



MEMORANDUM

TO: Board of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: September 16, 2022
RE: September 22, 2022, Board Meeting

This memorandum shall serve as notice of a Special Meeting of the Board of Directors of the Eagle River Water & Sanitation District:

**Thursday, September 22, 2022
12:00 p.m.**

This meeting will be held in-person for Board members

Walter Kirch Room
Eagle River Water & Sanitation District Vail office
846 Forest Road
Vail, Colorado

Due to concerns regarding COVID-19 and the benefits of limiting in-person contact, this meeting is open to public participants virtually through Microsoft Teams, except during Executive Session pursuant to §24-6-402, C.R.S. Login information is available prior to the meeting by emailing info@erwsd.org.

Public comments are welcomed during the meeting's designated public comment period consistent with §18-9-108, C.R.S. Speakers may address the Board on a first-recognized basis by the Chair. Public comments are limited to three minutes per speaker on relevant matters not listed on the agenda.



BOARD OF DIRECTORS SPECIAL MEETING
Thursday, September 22, 2022
12:00 p.m.
Walter Kirch Conference Room

AGENDA

Attachment Link

1. **Introductions**
2. **Public Comment**
3. **Rocky Mountain Water Environment Association Sustainability Award Recipient: Edwards Wastewater Treatment Facility – Kira Koppel & Nick Tessmer** [Informational](#)
4. **Action Items**
 - 4.1. Approval of minutes from August 25, 2022, Special Meeting [Action Item](#)
 - 4.2. Approval of contract log [Action Item](#)
 - 4.3. Indoor efficiency rebate policy – Jason Cowles [Action Item](#)
 - 4.4. Merging water systems for regulatory compliance – Brad Zachman [Action Item](#)
 - 4.5. Adoption of Compensation and Classification study recommendations on wage adjustment and cost-of-living adjustment (COLA) – David Norris [Action Item](#)
5. **Information Reports**
 - 5.1. Development report [Informational](#)
 - 5.2. Board committees [Informational](#)
 - 5.3. August Authority meeting summary – draft [Informational](#)
6. **Strategy Items**
 - 6.1. Board member input
7. **General Manager Report – Linn Brooks**
 - 7.1. GM information items
 - 7.2. Business Administration report
 - 7.2.1. Colorado's Paid Family and Medical Leave Insurance ("FAMLI") Program and the Opt-Out Process – Tom Borawski & Tracy Rymph [Informational](#)
 - 7.3. Operations report – Siri Roman [Informational](#)
 - 7.3.1. Sanitary Survey update – Brad Zachman
 - 7.4. Engineering and Water Resources report – Jason Cowles [Informational](#)
 - 7.5. Communications and Public Affairs report – Diane Johnson
8. **Water Counsel Report – Kristin Moseley** [Informational](#)
9. **Special Water Counsel Report – Glenn Porzak** [Confidential](#)

10. General Counsel Report – Kathryn Winn

Confidential

11. Executive Session – Motion to move into Executive Session pursuant to §24-6-402(4)(e) and (f), C.R.S, for further discussion and consideration of the General Manager position and finalists and for the purpose of determining positions and instructing negotiators concerning an offer letter and contract for the General Manager position.

12. Any action as a result of Executive Session

12.1. Selection of successor General Manager

13. Adjournment



MEMORANDUM

TO: Board of Directors

FROM: Kira Koppel, Sustainability Coordinator

DATE: Sept. 22, 2022

RE: Rocky Mountain Water Environment Association (RMWEA) Sustainability Award

The Edwards Wastewater Treatment Facility (EWWTF) was recently awarded the 2022 RMWEA Sustainability Award for Water Resource Recovery Facilities. This award is presented to a water resource recovery facility that embraces the principles of sustainability. The award is intended to recognize systems thinking, design practices, management practices, and infrastructure systems that not only sustain the utility, but society as well.

EWWTF employees were recognized for their ability to reduce energy consumption during times of peak energy demand. In these times, our electric utility (Holy Cross Energy) often needs to purchase excess energy outside of their regular energy portfolio to meet the high demand. This energy is typically much more expensive and much more polluting than Holy Cross Energy's regular supply. Reducing energy consumption at EWWTF helps to reduce overall greenhouse gas emissions from that energy supply, as the facility is such a large energy consumer.

To ensure consistency in reducing use at peak times, all EWWTF electric meters are enrolled in Holy Cross Energy's Peak Time Payback Program. This program credits the district for every kWh not consumed during peak times (below each meter's regular baseline). EWWTF has been a shining example of how to achieve considerable energy and cost savings by peak shaving.

The success seen at EWWTF paved the way to enrolling every single electric meter attached to our equipment and facilities in the Peak Time Payback program, leading to a combined reduction of 49,641 kWh of electricity and savings of \$29,661 in 2021 alone. Since EWWTF helped pilot the Peak Time Payback program from inception in 2019 through 2021, the district has reduced a grand total of 148,056 kWh of electricity and saved \$104,213 – that's the same amount of energy required for 13 years of annual household use or removing 22 gasoline-powered passenger vehicles from the road for one year.

We congratulate and thank facility supervisor Nick Tessmer and the EWWTF team – both past and present – as well as our Operations Technology team, namely Byron Nelson, for the hard work they have put into reducing the facility's energy use.

EAGLE RIVER WATER & SANITATION DISTRICT 2022 CONTRACT LOG

| Contract No. | Date Executed | Change Order Signed On | Project Name | Contractor | Contract Amt | Project Mgr. | Account No. | Status / Notes |
|--------------|---------------|------------------------|--|--------------------------------------|----------------|--------------|-------------------------------------|--------------------------------|
| 22.15.068 | 08/22/22 | | North Frontage Road Water Line Improvements | JVA, Inc. | \$34,900.00 | W. Spring | 10.3.2.20.19.024 | Open/Contract Expires 4/30/23 |
| 22.15.069 | Pending | | Lab Ice/Water Machine | Plumbing Systems Inc. (PSI) | \$2,437.00 | M. Cushman | 10.3.9.10.20.500 | Open/Contract Expires 9/30/22 |
| 22.15.070 | 8/23/2022 | | On Call Geotechnical Services | Ground Engineering Consultants, Inc. | \$50,000.00 | N. Nemcanin | Various | Open/Contract Expires 8/31/23 |
| 22.15.071 | Pending | | Vail WWTF MPI Improvements | Holy Cross Energy | \$35,000.00 | M. Marts | 10.3.2.10.03.316 | Open/Contract Expires 12/31/23 |
| 22.15.072 | 09/01/22 | | Fleet Maintenance and Storage Facility at Edwards Wastewater | D2C Architects, Inc. | \$82,275.00 | M. Mantua | 10.3.2.10.05.159 | Open/Contract Expires 7/4/24 |
| 22.15.073 | Pending | | Vail WWTF Master Plan Improvements | PCL Constructors, Inc. | \$2,889,278.00 | M. Marts | 10.3.2.10.03.316 | Open/Contract Expires 1/19/24 |
| 22.15.074 | Pending | | WDM QWEL Program - Irrigation Analysis | Irrigation Analysis | \$7,150.00 | C. Wolff | 10.3.9.20.30.778 & 20.1.9.00.25.778 | Open/Contract Expires 12/31/22 |
| 22.15.075 | 09/14/22 | | WDM QWEL Program - Water Now Alliance | Water Now Alliance | \$9,024.00 | C. Wolff | 10.3.9.20.30.778 & 20.1.9.00.25.778 | Open/Contract Expires 12/31/22 |
| 22.15.076 | Pending | | Carpet Vail Offices | Maverick Flooring Inc. | \$2,988.37 | M. Cushman | 10.3.9.10.20.500 | Open/Contract Expires 10/1/22 |
| 22.15.077 | Pending | | SLI Field Data Collection | IMEG | \$60,000.00 | C. Helmke | 10.3.9.20.21.772 | Open/Contract Expires 12/31/22 |



MEMORANDUM

TO: District and Authority Boards
FROM: Jason Cowles, P.E.
DATE: September 14, 2022
RE: Indoor Water Efficiency Rebate Policy

The following outlines a policy for indoor water efficiency rebates for the Boards to consider for adoption based on direction from last month's meeting.

The 2018 Eagle River Regional Water Efficiency Plan established goals for water conservation including an indoor water savings goal of 9% by the year 2030. Our current water efficiency rebate programs strategically target outdoor water conservation because outdoor water use has a greater impact on our water supply and passive indoor water use savings are being realized due to improved building codes. In certain instances, indoor water efficiency upgrades can result in substantial water use savings and water supply benefits; therefore, the Authority and District may consider rebates for indoor water efficiency upgrades using the following eligibility criteria.

- Indoor efficiency rebates are intended to assist with lowering the monthly costs of water and sewer service for affordable and workforce housing types. Eligible properties include but are not limited to employee housing units, rental apartments, mobile homes, or other high-density multi-family housing types that provide housing for local workforce.
- Properties meeting the above criteria with plumbing fixtures that were installed prior to 1994 are eligible for indoor water efficiency rebates.
- Plumbing fixtures must be replaced with EPA WasteSense labeled products.
- Toilets must be replaced with toilets that use 1.1 gallons per flush or less.
- Additional consideration may be given to properties that result in greater water supply benefits due to their location.
- Indoor water efficiency rebates will be considered on a case-by-case basis, are subject to availability of funds, and are subject to the discretion of the District and Authority.

Please advise if you would like me to make any changes to the proposed policy. Otherwise, I recommend that the Boards move to adopt the policy as presented.



BOARD ACTION REQUEST

TO: Boards of Directors

FROM: Brad Zachman, Water Manager

DATE: September 14, 2022

RE: Request to Combine District and Authority Public Water Systems' Regulatory Compliance Programs

Purpose:

In April 2020, the District and Authority boards authorized staff to make a formal request to the Colorado Department of Public Health and Environment (CDPHE) to merge the regulatory programs for the District's and Authority's public water systems (PWSs). Specific details and background information regarding the rationale for merging the regulatory programs is provided in the attached board action request memo dated April 15, 2020.

A formal request to merge the regulatory programs was submitted by District staff to the CDPHE on April 23, 2020. In response, the CDPHE informed staff of forthcoming regulatory changes that could potentially have had implications on the combined PWS. The CDPHE suggested that District staff perform additional testing and monitoring to confirm regulatory preparedness prior to merging the regulatory programs. Staff has now completed the suggested testing and monitoring and is ready to submit the final request to CDPHE, pending authorizations from the boards.

Given the 2+ year delay since the initial board approvals, the purpose of this board action request is to reaffirm that both boards continue to support merging the two regulatory programs. Functionally, this will result in the creation of a single PWS identification number (PWSID) in the CDPHE and EPA databases. Asset identifications will be administratively merged and the District's and Authority's individual PWSs will become formally regulated as a single system. Reassignment of the PWSIDs for regulatory purposes will not affect the District's and Authority's legal status as independent political entities.

Background:

Since issuing the initial CDPHE request in April 2020, staff has been working to address several important logistical and regulatory issues that would apply to the combined PWS. Of specific importance is the Lead and Copper Rule Revisions (LCRR), which became effective on December 16, 2021. The LCRR defines stricter requirements for systems that have service populations greater than 50,000 and will thereby apply to the combined PWS.

District staff has performed extensive follow-up testing and water quality monitoring to ensure that the combined PWS will meet the stricter LCRR requirements for a large system. Some of the major steps that were taken are summarized below.

- **Optimized Corrosion Control Treatment study (OCCT).** Beginning in January 2020, a system-wide OCCT study was designed, implemented, and completed. Completion of an OCCT is a requirement for a large PWS, as defined in the LCRR. The primary finding of the OCCT study was the existing corrosion inhibitor feed systems did not provide significant corrosion control compared to the control (i.e., “no treatment”) alternative.
- **Discontinuation of Corrosion inhibitor feeds systems.** Based on the results of the OCCT study (and with CDPHE approval), corrosion inhibitor feed rates were incrementally ramped down across both systems over a 6-month period starting in July 2021. The feeds were completely discontinued in December 2021. No noticeable impacts to lead and copper concentrations have been observed in the system since the corrosion inhibitor feeds were discontinued.
- **Lead and copper monitoring.** Increased lead and copper monitoring requirements were triggered by the discontinuation of the corrosion inhibitor feeds. The number of sample sites was increased to 60 (from 30) in each PWS and the sampling frequency was increased to 6 months (from annual). Increased monitoring was initiated in July 2021 and continued through June 2022. No increases in lead or copper concentrations have been observed. The District and Authority PWSs returned to a reduced compliance schedule for lead and copper monitoring in July 2022 after the increased monitoring requirement was satisfied.
- **Entry point lead and copper monitoring.** Entry point monitoring for lead and copper is a requirement of the LCRR for large systems and is used to demonstrate optimal corrosion control treatment. Entry point monitoring was initiated in July 2021 and has continued at a frequency of once per 6-month monitoring period. The results of the entry point monitoring have confirmed that OCCT has been demonstrated in both PWSs, even after the corrosion control feeds were discontinued.
- **Distribution system water quality parameter (WQP) monitoring.** Staff initiated a system-wide sampling program to establish background levels of select water quality parameters that could potentially affect distribution system corrosivity. System-wide monthly monitoring has been performed since July 2021. No significant change in distribution water quality has been observed, even after the corrosion control feeds were discontinued.

Discussion:

The District and Authority PSWs are philosophically and practically operated as a single large system compared to two smaller independent systems. Combining the regulatory programs would allow system monitoring and regulation to align with actual system operations. Furthermore, the District and Authority would realize numerous operational, regulatory, and administrative, efficiencies if the systems were to become regulated as a single system.

The results of the comprehensive multi-year testing and monitoring programs summarized above confirm that the combined PWS will meet the regulatory requirements of the LCRR. No additional studies, system changes, or infrastructure improvements are expected as a result of the proposed PWS reclassification.

Staff Recommendation:

Staff recommends that the District and Authority PWSs be regulated as a single system. To regulate the systems as one, CDPHE will need to administratively reassign the two systems under a single PWSID.

Requested Action:

Authorize staff to submit a formal request to CDPHE to combine the individual District and Authority PWSIDs into a single PWSID for regulatory compliance purposes.

Legal Issues:

Reassignment of the PWSIDs for regulatory purposes will not affect the District and Authority's legal status as independent political entities.

General legal counsel was consulted. Kathryn Winn responded that her office does not have major legal concerns with merging the regulatory programs but cautioned that there may be some implications regarding the need to consolidate permits. There may also be a general increase in regulation for larger systems.

Water Rights legal counsel was consulted. Kristin Moseley responded that her office does not foresee any impact to decreed water rights. It is advised that future correspondence with CDPHE clarify that combining the PWSIDs of the two systems has no bearing on the water right decrees of either entity.

Budget Implication:

Budget implications will generally be minimal. Short-term budget implications are expected to be negligible. Minor long-term budget savings may be realized due to improved administrative efficiencies.

Recommendation:

Approve the request as presented.

Suggested Resolution and Motion:

Authorize staff to submit a formal request to CDPHE to combine the District and Authority PWSIDs into a single PWSID for regulatory compliance purposes.



BOARD ACTION REQUEST

TO: Boards of Directors
FROM: Brad Zachman, Water Manager
DATE: April 15, 2020
RE: Request to Authorize CDPHE to Combine District and Authority Public Water System Identification Numbers

Summary of Subject:

The Colorado Department of Public Health and Environment (CDPHE) and the US Environmental Protection Agency (EPA) currently identify and regulate the District and Authority public water systems (PWSs) as two entirely independent systems with independent PWS identification numbers (PWSIDs) and system-specific regulatory requirements, monitoring schedules, and reporting requirements. This regulatory approach makes logical sense considering the political independence of the District and Authority entities, but it does not align with actual operating practices.

CDPHE compliance enforcement staff recently expressed concern that the current regulatory approach may not be appropriate. However, per the Colorado Primary Drinking Water Regulations, CDPHE does not have the regulatory Authority to require a different compliance approach. CDPHE will allow the two systems to be regulated as a single system, but only at the request of District and Authority.

Discussion and Background:

The District and Authority systems are philosophically and functionally operated as a single large system. For example, potable water is routinely transferred back and forth between the District and Authority distribution systems via a physical interconnection point located at Dowd Junction. The transfer of water between systems is mutually beneficial for a variety of reasons including water rights augmentation, streamflow management and drought mitigation, operational and emergency redundancy, and water quality management. However, since the two systems are currently regulated as separate independent systems, the individual monitoring schedules and monitoring plans do not specifically consider water quality impacts from the routine mixing of the two systems. Considering the two systems are functionally operated as a single system, the appropriate regulatory approach is to monitor and regulate them as one system.

The District and Authority would realize numerous operational, regulatory, and administrative efficiencies if the systems were to become regulated as a single system, as summarized in the list below:

- Alignment of Regulation with Actual System Operation – As previously mentioned, the District and Authority systems are philosophically and practically operated as a single large system compared to two smaller independent systems. Combining the regulatory programs would allow system monitoring and regulation to align with actual system operations.
- Monitoring Plans – A single, comprehensive monitoring plan would be required for the entire system. Currently two separate and independent plans are required and maintained.
- Water Quality Sampling Plans – Sampling plans for individual rule compliance would only be required for a single system. Currently, an entire set of sampling plans is required for both systems. The existing plans will be reviewed, improved, and merged. The revised plans will reflect water mixing between the two systems and sample sites would be selected based on a holistic evaluation of the entire system.
- BPCCC Tracking and Reporting – A single Backflow Protection and Cross Connection Control (BPCCC) tracking system would be developed and maintained (versus two currently). Likewise, only a single BPCCC annual report would be required.
- Consumer Confidence Report (CCR) – One annual CCR would be developed and delivered to all customers. Currently, separate CCRs are created for each system and both CCRs must be distributed to all customers.
- Lead and Copper Sampling – If the regulatory programs are combined, the number of Lead and Copper Rule sample locations would be reduced by 50% (from 60 to 30) after the initial sampling period is completed. Lead and copper sampling and coordination is the most costly and labor-intensive sampling program for the District and Authority systems.
- Sanitary Survey Frequency – CDPHE sanitary surveys (i.e., inspections) for the District and Authority are currently on different three-year compliance schedules. This creates a burden for operational staff since they must prepare for sanitary surveys every one to two years. If regulatory programs are combined, both systems would be on a single schedule.
- Emergency plans and Risk Assessment – The American Water Infrastructure Act requires community water systems to develop and update risk assessment and emergency response plans. If the regulatory programs are combined, a single plan would be required, versus two if they remain separate.

Staff Recommendation:

Operations staff recommends that the District and Authority PWSs be regulated as a single system. To regulate the systems as one, CDPHE will need to administratively reassign the two systems under a single PWSID.

Requested Action:

Authorize staff to submit a formal request to CDPHE to combine the individual District and Authority PWSIDs into a single PWSID for regulatory compliance purposes.

Legal Issues:

Reassignment of the PWSIDs for regulatory purposes would not affect the District and Authority's legal status as independent political entities, and both would be listed as "owners" associated with the single PWSID.

Glenn Porzak advised that staff ensure communications with CDPHE clarify that combining the PWSIDs of the two systems has no bearing on the water right decrees of either entity.

Budget Implication:

Short-term budget implications are expected to be negligible. Minor long-term budget savings may be realized due to improved administrative efficiencies.

Recommendation:

Approve the request as presented.

Suggested Resolution and Motion:

Authorize staff to submit a formal request to CDPHE to combine the District and Authority PWSIDs into a single PWSID for regulatory compliance purposes.



BOARD ACTION REQUEST

TO: Board of Directors

FROM: David Norris, Director of Business Administration
Tom Borawski, HR Manager

DATE: September 15, 2022

RE: Classification & Compensation Results & Recommendation, Annual Wage Policy:
Separate Calculations for Cost-of-living and Merit Increases

Summary: Staff recommends the board implement CPS HR's wage adjustment recommendation, effective the first pay period in October 2022, and adopt an annual Cost-Of-Living Adjustment (COLA) policy to ensure that staff wages and pay ranges keep pace with the Cost-Of-Living.

Section 1 – Wage Adjustment Recommendation

Discussion and Background: In Summer 2021, the Eagle River Water and Sanitation District (ERWSD) retained the services of CPS HR Consulting to engage in a comprehensive classification and compensation study. The purpose of the study was to provide a more effective classification structure from which to build upon, ensure positions were classified appropriately based on their duties, confirm minimum qualifications, core duties, job titles, organizational structure, and compensation. The study cost a total of \$187,230 and was a collaborative undertaking that required many resources from the District, including over 32 meetings with CPS HR, a plethora of internal meetings, 13 months, analysis of 115 positions, the development of 73 classifications, 63 interviews, and the completion of 128 Position Description Questionnaires (PDQs).

Outcomes from the study include:

1. Wages based on the cost of living
2. Competitive market positioning
3. Standardized pay grades
4. Internal pay equity
5. A systematic approach to compensation
6. A foundation for the future

While CPS HR's full classification and compensation report will follow later this year, several important findings are noted below.

CPS HR found that the District's classification system was too "narrow" – meaning it had too many individualized positions, and they recommended collapsing positions with similar core duties into broader classifications. This will ease the District's administration of the classification system and align staff across their core duties and minimum qualifications.

In their compensation analysis, CPS HR compared the District to the labor market and factored in the Vail Valley's high cost of living. CPS HR recommended that to align District base wages with the labor market and account for the high cost of living, while considering rate payers, the District should pay an additional 12.9% of the total annualized cost of payroll (approximately \$1.6 million).

A District team met with the Organizational Development board sub-committee shortly after receiving the data from CPS HR and discussed options to move forward. Included in the proposed 2023 budget package (to be delivered in October 2023), were placeholders for the adjustment to compensation and a decision item for a merit and cost of living adjustment package. With all the proposed budgetary figures for 2023, the rate package stays within the overall percentages for rates to cover expenses. The District leadership and their respective teams met to align requests and expenses to the strategic priorities for 2023, ensuring the study and reciprocating adjustment was prioritized. The total proposed 2023 budgeted amount for staff, without FTE requests, is \$1.696 million. After meeting with the Organizational Development board sub-committee, the supported solution was to address the findings as indicated by CPS HR if the funds are within the same totals as proposed 2023 budgets.

After discussing with the leadership team, it became readily apparent that to effectively manage staff the District would need to budget for not only the classification and compensation adjustment, but a merit increase as well. Adjusting for the study only, without considering merit, would deviate from the District's emphasis on performance. The leadership team went back to the submitted decision items and operating budgets and removed one decision item for \$85k, as well as reduced operating budgets for meter purchases in 2023 by another \$100k. This adjustment changes the net position of the budgeted amounts within the proposed budget to a total of \$1.881 million.

Option A:

After aligning pay ranges to the recommendations put forth by CPS HR, placing employees in their relative positions within their new pay ranges, accounting for internal equity and the proposed merit & cost of living package in the 2023 budget proposal, there are two options to review as follows:

| | |
|---------------------------------|------------------------|
| 2023 Base Wages + Benefits | \$1.266 million |
| 2023 2% Merit Increase | \$305,328 |
| 2023 1% Cost of Living Increase | \$152,664 |
| Total Cost | \$1.724 million |
| Proposed 2023 Budget Amount | \$1.881 million |
| Net Total* | \$156,820 |

*The net total is proposed 2023 budgeted amount minus total cost to implement recommendation minus proposed budget, where the remaining 156k would be reduced from total budgets.

This adjustment will more readily connect wages with our labor market and the cost of living in the area. By doing so, the District will be poised to recruit and retain high quality staff and ensure they are able to call the valley home for years to come.

Option B:

Similar to option A, this option would be focused on merit only to value pay for performance strategies and District values.

| | |
|-----------------------------|------------------------|
| 2023 Base Wages + Benefits | \$1.266 million |
| 2023 3% Merit Increase | \$457,992 |
| Total Cost | \$1.724 million |
| Proposed 2023 Budget Amount | \$1.881 million |
| Net Total* | \$156,820 |

*The net total is proposed 2023 budgeted amount minus total cost to implement recommendation minus proposed budget, where the remaining 156k would be reduced from total budgets.

Much like Option A, this adjustment will more readily connect wages with our labor market and the cost of living in the area. By doing so, the District will be poised to recruit and retain high quality staff and ensure they are able to call the valley home for years to come. The difference with this option is the movement through the range at 1% higher than Option A.

Recommendation: *Option A:* Effective the first paycheck in October (October 7th) the District adjust wages per CPS HR's recommendation and adopt a budgeted merit increase of 2% and 1% cost of living adjustment in 2023.

Budget Impacts: This expense is reflected in the 2023 budget package, with a total cost of \$1.724 million for 2023.

Legal Issues: N/A

Suggested Board Motion: I move that the board approve the implementation of Option A of the comprehensive classification and compensation study effective the first paycheck in October 2022.

Section 2 – Cost-of-Living Policy

Discussion and Background: Merit increases are awarded based on an employee's average rating of their Monthly Performance Alignment Conversations (MPACs). Cost-of-Living Adjustments (COLA) are designed to keep wages and ranges marketable, so that buying power is retained year over year and is dependent on rising costs of goods and services in the area. Currently, Cost-of-Living Adjustments have been packed within the annual merit package as one package. This method can be effective in low inflationary environments; however, it needs to be reviewed annually as to the cost-of-living indexes and adjusted accordingly. In times of higher inflationary periods, this strategy is not able to keep up with increasing market wages and does not provide intentional separation between pay-for-performance (merit) increases and Cost of Living Adjustments. Staff is recommending a framework for an annual wage increase that will work in both low and high inflationary environments. The proposed framework would still include one annual wage increase, but that increase will include separate calculations for merit and cost-of-living. The figures for the two separate calculations would be determined during the budget process.


As recommended by CPS HR, the cost-of-living component would be tied to the Employment Cost Index (ECI), which is currently at 3.4% for 2022. Providing two separate annual wage increases (a Cost-of-Living Adjustment and a merit increase) will ensure wages keep pace with inflation and that merit increases reflect job performance and employee experience. The COLA would be applied both to individual wages and to pay ranges. We expect this policy to meet its intent in all inflationary environments, even in periods of deflation, to support the District's ability to recruit and retain a high-quality workforce, while achieving fiscal prudence. The merit component of the wage increase will remain a proposed 4% budget increase for 2023.

Recommendation: Beginning in 2023, the annual wage increase shall consist of separate calculations for a Cost-of-Living Adjustment (COLA) and a Merit Increase. The COLA and Merit Increase figures will be determined during the budget process each year, with the COLA conforming to the annual ECI figure (currently 3.4% in 2022). The merit increase will continue as-is. Approval of this Annual Wage Policy does not constitute a commitment to any of the aforementioned percentages, which will be determined during the budgetary process each year.

Budget Impacts: The impact to the budget will be variable depending on inflation for that particular year.

Legal Issues: N/A

Suggested Board Motion: I move that the board approve the proposed Annual Wage Policy that allows for separate components for a Cost-of-Living Adjustment (effective for both individual wages and ranges) and a Merit Increase.

| ERWSD New Development Report | | | | | | | | |
|---|---|---------------------------|------------------------------------|---|------------------------------|----------------------------|------------------------------------|-------------------------------------|
| September 2022 | | | | | | | | |
|  | | Type of Use | SFEs Proposed | Location | Existing Service Commitment? | Augmentation Requirement | Development Approval Process Step: | Construction Approval Process Step: |
| | 534 E Lionshead Circle - Elevation | Residential | 12 | Vail | No | 0.49 | 2. Water Analysis | 0. Conceptual |
| | 500 E Lionshead Circle - Legacy | Residential | 23 | Vail | No | 0.31 | 2. Water Analysis | 2. Plan Approval |
| | Alura (Miradoro) | Residential | 10 | Vail | No | 0.83 | 1. Connection Application | 1. Plan Review |
| | Belden Place (1200 Block Main St) | Residential | 41 | Minturn | Yes | | N/A | 2 Plan Approval |
| | Booth Heights | Residential | 61 | Vail | No | TBD | 1. Connection Application | 0. Conceptual |
| | Highline (Double Tree Expansion) | Residential | 43.65 | Vail | No | 0.79 | 6. Ability to Serve Letter | 1. Plan Review |
| | North Minturn PUD | Residential | 184 | Minturn | Yes | | N/A | 1. Plan Review |
| | The Residences at Main Vail | Residential | 72 | Vail | No | 0.81 | 6. Ability to Serve Letter | 2. Plan Approval |
| | S. Frontage Rd Roundabout | Infrastructure | N/A | Vail | Yes | | N/A | 2. Plan Approval |
| | Vail Mountain View Phase II | Mixed Use | 37 | Vail | Yes | | 6. Ability to Serve Letter | N/A |
| | VVMC Phase II-East Wing | Commercial | -- | Vail | Yes | | N/A | 2. Plan Approval |
| | Vail Marriott Residence Inn | Mixed Use | 75 | Vail | Yes | | N/A | 2. Plan Approval |
| | Wolcott PUD | Mixed Use | 328 + Com | Wolcott | No | TBD | 0. Conceptual | 0. Conceptual |
| | Projects Completing Warranty Period | | | | | | | |
| | 3010 Basingdale (Phase II), 841/851 Main St Minturn, Red Sandstone Parking Garage | | | | | | | |
| Process | Construction Approval Process Steps: | 0. Conceptual | 1. Plan Review | 2. Plan Approval | 3. Acceptance | 4. Warranty Period | 5. Final Acceptance | |
| | Development Approval Process Steps: | 1. Connection Application | 2. Water Demand Worksheet Analysis | 3. Conditional Capacity to Serve Letter | 4. Water Rights Allocation | 5. Water Service Agreement | 6. Ability to Serve Letter | |

UERWA New Development Report

September 2022



Type of Use

SFEs Proposed

Location

Existing Service Commitment?

Augmentation Requirement

Development Approval Process Step:

Construction Approval Process Step:

140 W Beaver Creek Blvd (Extended Stay)

Residential

97.5

Avon

Yes

N/A

0. Conceptual

Avon Dual Brand Hotel(Traer Tract J)

Commercial

85.05

Traer

Yes

6. Ability to Serve Letter

2. Plan Approval

CMC Student Housing (Phase I & II)

Residential

72

Edwards

Yes

6. Ability to Serve Letter

1. Plan Review

CVC Clubhouse Residences

Residential

9

Edwards

Yes

6. Ability to Serve Letter

2. Plan Approval

ECO School District Housing

Residential

37

Edwards

Yes

6. Ability to Serve Letter

2. Plan Approval

Edwards River Park PUD

Mixed Use

440+com

Edwards

No

61.8

3. Cond. Capacity

0. Conceptual

Fox Hollow Amended PUD

Mixed Use

108

Edwards

No

14

6. Ability to Serve Letter

1. Plan Review

Frontgate (CO World Resorts)

Mixed Use

84

Avon

No

2.6

6. Ability to Serve Letter

2. Plan Approval

Kudel Parcel

Residential

4

Edwards

No

2.4

6. Ability to Serve Letter

2. Plan Approval

Margaux PUD

Residential

32

Edwards

No

3.56

3. Cond. Capacity

0. Conceptual

Maverik Gas Station

Commercial

2.6

Traer

Yes

6. Ability to Serve Letter

2. Plan Approval

McGrady Acres

Residential

24

Avon

Yes

6. Ability to Serve Letter

2. Plan Approval

Mountain Hive

Residential

188

Edwards

No

14.1

3. Cond. Capacity

0. Conceptual

NorthStar PUD Amendment

Commercial

TBD

Edwards

No

3.7

5. Water Service Agreement

2. Plan Approval

Riverfront Lot 1

Residential

53

Avon

Yes

N/A

2. Plan Approval

Riverwalk PUD Amendment

Residential

18

Edwards

No

1.8

4. Water Rights

N/A

Stolport Restaurant (Traer Tract J)

Commercial

TBD

Traer

Yes

6. Ability to Serve Letter

1. Plan Review

Swift Gulch

Residential

42

Avon

Yes

1. Connection Application

0. Conceptual

Tract Y- Metcalf Road

Residential

54

Traer

Yes

1. Connection Application

1. Plan Review

Vogelman Parcel (Carwash)

Mixed Use

1.5

Edwards

No

1.1-2.6

2. Water Analysis

1. Plan Review

Warner Building 2 Conversion

Residential

13.25

Eagle-Vail

No

0.07

3. Cond. Capacity

N/A

West End PUD Ammendment

Residential

335

Edwards

Yes

3. Cond. Capacity

0. Conceptual

Projects Completing Warranty Period

6 West Apartments, 185 Elk Tract, Piedmont Apartments, Riverfront Village, Stillwater

Process

Construction Approval

Process Steps:

0. Conceptual

1. Plan Review

2. Plan Approval

3. Acceptance

4. Warranty Period

5. Final Acceptance

Development Approval

Process Steps:

1. Connection Application

2. Water Demand Worksheet Analysis

3. Conditional Capacity to Serve Letter

4. Water Rights Allocation

5. Water Service Agreement

6. Ability to Serve Letter



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 |
|---------------------|--------------------------------|



Memorandum

TO: Board of Directors

FROM: Tracy Rymph, Senior HR Analyst
Tom Borawski, HR Manager

DATE: September 19, 2022

RE: Colorado's Paid Family and Medical Leave Insurance ("FAMLI") Program and the Opt-Out Process

Beginning on January 1, 2024, the State will provide eligible employees in Colorado with up to 12 weeks of paid, job-protected leave in a rolling 12-month period (with an additional 4 weeks available for qualifying pregnancy or childbirth complications). Employees can use this paid leave to take care of themselves or their family in the event of a serious health condition or to care for a new child, prepare for military deployment, or address safety needs and impacts related to domestic violence and/or sexual assault. While FAMLI leave will be administered by the State, the program is funded by employer and employee contributions, which will begin on January 1, 2023.

Local governments, such as the Eagle River Water and Sanitation District ("District"), have three (3) options:

1. Participate in the FAMLI program (Opting into employee and employer contributions)
2. Decline all participation in the FAMLI program (Employees may still elect to participate and make remittances to the state on an individual basis).
3. Decline employer participation (Assist employees in making remittances to the state through payroll deductions, if the employee opted in individually).

If the Board wishes to opt out, a decision must be made before the end of 2022. If the District does opt out, we recommend funding an equivalent leave program to remain competitive in benefits for the purpose of retaining and recruiting employees. The HR team is assessing our current leave programs to make a recommendation to the Board in the near future. If the District does *not* opt-out, the District will be required to participate in the FAMLI program for at least three (3) years.

The attached memo from general counsel Kathryn Winn provides a more in-depth overview of the FAMLI program and the opt out process.

Next Steps

The HR team will provide an analysis of our current leave programs and how the FAMLI program would change their administration. A board vote for opting in/out of the FAMLI bill could occur as early as the board meeting on October 27th, 2022. A vote must occur in 2022. A pre-vote notice will be sent out to all employees prior to the board meeting in which the vote takes place. Prior to the board's vote, the public will have an opportunity to provide comments when this matter is discussed. Employees are welcome to attend and provide their comments to the Board.

Information & Resources

- The following local governments have voted and opted out of the FAMLI program: Town of Eagle, Town of Aspen ([Vail Daily](#))
- Local governments in Avon, Breckenridge, Silverthorne, Steamboat Springs and Vail are each "leaning toward" opting out. ([Vail Daily](#))

- Private employers are required to participate in the FAML I program unless they can provide an alternative, private paid leave plan that is determined by the state to be at least equally as generous as the public FAML I program. Local governments have the option to opt in or opt out of the program.
- The Colorado Department of Labor and Employment has made this [Premium and Benefits Calculator](#) available to calculate an individual's premium and benefit based on their wage.
- More information on FAML I Colorado can be found here: [FAML I for Employers](#)



OPERATIONS MONTHLY REPORT SEPTEMBER 2022

LOCAL NEWS

CDOT I-70 West Vail Pass Auxiliary Lane Project

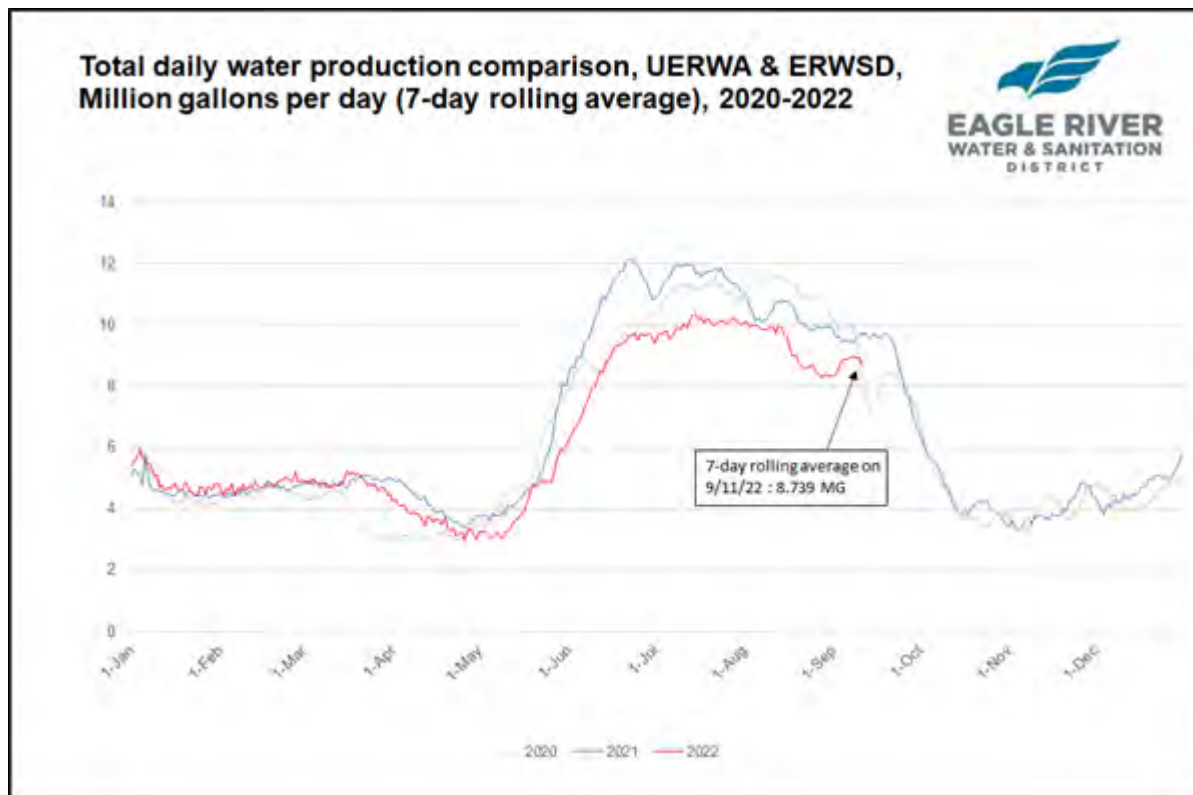
Siri Roman

The District serves on the Stream and Wetland Enhancement Program (SWEEP), Sediment Control Action Plan (SCAP) Update, and Technical Team for the I-70 West Vail Pass Auxiliary Lane project. Given the length, volume, and frequency of the meetings, Larissa Read of Common Ground Consulting serves as a liaison for District staff. Larissa has prepared an update on the project which is attached to this report.

WATER

Brad Zachman

The system-wide water production comparison was updated through Sep. 9. System production continues to trend lower this year compared to the past several years, but there has been a noticeable uptick in early September due to the recent warm and dry conditions.



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The ERWSD Sanitary Survey was performed Aug. 24-25. A Sanitary Survey is performed by CDPHE and occurs once every three years. It involves a detailed onsite inspection of all potable water facilities/infrastructure and comprehensive audit of all water regulatory programs, recordkeeping programs, safety programs, and operations procedures. At the end of the 2-day onsite inspection, staff held a debrief meeting with the CDPHE inspectors. Initial indications from the debrief meeting are that no violations will be issued. This is an extraordinary accomplishment, especially considering the high level of scrutiny of the inspection. The inspectors specifically complemented the sustained and innovative improvements to the Water Storage Tank and BPCCC programs. District programs are being showcased as examples to other utilities across the state.



District Sanitary Survey (Aug. 24-25)

Comprehensive water storage tank cleaning and inspections were performed Aug. 26-Sep. 2. Fifteen tanks were inspected in 2022. No major deficiencies were identified. Comprehensive inspections are required every five years per the State of Colorado's Water Storage Tank Rule. Inspections are performed at District and Authority sites on a more rigorous 3-year schedule based on the guidance of the American Water Works Association (AWWA).

LABORATORY & WATER QUALITY

Leah Cribari

September Water Quality sampling event occurred on the Sept. 6 and 7. This year marked the 15th year. This event was a collaborative effort between many departments including the Lab, Water, Human Resources, Utility Services, Wastewater, Operational Technology, Information Technology, Communications and Public Affairs, Field Operations, Safety, and Sustainability departments. This study was designed in 2008 to support participation in the Water Quality Control Division's data collection and nutrient criteria processes, characterization of reference (natural) vs. impacted conditions, bracketing and assessment of potential point and non-point pollutant sources, understanding of relationships between macroinvertebrates and nutrients, understanding of conditions unique to Gore Creek and the Eagle River, determination of impacts of proposed nutrient criteria on the community and ERWSD's WWTFs, and identification of potential management strategies for nutrients and other pollutants. The study design is reviewed annually and changes are made in response to knowledge gained and evolving needs.



Volunteers at the September Water Quality Sampling.

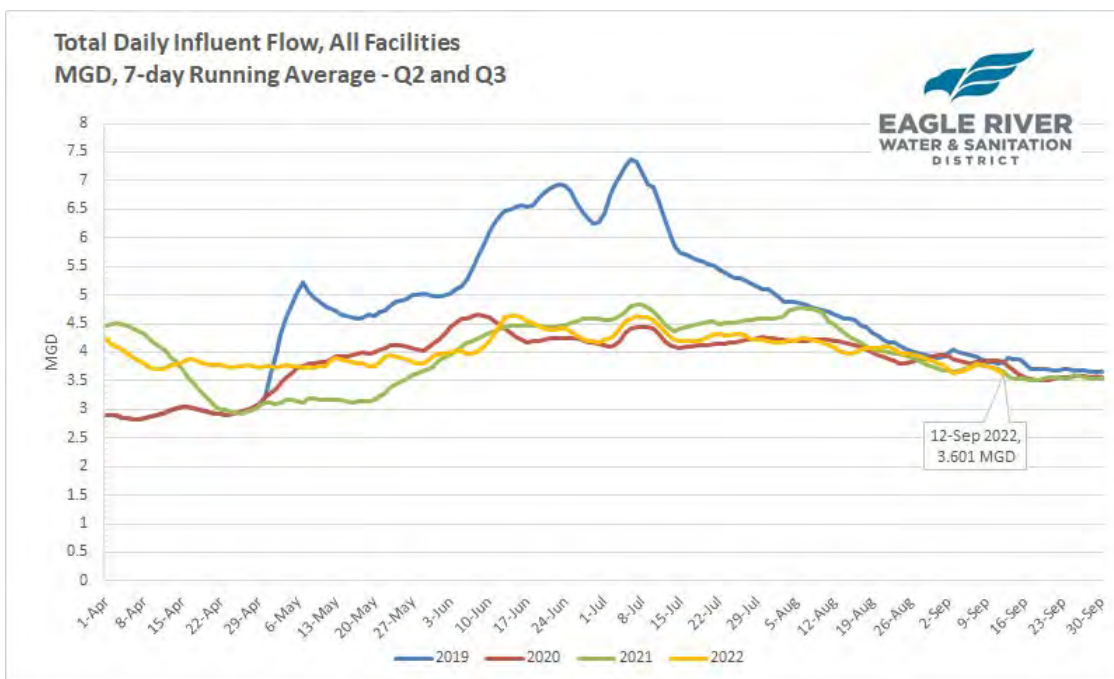
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WASTEWATER

Rob Ringle

Influent wastewater flows to the three treatment facilities tend to taper gradually through August and September. The observed flows from this year have closely followed the historical trends. The following plot reflects the cumulative influent flow to all three facilities as a 7-day running average.



The Avon WW operations team has made significant contributions that have facilitated several major project milestones over the past month. This has included commissioning of the new secondary clarifier, and respective return activated sludge (RAS) pumping system.



Avon WW staff introduce mixed liquor flow to the newly constructed clarifier on Aug. 23.

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The other existing secondary clarifiers have since been removed from service to allow for improvements in these areas. Staff have also contributed significant effort to optimization of aeration control and intermediate mixed liquor return (IMLR) systems. This has allowed the facility to maintain very good treatment performance through these significant construction impacts and has also set the trajectory towards long-term compliance with upcoming effluent limits.

FIELD OPERATIONS

Niko Nemcanin

Annual summer field system maintenance continues. Field operations are underway with fire hydrant flushing, system valve maintenance, and booster pump station maintenance. Collection system jetting (five-year rotation) is underway in Vail and closed-circuit television (CCTV) of the system is completed.

On Aug. 31, Field Operations and the Water department discovered a water main leak at the Territories in Cordillera. A Contractor was mobilized on Sept. 1, and., with help from the Field Operations crew, the water main was repaired and water restored by 7:00 pm.



Field Operations self-performed a number of small projects in the Wildridge area including lift stations 5 and 6 access roads improvements, repairing three fire hydrants, and Wildridge Tank 2 access road improvements.

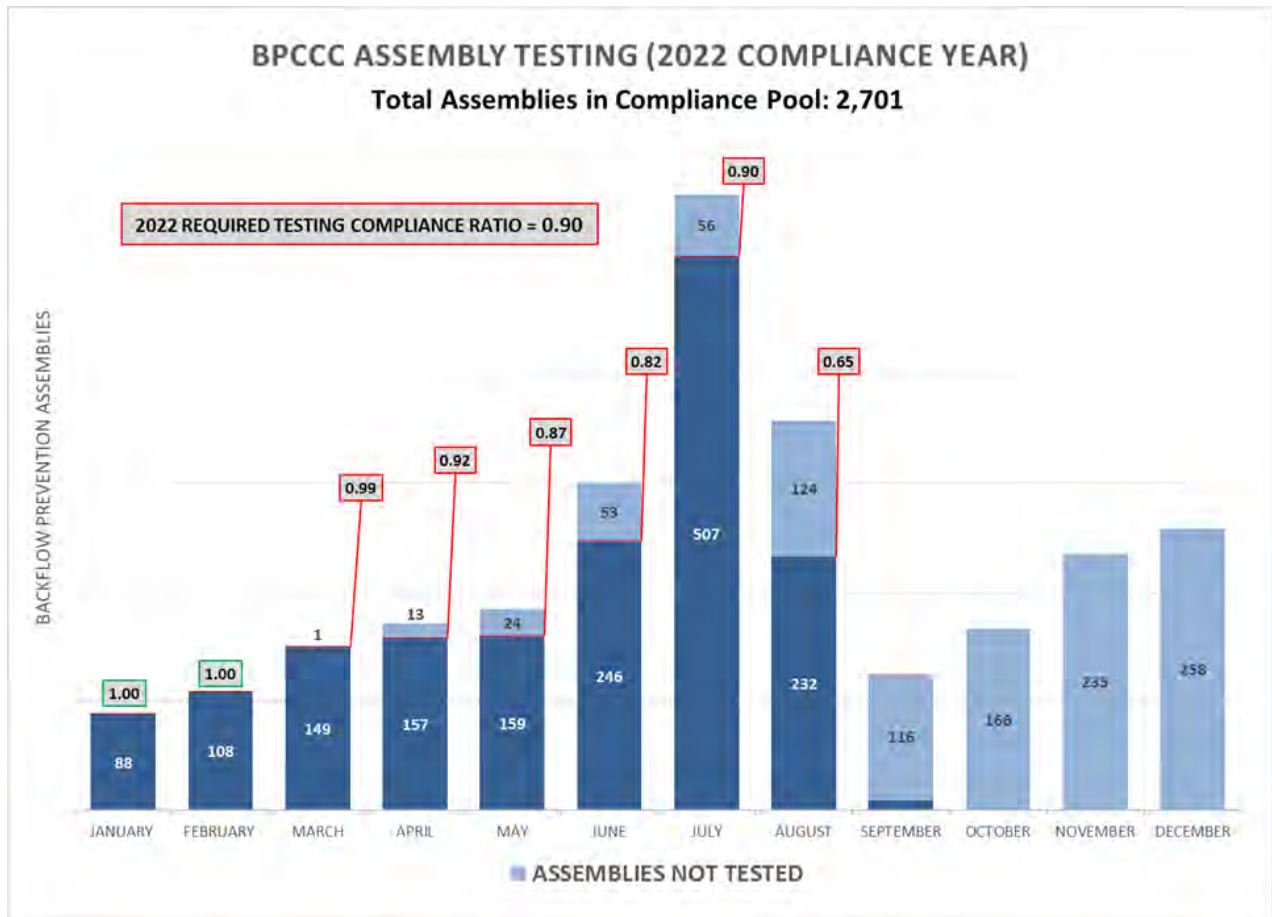
The Collection Master Plan is underway; Field Operations is providing support to surveyors on locating manholes that are difficult to access or unmapped.

UTILITY SERVICES

Shane Swartwout

BPCCC Program Compliance Status

The BPCCC team was able to get over 500 compliance assemblies tested in the month of July, nearly 20% of all the compliance assembly pool. This was accomplished by creating a BPCCC incentive program encouraging customers to have their assemblies tested earlier in the year.



Meter Services – Advanced Metering Infrastructure Status (Updated 9-13-2022)

| | |
|--------------|-----------|
| Report Date: | 9-13-2022 |
|--------------|-----------|

| AMI SYSTEM STATUS | ERWSD | UERWA | TOTAL |
|-------------------------------------|-------|-------|-------|
| (1) Total No. of Meters | 3190 | 6820 | 10010 |
| (2) No. of AMI Meters | 3047 | 5609 | 8656 |
| (3) System Percentage of AMI Meters | 96% | 82% | 86% |
| Meters Remaining to Reach 100% AMI | 143 | 1211 | 1354 |

The meter services team only has 143 meters remaining in the District that need to be upgraded to AMI. Staff is working diligently to schedule these meters to be replaced by the end of the year. Currently the team has a sufficient stock of meters and equipment to meet this goal.

To meet upcoming regulatory requirements related to the EPA's Lead and Copper Rule Revisions (LCRR), the meter services team is preparing to kick off a GPS data collection and asset locating (curb stops and service lines) project. The data gathered from this project will help prepare a service line inventory which is required by the LCRR.

The team has purchased GPS and locating equipment and they are currently working with a contractor to help assist with the field data collection for both the Authority and District water service area.

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: Work is underway to complete the remainder of the booster pump stations and tanks that have not been upgraded. There are five remaining sites to complete this fall. Commissioning is scheduled to start the week of Sep.12 and finish in late Oct.

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: Commissioning of new valves, and electrical and controls improvements are complete. DN Tanks staff re-mobilized to perform crack repair on the poorly consolidated concrete present in the dome roof. The crack injection process is ongoing. Many former leaks have exhibited no further water infiltration and a significant improvement over the pre-repair scenario. The recent heavy rains have helped identify remaining areas and the contractor will continue to repair and test until accepted by the Owner and Engineer. The repair methods being employed are crack injection, grinding, patching, and a mortar skim coat. Before demobilizing DN will complete another watertightness test with an industrial 5000 PSI pressure washer to confirm adequate repairs and coatings. This watertightness test is scheduled for Sept. 20. We anticipate the tank being ready for service in fall 2022.

Avon Drinking Water Facility (ADWF) PLC Upgrades

Jenna Beairsto

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: Hensel Phelps has been contracted to complete this work. A preconstruction meeting was held on Jun. 30. Construction of the server room is expected to start after the first of the year. Procurement and submittal review is underway.

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: The contractor has installed and commissioned approximately 1,600 linear feet of 24" pipe which connects a 16" distribution main to the Edwards Drinking Water Facility. Remaining

work includes demobilization and site restoration. All new watermain are online and substantially complete.

Fenno Wellhouse and Raw Water Conveyance

Jeffrey Schneider/Carter Keller

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:

Following successful coordination with Cordillera stakeholders, we began the well assessment plan, involving systematically accessing, pulling, inspecting, and repairing (if necessary) each of the seven supply wells. We are currently working with homeowners, a local HOA, and golf course staff on acquisition of additional easements at well F5. After easements are obtained the wells will be pulled and inspected in a similar fashion. Following the well assessment and repair work, permanent improvements to the raw water conveyance consisting of piping, controls, and electrical will be designed based on the findings of the current effort.

Water Production and Treatment Masterplan

Jenna Beairsto

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 has delivered the first chapter of the Masterplan to the District for review. The master planning team has begun building a specialty model (Blue Plan It) to better analyze the entire water system between the District and Authority. A meeting is scheduled for Sept. 15 to review well production limitations and capacities with Carollo and their subcontractor, LRE. Workshop 3 to discuss the risks and threats to water supply is scheduled for Sep 27.

Avon Wastewater Treatment Facility (WWTF) Fire Flow Improvements

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 the low zone. The project will bring the Avon WWTF into compliance with fire flow requirements and address a long-standing deficiency.

Project Update: Pipeline work was suspended for the month of Aug. and is scheduled to resume the week of Sept. 19. The work requires tight coordination with demobilization of the tower crane from the site.

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: A major milestone was achieved the week of Sept. 12 with the installation of the northern aeration basin building superstructure consisting of precast concrete walls and roof. Prior to that, the large crawler crane was demobilized from the site and the large tower crane will follow. Work continues throughout the facility on mechanical and electrical demolition and installation. Curb and gutter installation is underway along with final grading and the contractor is scheduling paving operations. We are working on designing some 'post completion' activities such as fencing the entire site and a retaining wall replacement above the bike path, scheduled for winter installation along with the Laboratory Improvements project.

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:* The new sewer line is actively flowing. The Contractor is scheduled to demolish the existing pipe and piers beginning Sep. 19. CenturyLink will be complete with their fiber tie in on Sep. 14. Once demolition is complete, the Contractor will begin work on the punch list and demobilization. All work should be complete by mid-October.

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. Gould completed installation of the gravity sewer line from the Minturn crossing to outside of the new lift station. Highway 6/24 will be repaved on Sep. 21-22. Gould and their subcontractor will

finish shoring installation for the new wet well the week of Sep. 12. Rebar installation and concrete placement for the wet well slab is anticipated to begin next week.



Excavation during shoring installation for the wet well.



Gould backfilling and compacting in preparation for paving.

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: Electrical rough-in work for the laboratory project is scheduled to begin in early Oct. A design review application for a minor exterior modification to the Admin building is nearly completed for submittal to Town of Avon.

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: The District and PCL construction completed negotiations of contract terms and we accepted Guaranteed Maximum Price (GMP) proposal. GMP-1 consists of furnishing and installing a new standby generator and associated electrical equipment. We met with Town of Vail representatives regarding building permit submittals and valuation and the submittal process is

completed. Work onsite began the week of Sep. 6 with utility potholing in the western lower parking Vail WWTF parking lot. The GMP-2, the balance of the work, is being developed and 90% design submittal is due shortly. We are in discussions with the Water Quality Control Division of the CDPHE regarding the applicability of the 'replace in kind' provision in the CDPHE Site Application process. Currently we are concerned with moving forward with procurement of new UV equipment while our permit approval is not finalized.

GENERAL CAPITAL

Fleet Maintenance Facility

Mark Mantua

General Project Scope: The 2020 Overall Facilities Master Plan indicated an opportunity to relocate the fleet maintenance facility, along with large vehicle and equipment storage and water meter testing and storage, to the property known as "Hillcrest" at the corner of Hillcrest Drive and U.S. Highway 6. We are moving forward with that concept but located on a parcel of land immediately east of the Edwards Wastewater Treatment Facility on Lake Creek Village Drive.

Project Update: D2C was selected as the design consultant from a pool of five proposals. A final scope and fee amount was negotiated and a contract was finalized for preliminary design work. A project kickoff meeting is scheduled for Sep. 15 with the design team and the internal project team.



I-70 West Vail Pass Auxiliary Lanes Project Update

- ERWSD roles: ERWSD serves on the Stream and Wetland Ecological Enhancement Program (SWEEP) and Sediment Control Action Plan (SCAP) Update teams as well as the more general Technical Team.
 - ERWSD staff and/or consultants attend all the above working group meetings
 - We continue to coordinate closely with the Town of Vail and Eagle River Watershed Council when appropriate
 - Technical Team meetings are now being held concurrently with the Project Leadership Team meetings, providing additional oversight opportunities
- Construction Progress: Safety improvements and trail relocation are underway.
 - Construction Agreed Price (CAP) #1 – (completed): lower truck ramp, installation of a highway closure system, and hazmat collection sites
 - CAP #2 – (ongoing) recreation trail realignment and trail bridge construction
 - CAP #3 – I-70 westbound bridge, more recreation trail work, some walls and utilities
 - CAP #4 – eastbound auxiliary lane, westbound curve corrections, West Vail Pass truck parking area
 - CAP #5 – I-70 eastbound bridge, wildlife fencing
 - Ongoing vegetation planting, soil stabilization, and landscaping elements
 - Schedule has now been extended through 2025
- Project Budget: There are emerging concerns about the overall project budget.
 - While several phases/CAPs are fully funded, the overall cost of the project has been increasing due to material and construction costs since the 2019 cost estimates
 - Removal of “auxiliary lane” from project (CAP #4) is under consideration
 - Mitigation and environmental elements will not be removed from project
 - The local CDOT team is working closely with CDOT and FHWA to identify other sources of funding and possibly revise scope




- Sediment Control Action Plan (SCAP): The current design includes six SCAP basins and two special inlets between the recreation trail and I-70.
 - Sediment basins are included in all CAPs and are being built at different times during the overall project
 - New sediment control basins are being brought on-line promptly; some will be operational this coming winter
 - The basins are designed to capture sand remaining on I-70 and sand thrown over barrier during plowing
- Wetlands and Fens: CDOT is committed to wetland mitigation whether or not the wetlands are jurisdictional.
 - In CAP #3, 0.27 acres of jurisdictional wetlands will be mitigated through offsite National Forest Foundation in-lieu program (0.67 credits; Blue-Eagle Service Area near Lake Dillon), while 1.91 acres of non-jurisdictional wetlands will be mitigated on-site to meet CDOT's prior commitments during the NEPA process
 - CDOT is working closely with ACOE; the most recent mitigation plan was planned for submittal to ACOE in late August
- Public Communication: The project website is regularly updated with documents and public announcements, and other social media and news coverage is occurring.
 - Project website: <https://www.codot.gov/projects/i70westvailauxiliarylanes>
 - Weekly email updates and other social media is pushed to hundreds of community members and groups with details about upcoming closures, project progress, and educational information (e.g., "What's a Fen?")
 - Extensive outreach occurred in summer 2022 to ensure public awareness and safety for the temporary recreation trail reroutes, especially for summer cycling events that use Vail Pass

Notes compiled for 9/22/2022 ERWSD board meetings, by Larissa Read, Common Ground Consulting.



MEMORANDUM

TO: District and Authority Boards of Directors
FROM: Jason Cowles, P.E. 
DATE: September 14, 2022
RE: Engineering & Water Resources Report

Authority Unallocated Water Update

The Authority's unallocated water projection remains 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. The current projection is attached.

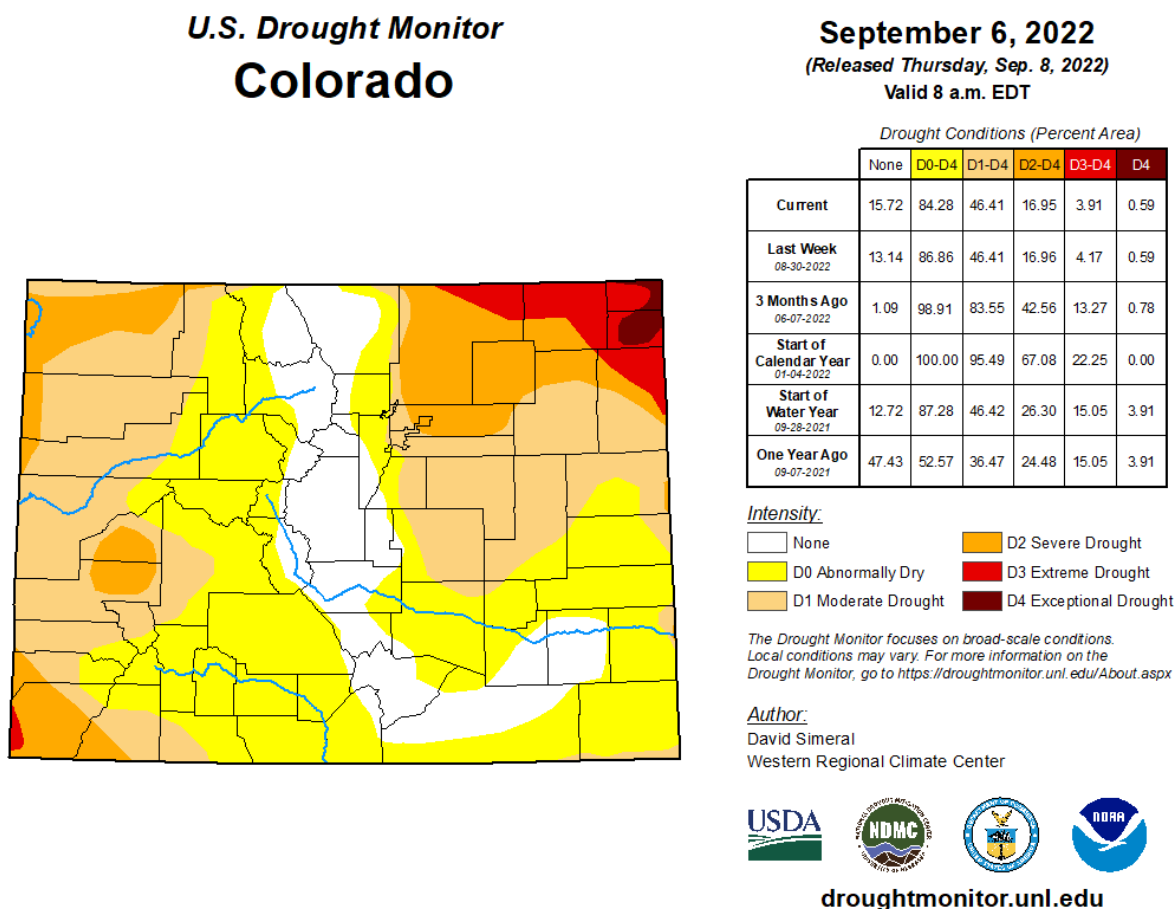
Homestake Creek Transit Loss Study Update

We received comments on the Homestake Creek Transit Loss Study from the Division Engineer's office on August 30. LRE Water is working on a response to the comments, which we hope to submit to the Division Engineer by the end of September. We do not anticipate that our response to the Division Engineer's questions will affect the conclusions of the study supporting a 0.35% per mile transit loss factor for releases from Homestake Reservoir.

Water Resources Update

The latest U.S. Drought Monitor map for Colorado is shown below in Figure 1. Drought conditions have continued to improve in the state due to August precipitation. Eagle County received above average precipitation in August and saw its status improve from moderate drought to abnormally dry.

Figure 1: US Drought Monitor, Colorado September 6, 2022 (National Drought Mitigation Center).



The NOAA Climate Prediction Center's seasonal drought outlook in Figure 2 shows drought conditions persisting through November in the Upper Colorado River Watershed and most of the southwestern US. The Climate Prediction Center's seasonal outlook for temperature and precipitation indicates a high probability that Colorado will see above average temperatures (Figure 3) and below normal precipitation (Figure 4) through November. The seasonal outlook is also consistent with the latest El Niño-Southern Oscillation (ENSO) forecast which favors a 91% chance of La Niña persisting through November.

Figure 2: US Seasonal Drought Outlook through November 30, 2022 (NOAA Climate Prediction Center).

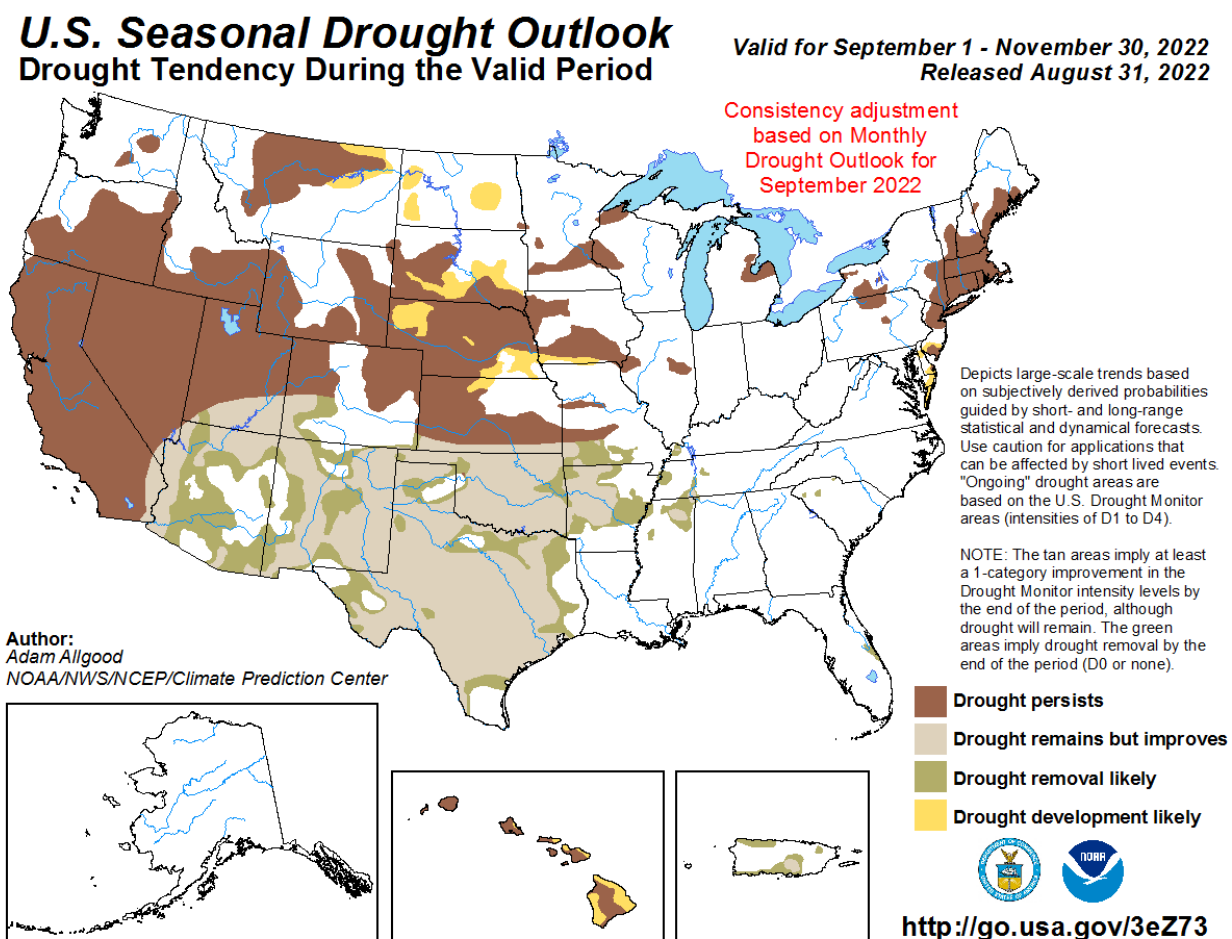


Figure 3: Seasonal Temperature Outlook August 18, 2022 (NOAA Climate Prediction Center).

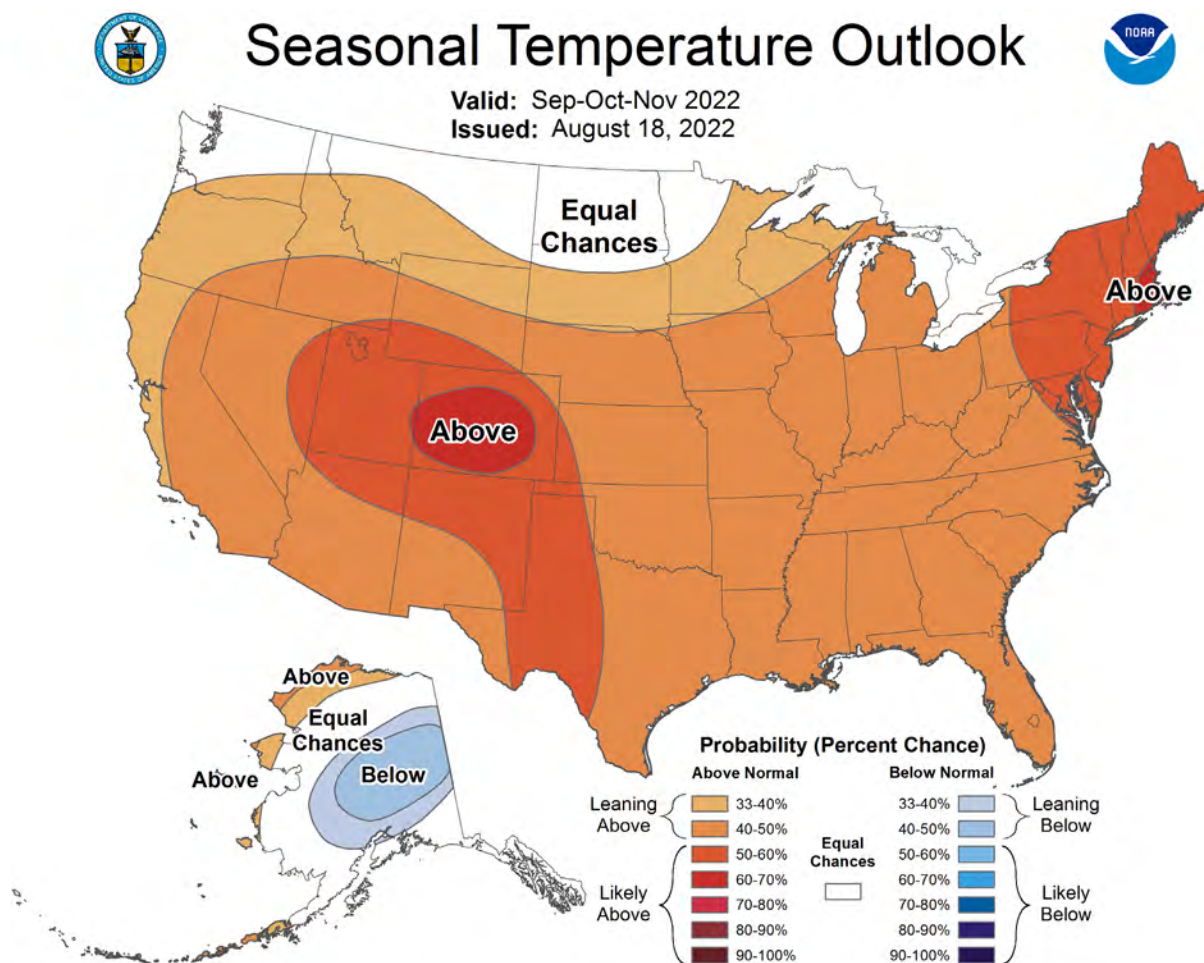
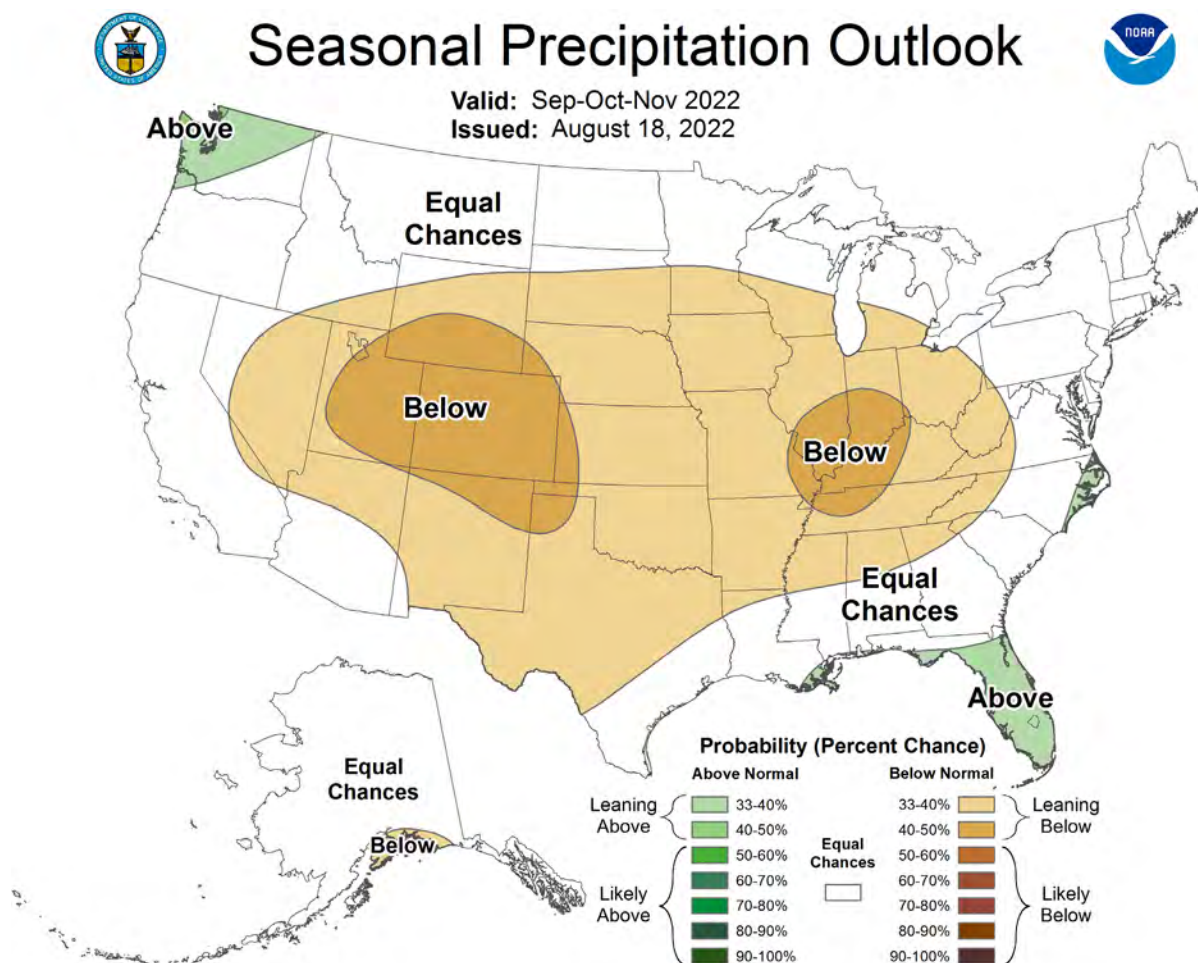


Figure 4: Seasonal Precipitation Outlook August 18, 2022 (NOAA Climate Prediction Center).



With 16 days remaining in the water year, cumulative precipitation at the Vail Mountain Snotel site appears likely to finish near the 20th percentile range for the past 30-years of data despite the bump in August precipitation. The Vail Snotel site is reporting 26.8 inches of cumulative precipitation, which is 7.8 inches below the median year end value of 34.6 inches. Cumulative precipitation at Freemont Pass is already 1.0 inch above the annual median at 30.3 inches.

Figure 5: Cumulative Precipitation, Vail Mountain SNOTEL, September 13, 2022 (USDA).

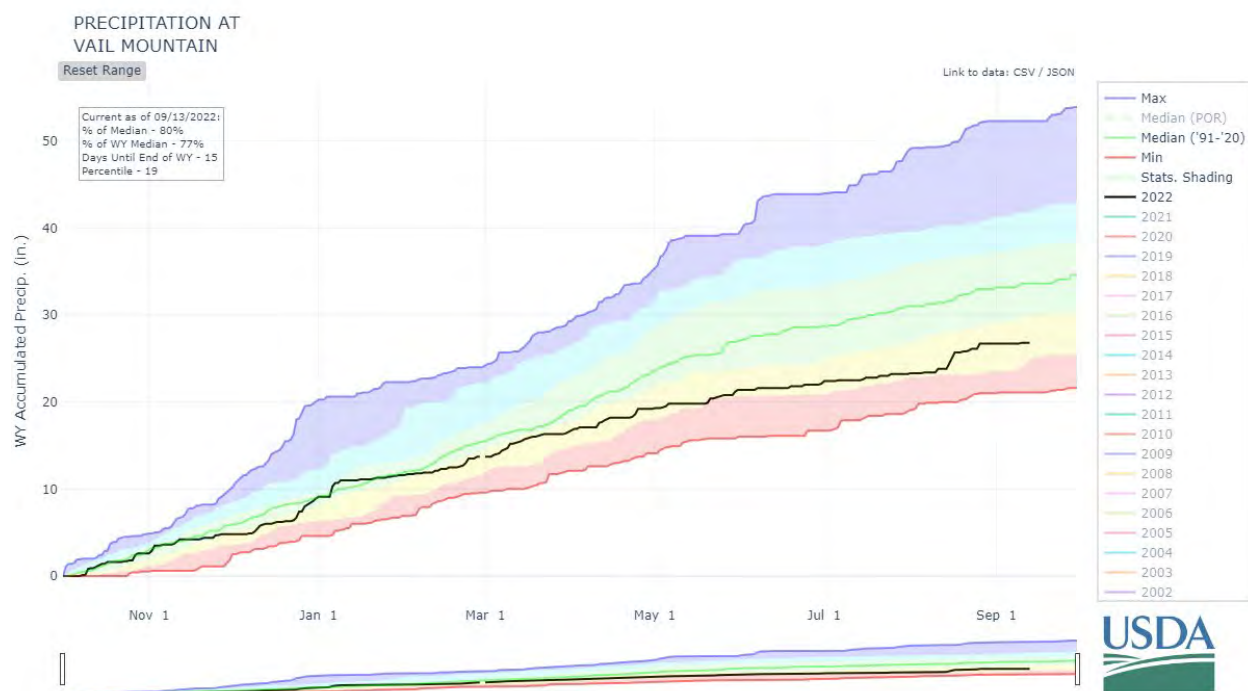
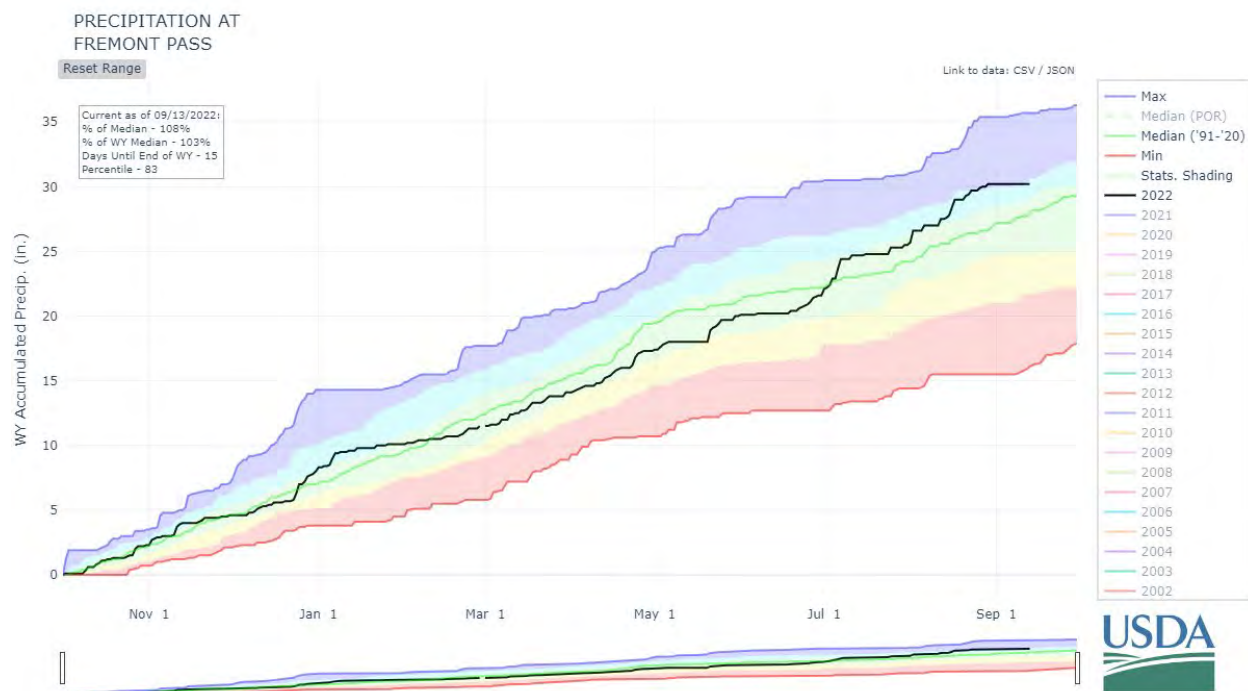


Figure 6: Cumulative Precipitation, Fremont Pass SNOTEL, September 13, 2022 (USDA).



After receiving a short-lived bump from August precipitation, flows on the Eagle River dipped below the Colorado Water Conservation Board's (CWCB) decreed minimum instream flows early last week at Avon. Late in the day on Friday, September 9, we received notification from the Division 5 Water Commissioner that the CWCB placed the instream flow call on the Eagle River segment from Lake Creek to Brush Creek. Our operations staff promptly responded by increasing releases from Eagle Park Reservoir on Saturday morning to cover junior depletions by the Authority, the Colorado River District contract customers, and Red Sky Ranch.

Streamflow forecasts projected by the Colorado Basin River Forecast Center at the USGS gages on Gore Creek above Red Sandstone Creek and the Eagle River at Avon are shown in Figures 7 and 8. Streamflows are in the lowest percentile ranges for this time of year and are forecast to remain below the respective minimum instream flows of 16 cfs and 85 cfs through the end of the month.

Figure 7: Streamflow for the USGS station on Gore Creek above Red Sandstone Creek (CBRFC).

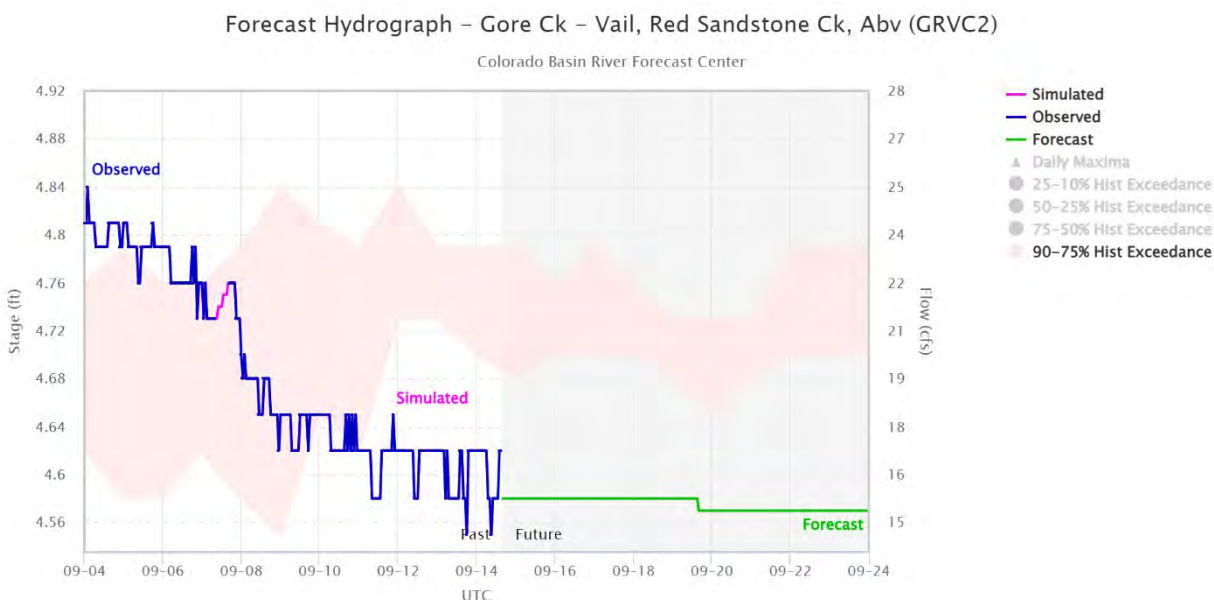
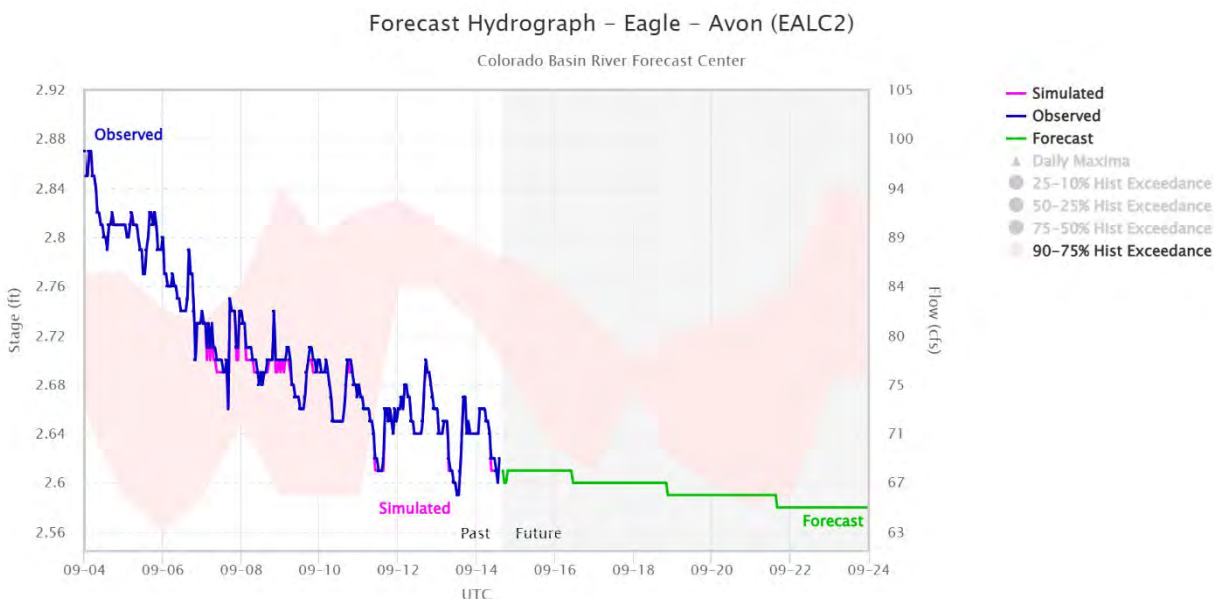
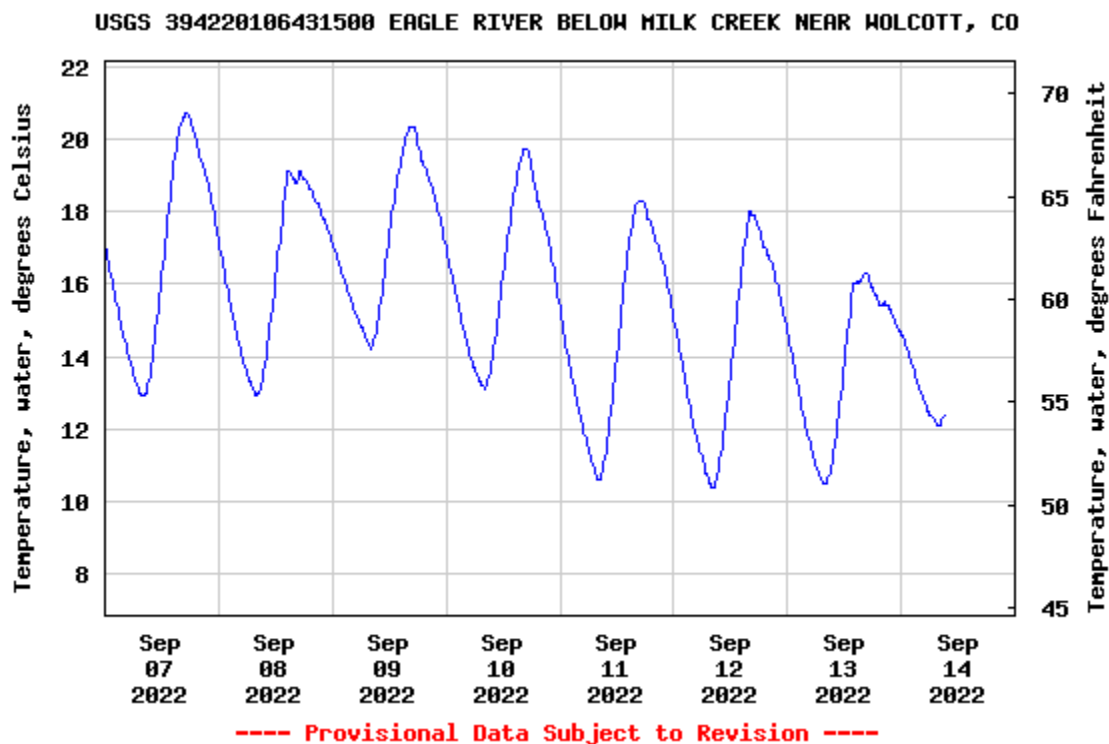


Figure 8: Streamflow for the USGS station on the Eagle River at Avon (CBRFC).



Overnight low temperatures have dropped into the 30's several nights this week which has brought needed relief to water temperatures on the Eagle River. Figure 9 shows a water temperature plot for the Eagle River below Milk Creek Near Wolcott, CO. Daytime high water temperatures have dropped below 65 degrees Fahrenheit in recent days.

Figure 9: Temperature for the USGS station on the Eagle River below Milk Creek (USGS).



ERWSD and UERWA storage accounts as of September 1, 2022 are shown in Table 1. As expected, the storage accounts in Eagle Park Reservoir were filled following the September 1 disbursement of the conservation storage pool which contains the balance of reservoir inflow, evaporative losses, and carryover storage before disbursement to shareholders each year. The conservation storage pool account still holds a healthy balance of 633 acre-feet, which will carryover until the next disbursement is processed on September 1, 2023.

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

September, 2022 Volumes in Storage and Percentages of Full:

| Reservoir | ERWSD | | UERWA | | Total | |
|------------------|--------------|------|--------------|------|--------------|------|
| Green Mountain | 934.00 | 100% | 518.00 | 95% | 1452.00 | 98% |
| Black Lakes | 425.00 | 100% | 300.00 | 100% | 425.00 | 100% |
| Eagle Park | 432.81 | 100% | 680.69 | 100% | 1113.5 | 100% |
| Homestake Res | 250.00 | 100% | 256.50 | 100% | 506.50 | 100% |
| Wolford Mtn | 500.00 | 100% | 683.70 | 96% | 1183.70 | 98% |

The Bureau of Reclamations 24-Month Study elevation projections for Lake Powell are typically published on the 15th day of the month. Due to the early Board meetings this month, the September projection was not available at the time of this report. If you are interested in viewing the updated projections, they can be viewed at the Bureau of Reclamation website via this [link](#).

Authority Surplus Augmentation Supply

Updated: 3/16/2022 by JEC

| | HCU's, 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.



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MEMORANDUM

TO: Eagle River Water & Sanitation District Board of Directors
FROM: Kristin Moseley
SUBJECT: September 2022 – Water Court Case Update
DATE: September 14, 2022

This memorandum provides a brief status update on the active Water Court litigation in which the Eagle River Water & Sanitation District (the “District”) is currently involved.

Bolts Lake (Case Nos. 21CW3029) and Battle North (Case No. 21CW3030)

These cases continue to proceed through the Water Court process before the Water Referee (“Referee”). We had a joint status conference with the Referee and all Opposers for both cases on September 1, 2022, and the Referee scheduled the next status conference for December 13, 2022.

We received another round of comments from the Opposers in the cases last month, and are currently working with Helton & Williamsen to prepare our responses to those comments. As previously reported, we have stipulated with the Town of Minturn (“Minturn”) in both cases, and we are close to reaching agreements with the Town of Gypsum, Ute Water Conservancy District, Grand Valley Water Users Association, and Orchard Mesa Irrigation District, which would allow those parties to stipulate out of these cases as well. We continue to negotiate with the attorneys for Vail Resorts, the Colorado Water Conservation Board and the Cities of Aurora and Colorado Springs (the “Homestake Partners”), as well as with the pro-se objector, J. Tucker. While there are still matters to address, the list of outstanding issues has narrowed. One new party, American Gypsum Co., joined as an Opposer in Case No. 21CW3030 in response to publication of the Amended Application, and provided initial comments to our proposed ruling and decree in August. We have spoken with the attorney for American Gypsum Co. and believe that we will be able to readily address its concerns. During the recent status conference, the Referee set our deadline for providing responses as October 14, 2022, and Opposers’ deadline for providing additional comments (if any) as December 2, 2022.

The Division Engineer filed a Summary of Consultation to the Amended Application in 21CW3030 on September 9, 2022. In the Summary of Consultation, the Division Engineer

lists several concerns that must be addressed prior to approving the relief requested in the Amended Application. Most of the concerns relate to Minturn's engineering analysis and proposed diversion points, and we are working with Minturn's water engineer and attorney to address the Division Engineer's concerns. The Referee set our deadline for responding to the Summary of Consultation as October 14, 2022. We will continue to update the Board as these cases proceed.

Town of Vail Whitewater Park (Case No. 22CW 16CW3010)

We plan to file an Application to Make Conditional Water Rights Absolute and for Finding of Reasonable Diligence for the Town of Vail Whitewater Park at the end of this month. The current draft of the Application requests the Water Court to make additional amounts absolute for the months of April, August, and September, and requests a finding of reasonable diligence for the remaining conditional water rights. Diane Johnson provided us with images of recreational users in the whitewater park during the period of high flow, which we will attach to the Application to provide evidence to support the absolute claims and claimed use.

Red Sandstone Reservoir (Case No. 16CW3035)

At its July meeting, the Board voted not to pursue diligence for the Red Sandstone Reservoir water right given technical infeasibility, dam hazards and environmental concerns. Accordingly, we will file a Notice of Intent to Cancel Conditional Water Right this month with the Water Court indicating the District's desire to not pursue diligence on the Red Sandstone Reservoir conditional water right.

Minturn Plan for Augmentation and Exchange (Case No. 21CW3180)

Case No. 21CW3180 is an application by Minturn for an Eagle River diversion water right and an associated plan for augmentation and exchange. The District and Authority filed a Statement of Opposition in this matter. Pursuant to the Intergovernmental Agreement Among the Town of Minturn, the Eagle River Water & Sanitation District and the Upper Eagle Regional Water Authority, this case is currently on hold pending the resolution of the above described Battle North proceedings pending in Case No. 21CW3030.