

Upper Eagle Regional Water Authority

Board of Directors Meeting

November 19, 2020

MINUTES

1 A regular, virtual meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority)
2 was held November 19, 2020, at 8:30 a.m., in accordance with the applicable statutes of the State of
3 Colorado.

4 **The following Directors and alternate were present and acting via Microsoft Teams, thereby**
5 **constituting a quorum:**

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

12 **Also in attendance were:**

13 <u>District Staff</u>	24	Jeff Schneider
14 Linn Brooks	25	Jason Sica
15 Allen Cerny	26	Amy Vogt
16 Troy Clous	27	Len Wright
17 Jason Cowles	28	Brad Zachman
18 Carol Dickman	29	<u>Consultants</u>
19 Catherine Hayes	30	Glenn Porzak, Porzak Browning & Bushong LLP
20 Diane Johnson	31	<u>Public</u>
21 Kira Koppel	32	David Norris, ERWSD Director of Finance
22 Melissa Mills McLoota		
23 Siri Roman		

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 boards of the Eagle River Fire Protection
40 District and Edwards Metropolitan District and is employed by Beaver Creek Metropolitan District, an Authority member. Director
41 Williams disclosed that she is the Eagle County Housing Director. Director Woodworth disclosed that he is employed by the Eagle
42 River Fire Protection District, which operates within the Authority's service area.

43 **CALL TO ORDER**

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

45 **PUBLIC COMMENT**

46 Public comment was called for and Ms. Brooks introduced Mr. Norris, who will begin Nov. 30 with the
47 District as the new Director of Finance.

48 **ACTION and OTHER ITEMS**

49 **Consideration of Minutes** – The minutes of the meeting of October 22, 2020, were considered. Upon
50 motion duly made and seconded, it was unanimously

51 **RESOLVED** that the minutes of the October 22, 2020, regular meeting be accepted and hereby
52 are approved as presented.

53 The minutes of the joint, special meeting of October 22, 2020, with the Eagle River Water & Sanitation
54 District were considered. Upon motion duly made and seconded, it was unanimously

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1 **RESOLVED** that the minutes of the joint special October 22, 2020, regular meeting be accepted
2 and hereby are approved as presented.

3 **PUBLIC HEARING: 2021 Proposed Budget**

4 Chair Gregory opened a public hearing at 8:38 a.m. to discuss the 2021 budget, a copy of which is
5 attached hereto as **Exhibit A** and incorporated herein by this reference. A call for public input solicited no
6 response. The public hearing was closed at 8:43 a.m. The board thanked Ms. Roman, who prepared the
7 budget this year while the Director of Finance position was vacant. Discussion ensued regarding the
8 proposed rate increases and budgeted merit increases for employees, and the actions other entities were
9 taking locally and statewide related to merit. It was clarified that the personnel budget is part of the Eagle
10 River Water & Sanitation District budget; such costs are shared with the Authority via the annual
11 operations agreement between the two entities. Ms. Roman presented Resolutions to Adopt the 2021
12 Budget and to Appropriate Sums of Money, copies of which are attached hereto as **Exhibits B** and **C**,
13 respectively, and incorporated herein by this reference. After discussion and upon motion duly made and
14 seconded, it was unanimously

15 **RESOLVED** that the Resolutions to Adopt the 2021 Budget and Appropriate Sums of
16 Money be and hereby are approved as presented, subject to concern expressed
17 regarding increased salary provisos, and subject to any action the District board takes
18 regarding salaries.

19 **PUBLIC HEARING: 2021 Proposed Rates**

20 Chairman Gregory opened a public hearing at 8:48 a.m. to discuss the 2021 rate sheet, a copy of which
21 is attached hereto as **Exhibit D** and incorporated herein by this reference. A call for public input solicited
22 no response. Chair Gregory confirmed the Authority had posted the required formal notice of the public
23 hearing at which the Board would consider a rate change at least 30 days in advance. A copy of the
24 notice is attached hereto as **Exhibit E** and incorporated herein by this reference. The public hearing was
25 closed at 8:53 a.m. Ms. Roman discussed the budget, noting that the water system impact fee would
26 increase by 3% in 2021 and the District service rates for tiers 3 – 5 were increased to match that of the
27 Authority. Ms. Roman presented a resolution to adopt the 2021 rates, a copy of which is attached hereto
28 as **Exhibit F** and incorporated herein by this reference. Upon motion duly made and seconded, it was
29 unanimously

30 **RESOLVED** that the resolution to adopt the 2021 rates be and hereby is approved as presented.

31 The 2021 rates for service charges and tap fees are attached hereto as **Exhibit G** and incorporated
32 herein by this reference.

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

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1 STRATEGY ITEMS

2 **2020 Water Year in Review and 2021 Outlook** – Dr. Wright and Ms. Johnson presented
3 information regarding the 2020 water year and a water supply outlook for 2021. They noted
4 normal snow accumulation during water year 2020, but a drier and warmer than normal summer
5 intensified local drought conditions. Drought management objectives and recommended tactics
6 were also discussed. A copy of the presentation is attached hereto as **Exhibit I** and incorporated
7 herein by this reference.

8 **Board Member Input** – Board member input was called for and there was none.

9 GENERAL MANAGER REPORT

10 Ms. Brooks noted she did not include a public report in packets this month.

11 OPERATIONS REPORT

12 Ms. Roman presented the operations report, a copy of which is attached hereto as **Exhibit J** and
13 incorporated herein by this reference.

14 **2019 Macroinvertebrate Multimetric Index (MMI) Update** – A copy of the 2019 MMI scores and
15 related information is attached hereto as **Exhibit K** and incorporated herein by this reference.

16 ENGINEERING REPORT

17 Mr. Cowles noted he did not include a written report in packets.

18 COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

19 Ms. Johnson noted she did not include a written report in packets.

20 GENERAL COUNSEL REPORT

21 Ms. Winn referred to her confidential legal report included in the confidential packet.

22 WATER COUNSEL REPORT

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

24 **Water Dedication Policy** – Mr. Porzak discussed the 2021 water dedication policy, a copy of
25 which is attached hereto as **Exhibit L** and incorporated herein by this reference. The policy
26 increases summer irrigation water and in-basin storage water to \$10,000/acre foot and
27 \$41,000/acre foot, respectively. After discussion and upon motion duly made and seconded, it
28 was unanimously

29 **RESOLVED** that the 2021 Water Dedication Policy be and hereby is approved as
30 presented.

31 **Eagle Park Reservoir Company Motion for Summary Judgment** – Mr. Porzak discussed the
32 motions for summary judgment by the state and division engineers and the diligence application
33 for the Eagle Park Reservoir storage right, copies of which are attached hereto as **Exhibit M** and

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1 incorporated herein by this reference. Mr. Porzak also noted the response brief, a copy of which
2 is attached hereto as **Exhibit N** and incorporated herein by this reference.

3 At 10:15 a.m., Mses. Koppel and Vogt and Messrs. Cerny, Clous and Schneider, and Dr. Wright left the
4 meeting.

5 **EXECUTIVE SESSION**

6 Ms. Winn requested the Board enter Executive Session to receive legal advice of counsel regarding
7 CRCA matters, Eagle Park Reservoir matters, and water rights supply, pursuant to §24-6-402(4)(a)(b)
8 and (e) C.R.S. He asked that no electronic record be made, as the discussion would be entirely privileged
9 attorney-client communications. Upon motion duly made and seconded, it was unanimously

10 **RESOLVED** to enter Executive Session at 9:28 a.m. to receive advice of counsel regarding
11 CRCA matters, Eagle Park Reservoir matters, and water rights supply, pursuant to §24-6-
12 402(4)(b) and (e) C.R.S. with no electronic record created as Ms. Winn opined the contents
13 of the discussion would contain privileged attorney-client communications.*

14 The regular meeting resumed at 11:10 a.m.

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1 **ADJOURNMENT**

2 There being no further business to come before the Board, the meeting adjourned at 11:10 a.m.

3 Respectfully submitted,

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5 _____
6 Secretary to the Meeting

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

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11 _____
12 **Arrowhead Metropolitan District**

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15 **Town of Avon**

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17 _____
18 **Beaver Creek Metropolitan District**

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20 _____
21 **Berry Creek Metropolitan District**

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23 _____
24 **EagleVail Metropolitan District**

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26 _____
27 **Edwards Metropolitan District**

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

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41 _____
42 **Kathryn Winn, General Counsel**

43 _____
44 **Glenn Porzak, Water Counsel**