

**MINUTES OF THE WASATCH COUNTY COUNCIL
ACTING AS
THE GOVERNING BOARD OF THE
JORDANELLE SPECIAL SERVICE DISTRICT
JANUARY 14, 2020**

PRESENT: Board Chair Mark Nelson
Board Member Spencer Park
Board Member Jeff Wade
Board Member Steve Farrell
Board Member Danny Goode
Board Member Kendall Crittenden
Board Member Marilyn Crittenden

OTHERS PRESENT; On list attached to a supplemental file

STAFF: Ron Phillips, General Manager
Max Covey, the Assistant General Manager
Doug Scow, Water Rights Manager
Wade Webster, Water Treatment Plant Manager
Chance Morris, Distribution Manager
Kierstan smith, Financial Officer
Theresa Baronek, Treasurer/District Clerk
Dana Kohler, Accounting Clerk/Administrative Assistant
Eliza McGaha, H.R. Administrator/Treasurer
Rick Tatton, Court Reporter
Robert H. Hughes, Attorney for the District

REGULAR SESSION

APPROVAL OF THE MINUTES FOR DECEMBER 10, 2019

Board Member Marilyn Crittenden made a motion approve the minutes of the Jordanelle Special Service District for December 10, 2019 as written. Board Member Danny Goode seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Steve Farrell
AYE: Board Member Danny Goode
AYE: Board Member Marilyn Crittenden**

NAY: None.

ABSTAIN: Board Member Kendall Crittenden

THE WARRANT LIST APPROVAL

Board Member Kendall Crittenden made a motion to approve the warrants for the Jordanelle Special Service District in the amount of \$1,125,663.33. Board Member Steve Farrell seconded the motion and the motion carries with the following vote:

AYE: Board Chair Mark Nelson

AYE: Board Member Spencer Park

AYE: Board Member Jeff Wade

AYE: Board Member Steve Farrell

AYE: Board Member Danny Goode

AYE: Board Member Marilyn Crittenden

AYE: Board Member Kendall Crittenden

NAY: None.

POTENTIAL NEW DISTRICT FOR MAYFLOWER MOUNTAIN RESORT

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that this is for internal financing. We have worked long and hard on these and we feel like they are ready to go and the new district is just for internal financing just for the snow making system and a way for Extell to finance their snow making system and MIDA is willing set up the district for them to do that. They are just asking if we object to them forming a district and we feel that there is no need to object. Also, once the financing is taken care of and the bond is paid off the district will be resolved which is the district's only purpose. Ron Phillips, the General Manager, indicated that the request this evening is to have me write a letter to MIDA stating that JSSD does not object to the formation of a district in order to finance, construct, own and maintain an untreated water system on the Mayflower Mountain Resort property.

Ron Phillips, the General Manager, further indicated that the Mayflower Mountain Resort (MMR) is considering forming a new local improvements district or special service district in order to finance the construction of the untreated water system on their properties which will be used primarily for snow making. They are asking if JSSD does not object to the formation of such a district and that JSSD does not object to the ownership of the untreated water system by such a district should it be formed and there is a letter attached stating. JSSD will own and maintain all the untreated water delivery system up to the intake to the MM R untreated water storage tank at the east edge of the MMR property. This was on the December 10, 2019 agenda and Steve Farrell asked that a representative of MIDA appear before the Board to make the

request. Paul Morris, MIDA Executive Director, has been invited to attend this meeting to make the request.

Ron Phillips, the General Manager, indicated that there is a bad snowstorm on Parley's Summit and Paul Morris has called and indicated that he isn't going to be able to make the meeting this evening. Heather Kruse, from MIDA, indicated that Paul Morris is on the phone at the present time. The reception over the phone was so bad that what Paul Morris was saying couldn't be heard appropriately for minutes to be taken accurately of the discussion. Heather Kruse indicated that what Paul Morris is leaning towards as far as financing goes is to do a Public Infrastructure District which would be a PID and basically MIDA is prepared to go through the public process that it would take them to develop that. The PID would also be for the maintenance and operation also. Board Member Steve Farrell was concerned regarding the liability to the JSSD District. Heather Kruse indicated that JSSD would have no liability. Board Member Steve Farrell wanted to see the final documents of what is being asked for here. Ron Phillips indicated that what they are asking tonight from the Governing Board of the Jordanelle Special Service District is for approval for him to write a letter saying that the Jordanelle Special Service District doesn't object to some sort of a district or financing mechanism to be set up on snow making. Board Member Spencer Park indicated that he would like to see the agreement before a vote is taken.

Board Member Steve Farrell made a motion to go ahead and authorize, Ron Phillips, the Jordanelle Special Service District General Manager to send that letter saying that we will cooperate but would like to see the final agreement before this is finalized. Board Member Kendall Crittenden seconded that motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Steve Farrell
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden**

NAY: None.

ACTION ON MAYFLOWER MOUNTAIN RESORT DEVELOPMENT AGREEMENT

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that JSSD and Mayflower Mountain Resort MMR attorneys and staff have been negotiating this development agreement for months and we believe the attached agreement meets the water and wastewater needs of the development and also meets JSSD's needs for assurance that infrastructure is put in place properly before JSSD accepts it for ownership, operations and maintenance. It also clarified the water rights issues and all other necessary legal issues. The Governing Board does not usually act on development agreements,

but we feel this one is complex and important enough that you should review and approve it.

Ron Phillips further indicated that our recommendation would be to approve the Mayflower Mountain Resort Development Agreement and the General Manager to execute it.

Matt Jensen, Attorney for Extell, addressed the Governing Board of the Jordanelle Special Service District and indicated that Robert Hughes, Attorney for the Jordanelle Special Service District, and he has been working on this agreement for quite a few months. This will allow service across the property of the bonded ERUs for both culinary water and sewer, water reservations agreements and some dedicated water that we worked through that will be dedicated as part of this agreement.

Board Member Steve Farrell indicated that everything has been covered very well. Board Member Steve Farrell has a question regarding the unbonded ERUs that was not included in the water treatment plant and will that be picked up by impact fees or will another source be brought. Ron Phillips, the General Manager, indicated that anything that is built while they have bonding capacity they will pay bonded impact fees which are less and once the one hundred and eighty three ERUs which are bonded are fulfilled then it will go to an un-bonded impact fee. Also Extell is also prepaying a million dollars of impact fees to help with the construction of the water treatment plant so on water impact fees they will be waived up until they reach that million dollar mark and then after that the full water impact fee will be paid. Max Covey, the Assistant General Manager, indicated that ground will be broken on that new treatment plant in the spring of next year, mid-winter, depending on engineering.

Board Member Steve Farrell made a motion that we go ahead and approve the water/sewer development agreement and service agreement as presented to the Governing Board and authorize the General Manager to execute the development agreement. Board Member Danny Goode seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Steve Farrell
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden**

NAY: None.

**ACTION ON THE MAYFLOWER MOUNTAIN RESORT
UNTREATED WATER AGREEMENT.**

Ron Phillips, General Manager, addressed the Governing Board of the Jordanelle Special Service

District and indicated that the Jordanelle Special Service District and Mayflower Mountain Resort MMR attorneys and staff have been negotiating this untreated water agreement and we believe the attached agreement meets the untreated water needs of the development and also meets Jordanelle Special Service District's needs for assurance that the limited infrastructure is put in place properly before Jordanelle Special Service District accepts it for ownership, operations and maintenance. It also clarified the water rights issues and all other necessary legal issues. The staff's recommendation is to approve the Mayflower Mountain Resort untreated water agreement and to instruct the General Manager to execute it.

Robert Hughes, the attorney for the Jordanelle Special Service District, addressed the Governing Board of the Jordanelle Special Service District and indicated that they have worked on this agreement extensively and find it to be accurate and correct and would recommend that JSSD enter into this agreement.

Board Member Kendall Crittenden made a motion that we approve the Mayflower Mountain Resort Untreated Water Agreement and instruct the General Manager to execute it. Board Member Danny Goode seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Steve Farrell
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden**

NAY: None.

ACTION ON AGREEMENT TO SELL DALY WEST PARCEL

Board Member Kendall Crittenden made a motion that we approve Resolution 2020-01 on an agreement to sell the Daly West Parcel. Board Member Danny Goode seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden**

NAY: None.

EXTELL ANNEXATION PETITION

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that Extell Development owns a parcel of real property that is within the MIDA Project Area but outside JSSD's service area. They seek that property annexed into the District so that the entire Mayflower Resort is served by JSSD. Our recommendation would be to approve the annexation petition.

Matt Jensen, the attorney for Extell, addressed the Governing Board of the Jordanelle Special Service District and presented a couple of maps showing what is intended by this annexation.

Also, we have the interlocal agreement between MIDA and JSSD agreeing to provide the water and sewer service to the project area as it may be expanded from time to time. Also got the interlocal agreement from December 2018 between MIDA and Wasatch County that expanded that area to include this southwest region. Basically, what the petition is is to get all that property included within the formal boundary of JSSD. There is a letter from MIDA approving the annexation from their standpoint. We would respectfully request that the Council as the Administrative Control Board of JSSD approve the annexation petition.

Board Member Steve Farrell asked about all the holes and islands without creating an island? Matt Jensen indicated that what needs to be done is to have the signatures of all the taxable real property. The alternative would be to extend the boundary all the way to the southern portion of what is currently within the MIDA jurisdiction which squares it up. Matt Jensen indicated that if the Governing Board wanted to approve a Resolution with an amendment that can be prepared and that can be done. Board Member Steve Farrell indicated that it would be wise to approve it as outlined. If somebody wants to come in, then they can come in and ask to be annexed.

Board Member Jeff Wade made a motion that we approve Resolution 2020-02 as stated. Board Member Danny Goode seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Steve Farrell
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden
NAY: None.**

DISCUSSION AND POTENTIAL ACTION ON A NEW GENERAL MANAGER/INTERIM GENERAL MANAGER.

Ron Phillips, the General Manager, addressed the Governing Board for the Jordanelle Special Service District and indicated that inasmuch as he is resigning, he would recommend appointing as the interim General Manager Max Covey. **Board Member Spencer Park made a motion that we appoint Max Covey as the interim General Manager and proceed to advertise in-house for a new General Manager. Board Member Danny Goode seconded the motion and the motion carries with the following vote:**

**AYE: Board Chair Mark Nelson
AYE; Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden**

NAY: None.

MODIFICATION TO EMPLOYEE HANDBOOK

Board Member Danny Goode made a motion to continue this item to the next regular Jordanelle Special Service District Meeting which would be February 11, 2020. Board Member Jeff Wade seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Jeff Wade
AYE: Board Member Danny Goode
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden**

NAY: None.

GENERAL MANAGER'S REPORT

Max Covey, the Assistant General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that construction the water reclamation facility has started which consists of the influent and effluent lift stations and well under way and on track to start this facility up the end of May or June. With that we have offered the wastewater plant manager position to an applicant and the applicant has accepted that so his employment will be started with the Jordanelle Special Service District on February 3, 2020. The applicant has quite a bit of experience with this treatment system. At the present time he operates the Coalville Wastewater treatment facility and that plant is very similar to the one that Jordanelle has.

Board Member Kendall Crittenden made a motion that we leave our regular Jordanelle Special Service District agenda and go into closed session for litigation, sale of property and personnel. Board Member Danny Goode seconded the motion and the motion carries with the following vote:

AYE: Board Chair Mark Nelson

AYE: Board Member Spencer Park

AYE: Board Member Jeff Wade

AYE: Board Member Steve Farrell

AYE: Board Member Danny Goode

AYE; Board Member Kendall Crittenden

AYE: Board Member Marilyn Crittenden

NAY: None.