A regular meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority) was held December 19, 2019, at 8:30 a.m., in the Walter Kirch Room of the Eagle River Water & Sanitation District (District), 846 Forest Road, Vail, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

The following Directors and alternates were present and acting, thereby constituting a quorum:

- Geoff Dreyer, Arrowhead Metropolitan District
- Pam Elsner, Beaver Creek Metropolitan District
- George Gregory, Berry Creek Metropolitan District
- Sarah Smith Hymes, Town of Avon, via phone
- Kim Bell Williams, EagleVail Metropolitan District
- Mick Woodworth, Edwards Metropolitan District

Also in attendance were:

- District Staff
- Linn Brooks
- Alan Cerny
- Jason Cowles
- Carol Dickman
- Catherine Hayes
- Diane Johnson
- Kira Koppel
- Mindi McClintock
- Siri Roman
- Jeff Schneider
- Evette Smits
- Mike Thompson
- Amy Vogt
- James Wilkins
- Chris Wolff
- Len Wright
- Brad Zachman
- Consultants
- Jim Collins, Collins Cockrel & Cole
- Glenn Porzak, Porzak Browning & Bushong LLP

DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST

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

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

CALL TO ORDER

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

PUBLIC COMMENT

Chair Gregory noted the camaraderie that was evident at the holiday party and expressed appreciation for the event and the staff.

ACTION ITEMS

Consideration of Minutes – The minutes of the regular meeting of November 21, 2019, were considered. Upon motion duly made and seconded, it was unanimously RESOLVED that the minutes of the November 21, 2019, regular meeting be accepted and hereby are approved as presented.

2020 Operations Agreement with Eagle River Water & Sanitation District – Ms. Hayes discussed a board action request and the 2020 operations agreement between the Authority and District, copies of which are attached hereto as Exhibits A and B, respectively, and incorporated herein by this reference.
The agreement included updates to rates and fees as approved in the Authority’s 2020 budget. After
discussion and upon motion duly made and seconded, it was unanimously
RESOLVED that the Authority’s 2020 operations agreement with Eagle River Water & Sanitation
District be and hereby is approved as presented.

2020 Proposed Meeting Schedule – Ms. Hayes presented the proposed 2020 meeting schedule, a copy
of which is attached hereto as Exhibit C and incorporated herein by this reference. The proposed
schedule maintains the 8:30 a.m. board meetings every fourth Thursday of the month, with meetings held
on the third Thursday in November and December to accommodate holidays. After discussion and upon
motion duly made and seconded, it was unanimously
RESOLVED that the 2020 meeting schedule for the Authority be and hereby is approved as presented.

Colorado Water Stewardship Project Request for Funds – Ms. Brooks summarized a request for
funding to replenish the Colorado Water Stewardship Project fund, a special project of the Colorado
Water Congress (CWC). This organization responds to the public trust initiatives that continue to surface
year after year on behalf of the water interests of the CWC members. The group has had many legal
successes, and the board agreed to contribute money to this effort again. After discussion and upon
motion duly made and seconded, it was unanimously
RESOLVED to contribute $2,000 to the Colorado Water Stewardship Project fund.

STRATEGY ITEMS

Board Member Input – Director Woodworth asked about progress on the Eagle River Village
Mobile Home Park water quality issues. Mr. Cowles reported that Edwards Metro director Beth
Reilly was in touch with the park owner, and potential water treatment improvements were being
investigated by the park owner.

Water Efficiency Rebate Pilot Program and Qualified Water Efficient Landscaper (QWEL)
Program – Mr. Wolff, Water Demand Management Coordinator, presented information on a
proposed water efficiency rebate program, funds for which were budgeted in 2020. Copies of the
information are attached hereto as Exhibit D and incorporated herein by this reference. This will
include indoor rebates for efficient toilets and washing machines. New construction would not be
eligible for such rebates, and customers must be enrolled in the WaterSmart program to take
advantage of the rebates. Outdoor rebates would include funds for reducing turf area and
upgrading irrigation systems, among others. The QWEL program would allow the District to
become a professional certifying organization to train others in efficient landscape practices. Mr.
Wolff noted the pilot stage of the rebate program would include all the recommendations from the
joint Water Efficiency Plan of the Authority and District, which was adopted in 2018. The Board
thanked Mr. Wolff for his efforts.
GENERAL MANAGER REPORT
Ms. Brooks presented her report, a copy of which is attached hereto as Exhibit E and incorporated herein by this reference. Monthly reports were acknowledged, copies of which are attached hereto as Exhibit F and incorporated herein by this reference.

OPERATIONS REPORT
The operations report was presented, a copy of which is attached hereto as Exhibit G and incorporated herein by this reference.

Field Operations Update – Ms. Roman introduced Ms. Smits, a field operations supervisor. Ms. Smits presented information on four recent infrastructure events in the field, to which staff responded. She outlined the various cause and remedies for the system failures, most of which required complex project sequencing in difficult weather conditions. Ms. Smits noted that in some cases, it was difficult to find contractors for the repairs, which were then completed by in-house staff. Ms. Roman expressed appreciation for staff’s positive attitudes as well as the community support during these events. The Board thanked her.

Rulemaking Hearing Update – Ms. Roman updated on recent state rulemaking hearings and discussed a related memo, a copy of which is attached hereto as Exhibit H and incorporated herein by this reference. Reg. 93 dealt with the state’s methodology for the 303(d) listing of impaired streams. The process highlighted the District’s involvement and efforts in providing data to the state for these processes, and state Water Quality Control Commission board members were complimentary of the District’s staff and consultants in the process. Ms. Roman also reported the state extended the temporary molybdenum modification until 2023 in Ten Mile Creek, pending the outcome of a toxicity study regarding molybdenum. This was not the District’s desired outcome, but staff and consultants are hopeful that the additional studies will back up the Authority and District’s requested changes.

ENGINEERING REPORT
Mr. Cowles presented the Engineering Report, a copy of which is attached hereto as Exhibit I and incorporated herein by this reference.

Village at Avon Water Bank – Mr. Cowles discussed analysis of the water use at the Village at Avon PUD. Staff determined that 10% of the land has been developed and is using 20% of the water for the entire PUD. Mr. Cowles emphasized the need to inform the Village at Avon developer of the amount of available water as lots are being sold and developed. A letter to this effect was sent to Marcus Lindholm, for which no response was received.

Berry Creek Booster Pump Station (BPS) Upgrade: Debrief with Eagle County Staff – Mr. Cowles reported on a debrief session with Eagle County staff regarding a recent needed project to upgrade the Berry Creek BPS. Mr. Cowles said District and County staff agreed that a
preapplication meeting would have been helpful, in addition to reviewing the entire permitting process in the future.

**Water Rights Hydrology Model Sharing Agreement** – Mr. Cowles noted the City Councils of Aurora and Colorado Springs had formally approved the model sharing agreement. Upon motion duly made and seconded, it was unanimously

RESOLVED that the water rights hydrology model sharing agreement among the Eagle River MOU partners be and hereby is approved as presented.

A copy of the agreement is attached hereto as Exhibit J and incorporated herein by this reference.

**COMMUNICATION AND PUBLIC AFFAIRS REPORT**

Ms. Johnson presented the Communications and Public Affairs report, a copy of which is attached hereto as Exhibit K and incorporated herein by this reference.

**Colorado River Water Users Association (CRWUA) Update** – Ms. Johnson said at the recent CRWUA meeting, U.S. Secretary of the Interior David Bernhardt announced that the Bureau of Reclamation will begin the formal review of the 2007 Interim Guidelines at the start of 2020, nearly a year ahead of when the review must start.

**Water Supply Tools** – Ms. Johnson noted the development of new tools to allow water users to more easily and remotely monitor water supply and water quality.

**Communications Update** – Ms. Johnson noted a recent story published in the Vail Daily regarding local housing issues and the District's positive outcomes in that area, including the Stillwater employee housing development.

**GENERAL COUNSEL REPORT**

Mr. Collins referred to his confidential legal report included in the confidential packet.

**WATER COUNSEL REPORT**

Mr. Porzak referred to his confidential legal report included in the confidential packet.

**Authority Water Dedication Policy** – Mr. Porzak presented the Authority’s water dedication policy, a copy of which is attached hereto as Exhibit L and incorporated herein by this reference.

The board ratified its approval of the updated water dedication policy, which includes a cost of living increase for the in-basin storage water and summertime irrigation water. For 2020, such fees are now $39,500 and $9,500/acre foot, respectively, and were already approved with the 2020 budget in November.

At 9:54 a.m., Mses. Koppel, McClintock, Smits and Vogt, and Messrs. Cerny, Schneider, Thompson, and Wolff left the meeting.
EXECUTIVE SESSION

Mr. Porzak requested the Board enter Executive Session to receive legal advice of counsel regarding Bolts Lake, unallocated water, and Wolford Mountain Reservoir matters, pursuant to §24-6-402(4)(a)(b) and (e) C.R.S. He asked that no electronic record be made, as the discussion would be entirely privileged attorney-client communications. Upon motion duly made and seconded, it was unanimously RESOLVED to enter Executive Session at 9:55 a.m. to receive advice of counsel regarding Bolts Lake, unallocated water, and Wolford Mountain Reservoir matters, pursuant to §24-6-402(4)(b) and (e) C.R.S. with no electronic record created as Mr. Porzak opined the contents of the discussion would contain privileged attorney-client communications.*

The regular meeting resumed at 10:28 a.m.
ADJOURNMENT
There being no further business to come before the Board, the meeting adjourned at 10:29 a.m.
Respectfully submitted,

___________________________________
Secretary to the Meeting

MINUTES APPROVED, FORMAL CALL, AND
NOTICE OF MEETING WAIVED

___________________________________
Arrowhead Metropolitan District

___________________________________
Town of Avon

___________________________________
Beaver Creek Metropolitan District

___________________________________
Berry Creek Metropolitan District

___________________________________
EagleVail Metropolitan District

___________________________________
Edwards Metropolitan District

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

___________________________________
Glenn Porzak, Water Counsel