

Eagle River Water & Sanitation District
Board of Directors Meeting
March 26, 2020
MINUTES

ndo

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:

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

Also in attendance were:

9			
10	<u>District Staff</u>	21	Shane Swartwout
11	Linn Brooks	22	Amy Vogt
12	Allen Cerny	23	James Wilkins
13	Kyle Collins	24	Len Wright
14	Jason Cowles	25	Brad Zachman
15	Carol Dickman	26	<u>Consultants</u>
16	Catherine Hayes	27	Jim Collins, Collins Cockrel & Cole
17	Diane Johnson	28	Kristin Moseley, Porzak Browning & Bushong LLP
18	Kira Koppel	29	Glenn Porzak, Porzak Browning & Bushong LLP
19	Siri Roman	30	Marc Ragan, Piper Jaffray
20	Jeff Schneider		

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

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1 and extension make the District and Authority eligible for any federal and state funding as it responds to
2 the COVID-19 pandemic. After discussion and upon motion duly made and seconded, it was unanimously

3 **RESOLVED** that the approval of the emergency declaration and extension be and hereby are
4 ratified by the board.

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

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12 refunding is also contemplated but could be withdrawn if the market conditions are not advantageous.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

16 **RESOLVED** that the parameters resolution re series 2020A and 2020B Enterprise Wastewater
17 Revenue Bonds be and hereby is approved as presented.

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

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

22 **COVID-19 RESPONSE AND OPERATIONS UPDATE**

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

27 **Operations Update** – Ms. Roman noted operations priorities and risks were identified to ensure
28 staff could continue to provide drinking water and treat wastewater while meeting all applicable
29 regulations. Operations continue to be stable, and operations staff within each department is
30 following department-specific protocols to ensure sufficient backup/depth in their areas of focus,
31 regular and routine sanitization of work areas, and that social distancing requirements of six feet
32 are met. Current wastewater treatment protocols sufficiently protect against viruses and
33 pathogens, including coronavirus, so no changes are needed. Additionally, unnecessary traffic in
34 and out of facilities is being minimized. Ms. Roman noted staff is experiencing some anxiety and
35 stress, and there are many resources for employees. Ms. Brooks outlined various policies to
36 support staff and ensure health and safety; a related memo is attached hereto as **Exhibit E** and

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1 incorporated herein by this reference. Managers and supervisors are checking in with staff
2 frequently as well.

3 **Remote Work Update** – All non-essential employees who are able were required to work from
4 home beginning on March 16. Prior to this directive, the IT department held various trainings to
5 assist with remote work capabilities and staff understanding of the protocols, as well as the
6 availability of equipment to facilitate more efficient home-work environments. Ms. Brooks
7 discussed absenteeism, the numbers for which do not appear out of the ordinary. However, due
8 to school and daycare closures, many employees who are working from home must also care for
9 and homeschool their children, which is contributing to some absences.

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

13 GENERAL COUNSEL REPORT

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

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

18 WATER COUNSEL REPORT

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

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

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

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

32 **EXECUTIVE SESSION**

33 Mr. Collins requested the Board enter Executive Session to receive legal advice of counsel regarding
34 policies related to the COVID-19 response, pursuant to §24-6-402(4)(a)(b) and (e) C.R.S. He asked that

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1 no electronic record be made, as the discussion would be entirely privileged attorney-client
2 communications. Upon motion duly made and seconded, it was unanimously

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

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

9 Mr. Porzak requested the Board continue Executive Session to receive legal advice of counsel regarding
10 the Eagle Park Reservoir Stock Agreement, EagleVail Metropolitan District Water Rights, and Bolts Lake,
11 pursuant to §24-6-402(4)(a)(b) and (e) C.R.S. He asked that no electronic record be made, as the
12 discussion would be entirely privileged attorney-client communications. Upon motion duly made and
13 seconded, it was unanimously

14 **RESOLVED** to enter Executive Session at 1:13 p.m. to receive advice of counsel regarding
15 Bolts Lake, pursuant to §24-6-402(4)(b) and (e) C.R.S. with no electronic record created as
16 Mr. Porzak opined the contents of the discussion would contain privileged attorney-client
17 communications.*

18 The regular meeting resumed at 1:59 p.m.

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

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

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

3 Respectfully submitted,

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8 Secretary to the Meeting

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

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15 **Dick Cleveland, Director**

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19 **Steve Coyer, Treasurer**

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23 **George Gregory, Secretary**

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27 **Timm Paxson, Director**

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31 **Bill Simmons, Chair**

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35 **Brian Sipes, Director**

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39 **Robert Warner, Director**

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

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45 _____
46 **James P. Collins, General Counsel**

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Glenn Porzak, Water Counsel