

Eagle River Water & Sanitation District
Board of Directors Meeting
April 28, 2022
MINUTES

A remote regular meeting of the Board of Directors of the Eagle River Water & Sanitation District (District) was held Apr. 28, 2022, at 1:00 p.m., in accordance with the applicable statutes of the state of Colorado.

ATTENDANCE

The following Directors were present via Microsoft Teams, thereby constituting a quorum:

Kate Burchenal
Dick Cleveland
Steve Coyer
George Gregory
Timm Paxson
Bill Simmons
Robert Warner Jr.

Also in attendance were:

<u>District Staff</u>	26	Siri Roman
Tom Borawski	27	Tracy Rymph
Linn Brooks	28	Jeff Schneider
Candice Bundy	29	Justin Way
Jim Cannava	30	Chris Wolff
Karen Carter	31	Len Wright
Sarah Crawford	32	Brad Zachman
Diane Johnson	33	
Kira Koppel	34	<u>Consultants</u>
Jaque McVey	35	Kathryn Winn, Collins Cole Flynn Winn & Ulmer, PLLC
Niko Nemcanin	36	Kristin Moseley, Somach Simmons & Dunn
David Norris	37	
Chuck Owen	38	<u>Public</u>
Michael Rae	39	Tammy Baker
Rob Ringle	40	Kris Miller
	41	

DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST

The Board noted it had received more than 72 hours prior to the meeting certain disclosures of Potential Conflicts of Interest Statements for the following Directors indicating the following conflicts:

Director Burchenal disclosed that she is on the Eagle River Watershed Council board of directors. Director Gregory disclosed that he serves on the board of the Upper Eagle Regional Water Authority (Authority) and occasionally undertakes development and construction activities within the District and Authority service areas. Director Simmons disclosed that he is the General Manager of the Beaver Creek Metropolitan District, is an alternate Authority Director, and serves on the board of the Eagle River Fire Protection District. Director Warner disclosed that he is a developer within the District's service area and serves on the Eagle County Planning Commission, which occasionally has dealings with the District.

CALL TO ORDER

Chair Simmons called the meeting to order at 1:07 p.m. because to the joint meeting with the Upper Eagle Regional Water Authority board ended late.

INTRODUCTIONS

Three new employees were introduced. Justin Way introduced Microsoft Architect / Database Administrator Candice Bundy, Rob Ringle introduced Vail Wastewater Treatment Operator Trainee Jaque McVey, and Tom Borawski introduced Safety and Risk Coordinator Michael Rae.

PUBLIC COMMENT

Public comment was called for. Kris Miller thanked Chair Simmons for his years of service and hard work to keep things moving forward for so many years; District directors concurred.

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ACTION ITEMS

Consideration of Minutes – The minutes of the Mar. 24, 2022, regular meeting and joint meeting with the Upper Eagle Regional Water Authority were considered. Upon motions duly made and seconded, it was unanimously

RESOLVED that the minutes of the Mar. 24, 2022, regular meeting and joint meeting be accepted and hereby are approved as presented.

Contract Log – The board reviewed the contract log, a copy of which is attached hereto as **Exhibit A** and incorporated herein by this reference and approved as presented.

Information Reports – The board reviewed board committee membership and the Authority's March meeting summary, copies of which are attached hereto as **Exhibits B and C**, respectively, and incorporated herein by this reference.

STRATEGY ITEMS

Board Member Input – Chair Simmons asked for general input and there was none.

GENERAL MANAGER REPORT

Ms. Brooks noted she did not include a written report and said new reports were added to the Business Administration Report, including a revised Quarterly Financial Report and a Human Resources update.

BUSINESS ADMINISTRATION REPORT

Quarterly Financial Report – Mr. Norris introduced Finance Manager Jim Cannava, who presented the Quarterly Financials, a copy of which is attached hereto as **Exhibit D** and incorporated herein by this reference. He reviewed various financial benchmarks and noted the District plans to issue wastewater bonds later this year, subject to need and market factors. He said the District's total outstanding debt (water and wastewater) is \$171 million and showed the expected debt service payments out to 2052, broken out by the individual bonds. He shared employee housing usage, costs and expenses, and confirmed that the housing program is covering expenses. Board members discussed the ongoing challenges of developing workforce housing and how to encourage land use authorities to incorporate it in new development, including tactics available to the District to advance this issue with local governments.

Human Resources Update – Mr. Borawski presented his report, a copy of which is attached hereto as **Exhibit E** and incorporated herein by this reference. He said the District's Classification and Compensation Study will likely determine the future of District staffing. He shared data about cost-of-living and wage differences across Colorado, along with wage compression issues. Board members discussed the extremely challenging housing market – even while the District is an employee housing leader – and potential opportunities the District could pursue.

OPERATIONS REPORT

Ms. Roman presented the operations report, a copy of which is attached hereto as **Exhibit F** and incorporated herein by this reference.

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1 **Frozen Service Lines** – Mr. Nemcanin shared a presentation about frozen water and sewer
2 service lines and mains that had occurred this winter, a copy of which is attached hereto as
3 **Exhibit G** and incorporated herein by this reference. Frozen infrastructure posed a particular
4 problem this winter as the frost line moved deeper with variable weather, especially in areas with
5 older services that have smaller diameter lines that are no longer allowed. He discussed various
6 methods to thaw and fix lines, the challenges associated with them, and plans to insulate lines
7 this summer to prevent future issues.

8 **COVID-19 wastewater surveillance** – Mr. Ringle presented his memo along with a PowerPoint
9 presentation, copies of which are attached hereto as **Exhibits H and I**, respectively, and
10 incorporated herein by this reference. He said Eagle River Water & Sanitation District joined the
11 Colorado SARS-CoV-2 Wastewater Surveillance Collaborative in March, where influent
12 wastewater data is evaluated for the presence and prevalence of the COVID-19 virus to provide
13 an inference to community infection rates. He summarized how the program operates, how
14 samples are tested, and how the state shows results, including data from the three District
15 wastewater facilities. He said Colorado Department of Public Health and Environment
16 representatives see significance in the increasing trend in results from the Vail facility. In
17 response to a question, Mr. Ringle said District costs are limited to operator and lab time.

18 **Eagle Park Reservoir Company meeting update** – Ms. Roman summarized topics discussed
19 at the March 29 EPRC board meeting, including the East Fork Pump Station project, budgeting
20 for fiscal year 2023, and the expected transition of two Vail Resorts' directors.

21 **ENGINEERING AND WATER RESOURCES REPORT**

22 Ms. Brooks presented Mr. Cowles' report, a copy of which is attached hereto as **Exhibit J** and
23 incorporated herein by this reference, as he was unavailable. She noted Mr. Cowles' letter concerning
24 possible water and wastewater services for the proposed Wolcott development.

25 **COMMUNICATIONS AND PUBLIC AFFAIRS REPORT**

26 Ms. Johnson presented her report, a copy of which is attached hereto as **Exhibit K** and incorporated
27 herein by this reference. She noted the Eagle River Valley State of the River event is returning this year
28 on June 2 at Colorado Mountain College in collaboration with the Colorado River District and reported on
29 recent developments in Colorado River operations as conditions continue to deteriorate in the basin. Staff
30 and community volunteers serving as election judges are prepared for the May 3 director election and
31 absentee ballots are arriving daily.

32 **GENERAL COUNSEL REPORT**

33 Ms. Winn reported on House Bill 22-1363 that would have changed many special district requirements,
34 which was substantially amended earlier in the week and no longer has an impact on service districts.

35 **WATER COUNSEL REPORT**

36 Ms. Moseley said the last day of Colorado's legislative session is May 11 and reported that the water

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1 speculation bill is all but dead, the turf replacement bill is in appropriations, the bill to ban PFAS in
2 products is still moving through the legislature, and Governor Polis signed a change so the Interim Water
3 Resources Review Committee will now be the Water Resources and Agricultural Review Committee.

4 **DIRECTOR TRANSITION**

5 Board members expressed their appreciation for outgoing Chair Simmons, who is term limited. They
6 noted his leadership through difficult years and expressed thanks for his time and expertise negotiating
7 the Bolts Lake deal. Chair Simmons highlighted the contributions of general and water counsel, along
8 with many other consultants who contributed over the years, thanked his fellow board members for their
9 dedication and knowledge, and recognized the entire district staff for keeping the organization running.
10 On behalf of staff, Ms. Brooks thanked Chair Simmons for his leadership, support, and kindness.

11 **EXECUTIVE SESSION**

12 Ms. Winn requested the Board enter Executive Session to receive legal advice of counsel and discuss
13 negotiations related to cybersecurity impacts and risk mitigation, a roofing supplier claim, and a tap fee
14 issue pursuant to §24-6-402(4)(b)(d) and (e) C.R.S. She asked that no electronic record be made, as the
15 discussion would be entirely privileged attorney-client communications. Upon motion duly made and
16 seconded, it was unanimously

17 **RESOLVED** to enter Executive Session at 3:02 p.m. to discuss cybersecurity, a supplier
18 claim, and tap fees pursuant to §24-6-402(4)(b)(d) and (e) C.R.S. with no electronic record
19 created as Ms. Winn opined the contents of the discussion would contain privileged attorney-
20 client communications.*

21 The regular meeting resumed at 3:29 p.m.

22 **ELECTION OF BOARD CHAIR**

23 Directors noted this is the final meeting for Chair Simmons and suggested a new Chair should be elected
24 to provide continuity for staff until the new board is seated after the May 3 directors' election. After
25 discussion and upon motion duly made and seconded, it was unanimously

26 **RESOLVED** that Director Cleveland serve as Chair and President.

27 28 **ADJOURNMENT**

29 There being no further business to come before the Board, the meeting adjourned at 3:33 p.m.

30 Respectfully submitted,
31
32

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34 _____
35 Secretary to the Meeting