

# Upper Eagle Regional Water Authority

## Board of Directors Meeting

September 28, 2023

### MINUTES

1 A regular meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority) was  
2 held September 28, 2023, at 8:30 a.m., in the Walter Kirch Room of the Eagle River Water & Sanitation  
3 District (District), 846 Forest Road, Vail, Eagle County, Colorado, in accordance with the applicable statutes  
4 of the state of Colorado.

#### ATTENDANCE

##### The following Directors were present and acting:

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8 Geoff Dreyer, Arrowhead Metropolitan District  
9 George Gregory, Berry Creek Metropolitan District  
10 Kevin Hillgren, Beaver Creek Metropolitan District  
11 Mike Trueblood, Edwards Metropolitan District  
12 Tamra Underwood, Town of Avon  
13 Kim Bell Williams, EagleVail Metropolitan District

##### Also in attendance were:

14	<u>District Staff</u>	30	Michael Rae
15	Jeff Bennett	31	Siri Roman
16	Tom Borawski	32	Jeffrey Schneider
17	Sheldon Bright	33	Dan Siebert
18	Jim Cannava	34	Brian Thompson
19	Jason Cowles	35	Brad Zachman
20	Bryan Curtis	36	
21	Alison Ebbets	37	<u>Consultants</u>
22	Tim Friday	38	Kristin Moseley, Somach Simmons & Dunn
23	Chris Geisting	39	Kathryn Winn, Collins Cole Flynn Winn & Ulmer PLLC
24	Madeline Harris	40	
25	Jesse Hooker	41	<u>Public</u>
26	Salma Huque	42	Eric Heil, Town of Avon Alternate
27	Diane Johnson	43	Mike Towler, Beaver Creek Metropolitan District Alternate
28	David Norris		

#### DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST

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46 The board noted it had received more than 72 hours prior to the meeting certain disclosures of potential conflicts of interest for the  
47 following Directors indicating the following conflicts: Director Gregory disclosed that he occasionally undertakes minor development and  
48 construction activities within the Authority's service area. Director Bell Williams disclosed that she is the Housing Director for Eagle  
49 County and works with the Eagle County Housing and Development Authority Advisory Committee. Director Dreyer disclosed that he is a  
50 board member and secretary of Bachelor Springs Homeowners' Association.

#### CALL TO ORDER

51  
52  
53 Having determined that quorum was established, Chair Gregory called the meeting to order at 8:30 a.m.

#### AWARDS RECOGNITION

54  
55 Ms. Roman said the District was awarded the "Safest District of the Year Award" by the Colorado Special  
56 Districts Property and Liability Pool at the Special District Association Annual Conference; she recognized Mr.  
57 Siebert and Mr. Rae for their leadership in building the District's safety culture. Mr. Geisting said the Avon  
58 Wastewater Treatment Facility (AWWTF) was awarded the "Plant Performance Award for Outstanding  
59 Results in Plant Operations, Maintenance, and Public Relations" by the Rocky Mountain Water Environment  
60 Association (RMWEA); he recognized AWWTF staff, including Mr. Bennett, Mr. Bright, and Mr. Drescher, for  
61 their excellent work. Mr. Geisting also said AWWTF will receive an award for "Excellence in Concrete" at the

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1 American Concrete Institute’s biannual convention in October. Mr. Schneider recognized Ms. Harris for being  
2 selected as “Young Professional of the Year” by RMWEA. The board congratulated staff on these accolades.

### 3 **PUBLIC COMMENT**

4 Chair Gregory called for public comment and there was none.

### 5 **ACTION ITEMS**

6 **Consideration of Minutes** – The minutes of the Aug. 24, 2023, regular meeting and joint meeting  
7 with the District board of directors were considered. Director Trueblood proposed amendments to the  
8 regular meeting minutes that were adopted by the board. Regarding the summary of the General  
9 Manager Report in the regular meeting minutes, Director Trueblood recognized Ms. Roman and Mr.  
10 Norris for meeting with Tracy Erickson, a board member of Edwards Metro District and Homestead  
11 Owners Association, to explain the need for foundational corrections to rate structures. Upon motion  
12 duly made and seconded, it was unanimously

13 **RESOLVED** that the minutes of the Aug. 24, 2023, regular meeting be accepted and hereby  
14 are approved as amended; and that the minutes of the Aug. 24, 2023, joint meeting be  
15 accepted and hereby are approved as presented.

16 **Joint Resolution in Support of the Bolts Ditch Act** – Ms. Moseley presented a memorandum and the  
17 resolution, copies of which are attached hereto as **Exhibits B** and **C**, respectively, and incorporated  
18 herein by this reference. She referred to J. Res. No. 2022-02, Regarding Bolts Ditch Federal Legislation,  
19 which was adopted by the District and Authority boards on Apr. 28, 2022. She recommended the boards  
20 adopt an update to the 2022 resolution that would similarly support legislation to include the Authority and  
21 District as governmental entities that may use, maintain, and repair Bolts Ditch and its headgate. She said  
22 J. Res. 2023-02 expresses support for S. 2156, Bolts Ditch Act, which was introduced by Sens. Bennet  
23 and Hickenlooper and referred to the Committee on Energy & Natural Resources. She also said the Bolts  
24 Ditch Act will likely not be considered in the current legislative session and will hopefully be included in a  
25 2024 omnibus bill. Upon motion duly made and seconded, it was unanimously

26 **RESOLVED** to approve and accept Joint Resolution No. 2023-03, In Support of the Bolts Ditch  
27 Act, as presented.

### 28 **INFORMATION REPORTS**

29 Directors reviewed the development report, board committees, August meeting summary, and contract log,  
30 copies of which are attached hereto as **Exhibits C, D, E, and F**, respectively, and incorporated herein by this  
31 reference. Ms. Roman said the Development Report will be incorporated into the Water Resources &  
32 Engineering Report moving forward.

### 33 **BOARD MEMBER INPUT**

34 Chair Gregory said former Authority board member Bill Simmons expressed his appreciation for those who  
35 attended the memorial service for his late wife, Shelley.

36

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## WORK SESSION: PROPOSED FY 2024 BUDGET

Mr. Norris and Mr. Cannava presented a memorandum with attachments and a PowerPoint, copies of which are attached hereto as **Exhibits G** and **H**, respectively, and incorporated herein by this reference. Mr. Norris recognized staff and members of the board budget committee for their dedication, collaboration, and detailed analysis throughout the budget development. The board noted that the proposed budget was prepared in compliance with §29-1-105, C.R.S., and submitted twenty-three days prior to the statutory deadline. Work session topics included revenue and expense estimates, fund balance projections, capital project budgets, rate and fee updates, and investment and bonding strategies. In response to a question, Ms. Winn said the Authority's investments and level of risk must comply with state statutes. Directors engaged in a robust discussion reaffirming that accelerating the completion of Bolts Lake Reservoir is the board's top priority. In response to a question, Ms. Roman reminded the board that the project critical path timeline is based on design and permit requirements that cannot be pursued concurrently, and staff will continue to evaluate ways to accelerate the project. In response to another question, Mr. Cannava said the budget can be amended after adoption pursuant to §29-1-109, C.R.S. Further discussion ensued regarding exercising the Authority's option agreement to purchase 25 acre-feet of Eagle Park Reservoir water from the District and the associated costs for required water rights changes. Mr. Norris said these costs would be accommodated in the proposed budget. Directors supported holding a public hearing on the proposed budget at the Oct. 26 board meeting pursuant to §29-1-106, C.R.S. Ms. Roman said board approval at the Oct. 26 meeting will allow staff time to prepare customers for rate changes.

## GENERAL MANAGER REPORT

Ms. Roman presented the report, a copy of which is attached hereto as **Exhibit I** and incorporated herein by this reference. She said staff continues to meet with town managers, property and HOA managers, etc., and presentations are being scheduled with local governing bodies to explain the rationales and impacts of the foundational corrections to certain rate structures that will be implemented in 2024. She asked directors to introduce the topic when staff presents to their respective member entity, including board direction on water conservation and support of the updated rate structures.

**Minturn/Battle North Settlement Agreement** – Ms. Roman presented a memorandum with an attached letter to the Town of Minturn dated Sept. 20, 2023, a copy of which is attached hereto as **Exhibit J** and incorporated herein by this reference. She said the letter restates agreement provisions and clarifies mutual expectations regarding the recreational uses of Bolts Lake, specifically that the reservoir will not be operated as a public swimming area. She also said copies of the letter were sent to the Battle North partners and their attorneys.

## BUSINESS ADMINISTRATION REPORT

Mr. Norris did not have a written report or verbal updates.

**Water conservation program updates** – Ms. Ebbets presented a memorandum, a copy of which is attached hereto as **Exhibit K** and incorporated herein by this reference. She said a personalized,

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1 interactive bill forecasting tool will be available beginning in October on the District website which will  
2 help customers understand how their 2024 bills will compare to 2023 and how changing water use  
3 will impact their total bill. Ms. Huque provided a demonstration of a draft of the tool, a screenshot of  
4 which is attached here to **Exhibit L** and incorporated by this reference.

### **OPERATIONS REPORT**

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6 Mr. Zachman presented the report, a copy of which is attached hereto as **Exhibit M** and incorporated herein  
7 by this reference. He had no further items to discuss.

### **ENGINEERING AND WATER RESOURCES REPORT**

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9 Mr. Cowles presented the report, a copy of which is attached hereto as **Exhibit N** and incorporated herein by  
10 this reference. He said the District and Authority received a grant from the Colorado Water Conservation  
11 Board (CWCB) to develop a drought and water scarcity management plan. He also provided a brief update on  
12 intake surveying at potential Eagle River and Cross Creek diversion sources for Bolts Lake.

### **COMMUNICATIONS AND PUBLIC AFFAIRS REPORT**

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14 Ms. Johnson presented the report, a copy of which is attached hereto as **Exhibit O** and incorporated herein  
15 by this reference. She said the postcard displayed in Exhibit O was mailed to all mailing addresses in the Vail  
16 Water and Authority service areas to inform customers of 2024 rate changes and clarify the targeting of  
17 disproportionately high water use associated with *Individually Metered Residential and Irrigation-Only*  
18 accounts. She also said Colorado River Commissioner Becky Mitchell will meet with the District and Authority  
19 boards at a joint work session on Oct. 20; Commissioner Mitchell will also speak at a community event at the  
20 Grand View Room in Lionshead on Oct. 20.

### **WATER COUNSEL REPORT**

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22 Ms. Moseley said she was invited to represent the District and Authority at a meeting organized by the  
23 Colorado Municipal League and Colorado Counties, Inc, at the Governor's office to discuss housing issues.  
24 She said western slope entities emphasized the perils of a "one size fits all" approach to Accessory Dwelling  
25 Unit zoning. She anticipates a new housing bill will be introduced in the next legislative session.

### **GENERAL COUNSEL REPORT**

26  
27 The board noted Ms. Winn's privileged written report. In response to a question, she said the deadline to  
28 approve the budget is Dec. 31 pursuant to § 29-1-108(4), C.R.S.

### **EXECUTIVE SESSION**

29  
30 Ms. Moseley requested the board move into Executive Session to receive legal advice regarding Colorado  
31 River Cooperative Agreement matters related to a proposed Colorado Water Conservation Board grant. Upon  
32 motion duly made and seconded, it was unanimously

33 **RESOLVED** to enter into Executive Session at 10:43 a.m. to discuss matters regarding  
34 Colorado River Cooperative Agreement matters related to a proposed Colorado Water  
35 Conservation Board grant pursuant to §24-6-402(4)(b), C.R.S., with no electronic record

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1                    created as Ms. Moseley opined the contents of the discussion would contain privileged  
2                    attorney-client communications.\*

3    The open session resumed at 10:52 a.m. During the executive session, the board did not take any formal  
4    action or discuss any matters not enumerated in §24-6-402(4), C.R.S.

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**ADJOURNMENT**

There being no further business to come before the board at this meeting and upon motion duly moved and seconded, it was unanimously

**RESOLVED**, that the signing of the minutes of this meeting shall be deemed to constitute full and complete adoption, ratification, and approval of the business conducted and the resolutions passed; and be it

**FURTHER RESOLVED**, that the meeting be adjourned at 10:52 a.m.

Respectfully submitted,

\_\_\_\_\_  
Secretary to the Meeting

**MINUTES APPROVED, FORMAL CALL, AND  
NOTICE OF MEETING WAIVED**

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**Arrowhead Metropolitan District**

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**Town of Avon**

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**Beaver Creek Metropolitan District**

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**Berry Creek Metropolitan District**

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**EagleVail Metropolitan District**

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**Edwards Metropolitan District**

\*The undersigned attorney for the applicable Executive Session affirms that the portion of the discussion in Executive Session not recorded constituted privileged attorney-client communications.

\_\_\_\_\_  
**Kristin Moseley, Water Counsel**