

Upper Eagle Regional Water Authority

Board of Directors Meeting

April 26, 2018

MINUTES

1 A regular meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority) was
2 held April 26, 2018, at 8:30 a.m., in the Walter Kirch Room of the Eagle River Water & Sanitation District
3 (District), 846 Forest Road, Vail, Eagle County, Colorado, in accordance with the applicable statutes of the
4 State of Colorado.

5 **The following Directors were present, thereby constituting a quorum:**

6 Geoff Dreyer, Arrowhead Metropolitan District
7 George Gregory, Berry Creek Metropolitan District
8 Kim Bell Williams, EagleVail Metropolitan District
9 Mick Woodworth, Edwards Metropolitan District

10 **The following Directors were absent and excused:**

11 Pam Elsner, Beaver Creek Metropolitan District
12 Sarah Smith Hymes, town of Avon

13 **The following alternate Directors were present and acting:**

14 Amy Phillips, town of Avon
15 Bill Simmons, Beaver Creek Metropolitan District

16 **Also in attendance were:**

17 <u>District Staff</u>	25 Amy Schweig
18 Linn Brooks	26 James Wilkins
19 Carol Dickman	27 <u>Consultants</u>
20 Dylan Droxler	28 Jim Collins, Collins Cockrel & Cole
21 Catherine Hayes	29 Ashley Hernandez-Schlagel, Nathan Dumm & Mayer PC,
22 Diane Johnson	30 <i>via phone</i>
23 John McCaulley	31 Andy Nathan, Nathan Dumm & Mayer PC, <i>via phone</i>
24 Siri Roman	32 Glenn Porzak, Porzak Browning & Bushong LLP

33 **DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST**

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

36 Director Elsner disclosed her membership with the Vilar Performing Arts Center Guild, which operates within the Authority's service
37 area. Director Gregory and alternate Director Simmons disclosed that they serve on the Board of the Eagle River Water and Sanitation
38 District. Director Gregory also disclosed that he occasionally undertakes small development and construction activities within the
39 Authority and District service areas. Alternate Director Simmons noted he serves on the Edwards Metropolitan District board and is
40 employed by Beaver Creek Metropolitan District, an Authority member. Director Williams disclosed that she is the Eagle County
41 Housing Director. Director Woodworth disclosed that he is employed by the Eagle River Fire Protection District, which operates within
42 the Authority's service area.

43 **CALL TO ORDER**

44 Chair Gregory called the meeting to order at 8:30 a.m.

45 **INTRODUCTIONS**

46 Mr. Droxler, a Customer Service summer intern, was introduced.

47 **ACTION ITEMS**

48 **Consideration of Minutes** – The minutes of the regular meeting of March 22, 2018, were considered.

49 Upon motion duly made and seconded, it was unanimously

50 **RESOLVED** that the minutes of the March 22, 2018, regular meeting be accepted and hereby are
51 approved as amended. Alternate Director Phillips abstained.

52 **STRATEGY**

53 **Board Member Input** – Chair Gregory called for board member input and there was none.
54

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GENERAL MANAGER REPORT

Ms. Brooks presented the General Manager report, a copy of which is attached hereto as **Exhibit A** and incorporated herein by this reference. Monthly reports were acknowledged, copies of which are attached hereto as **Exhibit B** and incorporated herein by this reference.

Insurance Service Office (ISO) Rating – Ms. Brooks and Director Woodworth discussed a collaboration between District staff and the Eagle River Fire Protection District to provide information to the ISO for its periodic fire rating exercise, which influences local homeowners' insurance rates. The ISO rating for the fire protection district service area was reduced from 5 to 3 – a rating improvement that will result in lower insurance rates for fire protection district constituents. The rating is based to a large extent on integrity of the water system, which received a perfect rating during the exercise. The board also thanked the fire protection district for its work in achieving the improved score.

OPERATIONS REPORT

The operations report was presented, a copy of which is attached hereto as **Exhibit C** and incorporated herein by this reference. There were no questions on the report.

ENGINEERING REPORT

Ms. Brooks noted Mr. Cowles was out of the office and did not include a board report this month.

COMMUNICATION AND PUBLIC AFFAIRS REPORT

Ms. Johnson discussed her report, a copy of which is attached hereto as **Exhibit D** and incorporated herein by this reference.

Snowpack Update – Ms. Johnson and Ms. Brooks discussed current snowpack conditions, including current snowpack graphs, copies of which are attached hereto as **Exhibit E**. Spring storms have improved conditions, and runoff has not yet begun. Ms. Brooks said the Authority and District are now concerned about low streamflows in late summer because of lack of valley floor snowpack. The low snowpack also contributed to wildfire danger, as soil and vegetation are dry. Communication of the current conditions has already begun to area stakeholders, in conjunction with presentation of the draft Water Efficiency Plan. Stakeholder outreach occurred during the 2012 drought as well, and staff expects a similar, successful response if water use reductions are requested from this group.

Central Arizona Project and Colorado River Issues – Ms. Johnson discussed recent media stories regarding water use by lower and upper Colorado River basin entities. In particular, the Central Arizona Project (CAP) developed and published an infographic that suggested CAP was deliberately keeping Lake Mead at a self-dubbed “sweet spot” so as to maximize water deliveries from the upper basin. This resulted in much communication from the upper basin states to the lower basin, including a letter from the Upper Colorado River Commission and Denver Water,

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1 criticizing the purported reason behind CAP's actions. Ms. Johnson noted meetings were
2 scheduled between upper and lower basin representatives to understand these issues and come
3 to agreement; if not, there is a possibility that the federal government could step in and mandate
4 certain actions.

5 **Basin Roundtable Update** – Ms. Johnson said she recently attended a basin roundtable
6 meeting that included representatives from the four West Slope roundtables. Discussion included
7 the risk study, which is now in phase III; the study was one outcome of the Colorado Water Plan
8 and is meant to determine how any new transbasin diversions would affect the Colorado River.

9 GENERAL COUNSEL REPORT

10 Mr. Collins noted all of his items would be discussed in Executive Session.

11 WATER COUNSEL REPORT

12 **Member Water Rights Reports for 2018** – Mr. Porzak said he began work on the member water
13 right reports, which the board requested be updated at least every two years. He expects to
14 present the reports in a few months.

15 Mr. Droxler and Ms. Schweig left the meeting at 9:05 a.m., and Ms. Hernandez-Schlagel and Mr. Nathan
16 joined the meeting via phone at that time.

17 **EXECUTIVE SESSION**

18 Mr. Collins requested the Board enter Executive Session to receive legal advice regarding Traer Creek
19 tank, Eagle Park Reservoir enlargement, HB18-1181, a real estate update, and personnel matter,
20 pursuant to §24-6-402(4)(a)(b)(e) and (f) C.R.S. He asked that no electronic record be made, as the
21 discussion would be entirely privileged attorney-client communications. Upon motion duly made and
22 seconded, it was unanimously

23 **RESOLVED** to enter Executive Session at 9:06 a.m. to discuss attorney-client privileged
24 issues concerning the Traer Creek tank, Eagle Park Reservoir enlargement, HB18-1181, a
25 real estate update, and personnel matter pursuant to §24-6-402(4)(a)(b)(e) and (f) C.R.S.
26 with no electronic record created as Mr. Collins opined the contents of the discussion would
27 contain privileged attorney-client communications.*

28 Mr. Porzak requested the Board continue Executive Session to receive legal advice regarding Bolts Lake
29 and CRCA matters, pursuant to §24-6-402(4)(b) and (e) C.R.S. He asked that no electronic record be
30 made, as the discussion would be entirely privileged attorney-client communications. Upon motion duly
31 made and seconded, it was unanimously

32 **RESOLVED** to continue Executive Session at 10:15 a.m. to discuss attorney-client privileged
33 issues concerning Bolts Lake and CRCA matters, pursuant to §24-6-402(4)(b) and (e) C.R.S.
34 with no electronic record created as Mr. Porzak opined the contents of the discussion would
35 contain privileged attorney-client communications.*

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1 The regular meeting resumed at 10:39 a.m.

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3 **ADJOURNMENT**

4 There being no further business to come before the Board, the meeting adjourned at 10:40 a.m.

5 Respectfully submitted,

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9 Secretary to the Meeting

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

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15 **Arrowhead Metropolitan District**

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19 **Town of Avon**

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23 **Beaver Creek Metropolitan District**

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27 **Berry Creek Metropolitan District**

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31 **EagleVail Metropolitan District**

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35 **Edwards Metropolitan District**

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

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43 **Jim Collins, General Counsel**

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45 **Glenn Porzak, Water Counsel**