

Upper Eagle Regional Water Authority

Board of Directors Meeting

December 19, 2019

MINUTES

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

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

6 Geoff Dreyer, Arrowhead Metropolitan District
7 Pam Elsner, Beaver Creek Metropolitan District
8 George Gregory, Berry Creek Metropolitan District
9 Sarah Smith Hymes, Town of Avon, *via phone*
10 Kim Bell Williams, EagleVail Metropolitan District
11 Mick Woodworth, Edwards Metropolitan District

12 **Also in attendance were:**

13 <u>District Staff</u>	24	Evette Smits
14 Linn Brooks	25	Mike Thompson
15 Alan Cerny	26	Amy Vogt
16 Jason Cowles	27	James Wilkins
17 Carol Dickman	28	Chris Wolff
18 Catherine Hayes	29	Len Wright
19 Diane Johnson	30	Brad Zachman
20 Kira Koppel	31	<u>Consultants</u>
21 Mindi McClintock	32	Jim Collins, Collins Cockrel & Cole
22 Siri Roman	33	Glenn Porzak, Porzak Browning & Bushong LLP
23 Jeff Schneider		

34 **DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST**

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

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

44 **CALL TO ORDER**

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

46 **PUBLIC COMMENT**

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

49 **ACTION ITEMS**

50 **Consideration of Minutes** – The minutes of the regular meeting of November 21, 2019, were
51 considered. Upon motion duly made and seconded, it was unanimously

52 **RESOLVED** that the minutes of the November 21, 2019, regular meeting be accepted and
53 hereby are approved as presented.

54 **2020 Operations Agreement with Eagle River Water & Sanitation District** – Ms. Hayes discussed a
55 board action request and the 2020 operations agreement between the Authority and District, copies of
56 which are attached hereto as **Exhibits A** and **B**, respectively, and incorporated herein by this reference.

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1 The agreement included updates to rates and fees as approved in the Authority's 2020 budget. After
2 discussion and upon motion duly made and seconded, it was unanimously

3 **RESOLVED** that the Authority's 2020 operations agreement with Eagle River Water & Sanitation
4 District be and hereby is approved as presented.

5 **2020 Proposed Meeting Schedule** – Ms. Hayes presented the proposed 2020 meeting schedule, a copy
6 of which is attached hereto as **Exhibit C** and incorporated herein by this reference. The proposed
7 schedule maintains the 8:30 a.m. board meetings every fourth Thursday of the month, with meetings held
8 on the third Thursday in November and December to accommodate holidays. After discussion and upon
9 motion duly made and seconded, it was unanimously

10 **RESOLVED** that the 2020 meeting schedule for the Authority be and hereby is approved as
11 presented.

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

18 **RESOLVED** to contribute \$2,000 to the Colorado Water Stewardship Project fund.

19 STRATEGY ITEMS

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

24 **Water Efficiency Rebate Pilot Program and Qualified Water Efficient Landscaper (QWEL)**
25 **Program** – Mr. Wolff, Water Demand Management Coordinator, presented information on a
26 proposed water efficiency rebate program, funds for which were budgeted in 2020. Copies of the
27 information are attached hereto as **Exhibit D** and incorporated herein by this reference. This will
28 include indoor rebates for efficient toilets and washing machines. New construction would not be
29 eligible for such rebates, and customers must be enrolled in the WaterSmart program to take
30 advantage of the rebates. Outdoor rebates would include funds for reducing turf area and
31 upgrading irrigation systems, among others. The QWEL program would allow the District to
32 become a professional certifying organization to train others in efficient landscape practices. Mr.
33 Wolff noted the pilot stage of the rebate program would include all the recommendations from the
34 joint Water Efficiency Plan of the Authority and District, which was adopted in 2018. The Board
35 thanked Mr. Wolff for his efforts.

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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

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1 preapplication meeting would have been helpful, in addition to reviewing the entire permitting
2 process in the future.

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

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

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

10 **COMMUNICATION AND PUBLIC AFFAIRS REPORT**

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

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

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

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

22 **GENERAL COUNSEL REPORT**

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

24 **WATER COUNSEL REPORT**

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

26 **Authority Water Dedication Policy** – Mr. Porzak presented the Authority's water dedication
27 policy, a copy of which is attached hereto as **Exhibit L** and incorporated herein by this reference.
28 The board ratified its approval of the updated water dedication policy, which includes a cost of
29 living increase for the in-basin storage water and summertime irrigation water. For 2020, such
30 fees are now \$39,500 and \$9,500/acre foot, respectively, and were already approved with the
31 2020 budget in November.

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

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1 **EXECUTIVE SESSION**

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

6 **RESOLVED** to enter Executive Session at 9:55 a.m. to receive advice of counsel regarding
7 Bolts Lake, unallocated water, and Wolford Mountain Reservoir matters, pursuant to §24-6-
8 402(4)(b) and (e) C.R.S. with no electronic record created as Mr. Porzak opined the contents
9 of the discussion would contain privileged attorney-client communications.*

10 The regular meeting resumed at 10:28 a.m.

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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