time, and who may begin work on them this spring, summer or fall) as well as to Professors who teach a Fall Workshop 2019 class.

Stacy feels this is a worthy project but advises us they are approached by many organizations requesting the same analysis, so ultimately it is up to a Master’s student or Professor to choose this as their project.

Stacy suggested a paid Internship will generate interest with some of the more talented students.

RECOMMENDATIONS: We should consider offering a paid summer internship to a Master’s student if we don’t get immediate interest from a professor or student.

Summit County Service Area #3 STAFF REPORT

From: Eileen Haynes, Assistant Clerk

Date: January 11, 2019

Subject: Newsletter Options

INTRODUCTION

There is a general consensus among the Board that a Newsletter is a necessary tool to communicate with the residents and property owners of Silver Creek Estates.

OPTIONS:

- **DEDICATED WATER USER NEWSLETTER:** Monthly, Connected Water User-Specific, Printed on back of their invoice as needed; discuss proposed improvements, new wells, upgrades, Eye-On-Water features, Service Area Policy; would also get a 'regular' newsletter about all other subjects.
 - Message as needed or monthly
 - Preprinted color format 1-side (staff adds text in black ink) or
 - All black
- **ANNUAL INVOICE TO ALL OTHERS:** sent out once per year; opportunity to explain the charges on front of statement. On the back, we could discuss issues relevant to these consumers such as the Water Right process or history, how their money is spent, who determines the rates, State Water Engineer message and contact information.
 - Mailed once annually
 - Preprinted color format 1-side (staff adds text in black ink)
 - All black
- **REGULAR NEWSLETTER:** this is a document that would reach all property owners in SCE and would discuss all items that use their tax dollars: Civic Center, School Bus Stop, Mail Center; Parks, Trails, Roads, Snow Removal, Summit County Code and Violations, Service Area Policy, Community Feedback methods, office hours and contact information; Public Hearing content; Surveys; Open Houses; Strategic Plan; Capstone.
 - Mailed 5 times per year (Oct, Dec, Feb, May, Aug) or timed to coincide with necessary reminders (Chris can speak to this?)

PROFESSIONALISM:

My preference would be to finalize our organizational GRAPHICS by selecting a logo and all relevant graphic design decisions: newsletter format, letterhead, invoices, announcements, Public Notices.

3

FINANCIAL



January 7, 2019

To Governing Board Members and Management of Summit County Service Area #3

We are pleased to confirm our understanding of the services we are to provide **Summit County Service Area #3** for the year ended **December 31, 2018**. We will audit the financial statements of the governmental activities and the business-type activities, including the related notes to the financial statements, which collectively comprise the basic financial statements of **Summit County Service Area #3** as of and for the year ended **December 31, 2018**. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement **Summit County Service Area #3's** basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to **Summit County Service Area #3's** RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of **Summit County Service Area #3** and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of **Summit County Service Area #3's** financial statements. Our report will be addressed to the Governing Board and Management of **Summit County Service Area #3**. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that **Summit County Service Area #3** is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We may request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of **Summit County Service Area #3's** compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

(Continued)

Management Responsibilities

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of any supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

(Continued)

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Service Area; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Larson & Company, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Office of the Utah State Auditor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Larson & Company, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Utah State Auditor. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on as soon as possible after this letter is signed and to issue our reports no later than **June 30, 2019**. **Jon Haderlie, CPA** is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed [REDACTED]. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to **Summit County Service Area #3** and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Larson & Company, PC

Larson & Company, PC

RESPONSE:

This letter correctly sets forth the understanding of **Summit County Service Area #3**.

Management Signature: _____ Title: _____ Date: _____

Governance Signature: _____ Title: _____ Date: _____

(Continued)

Summit County Service Area #3
Financial Comparison

ITEM 3b

	Account No.	12/31/2018	Estimate through the end of the year	Estimated 12/31/2018	Original Budget	Amount of Budget Remaining	12/31/2017	Change Over Prior Year	2019 Proposed Budget
10 General Fund - 01/01/2018 to 12/31/2018									
Change In Net Position									
Revenue:									
Taxes									
	3110	297,897.58	39,140.62	337,038.20	290,000.00	(7,897.58)	312,737.26	14,839.68	306,772.00
	3120	12,421.95		12,421.95	-	(12,421.95)	13,378.74	956.79	
	3170	15,366.39		15,366.39	20,000.00	4,633.61	17,703.61	2,337.22	
Total Taxes		325,685.92	39,140.62	364,826.54	310,000.00	(15,685.92)	343,819.61	18,133.69	306,772.00
Intergovernmental revenue									
	3356	93,793.34	17,000.00	110,793.34	120,000.00	26,206.66	108,312.21	14,518.87	110,000.00
Total Intergovernmental revenue		93,793.34	17,000.00	110,793.34	120,000.00	26,206.66	108,312.21	14,518.87	110,000.00
Charges for services									
	3430	42,500.00	-	42,500.00	10,000.00	(32,500.00)	10,000.00	(32,500.00)	6,000.00
	3431	14,458.87		14,458.87	8,000.00	(6,458.87)	6,775.00	(7,683.87)	8,200.00
Total Charges for services		56,958.87	-	56,958.87	18,000.00	(38,958.87)	16,775.00	(40,183.87)	14,200.00
Interest									
	3610	12,110.96		12,110.96	1,000.00	(11,110.96)	5,772.62	(6,338.34)	5,000.00
Total Interest		12,110.96	-	12,110.96	1,000.00	(11,110.96)	5,772.62	(6,338.34)	5,000.00
Miscellaneous revenue									
	3690	389.50		389.50	-	(389.50)	1,110.12	720.62	
Total Miscellaneous revenue		389.50	-	389.50	-	(389.50)	1,110.12	720.62	
Contributions and transfers									
	3810	-		-	134,200.00	134,200.00	38,097.96	-	-
Total Contributions and transfers		-	-	-	134,200.00	134,200.00	38,097.96	-	-
Total Revenue:		488,938.59	56,140.62	545,079.21	583,200.00	94,261.41	513,887.52	(13,149.03)	435,972.00
Expenditures									
	4212	138.99		138.99	1,600.00	1,461.01	1,612.76	1,473.77	1,200.00
	4220	524.38		524.38	1,000.00	475.62	706.50	182.12	650.00
	4240	9,611.61	250.00	9,861.61	2,000.00	(7,611.61)	429.70	(9,181.91)	1,450.00
	4250	34,589.55	4,897.50	39,487.05	80,000.00	40,512.95	112,935.01	78,345.46	79,800.00
	4251	119,126.17	223.00	119,349.17	101,000.00	(19,126.17)	137,626.28	18,500.11	77,600.00
	4252	9,262.00		9,262.00	6,000.00	(3,262.00)	-	(9,262.00)	10,000.00
	4270	1,850.36		1,850.36	700.00	(1,150.36)	582.97	(1,267.39)	1,300.00
	4330	24,200.39	500.00	24,700.39	30,000.00	5,799.61	68,703.39	44,503.00	20,000.00
	4331	37,779.00	6,074.75	43,853.75	57,000.00	19,221.00	31,365.63	(6,413.37)	41,500.00
	4332	498.75		498.75	19,800.00	19,301.25	6,986.29	6,487.54	13,100.00
	4333	20,060.00	1,500.00	21,560.00	-	(20,060.00)	-	(20,060.00)	20,000.00
	4334	361.55		361.55	2,000.00	1,638.45	863.89	502.34	900.00
	4400	41,047.56		41,047.56	70,000.00	28,952.44	-	(41,047.56)	70,800.00
	4510	4,510.60		4,510.60	4,500.00	(10.60)	4,039.88	(470.72)	4,400.00
	4650	7,815.06		7,815.06	10,000.00	2,184.94	-	(7,815.06)	
	4651	39,325.58		39,325.58	33,000.00	(6,325.58)	-	(39,325.58)	
	4740	166,641.00		166,641.00	160,000.00	(6,641.00)	148,035.22	(18,605.78)	85,072.00
	4800	186.42	60.00	246.42	1,000.00	813.58	-	(186.42)	700.00
	4850	5,725.00		5,725.00	3,600.00	(2,125.00)	-	(5,725.00)	7,500.00
Total Expenditures		523,253.97	13,505.25	536,759.22	583,200.00	59,946.03	513,887.52	(9,366.45)	435,972.00
Total Change In Net Position		(34,315.38)	42,635.37	8,319.99	-	34,315.38	-	(3,782.58)	-

**Summit County Service Area #3
Financial Comparison**

Account No.	Estimate through the end of the year		Estimated 12/31/2018	Original Budget	Amount of Budget Remaining	12/31/2017	Change Over Prior Year	2019 Proposed Budget
	12/31/2018							
51 Water Fund - 01/01/2018 to 12/31/2018								
Income or Expense								
Income From Operations:								
Operating Income								
5110	6,352.11		6,352.11	8,300.00	1,947.89	8,250.00	1,897.89	8,300.00
5111	11,871.31		11,871.31	11,600.00	(271.31)	13,422.00	1,550.69	11,600.00
5140	231,057.87		231,057.87	235,000.00	3,942.13	267,242.50	36,184.63	235,000.00
5240	10,778.47		10,778.47	12,000.00	1,221.53	11,054.15	275.68	12,000.00
5310	27,320.00		27,320.00	15,000.00	(12,320.00)	33,240.00	5,920.00	15,000.00
5410	-		-	-	-	(2,046.48)	(2,046.48)	-
5490	10,314.89		10,314.89	5,000.00	(5,314.89)	15,091.72	4,776.83	5,000.00
5510	1,810.00		1,810.00	-	(1,810.00)	-	(1,810.00)	-
Total Operating Income	299,504.65	-	299,504.65	286,900.00	(12,604.65)	346,253.89	46,749.24	286,900.00
Operating expense								
6211	437.47		437.47	600.00	162.53	885.50	448.03	600.00
6212	1,951.00		1,951.00	720.00	(1,231.00)	747.62	(1,203.38)	720.00
6215	951.59		951.59	860.00	(91.59)	85.80	(865.79)	860.00
6240	11,781.77	750.00	12,531.77	2,000.00	(9,781.77)	3,200.82	(8,580.95)	2,000.00
6250	3,708.02		3,708.02	40,200.00	36,491.98	26,306.21	22,598.19	40,200.00
6253	3,823.00	50.00	3,873.00	4,500.00	677.00	1,200.85	(2,622.15)	4,500.00
6254	8,493.13		8,493.13	5,000.00	(3,493.13)	8,656.15	163.02	5,000.00
6270	16,021.40	1,500.00	17,521.40	15,000.00	(1,021.40)	17,081.41	1,060.01	15,000.00
6331	34,298.25	4,740.75	39,039.00	30,150.00	(4,148.25)	50,816.22	16,517.97	30,150.00
6332	15,150.82	1,500.00	16,650.82	17,000.00	1,849.18	41,902.74	26,751.92	17,000.00
6333	23,272.56	500.00	23,772.56	7,200.00	(16,072.56)	56,488.40	33,215.84	7,200.00
6334	60,482.83		60,482.83	28,700.00	(31,782.83)	52,387.25	(8,095.58)	28,700.00
6380	97,766.00		97,766.00	26,000.00	(71,766.00)	90,462.40	(7,303.60)	26,000.00
6381	6,562.48		6,562.48	30,000.00	23,437.52	-	(6,562.48)	-
6400	41,047.65		41,047.65	70,800.00	29,752.35	-	(41,047.65)	70,800.00
6510	4,510.60		4,510.60	4,600.00	89.40	4,039.87	(470.73)	4,600.00
6600	5,925.00		5,925.00	7,600.00	1,675.00	-	(5,925.00)	7,600.00
6730	-		-	100,000.00	(100,000.00)	-	-	-
6800	4,844.75	50.00	4,894.75	600.00	(4,244.75)	2,500.00	(2,344.75)	600.00
6850	-		-	20,000.00	20,000.00	-	-	20,000.00
Total Operating expense	341,028.32	9,090.75	350,119.07	411,530.00	70,501.68	356,761.24	15,732.92	281,530.00
Total Income From Operations:	(41,523.67)	(9,090.75)	(50,614.42)	(124,630.00)	(83,106.33)	(10,507.35)	31,016.32	5,370.00
Non-Operating Items:								
Non-operating income								
5501	7,936.75		7,936.75	-	(7,936.75)	8,431.79	495.04	-
5610	16,623.57		16,623.57	13,000.00	(3,623.57)	12,167.87	(4,455.70)	13,000.00
Total Non-operating income	24,560.32	-	24,560.32	13,000.00	(11,560.32)	20,599.66	(3,960.66)	13,000.00
Non-operating expense								
6520	65,329.92		65,329.92	71,000.00	5,670.08	65,329.92	-	71,000.00
6901	3,295.50		3,295.50	3,300.00	4.50	3,363.08	67.58	3,300.00
Total Non-operating expense	68,625.42	-	68,625.42	74,300.00	5,674.58	68,693.00	67.58	74,300.00
Total Non-Operating Items:	(44,065.10)	-	(44,065.10)	(61,300.00)	(17,234.90)	(48,093.34)	(4,028.24)	(61,300.00)
Total Income or Expense	(85,588.77)	(9,090.75)	(94,679.52)	(185,930.00)	(100,341.23)	(58,600.69)	26,988.08	(55,930.00)
91 General Fixed Assets - 01/01/2018 to 12/31/2018								
Change In Net Position								
Expenditures								
4400	83,618.04		-	-	(83,618.04)	83,654.88	36.84	82,000.00
Total Expenditures	83,618.04	-	-	-	(83,618.04)	83,654.88	36.84	82,000.00
Total Change In Net Position	83,618.04	-	-	-	(83,618.04)	83,654.88	36.84	82,000.00

4

WATER



TECHNICAL MEMORANDUM

DATE: November 6, 2018

TO: Board of Trustees
Summit County Service Area No. 3
7215 N. Silver Creek Rd.
Park City, UT 84098

FROM: Benjamin D. Miner, P.E.
Hansen, Allen & Luce, Inc. (HAL)
859 West So. Jordan Pkwy, Ste. 200
South Jordan, Utah 84095

SUBJECT: Cottonwood Trail Water System Expansion Study

PROJECT NO.: 358.08.100



INTRODUCTION

Summit County Service Area No. 3 (Service Area) has been approached by residents with property on Cottonwood Trail, north of Westwood Drive, who are interested in extending the water system service area. The residents are primarily concerned about fire protection and would like to have fire hydrants closer to their properties. Also, while the residents have not asked for a water service connection, it is likely that at some point in the future residents will request a connection if the water system is expanded. In response to the residents' request, the Service Area directed HAL to evaluate the effects of the expansion on the water system and to estimate the costs of improvements if applicable.

STUDY AREA

The area being considered for water system expansion includes Cottonwood Trail, between the road's northern terminus and its intersection with Westwood Drive.

WATER SERVICE PRESSURE AND FLOWRATE STANDARDS

The State of Utah rules promulgated by the Utah Division of Drinking Water establish pressure standards for new areas of water system expansion. These rules would apply to the new Cottonwood Trail expansion area and are as follows:

- Maintain a minimum 40 psi residual pressure at during peak day demand.
- Maintain a minimum 30 psi residual pressure during peak instantaneous demand.
- Maintain a minimum 20 psi residual pressure at peak day demand plus an imposed fire

demand as determined by the local fire authority. The local fire authority is the Park City Fire District. The Fire District was contacted during the SCSA No. 3 Water System Master Plan process. At that time, the Fire Marshal indicated that the required fire flow rate is 1,500 gpm for residential areas and 2,000 gpm for commercial area. Since it appears there are a few businesses along Cottonwood Trail, it is expected that the commercial flowrate is applicable.

METHODOLOGY

In order to predict the feasibility of expanding the water system along Cottonwood Trail, the hydraulic computer model of the water system was updated to account for the new area. The update included adding a pipe along the Cottonwood Trail between Westwood Drive and the north end of the road. The update also included increasing water demand for fire flow and for domestic use at existing lots. While most of the lots along Cottonwood Trail have water wells as sources, it is anticipated that many of the lots may eventually connect to the water system if it becomes available.

As part of the update, our land surveyor visited the Cottonwood Trail and surveyed the roadway elevations at several locations. The purpose of the survey was to verify elevations in the model since this effects model accuracy. Additionally, a fire hydrant flow and pressure test was performed by HAL and Chris Bullock, the Services Area's water operator on Westwood Drive near Cottonwood Trail. The purpose of the fire flow test was to verify calibration of the model in the subject area.

FINDINGS

The findings of the hydraulic modeling are provided as follows:

Peak Day plus Fire Flow

The peak day plus fire flow standard is the critical standard for this evaluation. The model predicts that a fire flow supply of 2,000 gpm could not be provided by the water system at any location along Cottonwood Trail north of Westwood Drive. The residential standard of 1,500 gpm is expected to be available for the existing water system in this area; however, the water system is not capable of meeting the commercial fire flow standard.

During the analysis, in an attempt to find a solution, enlarged pipes along Cottonwood Trail and additional redundant piping along Westwood Drive were considered since this could potentially increase capacity in the area. Unfortunately, the available energy needed to feasibly move the water is not available, and therefore, the enlarged pipes didn't provide adequate capacity. This is due to the relative elevations of the Upper Tank and the Cottonwood Trail in comparison with the distance that the water needs to be conveyed.

In order to serve this area, a new booster station, piping and water storage tank will be needed.

OTHER CONSIDERATIONS

In determining whether to expand the service area of a water system, it is recommended that the following be considered:

1. **Operations and maintenance** - The operations and maintenance requirements for the water system will be expanded to include the Cottonwood Trail facilities.
2. **Utah Division of Drinking Water Application.** As part of a water system expansion, it will be necessary to file an application with the Utah Division of Drinking Water. The Division will require additional studies and a review of plans.
3. **Water quality concerns.** The Cottonwood Trail line, if constructed, would be a dead-end line and more likely to have water quality degradation. It may be necessary to flush the line periodically.

5

ROADS, TRAILS
AND
CURRENT PROJECTS

**NO
MATERIALS
HAVE BEEN
PROVIDED**

6

ELECTION
OF
NEW OFFICERS

SCSA#
BOARD RESPONSIBILITIES

FROM STATE LAW	ADDED BY SCSA3 BOARD
A. CHAIR	
1. Conduct meetings	2. Create meeting agendas 3. Sign checks
B. VICE-CHAIR	
	1. Performs duties of Chair in her absence 2. Sign checks
C. CLERK	
1. Attend meetings 2. Keep record of proceedings 3. Maintain Financial Records 4. Prepare checks 6. Determine charge was authorized 7. Not exceed budget 8. Prepare detailed financial report 9. May not sign a single signature check	5. Cause checks to be prepared
D. TREASURER	
1. Sign checks after determining sufficient funds are available 2. Maintain custody of all money 3. Deposit and invest all money in accordance with the State Money Mgt Act 4. Receive all public funds and money payable to the district 5. Keep an accurate detailed account of all money received	6. Cause accurate accounts to be kept
E. ALL BOARD MEMBERS	
1. Approve all expenditures 2. Set a maximum sum for purchases without board approval 3. Review all expenditures at least quarterly	

7

PUBLIC
COMMENT

**NO
MATERIALS
HAVE BEEN
PROVIDED**

8

VOTING

**NO
MATERIALS
HAVE BEEN
PROVIDED**

9

ADJOURNMENT