

Upper Eagle Regional Water Authority
Board of Directors Meeting
December 17, 2020
MINUTES

1 A regular, virtual meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority)
2 was held December 17, 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>	23	Siri Roman
14 Linn Brooks	24	Jeff Schneider
15 Allen Cerny	25	Jason Sica
16 Troy Clous	26	Amy Vogt
17 Jason Cowles	27	Len Wright
18 Carol Dickman	28	Brad Zachman
19 Catherine Hayes	29	<u>Consultants</u>
20 Diane Johnson	30	Jim Collins, Collins Cockrel & Cole
21 Kira Koppel	31	Glenn Porzak, Porzak Browning & Bushong LLP
22 David Norris		

32 **DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST**

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

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

42 **CALL TO ORDER**

43 Chair Gregory called the meeting to order at 8:31 a.m.

44 **PUBLIC COMMENT**

45 Public comment was called for and there was none.

46 **ACTION and OTHER ITEMS**

47 **Consideration of Minutes** – The minutes of the meeting of November 19, 2020, were considered.

48 Upon motion duly made and seconded, it was unanimously

49 **RESOLVED** that the minutes of the November 19, 2020, regular meeting be accepted and
50 hereby are approved as presented.

51 The minutes of the joint, special meeting of November 19, 2020, with the Eagle River Water &
52 Sanitation District were considered. Upon motion duly made and seconded, it was unanimously

53 **RESOLVED** that the minutes of the joint special November 19, 2020, special meeting be
54 accepted and hereby are approved as presented.

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1 **Representative Appointment for Colorado Special Districts Property & Liability Pool** – The board
2 discussed the request to appoint Mr. Norris as the alternate contact for the CSD Pool, a copy of which is
3 attached hereto as **Exhibit A** and incorporated herein by this reference. Ms. Hayes confirmed Connie
4 Nunley was the primary contact, and Mr. Norris was replacing the previous alternate. After discussion and
5 upon motion duly made and seconded, it was unanimously

6 **RESOLVED** that Mr. Norris be and hereby is appointed as the Authority's alternate representative
7 for the Colorado Special Districts Property & Liability Pool.

8 **2021 Operations Agreement with ERWSD** – The board considered the 2021 Operations Agreement
9 with ERWSD and a related memo, copies of which are attached hereto as **Exhibits B and C**,
10 respectively, and incorporated herein by this reference. Upon motion duly made and seconded, it was
11 unanimously

12 **RESOLVED** that the 2021 Operations Agreement with Eagle River Water & Sanitation District be
13 and hereby is approved as presented.

14 **2021 Meeting Place and Posting Location** – The board considered a resolution regarding the 2021
15 meeting place and posting location for its regular meetings. A related memo and the resolution are
16 attached hereto as **Exhibits D and E**, respectively, and incorporated herein by this reference. The board
17 agreed it would continue to meet at 8:30 a.m. on the fourth Thursday of each month and that the meeting
18 notices would be posted online, per the Colorado Revised Statutes. Meetings will be held virtually for the
19 foreseeable future. Upon motion duly made and seconded, it was unanimously

20 **RESOLVED** that the Resolution Designating the Authority's 2021 Meeting Place and Posting
21 Location be and hereby is approved as presented.

22 **PUBLIC HEARING: 2020 BUDGET AMENDMENT**

23 Chair Gregory opened a public hearing at 8:38 a.m. to discuss a resolution to amend the 2020 budget, a
24 copy of which is attached hereto as **Exhibit F** and incorporated herein by this reference. A call for public
25 input solicited no response. The public hearing was closed at 8:39 a.m. Mr. Norris discussed the legal
26 requirement for the amendment, the need for which resulted from bond refunding and the timing of capital
27 project expenditures. The original 2020 budget estimated \$25 million in expenditures; actual spending
28 was \$32.9 million. After discussion and upon motion duly made and seconded, it was unanimously

29 **RESOLVED** that the Resolution to Amend the 2020 Budget be and hereby is approved
30 as presented.

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

33 **STRATEGY ITEMS**

34 **Board Member Input** – Director Woodworth noted the Edwards Metropolitan District board was
35 still concerned about the quality of water at the Eagle River Village Mobile Home Park. Staff will

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1 coordinate outreach to the Eagle County Commissioners about this topic and report back to the
2 board.

3 **Cloudseeding Activities** – Mr. Porzak discussed an inquiry from a previous board member
4 regarding cloudseeding, which Vail Resorts declined to do for the 2020-21 ski season. The board
5 discussed various ways in which regional and local entities could contribute to the effort this
6 season, which costs approximately \$300,000. The Authority board agreed it was willing to pay up
7 to \$15,000 if other stakeholders would also contribute funds to the effort.

8 **GENERAL MANAGER REPORT**

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

10 **COVID-19 Update** – Ms. Brooks updated the board on COVID-19 operations and noted no new
11 cases among staff since her report of Dec. 9. Staff is working with Eagle County public health to
12 determine where frontline District employees are in the vaccination order.

13 **Year-End Celebration Update** – Ms. Brooks noted the ways in which staff is fostering
14 connection during a time when employees and the boards would normally gather for the annual
15 holiday party. Each department has been scheduled for a celebration week in which that team is
16 honored for the role each plays in the District's success. Ms. Brooks also discussed the previous
17 day's online town hall, at which values awards were presented to staff and the Authority and
18 District board chairs thanked staff for their efforts during the year. The board expressed gratitude
19 for all the staff during this difficult year.

20 **FINANCE REPORT**

21 Mr. Norris presented the quarterly financial report, a copy of which is attached hereto as **Exhibit I** and
22 incorporated herein by this reference. He outlined report changes he will implement and asked directors
23 to offer feedback on what they would like to be included in the report. Mr. Norris noted the financials
24 looked strong and revenues were trending upward, even during the pandemic. Net income is solid, and
25 additional tap fees are expected before year end.

26 **OPERATIONS REPORT**

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

29 **Draft Wastewater Discharge Permit** – Ms. Roman discussed the draft wastewater discharge
30 permits from the state, which are attached hereto as **Exhibit K** and incorporated herein by this
31 reference. Ms. Roman noted the permits contain many stringent requirements and are still under
32 staff review. Such requirements drive costly upgrades, such as the nutrient upgrade project
33 ongoing at the Avon WWTF.

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1 **Avon Wastewater Treatment Facility Nutrient Upgrade Project** – Ms. Roman updated on the
2 nutrient upgrade project, which is going well. She noted the contractor received a right-of-way for
3 construction from the Union Pacific Railroad, which will greatly assist in project completion and
4 improve project site safety.

5 **Backflow and Cross-Connection Program Update** – Mr. Zachman shared that staff expects to
6 achieve full compliance for both the hazard ratio and device testing ratios of this state-required
7 program. A task force of employees has been working on this monumental effort since July, and
8 Mr. Zachman highlighted the team effort required to achieve compliance. The board expressed
9 gratitude for this huge accomplishment.

10 **Eagle Park Reservoir Quarterly Report** – The confidential quarterly report was referenced.

11 **ENGINEERING AND WATER RESOURCES REPORT**

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

13 **Traer Creek Tank Update** – Mr. Cowles said the Traer Creek Tank project was awarded to DN
14 Tanks. Project completion is expected by the end of 2021.

15 **Water Demand Management Advisory Committee** – Mr. Cowles noted he was invited to
16 participate in an advisory committee regarding water demand management as it relates to
17 compact call avoidance. Many of the stakeholders are from the West Slope and are working
18 together to organize a program for temporary, compensated reduced water use.

19 **COMMUNICATIONS AND PUBLIC AFFAIRS REPORT**

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

21 **Colorado River District Ballot Issue Update** – Ms. Johnson reported that the River District's
22 ballot issue passed handily in November. The funds from the ballot issue will provide about \$5
23 million in funding for water projects in the River District's service area.

24 **GENERAL COUNSEL REPORT**

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

26 **WATER COUNSEL REPORT**

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

28 **Option Agreement** – Mr. Porzak discussed the option agreement between the Authority and
29 District, a copy of which is attached hereto as **Exhibit L** and incorporated herein by this
30 reference. The agreement outlines the terms by which the District will provide 25 acre feet of
31 water to the Authority to serve new development. Mr. Porzak said the District may be willing to
32 offer additional water in the future, and it should be covered under a separate agreement. After
33 discussion and upon motion duly made and seconded, it was unanimously

34 **RESOLVED** that the option agreement be and hereby is approved as presented.

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1 At 9:40 a.m., Mses. Koppel and Vogt and Messrs. Cerny, Clous and Schneider, and Dr. Wright left the
2 meeting.

3 **EXECUTIVE SESSION**

4 Mr. Collins requested the Board enter Executive Session to receive legal advice of counsel regarding
5 unification and the community water plan, pursuant to §24-6-402(4)(a)(b) and (e) C.R.S. He asked that no
6 electronic record be made, as the discussion would be entirely privileged attorney-client communications.

7 Upon motion duly made and seconded, it was unanimously

8 **RESOLVED** to enter Executive Session at 9:40 a.m. to receive advice of counsel regarding
9 unification and the community water plan, pursuant to §24-6-402(4)(b) and (e) C.R.S. with no
10 electronic record created as Mr. Collins opined the contents of the discussion would contain
11 privileged attorney-client communications.*

12 The regular meeting resumed at 9:55 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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18 **Beaver Creek Metropolitan District**

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21 **Berry Creek Metropolitan District**

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24 **EagleVail Metropolitan District**

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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**

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44 **Glenn Porzak, Water Counsel**