A regular, virtual meeting of the Board of Directors of the Eagle River Water & Sanitation District (District) was held March 26, 2020, at 11:33 a.m., in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

The following Directors were present via Skype, thereby constituting a quorum:

1. Dick Cleveland
2. Steve Coyer
3. George Gregory
4. Timm Paxson
5. Bill Simmons
6. Brian Sipes
7. Robert Warner

Also in attendance were:

10. District Staff
11. Linn Brooks
12. Allen Cerny
13. Kyle Collins
14. Jason Cowles
15. Carol Dickman
16. Catherine Hayes
17. Diane Johnson
18. Kira Koppel
19. Siri Roman
20. Jeff Schneider
21. Shane Swartwout
22. Amy Vogt
23. James Wilkins
24. Len Wright
25. Brad Zachman
26. Consultants
27. Jim Collins, Collins Cockrel & Cole
28. Kristin Moseley, Porzak Browning & Bushong LLP
29. Glenn Porzak, Porzak Browning & Bushong LLP
30. Marc Ragan, Piper Jaffray

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 Cleveland disclosed that he serves on the board of Vail Health. Director Gregory disclosed that he serves on the Boards of the Upper Eagle Regional Water Authority (Authority and the Berry Creek Metropolitan District and occasionally undertakes development and construction activities within the District and Authority service areas. Director Simmons disclosed that he is the General Manager of the Beaver Creek Metropolitan District, an alternate Authority Director, and serves on the boards of the Edwards Metropolitan District and Eagle River Fire Protection District. Director Warner disclosed that he is a developer within the District’s service area and serves on the Eagle County Planning Commission, which occasionally has dealings with the District.

CALL TO ORDER

Chair Simmons called the meeting to order at 11:30 a.m. He thanked staff members who helped with planning and executing the virtual meeting, which ensured the District board and staff were following the local and state requirements to ensure social distancing during the COVID-19 pandemic to prevent community spread of the coronavirus.

PUBLIC COMMENT

Public comment was called for, and there was none.

ACTION ITEMS

Consideration of Minutes – The minutes of the regular meeting of February 27, 2020, were considered. Upon motion duly made and seconded, it was unanimously

RESOLVED that the minutes of the February 27, 2020, regular meeting be accepted and hereby are approved as presented.

Emergency Declaration – The board discussed the joint email meeting of the District and Authority boards held on March 17, 2020, which was properly noticed. During the email meeting, the boards approved a 30-day extension of the emergency declaration originally filed by Ms. Brooks. The declaration
and extension make the District and Authority eligible for any federal and state funding as it responds to
the COVID-19 pandemic. After discussion and upon motion duly made and seconded, it was unanimously
RESOLVED that the approval of the emergency declaration and extension be and hereby are
ratified by the board.

Copies of the declaration and extension are attached hereto as Exhibits A and B, respectively, and
incorporated herein by this reference.

Parameters Resolution re Series 2020A and 2020B Enterprise Wastewater Revenue Bonds – Mr.
Wilkins discussed the resolution and introduced Mr. Ragan, who gave further details. A board action
request and copy of the resolution are attached hereto as Exhibits C and D, respectively, and
incorporated herein by this reference. Discussion ensued regarding economic volatility due to the
coronavirus pandemic, as well as the parameters that must be met for each set of bonds to be issued. A
refunding is also contemplated but could be withdrawn if the market conditions are not advantageous. In
response to a question, Mr. Schneider summarized the Avon Nutrient Upgrade Project that will be largely
funded by the bond proceeds; items that can be remotely completed are still moving forward. After
discussion and upon motion duly made and seconded, it as unanimously
RESOLVED that the parameters resolution re series 2020A and 2020B Enterprise Wastewater
Revenue Bonds be and hereby is approved as presented.

Consent Agenda – The Board unanimously approved the consent agenda, a copy of which is attached
hereto as Exhibit E and incorporated herein by this reference.

Information Reports – The information reports were acknowledged and are attached hereto as Exhibit
F and incorporated herein by this reference.

COVID-19 RESPONSE AND OPERATIONS UPDATE

COVID-19 Update – Ms. Brooks and Ms. Roman summarized the Authority and District’s
response to the pandemic. A related memo is attached hereto as Exhibit G and incorporated
herein by this reference. Ms. Brooks outlined the initial planning stages, which began when the
virus was spreading in China earlier in the year.

Operations Update – Ms. Roman noted operations priorities and risks were identified to ensure
staff could continue to provide drinking water and treat wastewater while meeting all applicable
regulations. Operations continue to be stable, and operations staff within each department is
following department-specific protocols to ensure sufficient backup/depth in their areas of focus,
regular and routine sanitization of work areas, and that social distancing requirements of six feet
are met. Current wastewater treatment protocols sufficiently protect against viruses and
pathogens, including coronavirus, so no changes are needed. Additionally, unnecessary traffic in
and out of facilities is being minimized. Ms. Roman noted staff is experiencing some anxiety and
stress, and there are many resources for employees. Ms. Brooks outlined various policies to
support staff and ensure health and safety; a related memo is attached hereto as Exhibit E and
Remote Work Update – All non-essential employees who are able were required to work from home beginning on March 16. Prior to this directive, the IT department held various trainings to assist with remote work capabilities and staff understanding of the protocols, as well as the availability of equipment to facilitate more efficient home-work environments. Ms. Brooks discussed absenteeism, the numbers for which do not appear out of the ordinary. However, due to school and daycare closures, many employees who are working from home must also care for and homeschool their children, which is contributing to some absences.

Compliance Evaluation and Inspection – Ms. Roman briefly updated the board on the recent wastewater compliance evaluation and inspection (CEI) by state inspectors. Staff recently received the results, which were positive.

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

Rockledge Road Sewer Line – Mr. Collins reported that all four homeowners on a section of Rockledge Road agreed to have the District complete a needed upgrade of a private sewer main. The homeowners will pay for the repair upon its completion.

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

Pando Feeder Diligence Protest – Mr. Porzak discussed the protest letter he filed on behalf of the Authority, District, and the other shareholders of Eagle Park Reservoir Company regarding the recent diligence application for the Pando Feeder Canal water right, a copy of which is attached hereto as Exhibit F and incorporated herein by this reference. The letter protests an inclusion in the diligence finding that would unduly restrict the ability to obtain an absolute decree for a future enlargement of Eagle Park Reservoir. Mr. Porzak also recently filed an opposition to the state and division engineers’ motion to intervene. The case was set for a phone status conference with the judge.

Eagle Park Reservoir Diligence Application – Mr. Porzak reported the diligence application for the remaining portions of conditional Eagle Park Reservoir water rights was filed; this was a joint application of all the Company’s shareholders. No statements of opposition were filed.

The board took a short recess at 12:42 p.m. and the regular meeting resumed at 12:47 p.m.

EXECUTIVE SESSION
Mr. Collins requested the Board enter Executive Session to receive legal advice of counsel regarding policies related to the COVID-19 response, 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 12:48 p.m. to receive advice of counsel regarding policies related to the COVID-19 response, pursuant to §24-6-402(4)(b) and (e) C.R.S. with no electronic record created as Mr. Collins opined the contents of the discussion would contain privileged attorney-client communications.*

At 1:12 p.m., all remaining staff left the call, with the exception of Mses. Brooks, Hayes, and Roman, and Mr. Cowles.

Mr. Porzak requested the Board continue Executive Session to receive legal advice of counsel regarding the Eagle Park Reservoir Stock Agreement, EagleVail Metropolitan District Water Rights, and Bolts Lake, 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 1:13 p.m. to receive advice of counsel regarding Bolts Lake, 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 1:59 p.m.

Customer Late Payments – The Board acknowledged some customers may have difficulty paying their water and sewer bills due to the recent shutdown of many businesses to prevent the spread of coronavirus. The board discussed a policy to enact a waiver period for customers during which finance charges on late fees would not be incurred; current and past due accounts would not incur additional finance charges; no water shut-offs for non-payment; and no mailing of delinquent notices. The waiver period was proposed from 04/02/2020 to 05/04/2020 and could be extended by motion of the board. Such a policy supports the community during this unprecedented time when many are experiencing financial hardship. After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED that the policy on late payments be and hereby is approved as presented.
ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 2:05 p.m.

Respectfully submitted,

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Secretary to the Meeting

MINUTES APPROVED, FORMAL CALL, AND
NOTICE OF MEETING WAIVED

________________________________________
Dick Cleveland, Director

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Steve Coyer, Treasurer

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George Gregory, Secretary

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Timm Paxson, Director

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Bill Simmons, Chair

________________________________________
Brian Sipes, Director

________________________________________
Robert Warner, Director

*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.

________________________________________
James P. Collins, General Counsel

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Glenn Porzak, Water Counsel