



**UPPER EAGLE REGIONAL
WATER AUTHORITY**

M E M O R A N D U M

TO: Board of Directors
FROM: Diane Johnson, Communications & Public Affairs Manager
DATE: April 20, 2022
RE: April 28, 2022, Board Meeting

GOVERNED BY:

The Metropolitan
Districts of:
Arrowhead
Beaver Creek
Berry Creek
EagleVail
Edwards

The Town of Avon

This memorandum shall serve as notice of the Regular Meeting of the Board of Directors of the Upper Eagle Regional Water Authority:

**Thursday, April 28, 2022
8:30 a.m.**

This meeting will be held via Microsoft Teams

Call-in information is available prior to the meeting by emailing info@erwsd.org.

C:
ERWSD Managers

Board Materials via Email:
Caroline Bradford, Independent Consultant
Steve Coyer, Mountain Star
Melissa Nelson, Berry Creek Metropolitan District
Bill Simmons, Beaver Creek Metropolitan District



**UPPER EAGLE REGIONAL
WATER AUTHORITY**

BOARD OF DIRECTORS REGULAR MEETING
Thursday, April 28, 2022
8:30 a.m.
Remote via Microsoft Teams

AGENDA

GOVERNED BY:

The Metropolitan
Districts of:

Arrowhead

Beaver Creek

Berry Creek

EagleVail

Edwards

The Town of Avon

- 1. Consultant/Guest Introduction**
- 2. Public Comment**
- 3. Action/Other Items**
 - 3.1. Minutes of Meetings – Approval or Modification**
 - 3.1.1. Minutes of Mar.24, 2022, Regular Meeting
 - 3.1.2. Minutes of Mar. 24, 2022, Joint Meeting with ERWSD
 - 3.2. Information Reports**
 - 3.2.1. Board Committees
 - 3.2.2. Authority March Meeting Summary – draft
 - 3.2.3. Contract Log
- 4. Strategy Items**
 - 4.1. Board Member Input
- 5. General Manager Report – Linn Brooks**
 - 5.1. GM Information Items
 - 5.2. Director of Business Administration Report – David Norris
 - 5.2.1. Quarterly Financials – Jim Cannava
 - 5.2.2. Human Resources update – Tom Borawski
 - 5.3. Operations Report – Siri Roman
 - 5.3.1. COVID-19 wastewater surveillance – Rob Ringle
 - 5.3.2. Eagle Park Reservoir Company Quarterly Operations Report
 - 5.4. Engineering and Water Resources Report – Jason Cowles
 - 5.4.1. Unallocated water update
 - 5.5. Communications and Public Affairs Report – Diane Johnson
- 6. General Counsel Report – Kathryn Winn**
- 7. Water Counsel Report – Kristin Moseley**
 - 7.1. Legislative update
- 8. Executive Session pursuant to §24-6-402(4)(b)(d) and (e), C.R.S.**
 - 8.1. General Counsel Review of Matters in Negotiation – Kathryn Winn
 - 8.1.1. Cybersecurity Impacts and Risk Mitigation – Justin Way
- 9. Adjournment**

☀ Action Item Attachment

* Informational Attachment

† Confidential Attachment

- Public comment of items not on the agenda is limited to three minutes per person on any particular subject for which public comment is accommodated, pursuant to §18-9-108, C.R.S.

This is an all-remote meeting. For Microsoft Teams information to join the meeting, please contact info@erwsd.org prior to the meeting.



BOARD COMMITTEES

DISTRICT

<i>Audit/Budget</i>	Dick Cleveland Steve Coyer
<i>Employee Housing</i>	Steve Coyer Dick Cleveland
<i>Retirement Plans</i>	Bob Warner Linn Brooks David Norris
<i>Organizational Development</i>	Bob Warner Dick Cleveland
<i>Facilities Master Plan</i>	George Gregory Bob Warner

JOINT

<i>Water Quality</i>	Sarah Smith Hymes (A) Timm Paxson (D)
<i>Rules and Regulations</i>	Kim Bell Williams (A) Bob Warner (D)
<i>Water Supply Planning</i>	Sarah Smith Hymes (A) Mick Woodworth (A) Kate Burchenal (D) Steve Coyer (D)
<i>Climate Action Plan</i>	Sarah Smith Hymes (A) Kate Burchenal (D) Timm Paxson (D)

(A) = Authority, (D) = District

AUTHORITY

<i>Audit/Budget</i>	Geoff Dreyer George Gregory
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EagleVail
Edwards

The Town of Avon

M E M O R A N D U M

TO: Board of Directors
FROM: Diane Johnson, Communications & Public Affairs Manager
DATE: Apr. 20, 2022
RE: Summary of Authority's Mar. 24, 2022, Board Meeting

The following is a summary of items discussed at the Mar. 24, 2022, Authority Board Meeting.

Board members present and acting were Chair George Gregory, Vice-Chair Sarah Smith Hymes, Secretary Kim Bell Williams, Treasurer Geoff Dreyer, Pam Elsner, and Mick Woodworth.

Meeting Minutes The board approved the minutes from the Feb. 24, 2022, regular meeting.

COVID-19 update Linn Brooks said with much improved local COVID-19 trends, masks are no longer required at district or authority facilities.

Monitoring for COVID-19 in wastewater Siri Roman confirmed that Eagle River Water & Sanitation District wastewater facilities can sample for COVID-19 in wastewater but cannot tell the incidence rate; the test only confirms the presence or absence of COVID-19. She said the new variant had been detected in wastewater at the Vail facility and that information is shared with public health officials.

Edwards wastewater facility power failure Siri Roman said the Mar. 11 power failure that affected the headworks building and influent pump station at the Edwards wastewater treatment facility resulted in some wastewater being discharged to the Eagle River via an upstream manhole, which had been reported to state and local officials.

Avon Wastewater Nutrient Upgrade Project Update Melissa Marts reported on the ongoing project at the Avon wastewater treatment facility, including the successful commissioning of the new aeration basins during busy holiday operations, while Avon staff maintained permit compliance. The project remains on schedule and within budget.

Unallocated water Jason Cowles said the unallocated water amounts were adjusted based on the proposed Margaux PUD. The Authority has 51.19 acre-feet of unrestricted water remaining, which includes 25AF pledged by the District.

Lake Powell Diane Johnson noted Lake Powell hit a critical low water elevation threshold below which power generation efficiency will begin to decrease and discussed conservation efforts by the lower and upper basins intended to preserve reservoir levels above the threshold going forward.

**The following is a summary of items discussed at the Mar. 24, 2022, Joint Meeting
with the Eagle River Water & Sanitation District board of directors.**

Climate impacts on local water supply Linn Brooks shared a presentation about how the speed of climate change has accelerated drying of soils and reduced runoff efficiency and overall water supply. She reviewed conservation efforts, rates, and modeling results, and said our water use as a community must decrease.

Repayment of Trestle Work Area Donation The boards of directors approved Joint Resolution 2022-01, Concerning Repayment of Trestle Work Area Donation and extended thanks to the Donor.

UPPER EAGLE REGIONAL WATER AUTHORITY 2019 CONTRACT LOG

Contract	Date	Change Order			Contract	Project	Account	Statue and
Number	Executed	signed on	Project Name	Contractor	Amount	Manager	Number	Notes
22.20.003	04/07/21		ADWF Hypochlorite Tank Replacement 2022	Velocity Plant Services	\$36,907.00	J. Beirsto	20.1.2.00.00.375	Open/Contract Expires 4/29/22
22.20.004	04/13/22		Wildridge BPS and PRV Improvements	AE2S, Inc.	\$280,500.00	C. Keller	20.1.2.00.00.014	Open/Contract Expires 12/31/22
22..20.005	pending		Traer Creek Tank Replacement - Slope Stabilization	Heyl Construction, Inc.	\$18,700.00	M. Mantua	20.1.2.00.00.028	Open/Contract Expires 3/24/23
22.20.006	pending		ADWF - Ozone Room Reroof	Turner Morris Incorporated	\$27,805.00	M. Mantua	20.1.2.00.00.375	Open/Contract Expires 12/31/22

JOINT CONTRACT

22.15.019	03/23/22		Miscellaneous Services for Heating Frozen Pipes	High Country Steel LLC	\$25,000.00	N. Nemcanin	10.3.9.20.20.520 & 20.1.9.00.35.500	Open/Contract NTE \$25,000.00
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**UPPER EAGLE REGIONAL
WATER AUTHORITY**

**Fiscal Year 2022
Quarterly Financial Report
For the 1st Quarter Ending March 31, 2022**

1. Quarterly Financial Report Cover Memo
2. Net Income & Budget Comparisons
3. Revenue Comparisons
4. Bond & Cash Balances



**UPPER EAGLE REGIONAL
WATER AUTHORITY**

To: Board of Directors
From: Jim Cannava, Finance Manager
Date: April 16, 2022
Re: Quarterly Financial Reports - YTD March 31, 2022

1st Quarter 2022 financial reports are attached. Operating revenues are tracking 4% better than budget and 8% greater than YTD 2021. Operating expenses are tracking 20% better than budget and 6% less than YTD 2021. These savings are primarily due to the timing of expenses and we not expect to carry these savings to year-end as expenses come in and catch up to budget.

Respectfully:

A handwritten signature in black ink, appearing to read "Jim Cannava".

Jim Cannava, Finance Manager, Eagle River Water and Sanitation District

<u>Net Income & Budget Comparisons</u>



**UPPER EAGLE REGIONAL
WATER AUTHORITY**

UERWA

Operating	Annual Budget	YTD 2022 Q1	YTD Q1 2021
Revenue	\$15,334,325	\$2,763,785	\$2,376,892
Expense	\$10,781,061	\$2,143,630	\$2,274,021
Net Income	\$4,553,264	\$620,155	\$102,871

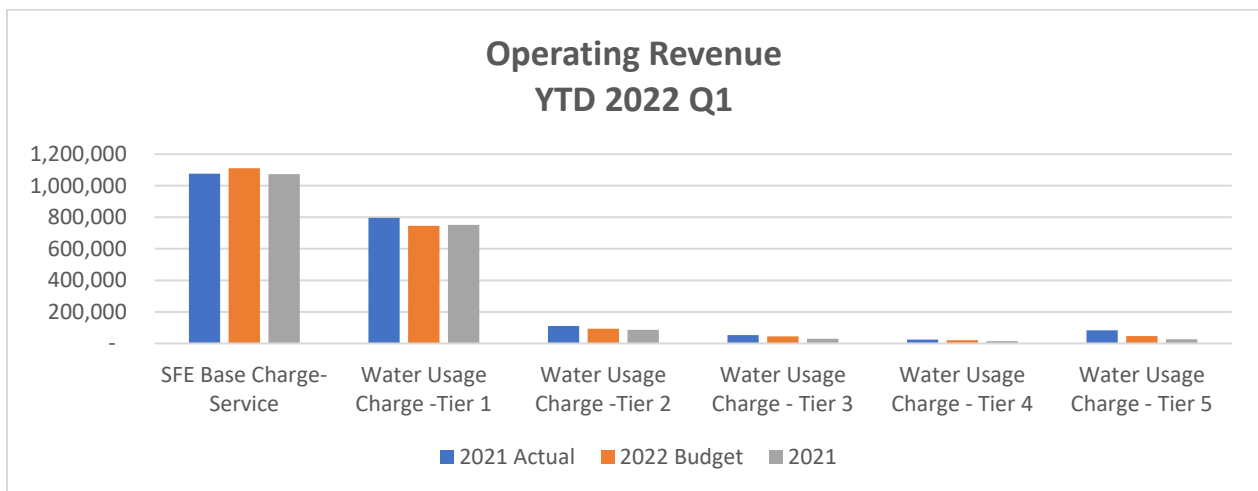
Non-Operating	Annual Budget	YTD 2022 Q1	YTD Q1 2021
Revenue	\$1,118,582	\$526,445	\$307,875
Expense	\$5,526,000	\$598,090	\$928,291
Net Income	-\$4,407,418	-\$71,645	-\$620,415

Net Income	\$145,846	\$548,510	-\$517,544
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Fund Balance	Annual Budget	YTD 2022 Q1
Beginning Balance	\$5,777,323	\$5,777,323
Fund Contribution to Bolts	\$2,566,395	\$1,695,441
Ending Balance	\$3,356,774	\$4,630,393

- Meter replacement purchases are \$225K under budget due a timing variance between budget and meter orders.

Revenue Comparison



- Water Service to Customers Revenue is 3% better than budget YTD
 - Base Fees are 1% less than budget due to customer credits for previous periods
- Capital Replacement Base Fees are tracking with budget
- Water Service Impact Fees are \$171K YTD, \$68K over YTD 2021

Bond Balances & Cash



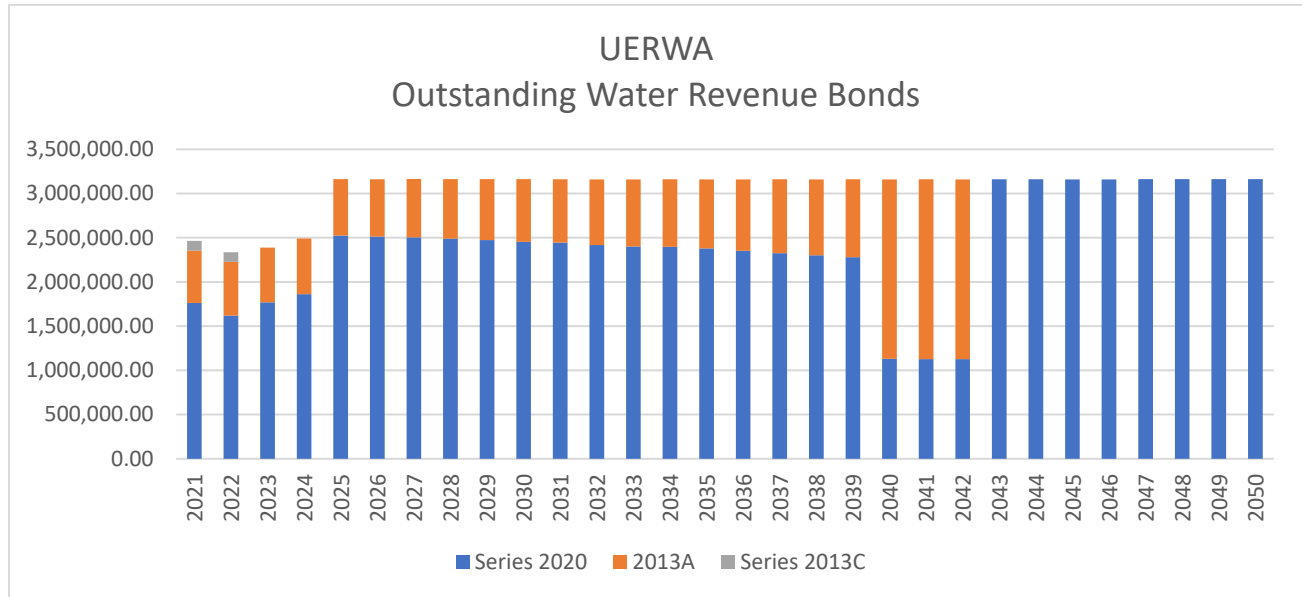
**UPPER EAGLE REGIONAL
WATER AUTHORITY**

UERWA

Bond Funds	Annual Budget	YTD 2022 Q1	YE 2021
Beginning Balance	\$6,857,403	\$6,857,403	\$22,448,842
Expense	\$10,265,553	\$4,688,841	\$15,591,439
Bond Balance	-\$3,408,150	\$2,168,562	\$6,857,403

- The negative bond ending balance illustrates the need for a bond as planned.

Bond Projects	Budget	Actual	Remaining Budget
Traer Creek Tank Replacement	300,000	312,679	(12,679)
CRP-Fenno Well House/Raw Water Conveyance	1,350,000	3,987	1,346,013
Bolts Lake Reservoir	3,510,038	4,109,170	(599,132)
CRP-Arrowhead Transmission Main Rehab	1,575,000	54,386	1,520,614
RTU System Upgrade	2,660,039	73,060	2,586,979
Edwards Transmission Line Phase 2	355,476	6,809	348,667
CRP-Capitalized Construction Management	515,000	128,750	386,250
Total	10,265,553	4,688,841	5,576,712



- Total Outstanding Debt: \$ 91,875,456

UERWA	2022	2021	2019
Cash Balance	14,086,482	21,742,153	6,779,303



MEMORANDUM

TO: Board of Directors
FROM: Tom Borawski, Human Resources Manager
DATE: April 20, 2022
RE: Human Resources Update

Introduction: The Eagle River Water and Sanitation District's Human Resources' Department (HR) has developed a Mission Statement (Our Goal) and Ethos (Values/Moral Character) to guide our daily work. Together, these components lay the foundation for who we are as a department and how we strive to best serve the most important resources at the District, the people.

Mission:

"To be an innovative partner that provides core people services, builds and safeguards workplace culture, creates a safe working environment, ensures data-driven decision making, and promotes a growth mindset to support the best employee experience in our community."

Ethos:

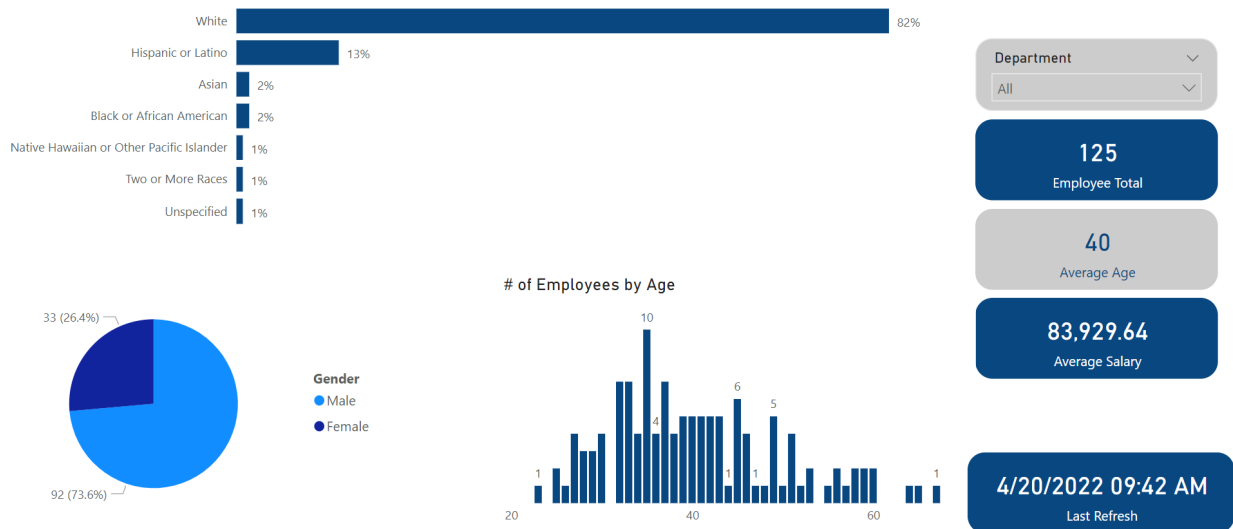
As a collective team, we have a shared Ethos. The following values and character traits guide us in our work every day and these are the ideals by which we hold ourselves accountable:

- | | |
|------------------------------|---|
| 1. People-focused partners | 6. Data-driven and ethical |
| 2. Responsive | 7. Transparent (even if that results in slight discomfort and friction) |
| 3. Cool, calm, and compliant | 8. Anti-Bureaucratic |
| 4. Service-oriented | 9. Culture builders and protectors |
| 5. Community-focused | 10. Procedural Justice |

Summary: This report includes important updates on Recruitments, Housing, Turnover, Employee Surveys, Risk/Safety, and other major projects (i.e. CPS HR Classification and Compensation Study). Subject areas are supplemented with screenshots of relevant dashboards. This is not meant to be an exhaustive list, but is rather intended to keep the board apprised of important human resources activities.

Recruitment: The District had 6 vacancies to begin 2022, was approved for 7 additional FTEs, and subsequently, 8 full-time employees have been separated over the course of the first quarter. This left us with 21 vacancies. To date, we have hired 10 full-time employees who have started or are scheduled to start in the next month, which leaves us in the recruiting process for 11 full-time employees. Additionally, we are recruiting for 4 summer seasonal positions and 1 intern position. To date in 2022, we have spent \$5,695.77 of our \$20,000 recruiting budget for the year. If the current trend continues, we are projected to be slightly over budget for 2022. As we work on our Diversity, Equity, and Inclusion Strategy (DEI), beginning with Demographics Dashboards (see below) and a forthcoming survey, we will need to request additional recruiting funds to sustain a targeted outreach to diverse applicant pools.

ERWSD Demographics



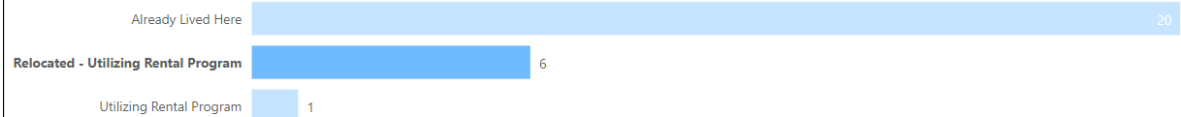
Housing continues to be a top recruiting issue. This year, all positions have either been 1) recruited locally, 2) remote positions that do not live here, or 3) relocated here and live in employee housing. There are **zero** candidates that have relocated here and been able to find affordable housing on the free market. Employee housing availability and the cost of living here are some of our biggest challenges in recruiting and retaining employees and we expect that trend to continue and intensify as inflation remains high (8.5% as of March 2022).

Housing, Rental Program and Relocation

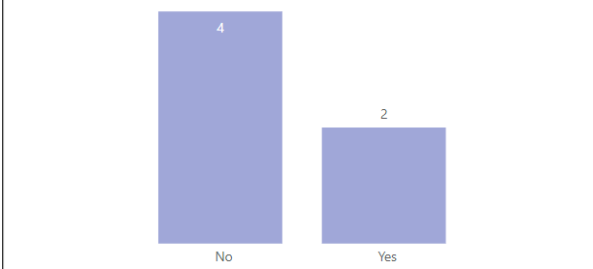
Entrance or Exit?

Entrance

Housing Program



Would you have been able to relocate without the housing program?



Another major challenge has been compensation. Two offers have been declined due to compensation, both candidates desired a wage higher than the current ERWSD pay ranges and another finalist recently dropped out of the selection process due to the perceived inability of ERWSD to meet their desired wage. Additionally, it has become a necessity to offer higher starting wages than planned to ensure we are able to fill positions. Those higher starting wages have caused a myriad of salary compression issues for tenured and existing staff. In Q1 2022, we have made 6 wage adjustments due to compression issues based on 4 offers, with the average increase to current employee wages at 8.19%. This does not include compression issues that would have occurred with Wastewater Operators, had Wastewater supplemental pay not been included in the base wage of existing operators.

The change to WWCSPP has been well received by existing employees. Our wastewater supervisors have thanked Wastewater Manager Rob Ringle, the HR team, and the Finance team for supporting this change. It has also helped in recruiting and attracted more applicants with a more attractive and understandable pay range posted. Wastewater Supervisor Nick Tessmer stated that the change is huge for employees, whether they realize it or not, and that the last round of recruiting brought about the best candidates he has seen in his time at the district. We have been able to fill four operator vacancies in the first quarter and have two positions left to fill (one backfill and one additional position approved for 2022).

Housing: As mentioned in the Recruitment section, providing housing for staff has been a major issue. **Zero** candidates have relocated here and been able to find affordable housing on the free market. We currently have 46 units for housing at ERWSD. We have finished the first quarter with a 95% occupancy rate, compared to 91% at the end of the first quarter in 2021. As of now, we predict 100% occupancy by the end of the second quarter, despite additional master leasing opportunities coming online. Our current housing trajectory will not meet our future needs and we are actively utilizing full-time remote as a method by which to alleviate our housing needs for those that *must* report to work on-site (e.g. Operators). We will need to increase our use of full-time remote work in the immediate future to ensure we are able to fill vacancies. Housing is an absolutely critical need; however, we have recently seen a rise in issues related to the District's role as both employer and landlord.

A cursory review of Zillow in our area currently shows that there are no free market one bedrooms available, and two bedroom rent prices range from \$2,000/mo (2 bedroom, 1 bath) to \$3,750/mo (2 bedroom, 1 or 2 bath). For sale prices are well over \$500,000 and in many cases need to be purchased in cash. At the moment, the "second step" of our housing plan (moving from employee housing renter to free market owner) does not exist.

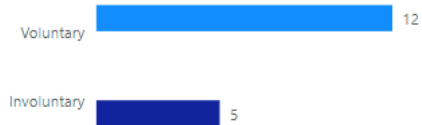
Turnover: Turnover for the first quarter in 2022 was 4.11%. If this trend continues, turnover is projected to be lower than last year, around 12.33%. Our turnover rate in 2021 was 13.66% compared to 2020's 15.5%. While that is a marginal improvement over time, the percentage of staff turnover is only one variable, what is equally important is *who* is leaving. In our strategic plan focus groups, we heard from staff that turnover is taking a large toll on current staff. As new employees are trained, certified, and become experts in their positions, they are leaving the District and the positions they leave behind are often filled by staff that need to be trained again. The huge investment of time and energy that current staff spend training new employees is having a negative effect on current staff.

The HR Team has developed an Entrance and Exit Interview Dashboard to better assess why staff are leaving and how we can reduce turnover. Several screenshots of the Dashboard are included in this report.

The dashboard has shown that the two most common reasons for voluntary turnover are 'relocated out of area' and 'left for other opportunity in the area.' Out of the four staff who relocated out of the area this quarter, two of those were for personal reasons, one was for family reasons and a better cost of living, and two were for a better cost of living and a higher paying job offer. For the 'left for other opportunity in area', one was for a better job title, and two were for better compensation (out of those two, one said that he loved it here, but that the offer made by the other organization was too much high to pass up - it was for a similar role with similar job responsibilities).

Turnover Reasons

Voluntary or Involuntary?



2022 Turnover Rate

4.11%

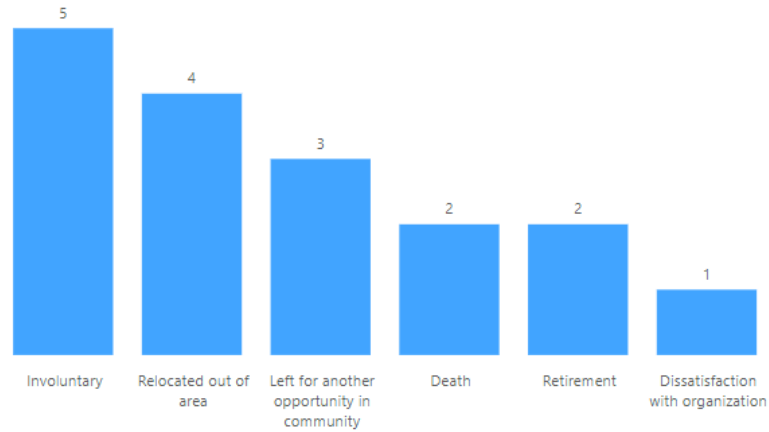
2021 Turnover Rate

13.66%

2020 Turnover Rate

15.5%

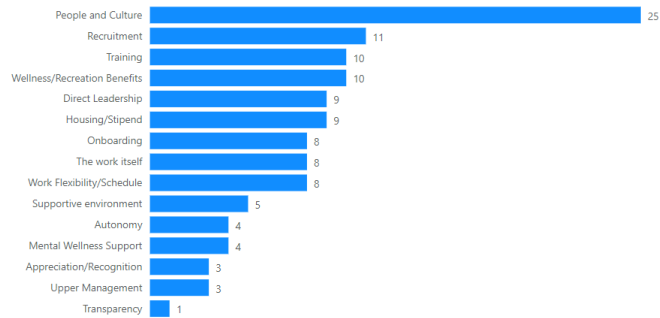
Separation Reasons



Positive Key Themes

Total Positive Comments
118

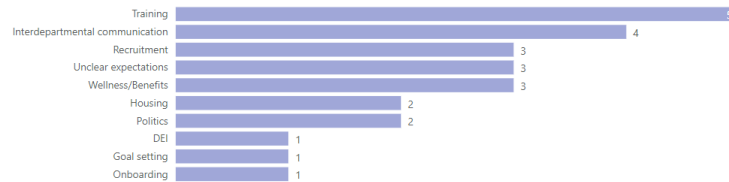
Positive Theme Frequency



Opportunities for Improvement

Total Opportunity Comments
25

Opportunities for Improvement Frequency



Employee Surveys: As a follow-up to the Employee Engagement Survey launched in August 2021, focus groups were conducted over the first quarter of 2022 to obtain more information in three (3) main areas:

1. Senior Leadership Communication
2. Growth & Development
3. Benefits

The HR Team developed a comprehensive report analyzing the trends of feedback across the three (3) focus groups held, which resulted in short- and long-term recommendations for each main area. After discussion with the leadership team, the District committed to the following action items and made the commitment transparent to staff through a District-wide email:

1. Ensuring that all Departments provide at least one update in the Manager Updates every two weeks;
2. Holding a Special District 101 and/or Board Meeting 101 Lunch and Learn;
3. Providing summaries of Board Meeting highlights (in addition to Board Meeting minutes) (pending Communications and Public Affairs hiring a Government Affairs Administrator);
4. Development of a Board Meetings FAQ document: This document will make it clear how/when staff are able to attend District Board Meetings on District time
5. Development of guidelines around offering New Employee Orientation to current employees;
6. Development of a “Dos and Don’ts” document for team meetings, including suggested frequencies, key meeting components, and best practices;
7. Encouraging managers to attend other Departmental Meetings and ensuring that the GM and Directors attend at least one team meeting every 6 months:
 - a. Wastewater
 - b. Water
 - c. Field Operations
 - d. OTS
 - e. Financial Services
 - f. Customer Service
 - g. Engineering and Planning and Water Resources
 - h. HR
 - i. IT
 - j. Communications and Public Affairs
 - k. Lab
 - l. Utility Services

Strategic Plan Focus Groups were also held in partnership with Diane Johnson. The trends of feedback across the four (4) different groups were compiled and presented at a leadership meeting. Among some of the feedback given to leadership was that staff wanted a “digestible road map that helps drive decision-making”, a “scoreboard to measure progress”, they believe in our environmental mission, and wages need to be increased so that housing is less of an expense (turnover is too high and it effects current staff). Action items were discussed, and a final strategic retreat was scheduled for May 10th, during which each Business Owner of a Strategic Objective will have to present fully operationalizable, detailed initiatives with clear measurables and timeframes. The Strategic Plan will be finalized and presented to the board soon afterward.

Additionally, over the first quarter the HR Team vetted new employee engagement vendors and ultimately began a relationship with Culture Amp, which resulted in nearly 50% annual cost savings, access to 27 additional survey templates (DEI, Onboarding, Change Readiness, Leadership Effectiveness, etc.), and built-in action planning capacity.

Risk/Safety: Our previous vendor for many of our safety needs (MSDS) has been replaced with Vector Solutions. To complete this transition, all chemicals in all facilities needed to be inspected and a new Safety Data Sheet (SDS) uploaded into Vector Solutions. SDSs are now labeled in a more granular location (i.e. AWW > EQ Room > Fire Cabinet) to help narrow down the locations of chemicals used. The main facility will host all chemicals in the building as a fail-safe. QR codes are being placed within each location. Each QR code will open a link to the exact location of the chemical in Vector Solutions, as well

as relevant safety information. To ensure a successful transition, our two-person Risk Management team spent hours upon hours creating an inventory of 740 SDSs into Vector Solutions with 56 chemical "locations".

The Risk Management team is also working with Carollo on updating the District's Emergency Response Plan. The new plan should be in effect by mid-summer 2022. Once the plan is completed, it will be distributed for department review and training.

Classification and Compensation Study: CPS HR has continued their work on the District's comprehensive classification and compensation study. The HR Team is in contact with CPS HR daily to ensure they have the data and access they need to complete the study. Over the first quarter, 128 Position Description Questionnaires (PDQs) were reviewed by CPS HR, 26 incumbent interviews and 23 supervisory interviews were conducted. Supplementary materials were requested from subject matter experts, a classification specification framework was identified, 67 classification specifications are currently being drafted, and 36 benchmarks are being identified.

The HR Team has identified 9 labor market comparators for benchmarks based on:

1. Geographical area;
2. Similar cost of living;
3. Agencies that recruit well for some of our hard-to-fill positions;
4. Employees have left the District to go to these agencies based on higher pay;
5. Staff frequently compare us to the agencies.

CPS HR's data from the Economic Research Institute (ERI) shows that some of these similar agencies have a 40-50% cheaper cost of living than the District and pay 3-6% more for similar positions. The data did not show any areas with a higher cost of living than the Vail Valley.

Over the second quarter, CPS HR will be conducting a study on compensation and benefits, comparing the District with other similar organizations. This survey will include:

- Retirement Contributions
 - o Employer retirement contribution
- Medical, Dental and Vision benefits, based on the max contribution for family coverage
- Health Savings Account
- Leave information
 - o Sick Leave
 - o Holiday leave
 - o Vacation leave
- Cash add-ons
 - o Retirement pick-up (employer paid member contribution)
 - o Deferred compensation (457b, 403b)
 - o Incentives (only education/certifications, performance)
 - o Longevity
 - o Allowances (vehicle, uniforms, cellphone)

Looking Ahead: In the second quarter, some highlights are that the HR Department will continue to partner with CPS HR on the comprehensive classification and compensation study, recruit for all vacancies, develop additional dashboards, launch a DEI survey, launch a pulse survey, and begin DEI Trainings.

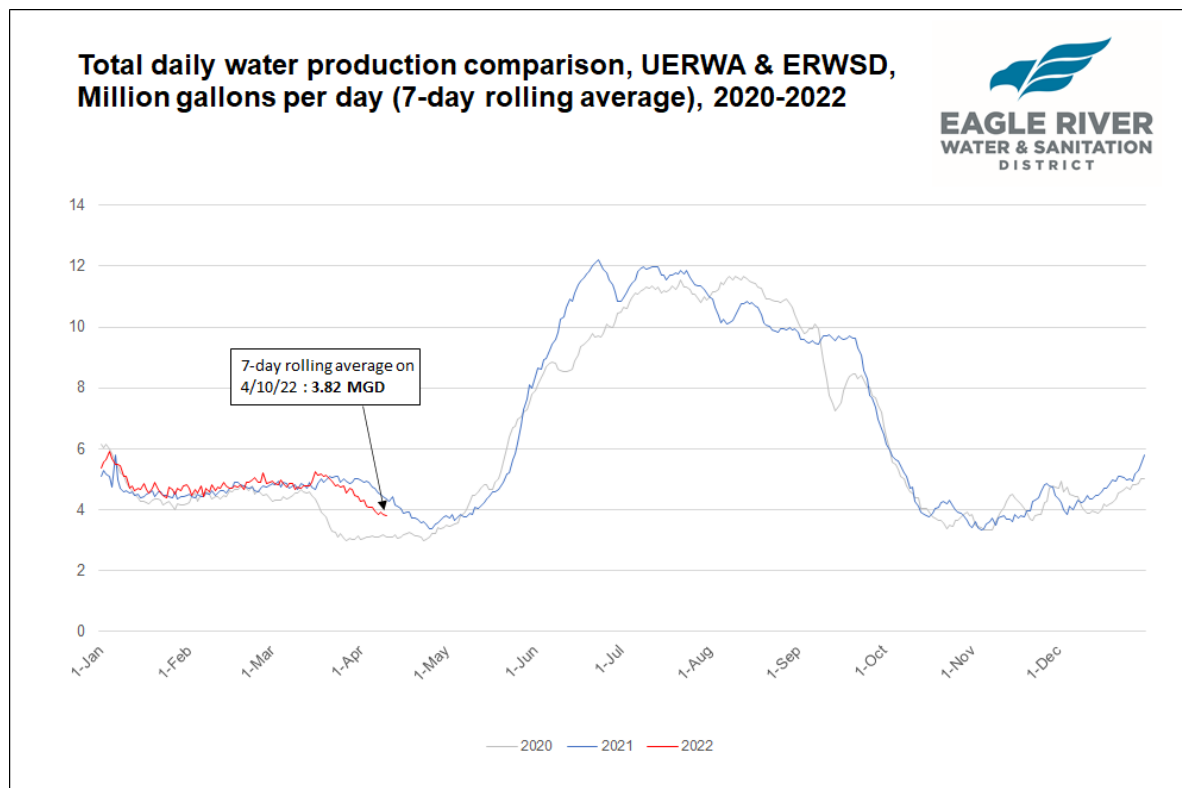


OPERATIONS MONTHLY REPORT APRIL 2022

WATER

Brad Zachman

The system-wide water production comparison was updated through Apr. 10. System production and demands have started dropping as the ski areas begin to close for the season. The annual intersystem transfers are on pace to be at the required net-zero balance by Apr. 30 (the end of District's/Authority's contract year). Seasonal water uploads to Vail will be stopped on Apr. 15 and downloads will be initiated in late-April. Once downloads begin, the Avon Drinking Water Facility (ADWF) will be taken offline for approximately two weeks to complete a variety of planned maintenance projects including replacement of a sodium hypochlorite chemical storage tank.



The Water Operations, CIP, Field Operations, and OTS teams have been busy commissioning the new Cordillera (Fenno) groundwater treatment facility. The new facility began production at limited capacity on April 15. The teams are excited to resume groundwater treatment operations in

Clean Water. Quality Life.™

846 Forest Road Vail, Colorado 81657 Tel (970) 476-7480 Fax (970) 476-4089 erwsd.org

Cordillera after the 1+ year construction project. The new facility represents a major upgrade compared to the previous wellhouse and will improve treatment reliability in the Cordillera area.



New Cordillera Treatment Facility



Pre-startup Water Team Training



Day 1 Startup Operations & Troubleshooting



Distribution System Monitoring During Startup

Operators replaced and rerouted a sodium permanganate feed line at the ADWF. Sodium permanganate is a strong oxidizing chemical that is fed to reduce taste and odor compounds, improve disinfection efficiency, and improve particle and metals removal during the treatment process. The previous sodium permanganate feed line became clogged with solidified chemical last winter due to a combination of low temperatures and slow feed rates. The line is being rerouted to a warmer area of the facility and was equipped with a supplemental makeup water system that will increase the velocity of the fluid in the pipe.



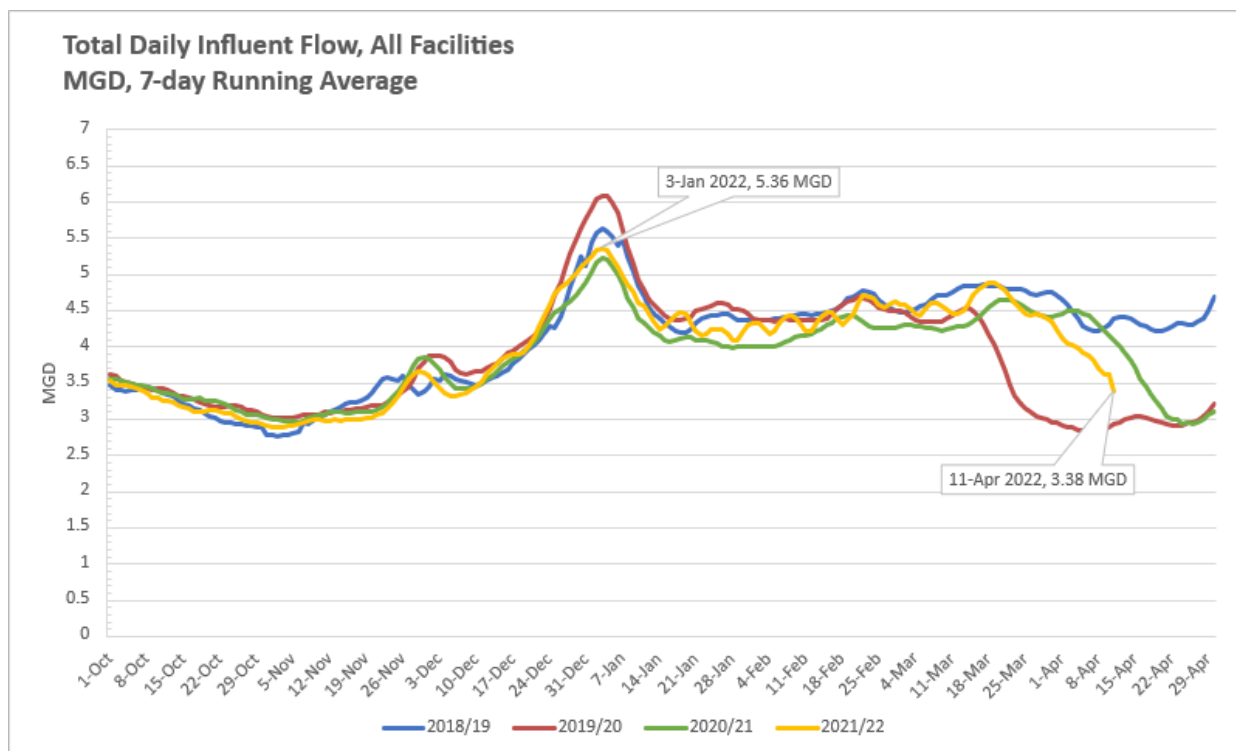
Sodium Permanganate Feed System at ADWF

Vail groundwater well R4 is out of service for motor and pump replacements. A video inspection of the well casing revealed a hole in the screen that must be repaired before new equipment can be installed. The screen repair is scheduled to be performed the week of April 18. Staff is working to complete the project prior to peak production season. However, the project has experienced unanticipated delays due to pump, motor, and pipe procurement challenges.

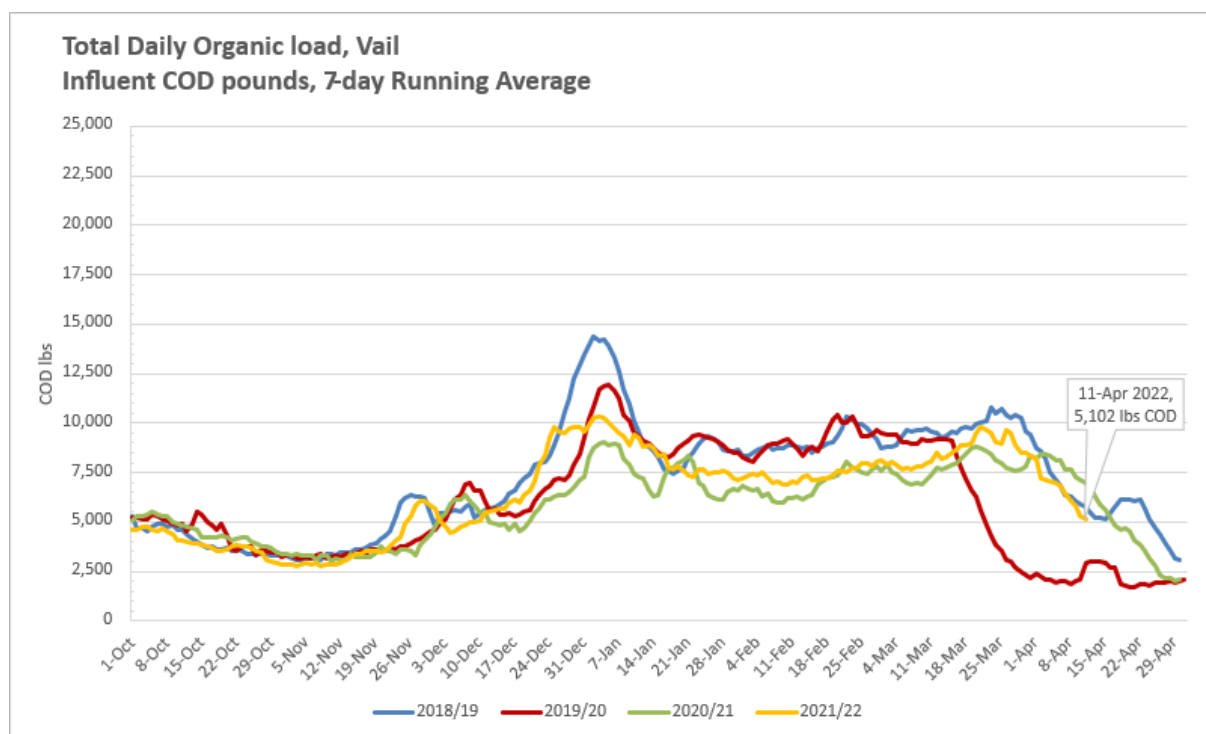
WASTEWATER

Rob Ringle

Total influent flows at the three wastewater (WW) facilities have begun to tail off, as consistent with seasonal norms for the month of April. Flows will likely continue to decline until mid-May, when we typically see some increase from inflow and infiltration (I&I) through runoff season. The following plot represents the cumulative influent flow for the three WW facilities as a 7-day rolling average.



Influent organic loading has been relatively consistent with trends from recent past seasons. Organic loading shows less influence from I&I and tends to consistently hit the springtime baseline low level in early May. Continued snow events and the later resort closing date could result in some slight deviation of this year's data for a few weeks near the end of the month, but any difference will likely not be significant to facility operations. The organic loading for the Vail WW facility is represented in the plot below (pounds of Carbonaceous Oxygen Demand, 7-day running average).



Staff across all three facilities have been busy with several major projects. Vail WW operations staff, and members of OTS and CIP teams, have contributed a large amount of effort in coordination and review of deliverables for the Vail WW Master Plan Improvements project. The recent focus of this work has been in designing the detailed aspects of the early works package scope, which involves changes to the electrical service and site preparation for the new generator. The scope will create some immediate improvements to the resiliency of that system through installation of a connection point for the District's mobile trailer generator. The early works package is scheduled to be completed in the fall of 2022, while the remainder of the project scope, including final installation of the new generator, will occur in 2023.

Avon WW staff have continued to contribute to the Nutrient Upgrade Project efforts and have managed several process changes over the past month. This has included dewatering and cleaning the north primary clarifier to facilitate installation of new equipment in that area. Staff continues to work closely with the contractor to optimize the operation of the recently commissioned aeration system. While several major systems are yet to be commissioned before the process will be running as designed, the staff has worked diligently to optimize the current operations and the effluent quality has remained very good despite the many disruptions.

Edwards WW staff have worked to optimize the solids handling operations through the decrease in organic loading. This has included a rebuild of several pumps that serve in the secondary waste thickening process. A digestion tank has recently been removed from service, as intended to conserve energy and maintain an acceptable retention time in the remaining online tanks. The staff continues to work closely with OTS team members in replacement of control elements and optimization of the control programming related to the influent pump station, on the heels of the March incident. A consultant has been retained for design of other improvements that are intended to aid in resiliency.

FIELD OPERATIONS

Niko Nemcanin

On Mar. 30, crew responded to a call about manhole surcharging at The Valley Complex on Buffer Creek Rd. A manhole was surcharging due to a sewer pipe blockage. Crew had to dig 4' of snow to find a downstream manhole and then jet the line to clear the blockage. Pipe and manhole blockage were caused by root intrusion. Pipe blockage was cleared at 11:30 p.m., and crew left the site for the day. During the next two days crew removed roots and jetted and televised area sewer system to confirm that there were no more obstructions in sewer pipes or manholes.



Crew digging through snow to find downstream manhole.



Manhole, after blockage was cleared in pipe downstream.



The same manhole after all roots and debris was removed and washed.

UTILITY SERVICES

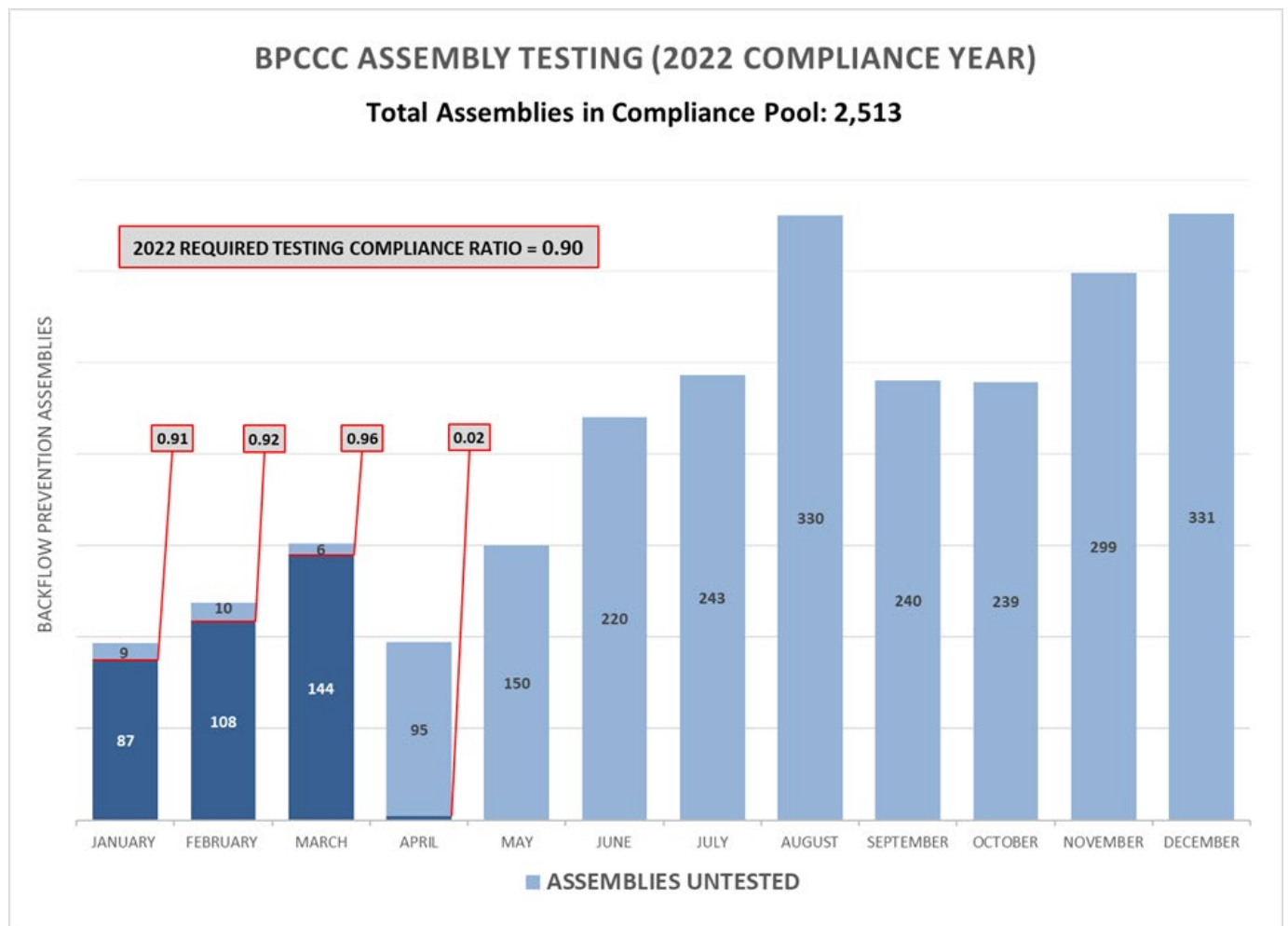
Shane Swartwout

Backflow Prevention and Cross Connection Control

The BPCCC team has successfully tested all the assemblies that did not get tested in 2021 by the regulatory compliance deadline of Mar. 31, 2022. There was a total of 199 assemblies that did not get tested in 2021.

As shown on the chart below, staff exceeded the required compliance ratio of 0.90 for the months of January, February, and March! We are anticipating receiving the April test reports later in the month.

BPCCC Program Compliance Status (Updated 4-14-2022)



Meter Services – Advanced Metering Infrastructure Status (Updated 4/14/2022)

The meter services team continues to make steady progress on meter replacements throughout the service area. The meter technicians have completed more than 100 meter replacements in the last four weeks!

Report Date:	4/14/2022
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AMI SYSTEM STATUS	ERWSD	UERWA	TOTAL
(1) Total No. of Meters	3183	6798	9981
(2) No. of AMI Meters	2785	5542	8327
(3) System Percentage of AMI Meters	87%	82%	83%
Meters Remaining to Reach 100% AMI	398	1256	1654

ENGINEERING

Jeff Schneider

WATER PROJECTS

Radio Telemetry Unit (RTU) System Upgrades

Carter Keller

General Project Scope: This project is a systematic approach to install standardized communication equipment to increase the reliability of the telemetry system throughout the distribution system (82 sites) and develop a standard (i.e., non-proprietary) telemetry platform to allow competitive pricing for upgrades, replacement, and system maintenance. Implementation is anticipated over a three-year period with a highly detailed sequence and schedule to limit distribution system disruptions.

Project Update: Contractors are currently building and programming the RTU equipment for testing that is scheduled to begin on Apr. 25 at the Edwards Drinking Water Facility.

Contractors will start construction in the Edwards area as weather permits. Commissioning of phase three sites is scheduled to start May 16.

Traer Creek Water Storage Tank

Mark Mantua

General Project Scope: This project consists of the replacement of the Traer Creek Water Storage Tank. In addition to the tank replacement, the scope includes piping, appurtenances, and selective replacement of identified equipment including the RTUs and control cabinets.

Project Update: Electrical improvements and telemetry installation are underway. OTS staff is coordinating with the contractor to ensure the controls interface is implemented per new district standards. ERWSD staff is working to drain the tank to the sanitary sewer in an effort to recover the testing water. Despite the concrete structure passing the leak test, a leak was found in the water quality sampling line. Once the draining of the tank is complete, the contractor will address deficiencies in the dome roof and the water quality sampling line. ERWSD staff is currently reviewing closeout documentation provided by the contractor. This project is under budget and on track to be substantially complete in late spring 2022.

Avon Drinking Water Facility (ADWF) PLC Upgrades

Jenna Beirsto

General Project Scope: This project includes replacement of two of the programmable logic controllers (PLCs) at ADWF. Additionally, a new server room will be constructed within the facility. All programming and PLC logic will be reverse engineered to determine required updates and improvements associated with the modification and replacement of the existing PLCs.

Project Update: The District only received one bid on Apr. 5 that was well above of the budget for the project. The District has met their obligation for advertisement and is now working with interested subcontractors to put together a price to do the project later this year. The team is working to begin procurement of major equipment by late spring or early summer of 2022. Project completion may be pushed out to accommodate the issues during the bidding phase.

Edwards Spur Road Phase 2 Water Main

Mark Mantua

General Project Scope: The Edwards Spur Road Phase 2 consists of two projects. The first is installation of 1,700 linear feet of water main that was installed in conjunction with the CDOT Edwards Spur Road project. The second is installation of a water main that will run parallel and under the railroad tracks to connect the Edwards Drinking Water Facility to the water main that was previously installed during the 2019 Spur Road project and to a main near Miller Ranch Road. The project will alleviate hydraulic issues in the Edwards low pressure zone.

Project Update: Onsite work has resumed after a winter work hiatus. District staff performed a watermain shutdown to allow the contractor to tie into the 16" water main in Edwards Spur Road. During the shutdown the contractor installed new valves and fittings. The contractor has begun installation of the 24" pipe which connects a 16" distribution main to the Edwards Drinking Water Facility.

Fenno Wellhouse and Raw Water Conveyance

Jeffrey Schneider

General Project Scope: The project consists of complete replacement of a small treatment facility in Cordillera that treats water from seven groundwater wells and pumps into the distribution system. The previous facility did not meet electrical code, had some safety concerns, and was generally at the end of its useful life. Improvements to the wells and raw water piping are also included in this project.

Project Update: The clearwell and adjacent pipe areas were disinfected the week of Mar. 28 and pump and chemical feed systems tested and started up the following week. Partial startup of the station is nearly complete, with the treatment facility connected to the distribution system as of Apr. 14. The connection involved a concerted effort between the contractor, programming subcontractors, and water and field operations staff. Treated groundwater is being delivered to the distribution system, improving water quality in the western portion of the Cordillera service area. We intend to run the system in partial operation until after the early May water quality sampling event. The Main Distribution Panel that has been subject to supply chain delays arrived at the site. We plan on taking the new facility offline on May 9 for 2-3 weeks for final electrical installation, testing, and the balance of treatment facility startup and testing. We are anticipating substantial completion of the facility on May 26.

Water Production and Treatment Masterplan

Jenna Beirsto

General Project Scope: The masterplan will be a wholistic look at all production and treatment facilities system-wide including treatment plants and wells. The goal is to do a thorough risk-based analysis and provide a roadmap for future capital project implementation in light of threats from climate change, low stream flows, wildfires, etc. along with a detailed condition assessment of existing assets.

Project Update: Carollo and District employees met to review the proposed scope of work and fee for the masterplan. The team is working to get Carollo under contract. A meeting is scheduled to review the existing hydraulic model. The District is working on gathering all data and information requested by Carollo to get the project underway. A kickoff meeting with stakeholders in the District will be scheduled by the end of May.

Arrowhead Transmission Main & Valve Vault

Mark Mantua

General Project Scope: This project consists of the replacement of 2,300 linear feet of water transmission main and a valve vault which both serve Arrowhead Tank 1. The existing ductile iron transmission main pipe is severely corroded and is nearing the end of its service life. The valve vault will reduce operational issues in the water distribution system. The new valve vault will include a new flow control valve allowing Arrowhead Tank 1 to hydraulically balance better with the Cordillera Valley Club (CVC) tank.

Project Update: District staff has decided to review an alternate alignment for this project proposed by the Construction Review Team in Cresta Road. The major advantage to the new Cresta Road alignment is eliminating a creek crossing. Additional survey and geotechnical work is underway

along the Cresta Road alignment. Staff assisted the geotechnical subcontractor in submitting a right of way permit. Once this survey and Geotech work is complete, the design engineer will provide a recommendation and staff will chose the future alignment.

Avon Wastewater Treatment Facility (WWTF) Fire Flow Improvements Melissa Marts/
Woodson Spring

General Project Scope: The Avon WWTF Fire Flow Improvements consist of two major components. The first is installation of 1,100 linear feet of 12" water main down Millie's Lane and into the Avon WWTF site. The second is modifications within the Avon Drinking Water Facility (DWF) to transfer water from the high zone to Avon WWTF's low zone. The project will bring the Avon WWTF into compliance with fire flow requirements and address a long-standing deficiency.

Project Update: Moltz Construction and 360 Civil are in the process of submittal review and equipment procurement. This pipeline portion project will be completed in two mobilizations, one starting in May to install pipe down Millies Lane and a second in the fall to install pipe through the Avon WWTF site after the tower crane is removed. The work in the Avon DWF is expected to occur during the fall shutdown.

WASTEWATER PROJECTS

Avon Wastewater Treatment Facility (AWWTF) Nutrient Upgrades Melissa Marts

General Project Scope: The Avon WWTF requires upgrades to meet Regulation 85, which requires a reduction of the concentrations of nitrogen and phosphorus in the effluent. The scope of this project includes the following: addition of 0.6 million gallons of aeration basin capacity, a new secondary clarifier, structural modifications to the existing aeration basins to remove the existing double-tees and replace with a building structure, a new odor control study and system, and other improvements throughout the facility. This project also includes improvements identified in a 2017 condition assessment in other process areas throughout the facility.

Project Update: The project team has commissioned the odor control system and aeration blowers 1 and 2. Construction progress continues on modifications to aeration basin 1, primary sedimentation basin 1, and installation of internal mixed liquor and return activated sludge pumps. Significant work is occurring on Secondary Clarifier 2, with concrete work in preparation to prepare for setting the precast walls and 80' double tees in early May. Although the process is running on a modified version of the final configuration, the Avon WWTF is already removing more phosphorous than it has historically and meeting Regulation 85 effluent limits.



Aeration Basin 1 Modifications



Secondary Clarifier Progress

Dowd Junction Collection System Improvements

Jenna Beairsto

General Project Scope: The project consists of four major components, all of which are at the end of their useful lives: the aerial interceptor crossing at Dowd Junction; Lift Station 4, which conveys all of Minturn's wastewater; the aerial interceptor crossing at the Minturn Road bridge; and the force main downstream of Lift Station 4. The project will also include capacity for growth in its respective service areas, most notably the Minturn area improvements.

Project Update: West Vail Interceptor Aerial Crossing: Ductile iron pipe was delivered and is being stored at the contractor's storage yard offsite. The first segment of the bridge has been fabricated and the second segment is currently being fabricated. Remaining materials are scheduled to be delivered in March. The contractor will mobilize to the site in late May to complete the project. The District executed a change order to update the contract completion dates with the Contractor based on global supply chain issues. A change order request has been submitted to the Engineer from the Contractor for costs associated with the delay. The request is currently under review by the Engineer and Owner. The District is coordinating to update all permits and easements to continue work through the 2022 construction season.

Lift Station 4 and Force Main Replacement: This project combines three packages of work into one large project. Package A includes the Lift Station 4 replacement, Package B is replacement of the exiting force main with two 8" HDPE force mains, and Package C in partnership with Eco Trails (Eagle County) to connect the bike trails from the lift station to the West Vail Interceptor crossing. HDR, Murraysmith and Otak submitted the issued for bid (IFB) set of drawings and specifications for each of the three packages associated with this project. A bid opening was held on Mar. 31; no bids were received. The District has met its advertisement and open bid obligations and is now working with two interested Contractors to utilize an alternative delivery approach for this project. Construction is still expected to begin later this year and continue through 2023. The Contractors should have pricing information back to the District by early May.

Avon Lab Improvements

Melissa Marts

General Project Scope: A new inductively coupled plasma mass spectrometer (ICP-MS) purchased by the District will be installed in the lab. This will provide improved analytical capability

to our internal and external customers. This device enables District staff to perform in-house metals analyses that are normally outsourced. Lab and architectural modifications will be constructed, including a new gas cabinet, duct chase, and fume hood. During design, the makeup air unit (MAU) serving the lab was identified to be at the end of its useful life; the HVAC system for the lab and lab offices will also be replaced.

Project Update: Moltz is finalizing their proposal for the work but has already requested submittals for the HVAC equipment to help with the long lead time of this equipment. Contingent upon successful negotiation, work is anticipated to be underway in the summer of 2022.

Vail Wastewater Treatment Facility (VWWTF) Master Plan Improvements

Melissa Marts

General Project Scope: A condition assessment of the Vail WWTF conducted as part of the 2017 Master Plan identified various upgrades required to keep the facility in reliable and operable condition. The scope includes a new, larger diesel generator and associated electrical, structural repairs in the aeration basin, equalization, and clarifier rooms, replacement of the aging ultraviolet (UV) system, and construction and installation of an external facility bypass.

Project Update: Construction manager at risk (CMAR) interviews with two firms were conducted on Mar. 18, and PCL Construction was selected by unanimously the team comprised of two CIP team members, three Wastewater Operations team members, and two representatives from Black and Veatch, the design engineer. The team has begun the pre-construction phase services. The project team is reviewing the 30% design deliverables and continues progressing design with Black and Veatch. Two meetings have been conducted with the Town of Vail in anticipation of permit applications and design review submittals. Due to the long lead time of equipment, construction is anticipated in fall 2022 and continuing throughout 2023.

GENERAL CAPITAL

Vail Office Remodel

Jenna Beairsto

General Project Scope: The project will provide a safe and secure singular entry point for facility visitors by reconfiguring the vestibule entrance. The scope also includes reconfiguring and reorganizing of the Vail Administration Office. Most of the construction will be concentrated on the south half of the first floor; however, reorganization will occur building wide. In addition to the front entrance, the project will provide improved ADA access to the building. Several departments will shift within the lower level to allow for additional office and meeting space. The project includes cubicle and office furniture purchase and replacement for some of the improved areas.

Project Update: The Contractor and their subcontractors completed the electrical and HVAC rough-in and are working on final trim. The drywall and paint work is complete. The tile, carpet, and base has been installed for the entire area. The kitchen cabinets and sink have been installed. Furniture and cubicles will be delivered and assembled beginning Apr. 18. Exterior improvements including painting and new signage will begin as weather allows in early summer 2022.



Progress in the new customer service area



Progress in the new utility services area

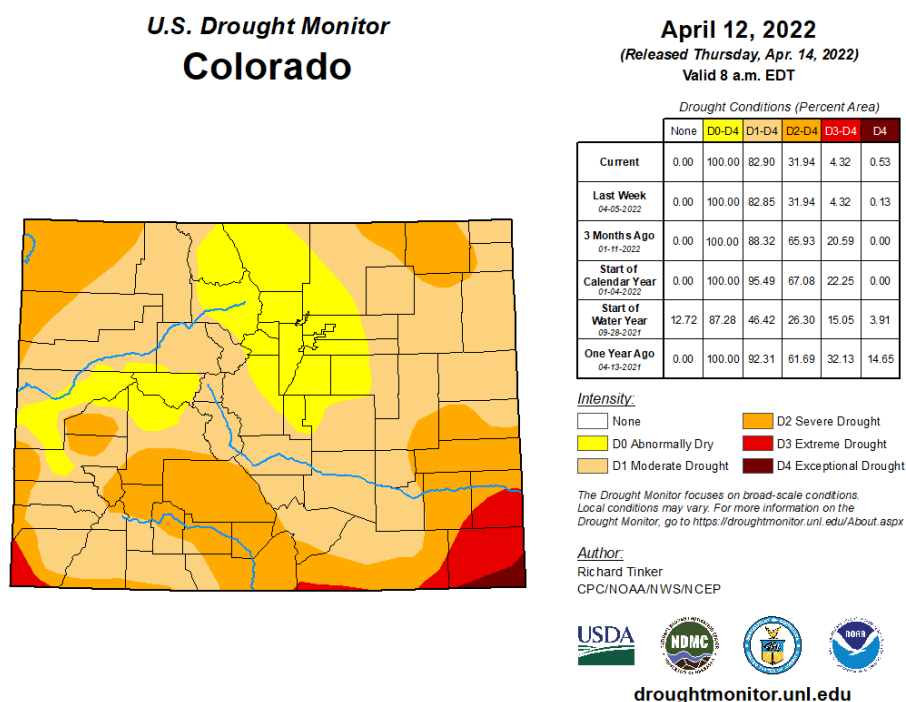
WATER RESOURCES

Len Wright

The latest Drought Monitor shows that Colorado remains out of category “D4-Exceptional Drought”, as shown below in Figure 1. Eagle County remains unchanged from last month, with western Eagle County in “D0-Abnormally Dry” and Southern and Eastern portions of Eagle County in “D1-Moderate Drought”, as shown below in Figure 2.

Figure 1. Colorado Drought Monitor, Apr. 12, 2022.

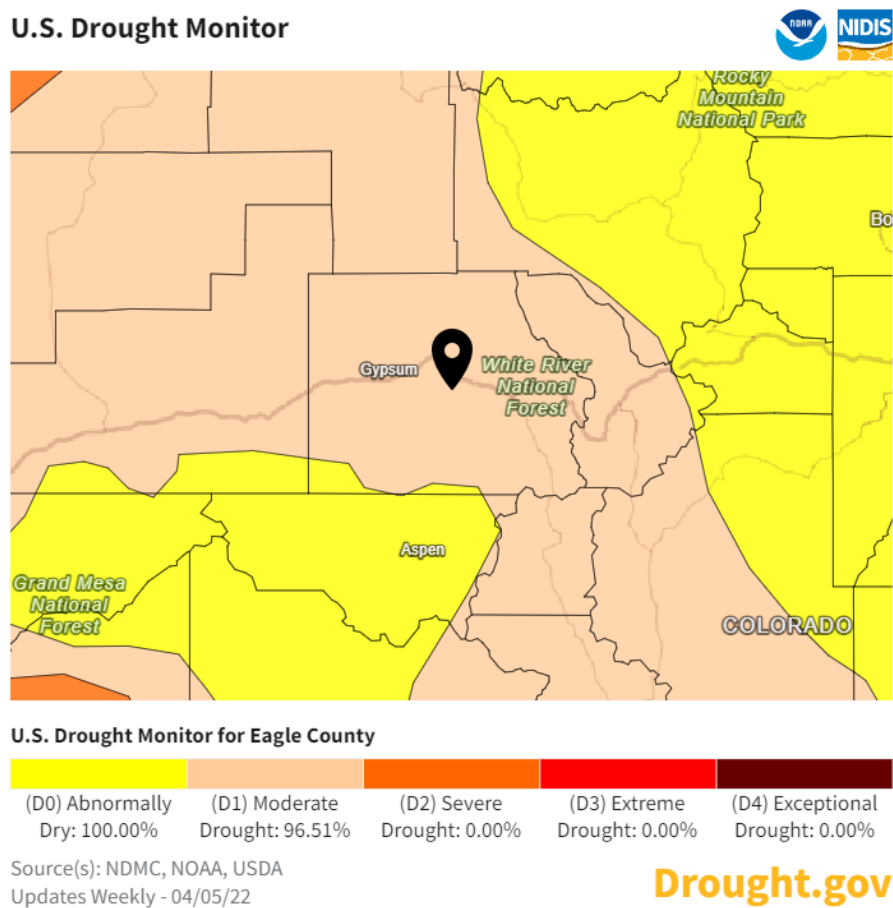
(<https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?CO>).



Clean Water. Quality Life.™

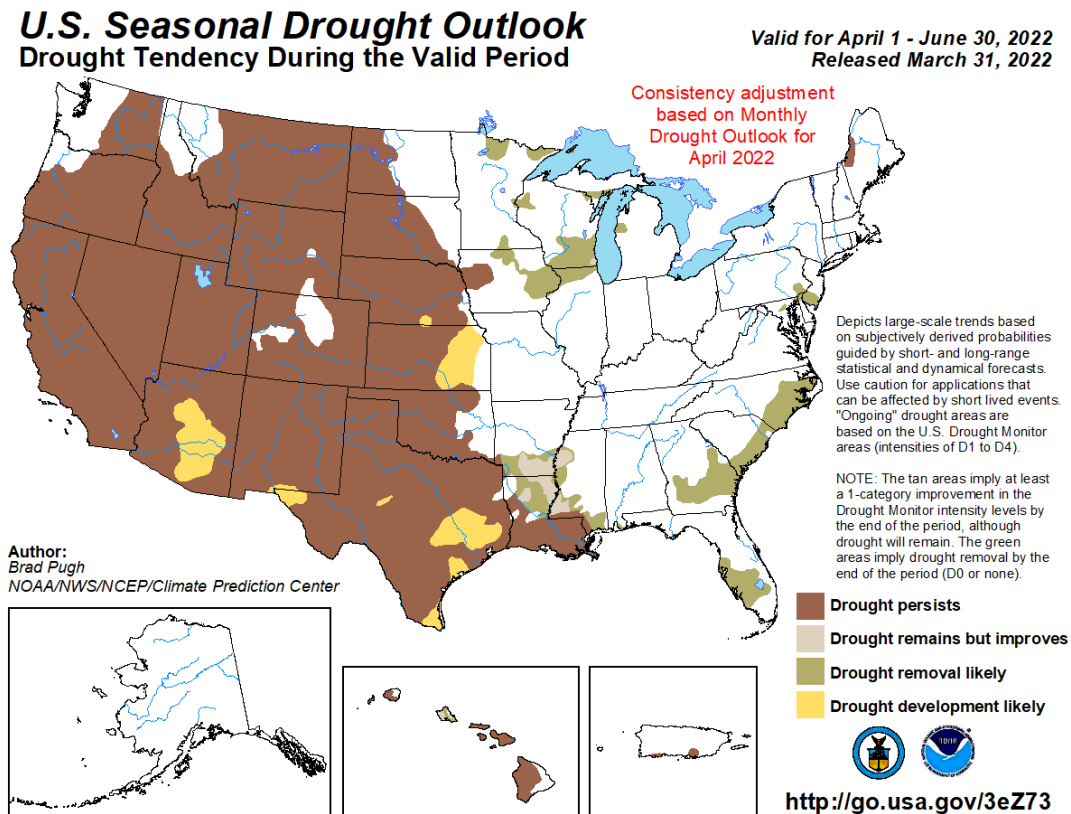
846 Forest Road Vail, Colorado 81657 Tel (970) 476-7480 Fax (970) 476-4089 erwsd.org

Figure 2. Eagle County Drought Monitor, Apr. 5, 2022 (NOAA, NIIDIS).



The seasonal drought outlook is not expected to change for Colorado through April 2022. This is largely because the La Nina conditions show a likelihood of average precipitation and temperature for the remainder of the winter.

Figure 3. US Seasonal Drought Outlook through Jun. 30, 2022 (NOAA).



Snowpack is hovering near or below average for all local Eagle River SNOTEL sites as well as Copper Mountain. The four Eagle River Basin SNOTEL sites are shown in Figure 4, at 95% of the 1991-2020 median value for Apr. 12, 2022. Total cumulative precipitation for Water Year 2022 is shown in Figure 5 for the same four stations, at 91% of the 1991-2020 median. The five individual local SNOTEL stations are shown in Figures 6-10, showing a range of 80% of normal at Beaver Creek to 97% of normal on Vail Mountain.

Figure 4. Eagle River Basin SNOTEL stations, Apr. 12, 2022 (Beaver Creek, McCoy Park, Fremont Pass, Vail Mountain)

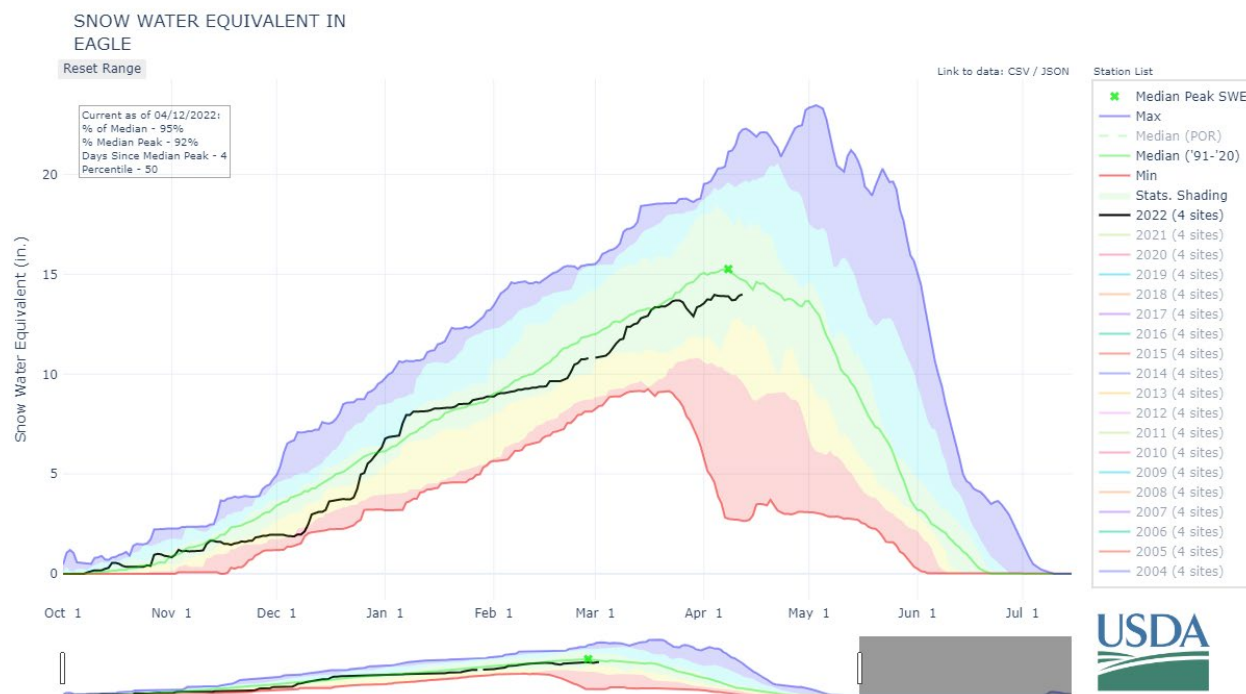


Figure 5. Cumulative precipitation for the Eagle River Basin, Water Year 2022 (NOAA/CBRFC).

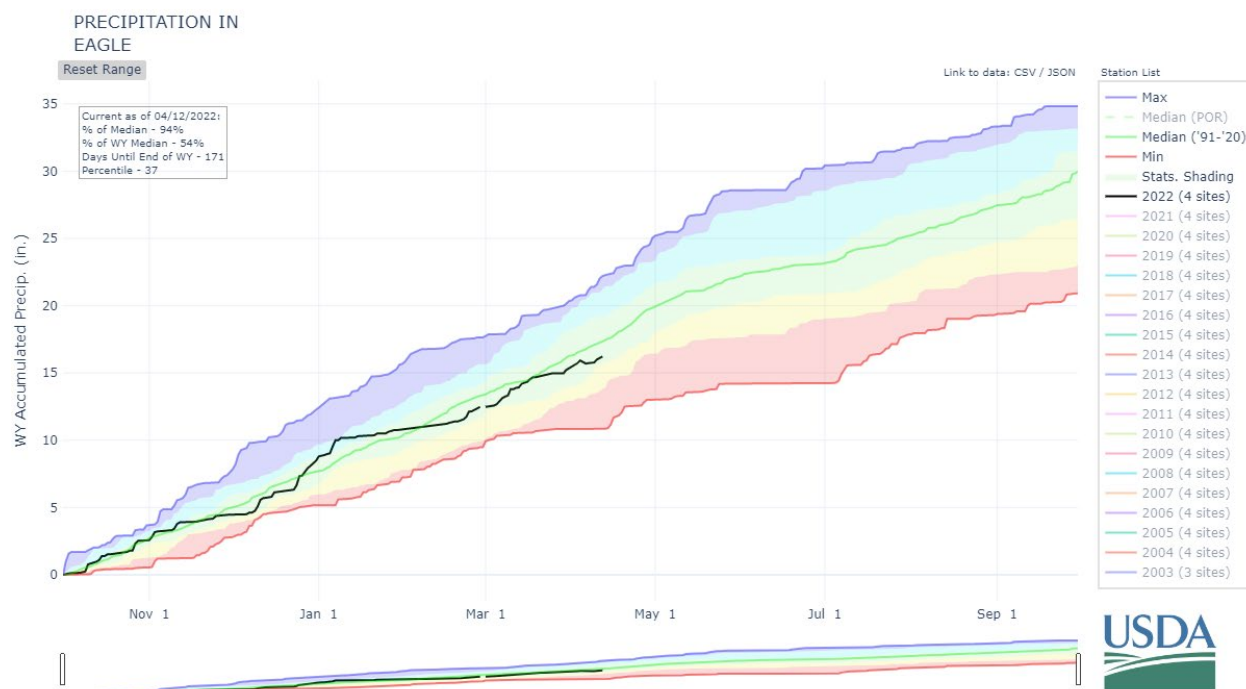


Figure 6. Snow Water Equivalent, Beaver Creek Village SNOTEL, Apr. 12, 2022 (USDA).

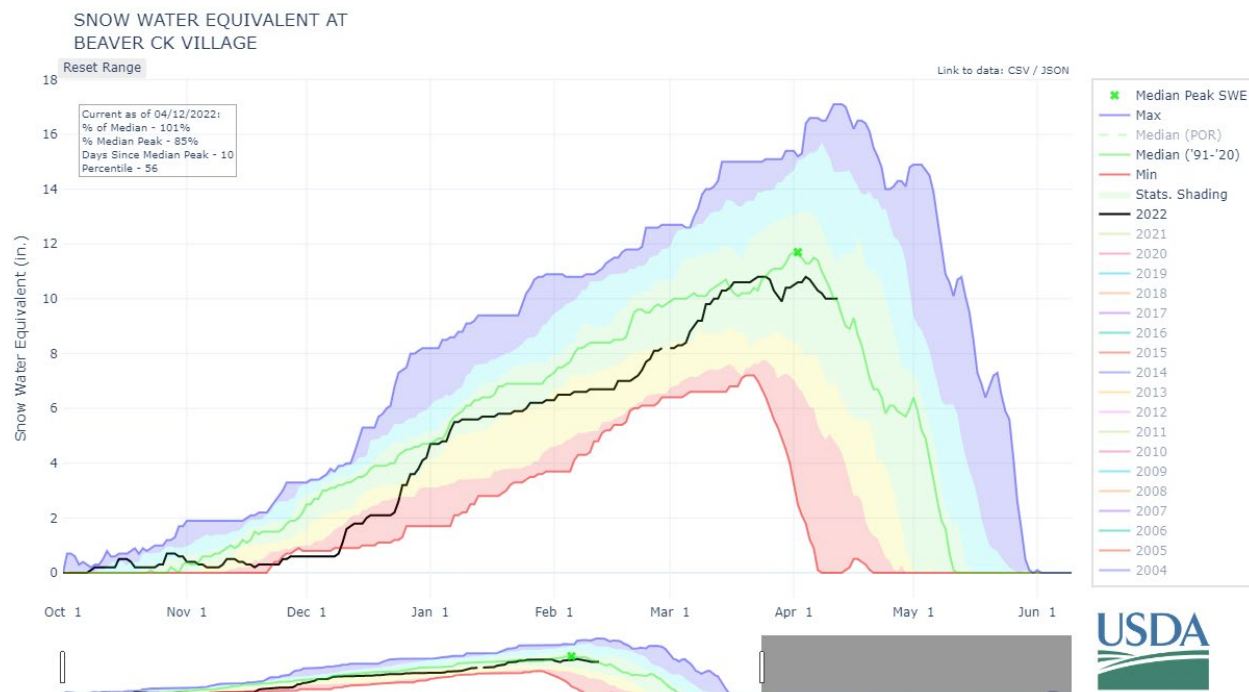


Figure 7. Snow Water Equivalent, McCoy Park SNOTEL, Apr. 12, 2022 (USDA).

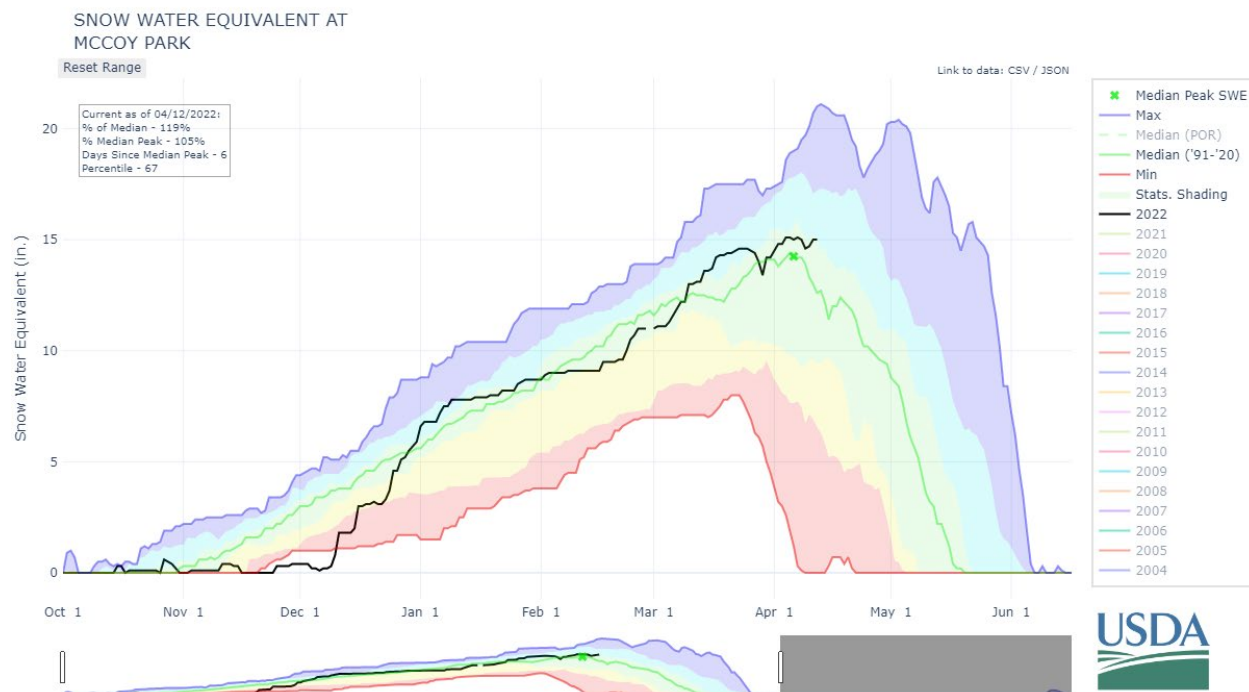


Figure 8. Snow Water Equivalent, Fremont Pass SNOTEL, Apr. 12, 2022 (USDA).

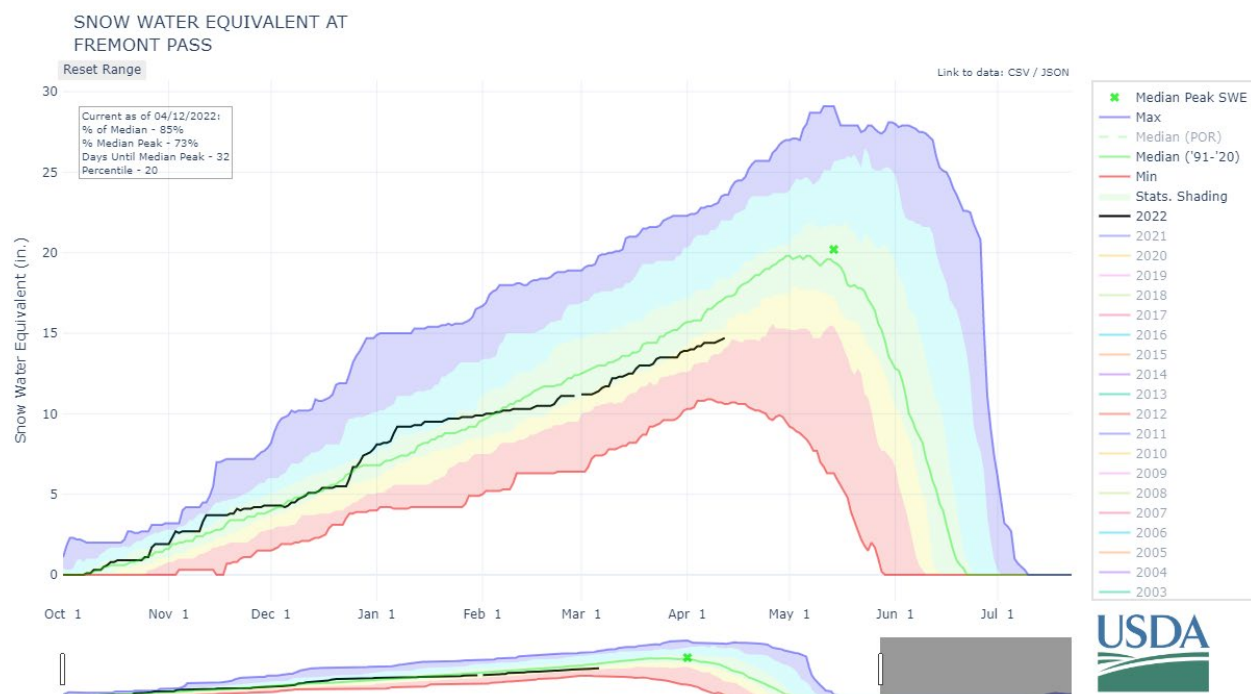


Figure 9. Snow Water Equivalent, Copper Mountain SNOTEL, Apr. 12, 2022 (USDA).

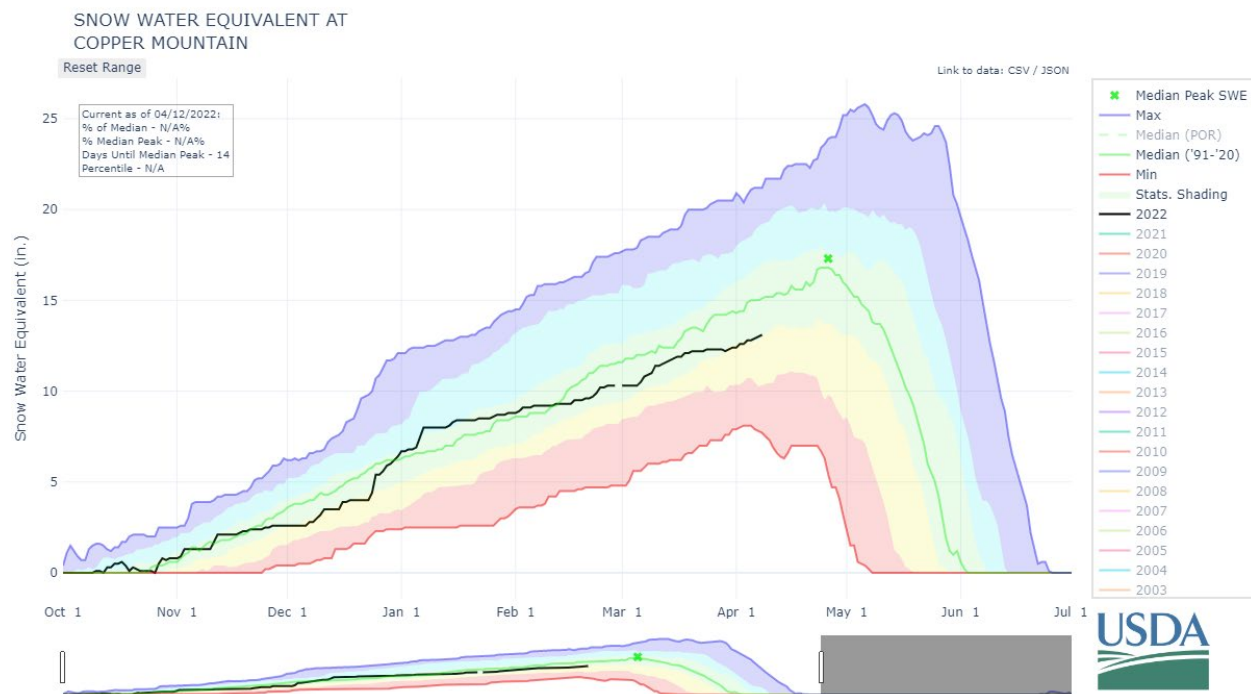
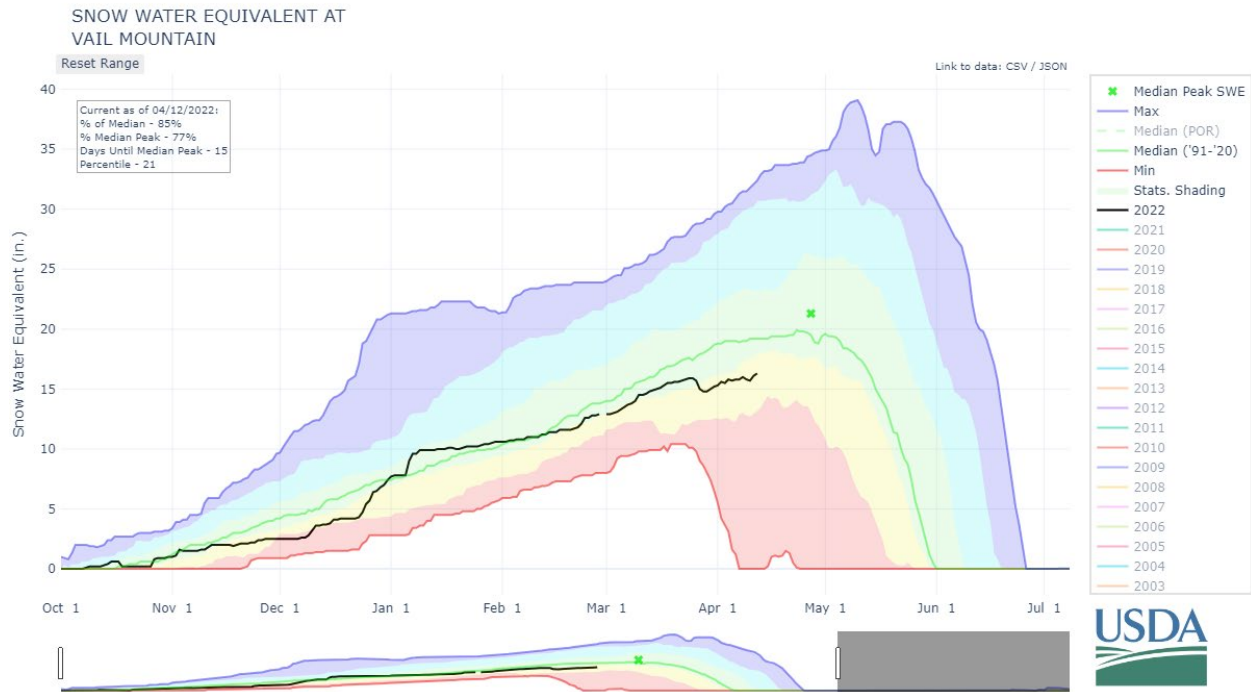


Figure 10. Snow Water Equivalent, Vail Mountain SNOTEL, Apr. 12, 2022 (USDA).



Streamflows remain low, even for the typically low-flow winter season. Stream hydrographs plotted from the USGS gages on Gore Creek above Red Sandstone Creek and the Eagle River at Avon are shown below in Figures 11 and 12.

Figure 11. Streamflow for Water Year-to-Date 2022, Gore Creek (CBRFC).

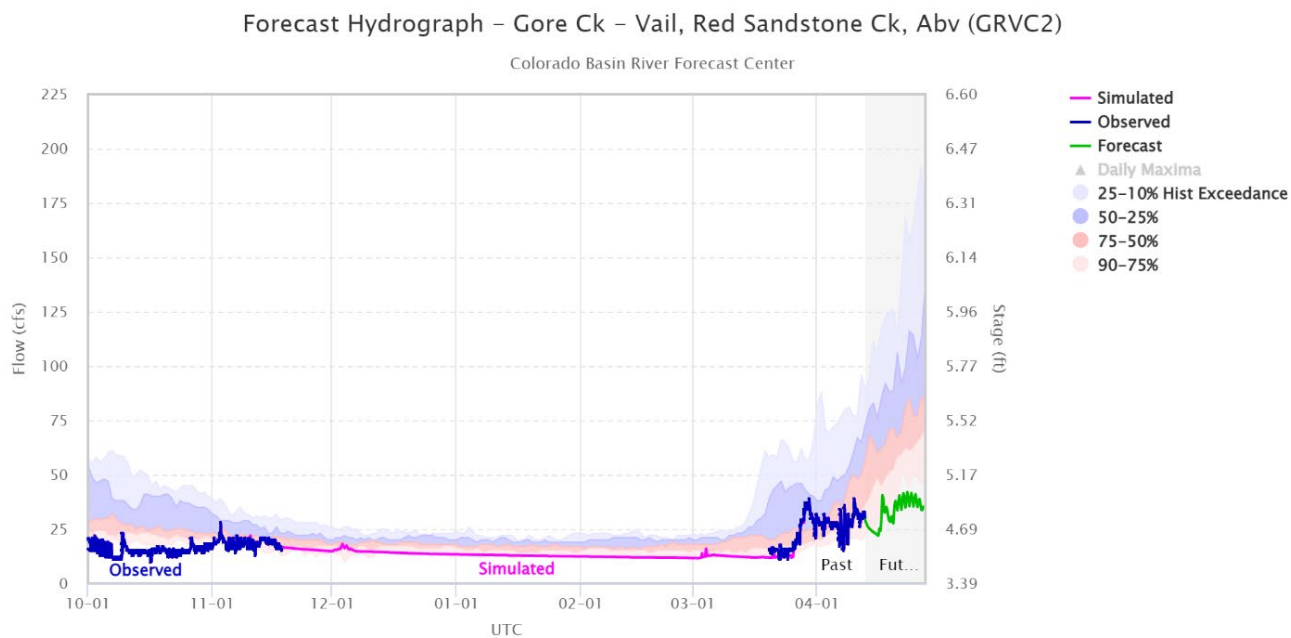
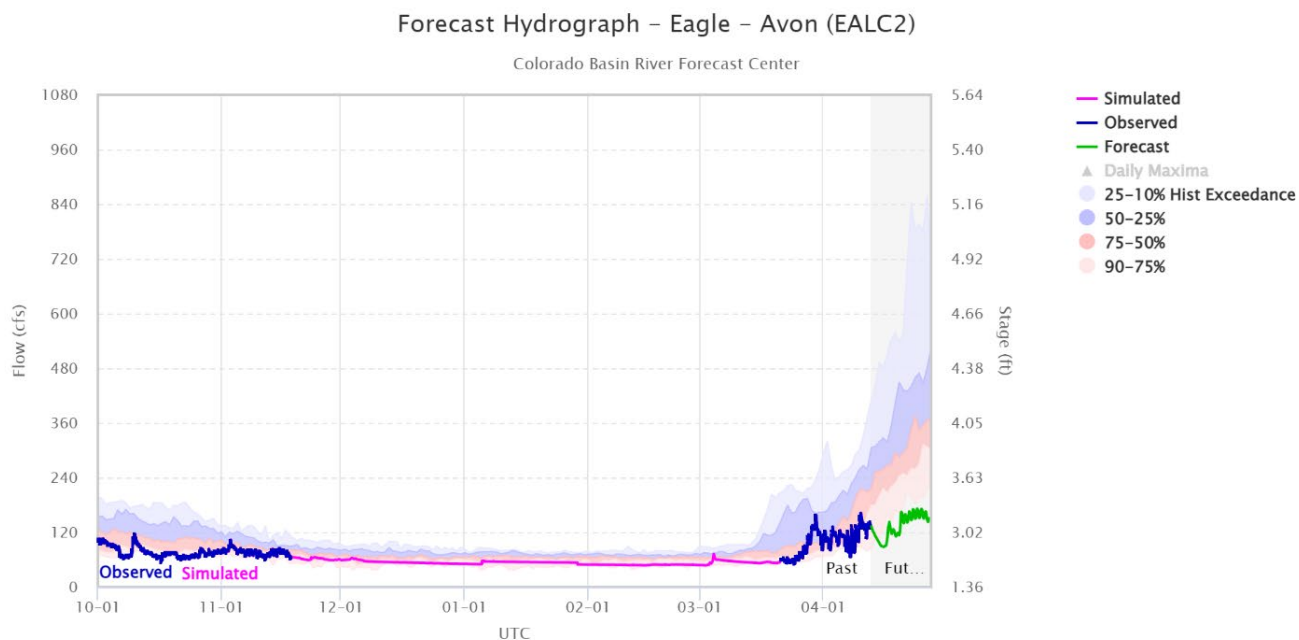


Figure 12. Streamflow for Water Year-to-Date 2022, Eagle River at Avon (CBRFC).



ERWSD and UERWA storage accounts are shown in Table 1 as of Apr. 1, 2022.

Table 1. ERWSD and UERWA Storage accounts as of Apr. 1, 2022 (Helton and Williamsen).

Reservoir	ERWSD		UERWA		TOTAL	
Green Mountain	542.6	58%	408.4	75%	951.0	64%
Black Lakes	9.3	2%	9.3	3%	9.3	2%
Eagle Park	430.4	99%	676.9	99%	1107.3	99%
Homestake Res	164.2	66%	38.4	15%	202.7	40%
Wolford Mtn	500.0	100%	601.6	85%	1101.6	91%

Current year reservoir storage is shown below in Figure 13, and may be compared with last years storage accounting shown in Figure 14. Currently the sum of District and Authority accounts are below the April 2021 values.

Figure 13. Current Water Year, Sum of Storage Accounts (Helton and Williamsen, 2022).

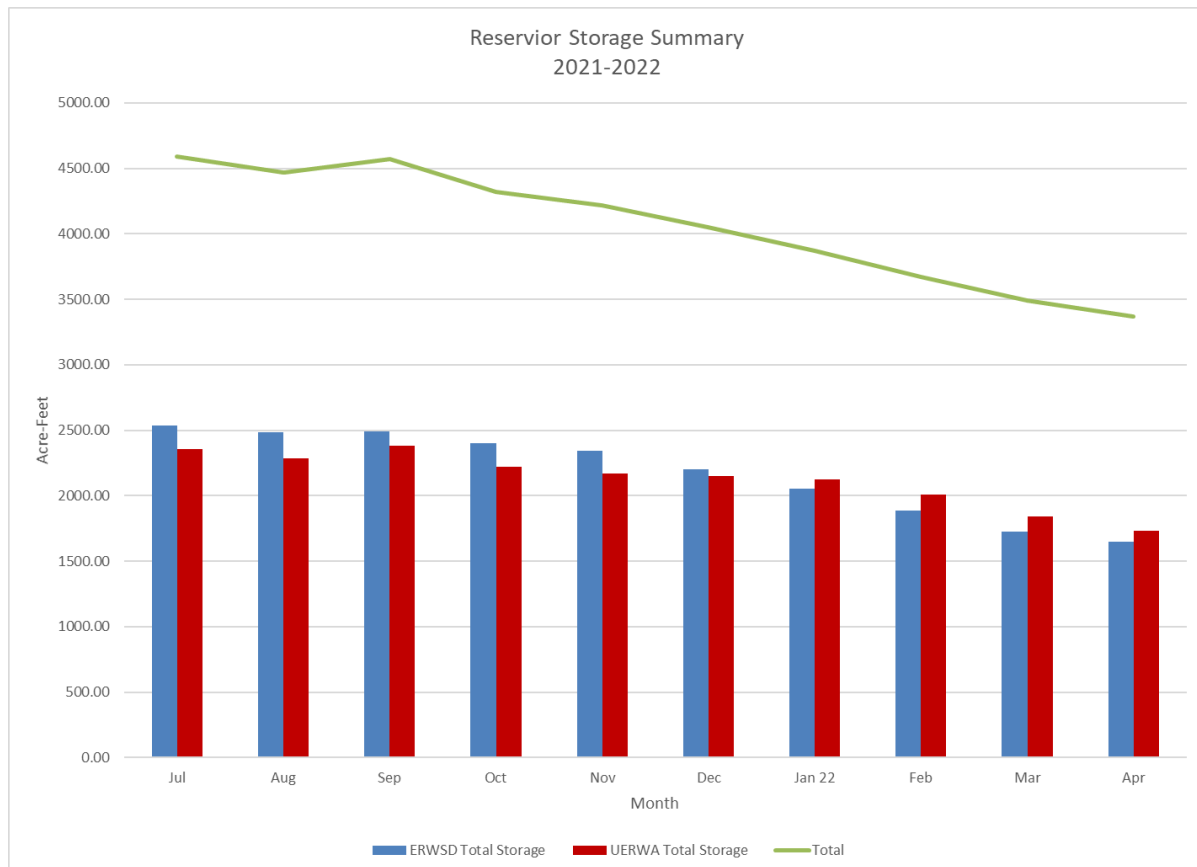
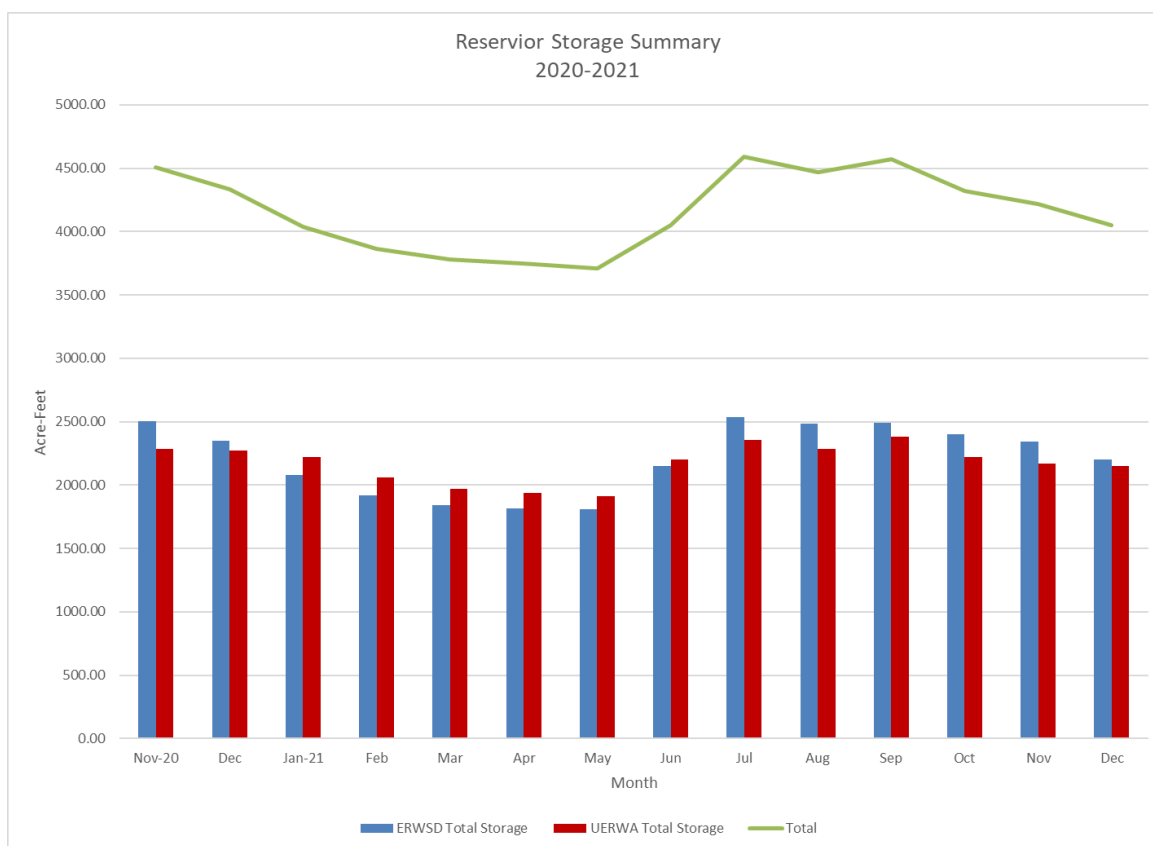
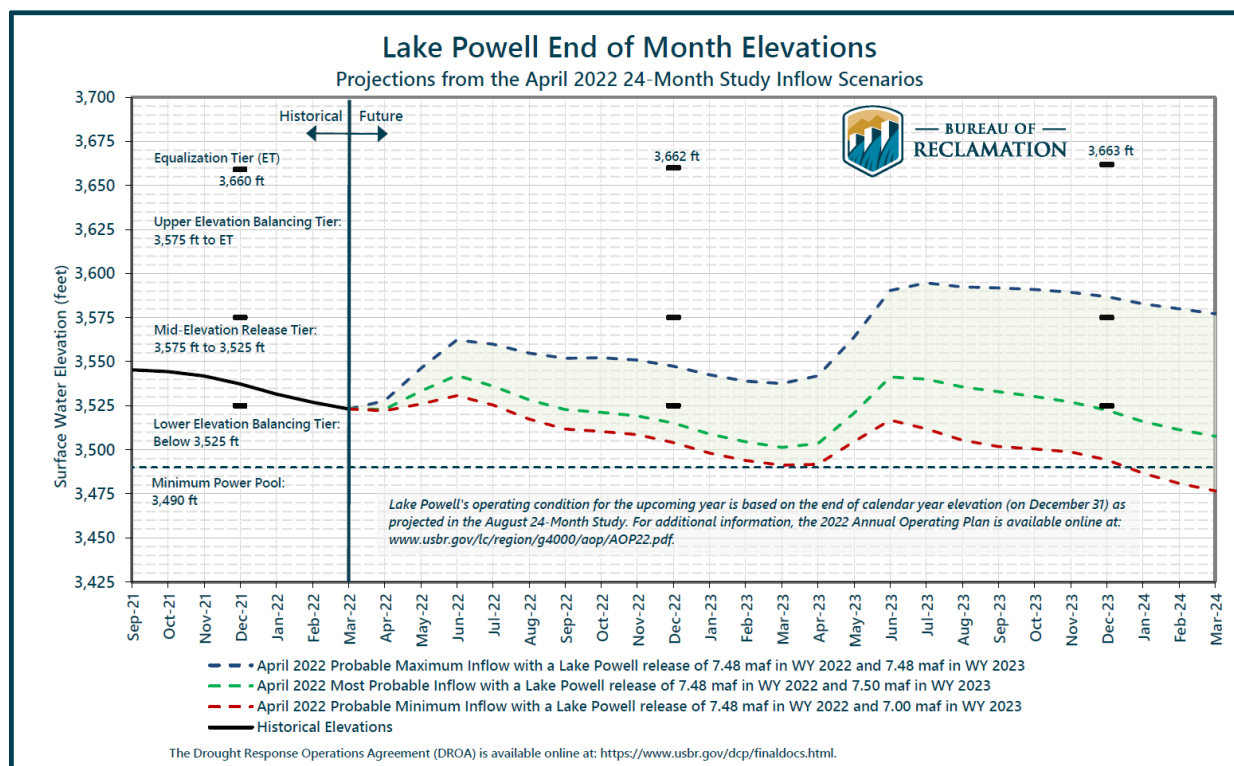


Figure 14. Previous Water Year (2020-2021), Sum of Storage Accounts (Helton and Williamsen, 2022).



Current projections by the US Bureau of Reclamation for Lake Powell indicate water levels may drop below the power pool elevation over the next 24 months. The current modeled level projection is shown below in Figure 15.

Figure 15. USBR Predicted Water Elevation (April 2022).



Current long-range forecasts from the National Weather Service show below average precipitation and above average temperatures are expected for the next three months over Colorado. Current NOAA forecast maps are shown in Figures 16 and 17.

Figure 16. Three-month precipitation outlook (NOAA 2022).

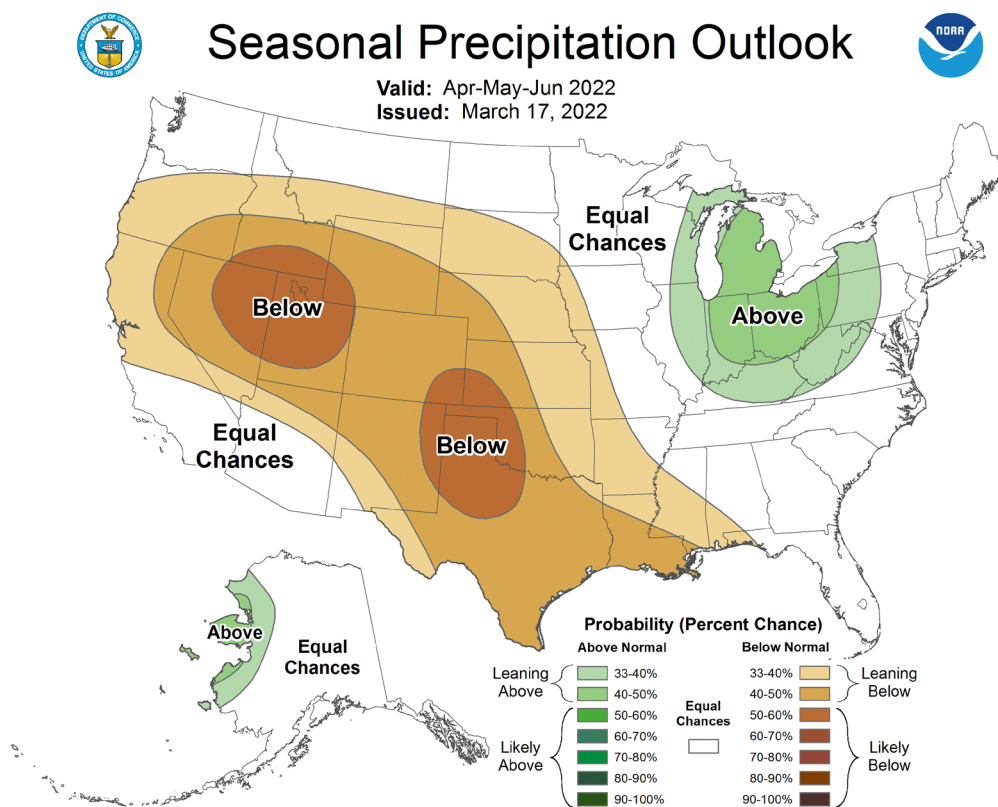
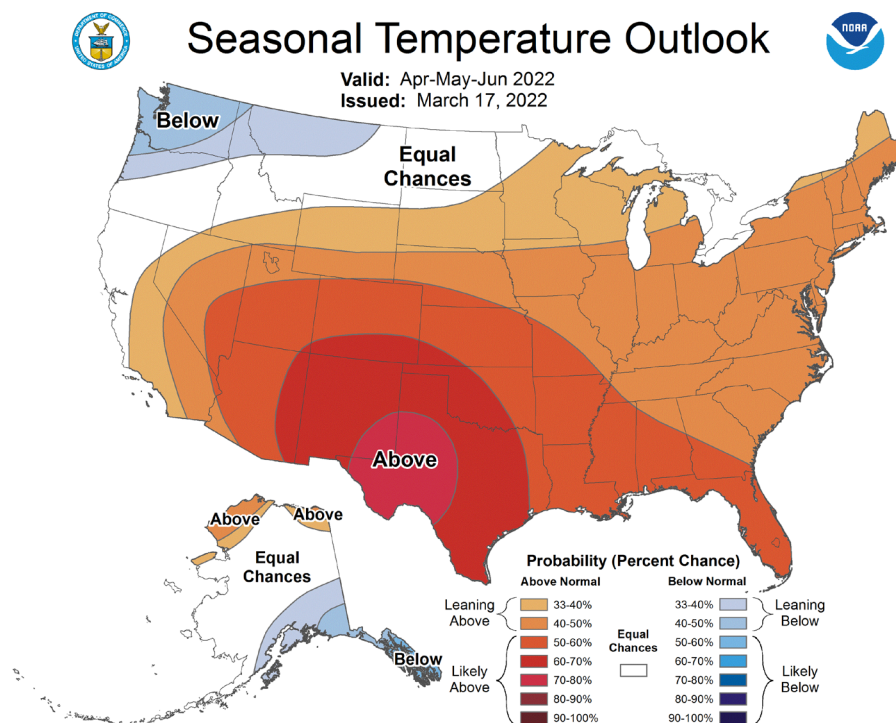


Figure 17. Three-month temperature outlook (NWS 2022).





BOARD MEMO

TO: Board of Directors
FROM: Rob Ringle, PE
DATE: April 20, 2022
RE: WW Department Participation in Covid-19 Surveillance Collaborative

Summary of Subject: The Wastewater Department joined the Colorado SARS-CoV-2 Wastewater Surveillance Collaborative in March of 2022. The collaborative represents a partnership of the Colorado Department of Public Health and Environment (CDPHE) and municipal wastewater facilities across the state with the purpose of monitoring the SARS-CoV-2 concentration in the influent stream to these facilities to provide actionable data that can be used by local public health agencies. The CDPHE collaborative is part of the National Wastewater Surveillance System (NWSS), as operated by the Centers for Disease Control and Prevention.

Discussion and Background:

The Covid-19 Surveillance collaborative is intended to create a data set that can be used to indicate changes in community infection rates, where collection of the data can be maintained in a consistent and efficient manner. Many health departments across the country have transitioned to a long-term approach in managing Covid-19, and this has resulted in the closing of many walkup testing sites. Eagle County closed many testing sites at the end of March 2022. It is expected that fewer tests will be administered as the testing load is shifted to health care providers, and therefore the positivity and incidence rate data that has been relied on to this point in the pandemic will become less comprehensive and reliable.

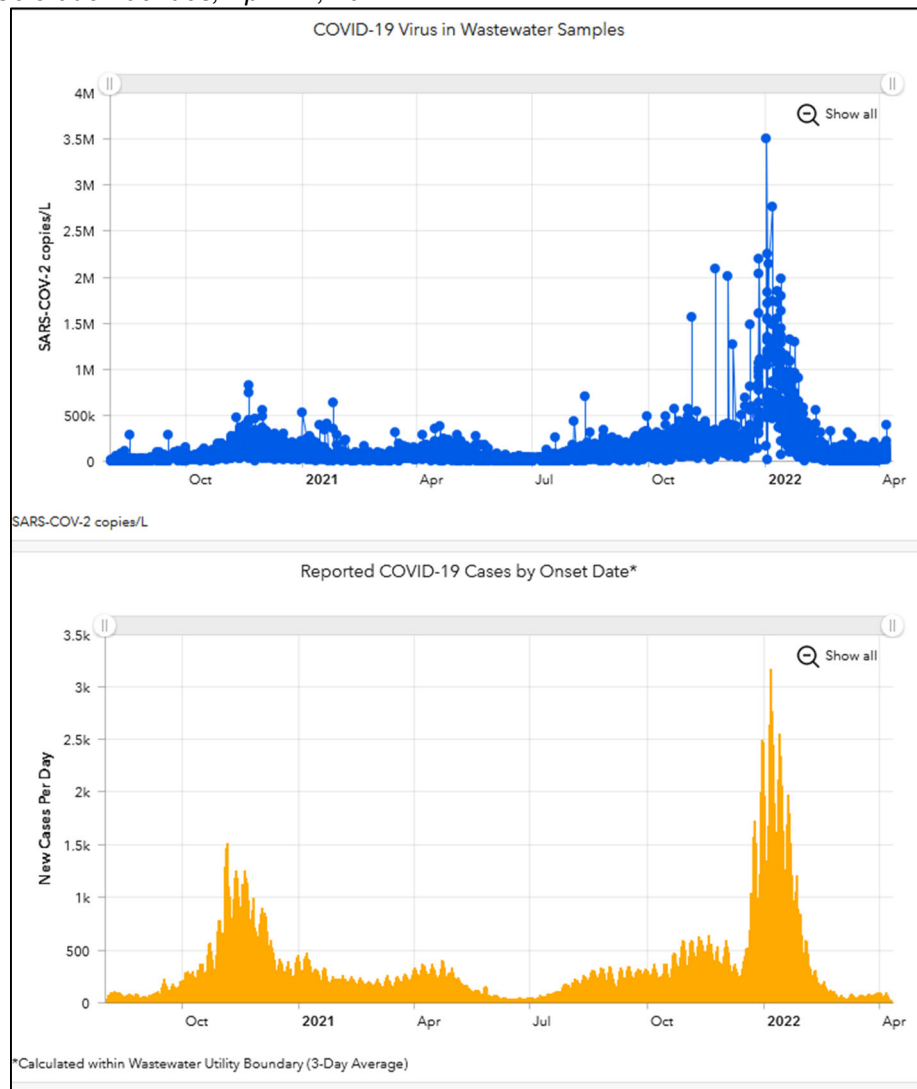
The Collaborative operates on the principle that many individuals who become infected with the virus, including those who are asymptomatic, shed the virus in their stool. Often, those individuals shed the virus before significant symptoms are observed, and therefore before an individual test would be administered. Therefore, wastewater data may provide an advanced indication of changes in community spread by several days compared to standard positivity and incidence rate data that is based on individual tests.

Samples submitted to the surveillance program are collected as flow-based composite samples from the influent streams respective to the District's three wastewater (WW) facilities. The composite samples are transported by WW Department staff to the compliance lab at Avon WW, where the Lab staff divides the samples into the appropriate aliquots. Samples are transported by a courier to the state laboratory, where analysis is performed to identify the number of virus copies per liter of sample. This is performed twice per week. The state lab also performs genome sequencing selectively to indicate the presence or absence of variants of concern. At present, the data is intended to indicate the percent change respective to the sewershed, and is used alongside other public health metrics. Total influent flow is recorded along with each sample, as this may be later used to characterize reporting that would be more comparable across different facilities and states. Costs associated with analysis of the samples and transportation to Denver are covered by CDPHE.

Data for the ERWSD treatment facilities through approximately the end of March is available on the CDPHE dashboard. At this point, the data for our facilities is not extensive enough to show a conclusive

correlation with the community incidence trends. However, our data is included in the statewide data set, as shown below.


Figure 1. COVID -19 virus in wastewater samples as compared to reported cases by onset date, all participating Colorado Facilities, April 12, 2022.



The collaborative efforts have been beneficial to our local health department in providing early detection of the B.A.2 variant in our community. The variant was detected in the Vail WW sample from Mar. 10, and both the Avon and Edwards WW samples from Mar. 24. The data from the District facilities should become more useful with continued data collection.



MEMORANDUM

TO: District and Authority Boards of Directors
FROM: Jason Cowles, P.E. 
DATE: April 20, 2022
RE: Director of Engineering & Water Resources Report

Authority Unallocated Water Update

The Authority's unallocated water is currently projected at 227.31 acre feet. This includes 51.19 acre feet of unrestricted Eagle Park Reservoir water, which includes the 25 acre feet pledged to the Authority by the District. It also includes 78.13 acre feet of Eagle Park Reservoir water committed to workforce housing, and 97.98 historic irrigation season consumptive use credits.

We are working with the Town of Avon to evaluate the water dedication requirement for a proposed housing development of up to 52 multi-family units on Tract Y which is located in the 3rd Filing of the Mountain Star Subdivision along Metcalf Road. Preliminary estimates indicate that the project will require approximately 5.3 acre feet of augmentation water with about 4.6 acre feet of the augmentation water coming from in-basin storage supplies. We will provide more information in the future as we work through the details with the Town of Avon.

Wolcott Development

We have provided a preliminary letter outlining the process to obtain water and wastewater service from the District for a proposed PUD Sketch Plan submittal to Eagle County for development on the Chris Joufflas property on the valley floor in Wolcott. The property was purchased from the Joufflas' last year, and the new owner is proposing the development of up to 328 residential units on the property. A copy of the letter is attached for your information.

Attachments

Authority Surplus Augmentation Supply, Updated 2022-03-16
Initial Letter for Water and Wastewater Service to Proposed Wolcott PUD Sketch Plan, 2022-04-18

Authority Surplus Augmentation Supply

Updated: 3/16/2022 by JEC

	HCU, acft	In-basin Reservoir Storage, acft	In-basin Reservoir Storage, acft	Out-of-basin Reservoir Storage, acft	Total HCU & In-Basin Storage, acft
	Summer only	Affordable Housing Reserve	Unrestricted		
Modeled Augmentation Surplus¹	105.70	87.40	127.30		320.40
Projects with Ability to Serve Letters					
Club Residences at CVC	0.04		1.04	0.03	1.08
Current Augmentation Surplus²	105.66	87.40	126.26		319.32
Augmentation Projections for Projects in Land Use Entitlement Process					
Edwards River Park PUD	5.52	9.27	53.54	1.89	68.32
Mountain Hive	1.27		13.56	0.39	14.83
NorthStar PUD Amendment	0.45		3.16	0.09	3.61
Warner Building Dormitories	0.02		0.02	0.01	0.04
Riverwalk PUD Guide Amendment	0.07		1.67	0.05	1.74
Brown PUD	0.35		3.12	0.09	3.47
Total Pending Augmentation	7.68	9.27	75.06	2.52	92.01
Projected Augmentation Surplus	97.98	78.13	51.19		227.31

Notes:

1) Modeled Augmentation Surplus based on June 25, 2020 unallocated model runs adjusted for Edwards River Park changes.

2) Current Augmentation Surplus Projection considers all projects with Ability to Serve Letters to be allocated.

3) Projects in Land Use Entitlement Process have Conditional Capacity to Serve Letters but have not yet received land use approvals or completed the Authority's water rights dedication process.

3) Affordable Housing Reserve In-basin Reservoir Storage is Eagle Park water transferred to UERWA by Eagle County and can only be used for affordable/workforce housing projects.

4) Unrestricted In-basin Reservoir Storage includes 25 acft pledged by ERWSD.

5) Out-of-basin Reservoir Storage supplies include 711 acft Wolford Mtn. Res. Contracts and 475 acft Green Mtn. Res. Contracts.

6) The Authority's existing commitment of 34.3 acft of augmentation for the West End PUD is included in the modeled augmentation surplus.



April 18, 2022

Jeff Townsend
Hadcott, LLC c/o Resort Concepts
225 Main St. C101
Edwards, CO 81632

Subject: Initial Letter for Water and Wastewater Service to Proposed Wolcott PUD Sketch Plan
Property: Eagle County Parcel No. 1941-232-00-038

Dear Jeff,

In response to your request, I am writing to outline the procedures to obtain an Ability to Serve Letter from the Eagle River Water and Sanitation District for water and wastewater service to the subject property in Wolcott, CO. I understand that you intend to make a Planned Unit Development (PUD) Sketch Plan application to Eagle County for the proposed development of up to 328 residential units consisting of a mix of 170 multi-family homes, 146 single family homes, and 12 townhomes and up to 10,000 square feet of commercial use. The District does not currently have infrastructure available to provide water and wastewater service to its Wolcott service area; therefore, water and wastewater service to the project will be contingent upon the completion of the District's Development Approval and Infrastructure Acceptance processes as further described below.

Eagle County and District Processes

The Eagle County PUD entitlement process includes PUD Sketch Plan, PUD Preliminary Plan, 1041 Permit, Final Plat, and Building Permit/Construction. Based on this understanding, I have provided a general outline of Developer submittals and responsibilities required to obtain the corresponding District approvals at each step in the County's PUD entitlement process in Table 1. An explanation of District processes and our current understanding of relevant issues is described in the subsequent paragraphs.

Table 1 - Eagle County and District Processes

Eagle County Process	Developer Responsibility	District Approvals/Responsibility
Design and Permitting		
PUD Sketch Plan Submittal	<ul style="list-style-type: none"> • PUD Sketch Plan Application • Water Demand Worksheet • Conceptual Project Plans and Reports 	<ul style="list-style-type: none"> • Initial Letter for Water & Wastewater Service
PUD Preliminary Plan and 1041 Permit Application	Execution of Major Facility Funding Agreement	
	<ul style="list-style-type: none"> • PUD Preliminary Plan Application • Updated Water Demand Worksheet • Preliminary Project Plans and Reports • Funding for Major Facility Design Costs and 1041 Permitting • 1041 Permit Application for PUD Preliminary Plan 	<ul style="list-style-type: none"> • Conditional Capacity to Serve Letter • Preliminary Effluent Limit Application to CDPHE • Conceptual Design of Major Facilities • Site Application to CDPHE for Major Facilities • 1041 Permit Application for Major Facilities
Final Plat for PUD	<ul style="list-style-type: none"> • Funding for Major Facility Detailed Design and CDPHE Permitting Costs • Participation in Detailed Design of Major Facilities • Subdivision Improvement Agreement • Complete Water Rights Dedication Process • Execute Water and Wastewater Service Agreement • Final Construction Plans and Reports for Mainline Extensions 	<ul style="list-style-type: none"> • RFQ for Major Facility Integrated Project Delivery • Complete Detailed Design of Major Facilities • Apply for and Obtain Applicable CDPHE Permits • Obtain Guaranteed Maximum Price Proposal for Construction of Major Facilities • File Subdistrict Service Plan with Eagle County • Hold TABOR Election • Issue Ability to Serve Letter • Issue Construction Plan Approval
Construction		
Construction of Major Facilities	<ul style="list-style-type: none"> • Funding for Construction of Major Facilities 	<ul style="list-style-type: none"> • Building Permit(s) • Construction of Major Facilities
Construction of Mainline Extensions	<ul style="list-style-type: none"> • Construction of Water and Wastewater Mainline Extensions • Conveyance of Infrastructure to District • 2-Year Warranty 	<ul style="list-style-type: none"> • Construction Inspections and Testing • Construction Acceptance • Final Acceptance

Water Demand Worksheet

I understand that the PUD Sketch Plan application is conceptual in nature and is subject to change during the permitting process as densities and land uses are established. Based on the preliminary project description provided, I project that the District will be able to provide augmentation water subject to the District's Water Rights Dedication process described in more detail below. An updated water demand worksheet must be provided to the District as the project progresses from PUD Sketch Plan to PUD Preliminary Plan and 1041 Permit to more fully understand the augmentation water requirements and the water and wastewater demands of the project for the design of major facilities.

Water Rights Dedication

District policy requires new developments seeking water service to dedicate physically and legally available water rights sufficient to augment the water use of the proposed development. If the development does not possess sufficient water rights to augment the water use of the proposed development, the development may dedicate available water rights and/or pay cash-in-lieu of a water rights dedication for a commitment of water rights from the District's available water supply subject to approval by the District's Board of Directors. The District is aware of the following facts regarding water rights:

- Hadcott, LLC possess title to senior irrigation season historic consumptive use credits from the O'Neill and Holland Ditch that have been quantified and changed for municipal use at the District's Wolcott diversion points in water court Case No. 17CW3249. Per District policy, these water rights must be dedicated to the District to augment the irrigation season (May through September) depletions resulting from the proposed development of the property. Please note that the District participated in the water court case to quantify and change these historic consumptive use credits for municipal use. Per the District's agreement with CJC Properties Limited Partnership, at such time that CJC Properties or its successor in interest seeks domestic water service for the subject property, then all legal, engineering, and other costs associated with the change case incurred by the District shall be refunded to the District prior to water service being provided. The District's costs incurred in the change case amount to \$88,045.
- Out-of-priority irrigation season and non-irrigation season (October through April) depletions resulting from the proposed development of the property that cannot be augmented by the historic consumptive use credits can be augmented from the District's in-basin and out-of-basin reservoir supplies subject to the payment of cash-in-lieu of water rights fees to the District. The District's plan for augmentation decreed in Case No. 08CW77 allows for storage releases from the District's supplies in Eagle Park and Homestake Reservoirs to augment out-of-priority municipal depletions in Wolcott. The District's plan for augmentation and exchange decreed in Case No. 09CW191 allows for storage releases from the District's contract supplies in Wolford Mountain Reservoir to augment out-of-priority municipal depletions in Wolcott by exchange. While we expect the Project's water demands to be refined as it progresses through the County's land use entitlement process, I anticipate that the District will have adequate augmentation supplies to commit to the Project's augmentation needs.
- Dedication of water rights, payment of cash-in-lieu of water rights dedication fees, refund of the District's costs in the aforementioned water rights change case, and the execution of a water and wastewater service agreement must be completed prior to the District issuing an Ability to Serve Letter. I anticipate that this will need to be completed before a Final Plat is submitted to Eagle County.

Major Facilities

The District expanded its service area to Wolcott with the goal of providing efficient and cost-effective water and wastewater service to future Wolcott development when enough demand for those services materialized. We believe that the development of a neighborhood community of this scale warrants

regional planning of major facilities for water and wastewater services so that anticipated development that may occur on surrounding properties in the area may also be served in the future. District policy dictates that developments seeking water and wastewater service which require the planning, design, and construction of new major water and wastewater facilities provide funding for the District to complete the planning, design, and construction of such facilities in collaboration with the developer. Major facilities include but are not limited to water and wastewater treatment facilities or facility expansions, water storage tanks, pressure reducing valves and valve vaults, and pumping facilities. Extensions of water and sewer mains within the PUD may be designed and constructed by the developer in conjunction with roads, utilities, storm drainage, other infrastructure, subject to the District's construction plan approval and construction acceptance process.

Planning, design, permitting, financing, and construction of major facilities will require significant lead time and these facilities must be constructed and operational before customers will be able to tap into the water and wastewater systems for service; therefore, it will be critical to come to a mutual agreement on process, responsibilities, financing arrangements and timelines for these major water and wastewater facilities as the project progresses through the Eagle County entitlement process. Once the project receives PUD Sketch Plan approval and you are ready to begin work on application materials for PUD Preliminary Plan and 1041 permitting, I recommend that a major facility agreement be entered into with the District that details responsibilities and process for planning, design, permitting, financing, and construction.

I anticipate that the District will need to coordinate with you during this phase to develop conceptual major facility plans for 1041 permitting. I would prefer that the District prepare and submit a 1041 Permit application to Eagle County for the major water and wastewater facilities to address the land use requirements and impacts of those facilities. If the County determines that a 1041 permit is also applicable for impacts associated with the PUD Preliminary Plan, I would prefer that you be responsible for that application as outlined in Table 1. I suggest that we meet with the Eagle County planning department to clarify this point early in the process.

If the project successfully obtains PUD Preliminary Plan and 1041 Permit approval, I anticipate that detailed design and permitting of major facilities for construction will occur prior to a Final Plat for PUD submittal. During this phase, the District may use one of several Integrated Project Delivery (IPD) methods authorized under C.R.S. § 32-1-1804 for the design and construction of major facilities needed to serve the project as an alternative to the traditional design-bid-build project delivery approach. IPD may involve either a construction manager-at-risk (CMAR) or a design-build entity during the detailed design and permitting phase and will require that the District conduct a qualifications-based selection process. The advantage of the IPD approach is that it typically involves construction cost estimating and scheduling during the design process, the CMAR or design-builder can provide constructability and value engineering reviews during the design phase to manage costs, construction and design schedules can be compressed, and long lead-time items can be pre-purchased to avoid construction delays. A guaranteed maximum price contract for construction of the major facilities can also be developed during the later stages of the design phase to provide cost certainty for construction financing. I would be happy to discuss my thoughts on this process further to answer any questions you may have.

Subdistrict Creation

The District's Wolcott service area is anticipated to require the creation of a new water and wastewater subdistrict. The Wolcott subdistrict will be a new standalone service area in which the costs to construct, operate, and maintain the infrastructure will be borne by future customers through monthly service charges, rates, and fees. The creation of the subdistrict will require the filing of a subdistrict service plan with Eagle County and a TABOR election to authorize property taxes and the issuance of general obligation debt. I anticipate that you will need to provide some form of financial guarantee to adequately fund debt service payments for the subdistrict until property tax revenues from the development can sustain the annual debt service payments. The creation of the subdistrict and TABOR election should occur prior to a Final Plat for PUD submittal to Eagle County.

This letter outlines the District's current understanding of how the proposed project will receive water and wastewater service. As the project proceeds through the complex land use entitlement and permitting process additional issues may be identified. The District anticipates that once all the above conditions are satisfied, the District will be able to issue an Ability to Serve Letter for the project and provide water and wastewater service to the project.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason Cowles", with a stylized flourish extending to the right.

Jason Cowles, P.E.
Director of Engineering & Water Resources



MEMORANDUM

TO: Boards of Directors
FROM: Diane Johnson, Communications & Public Affairs Manager
DATE: April 28, 2022
RE: Communications and Public Affairs Report

2022 Colorado Legislative Session

With the state session scheduled to adjourn May 11, things change daily. Kristin will report on water-related bills of interest while Kathryn will mention bills that affect Colorado Special Districts, including [HB22-1363](#), "Concerning measures to increase the accountability of special districts to taxpayers." See the attached Apr. 21 Denver Post story for more info.

Eagle River Valley State of the River meeting

Eagle River Water & Sanitation District, along with Eagle River Watershed Council, will again host the Eagle River Valley version of the Colorado River Water Conservation District's "State of the River" meetings that occur annually throughout their 15-county service area. We worked with the River District in 2011 to create this forum in the Eagle River valley and have led its coordination since.

The meeting will be held at 5:15 p.m., Thursday, June 2, at Colorado Mountain College in Edwards. The format will follow previous ones, with information tables and food available at 5:15 p.m. to be followed by a variety of speakers from 6 to 8 p.m.

The River District annually organizes the State of the River series to engage residents throughout the broad Colorado River Basin (within Colorado). Local hosts like ERWC and the district create the link from local water issues to regional or statewide ones. We are working together on the agenda to plan a variety of topics and speakers to provide a cohesive program.

Town of Vail Sustainable Landscaping Workshop

As part of the town of Vail's "Restore the Gore" campaign, the town hosted a free "[sustainable landscape workshop](#)" on April 13 for any interested person. It was a technical 6-hour class and was well attended, primarily by landscaping representatives. The district partnered with the town on the event and we also presented information about our water supplies, regulations, conservation, and rebate programs.

Attachments (or hyperlinks):

1. Apr. 21 Denver Post: *Colorado metro districts could see more oversight under lawmakers' proposal*

Supplemental info – electronic only

1. Apr. 6 Aspen Journalism: [Glenwood Springs secures water right for whitewater parks](#)
2. Apr. 13 Colorado Sun: [Interior Department may limit Lake Powell water releases to protect infrastructure, hydropower production](#)
3. Apr. 14 Vail Daily: [Vail area snowpack gets a boost from recent storms](#)
4. Apr. 15 Colorado Sun: [Colorado's attorney general wades into murky river dispute that could upend access to rivers, streams](#)



POLITICS • News

Colorado metro districts could see more oversight under lawmakers' proposal

The legislation will be heard in its first House committee on April 26



Helen H. Richardson, The Denver Post

DEER TRAIL, COLORADO – December 22: An excavator digs out the foundation of a new home in the Bijou Creek subdivision on December 22, 2020 in Deer Trail, Colorado. The Deer Trail water tower is a prominent feature in the town seen in the background. This subdivision is a metro district at the south end of Deer Trail. A conflict of interest in Bijou Creek Metro District has come up where a town trustee also serves on metro district board and her brother-in-law is the subdivision's developer. (Photo by Helen H. Richardson/The Denver Post)

By **SAJA HINDI** | shindi@denverpost.com | The Denver Post

PUBLISHED: April 19, 2022 at 6:00 a.m. | UPDATED: April 19, 2022 at 4:00 p.m.



5

A new Colorado legislative proposal aims to increase accountability and transparency of metro districts, part of a yearslong effort to reform the more than [2,100 separate taxing authorities](#) in the state.

Metro districts have [existed in the state for decades](#), though they have been used much more in recent years, allowing developers to fund large housing projects and infrastructure by forming an independent governmental entity to get bonds that are repaid in future years by homeowners in the newly constructed subdivisions. All special districts, including metro districts, are required to get approval for their service plans from their local governments.

The metro districts can then issue massive amounts of debt to finance public infrastructure. The districts have been criticized for allowing boards often controlled by developers to approve millions of dollars in future taxes for hundreds of homes that would have to pay off the debt for decades. A [2019 Denver Post investigation](#) showed that some of these bonds were designed to remain unpaid for decades, leading to debts that were significantly higher than the value of the homes leveraged to pay off those debts.

These issues have led to some changes, including by a new law passed [last year](#), but reform advocates say there's still so much more to be done.

Rep. Mike Weissman, an Aurora Democrat, has spent hundreds of hours studying metro districts and the debt residents are saddle with for years. It's a topic that grabbed his attention before he was even elected to the state legislature in 2017, and this year, he's sponsoring [HB22-1363](#) with Democratic Rep. Andrew Boesenecker of Fort Collins in an attempt to create more oversight of metro districts. He's already receiving opposition to the bill, which some groups worry is a "one-size-fits-all" solution and could have unintended consequences on other special districts.

The bill would give local governments more authority in reviewing proposed service plan changes, set restrictions on where metro district board meetings can be held and allow local governments more say related to the scope of metro district services plans, "including limitations on excessively long or potentially conflicted debt issuance," Weissman said. It's set to be heard on April 26 in the House Transportation and Local Government Committee.

"In recent years, I have heard more and more acute issues from residents, and it became clearly necessary to try to start addressing some of the problems," he said.

Weissman acknowledged that his bill won't address every issue he or metro district reform groups want, something he said has been years in the making and would be impossible to do in one bill. Another bill he cosponsored this year, [SB 22-136](#), sought to address representation on metro district boards, but that failed.

But he hopes if this bill passes, local governments will be more actively involved in oversight of metro districts and that it would at least limit "certain abusive practices, like complex intergovernmental arrangements, very long term indebtedness, and debt issuances that financially benefit entities connected to the issuance of the debt in the first place."

"Right now in Colorado we are having a big debate about the cost of living, about the cost of housing in particular, and about property taxes. Part of property taxes is the rapid increase in property values," he said. "But the other part of that is property tax levies (mills). ... Metro district taxation has to be part of the conversation about the overall cost of housing and everything else."

Groups like the Metro District Education Coalition, however, argue that the bill would have the opposite effect and that cities and counties use metro districts to spread out costs over time, keeping them lower for residents. Executive Director Kristi Pollard said capping debt could lead to residents paying more money because the proposed law would shift the risk to investors, requiring higher interest rates or compensation, which would then get passed onto the residents themselves.

"That should be a city or county looking at what they think those terms should be, what the amount should be, and what the timeframe should be, so that they can take into account all of the needs and the capacity of the community in which they are governing," Pollard said.

The bill would also prevent developers from buying their own bonds, which Pollard said could further contribute to higher costs for residents.



"Based upon this bill, this is just a beginning," Henderson said. "There's so much more that we need to do to address the substantive abuses."