

Upper Eagle Regional Water Authority

Board of Directors Meeting

January 27, 2022

MINUTES

1 A remote regular meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority)
2 was held Jan. 27, 2022, at 8:30 a.m., in accordance with the applicable statutes of the state of Colorado.

3 4 **ATTENDANCE**

5 **The following Directors were present via Microsoft Teams, 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
10 Kim Bell Williams, EagleVail Metropolitan District
11 Mick Woodworth, Edwards Metropolitan District

12 13 **Also in attendance were:**

14 <u>District Staff</u>	26	Justin Way
15 Jason Cowles	27	Len Wright
16 Sarah Crawford	28	Brad Zachman
17 Leah Cribari	29	
18 Jesse Hooker	30	<u>Consultants</u>
19 Diane Johnson	31	Jim Collins, Collins Cole Flynn Winn & Ulmer, PLLC
20 Kira Koppel	32	Kristin Moseley, Somach Simmons & Dunn
21 David Norris	33	Kathryn Winn, Collins Cole Flynn Winn & Ulmer, PLLC
22 Chuck Owen	34	
23 Siri Roman	35	<u>Public</u>
24 Jeffrey Schneider	36	Kevin Hillgren, Beaver Creek Metro District alternate
25 Shane Swartwout	37	Kris Miller

38 39 **DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST**

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

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

49 **CALL TO ORDER**

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

51 **INTRODUCTIONS**

52 There were no new employee or consultant introductions.

53 **PUBLIC COMMENT**

54 Public comment was called for and there was none.

55 **ACTION ITEMS**

56 **Consideration of Minutes** – The minutes of the meeting of Dec. 16, 2021, and of the special joint
57 meetings of Dec. 16, 2021; Jan. 3, 2022; Jan. 10, 2022, and Jan. 17, 2022, with the Eagle River Water
58 & Sanitation District, were considered. Upon motion duly made and seconded, it was unanimously

Upper Eagle Regional Water Authority

1 **RESOLVED** that the minutes of the Dec. 16, 2021, regular meeting, and of the Dec. 16, 2021;
2 Jan. 3, 2022; Jan. 10, 2022, and Jan. 17, 2022, special joint meetings be accepted and hereby
3 are approved as presented.

4 **Resolution Designating Location to Post Notice** – Ms. Johnson presented a memo, which the board
5 considered along with the Resolution with its attached schedule of 2022 regular and joint meeting dates,
6 copies of which are attached hereto as **Exhibits A and B**, respectively, and incorporated herein by this
7 reference. After discussion and upon motion duly made and seconded, it was unanimously

8 **RESOLVED** to approve and accept the Resolution Designating Location to Post Notice with its
9 Exhibit A, 2022 board meeting schedule, as presented.

10 **Information Reports** – The board reviewed the monthly development report, board committee
11 membership, the December meeting summary, and the contract log, copies of which are attached hereto
12 as **Exhibits C, D, E, and F**, respectively, and incorporated herein by this reference.

13 **STRATEGY ITEMS**

14 **Board Member Input** – Vice-Chair Hymes commented that the town of Avon is working hard to
15 address local housing issues and she congratulated the Eagle River Water & Sanitation District
16 for its leadership in employee housing as the District houses about 40% of its employees. Chair
17 Gregory noted a letter received from the town of Avon concerning unification, a copy of which is
18 attached hereto as **Exhibit G** and incorporated herein by this reference; he compared its
19 reasonable tone to one that Beaver Creek Metro District sent to its constituents, which Chair
20 Gregory said was inappropriate. Alternate Director Hillgren said if the letter had been meant for
21 the UERWA board, it would have had a different tone.

22 **GENERAL MANAGER REPORT**

23 It was noted that Ms. Brooks is the board president of the Colorado Water Congress and was attending
24 the annual convention. Mr. Norris, as acting general manager, acknowledged Ms. Johnson's work to
25 assume responsibility for the board packets and meetings, including implementing a new packet process,
26 and thanked her for her work.

27 **COVID-19 update** – Mr. Norris updated board members about staff vaccination and booster
28 rates, ongoing COVID-19 protocols, and various effects of the omicron variant.

29 **FINANCE REPORT**

30 Mr. Norris presented the Quarterly Financial Report, a copy of which is attached hereto as **Exhibit H** and
31 incorporated herein by this reference. He noted that even with a large employee housing program, the
32 district has more demand than supply and continues to investigate ways to create more housing units to
33 support recruitment and retention. He said the operations agreement with the district will be tried up as
34 2021 numbers are finalized. Also, that the authority will develop a fund balance policy, which should
35 improve future bond ratings.

Upper Eagle Regional Water Authority

1 OPERATIONS REPORT

2 Ms. Roman presented the operations report, a copy of which is attached hereto as **Exhibit I** and
3 incorporated herein by this reference. She informed the board that the Colorado Department of Public
4 Health and Environment had recently asked the District to participate in its COVID-19 wastewater
5 monitoring program, which the District intends to do, subject to final arrangements with CDPHE.

6 **Backflow Prevention and Cross Connection Control Program** – Mr. Swartwout referenced
7 his memo and shared a PowerPoint presentation, copies of which are attached hereto as
8 **Exhibits J and K**, respectively, and incorporated herein by this reference, that summarized the
9 work required to successfully meet all CDPHE backflow prevention and cross connection control
10 program requirements. The program reached compliance with Colorado Primary Drinking Water
11 Regulation 11.39 for the 2021 compliance year. The board congratulated Mr. Swartwout and his
12 team for the significant work to achieve compliance.

13 **2020 Macroinvertebrate Sampling Results** – Ms. Cribari presented a memo, a copy of which
14 is attached hereto as **Exhibit L** and incorporated herein by this reference, that discussed the
15 program and showed the results of sampling conducted in fall 2020 and how the results
16 compare with previous years. Conditions have improved since the town of Vail began a program
17 to protect water quality.

18 **Molybdenum Rulemaking** – The board considered a memo from water quality counsel Steve
19 Bushong, a copy of which is attached hereto as **Exhibit M** and incorporated herein by this
20 reference, that summarized previous and current developments related to domestic water supply
21 and agricultural molybdenum standards, as well as Colorado’s rulemaking process.

22 ENGINEERING AND WATER RESOURCES REPORT

23 Mr. Cowles referenced the unallocated water update, a copy of which is attached hereto as **Exhibit N** and
24 incorporated herein by this reference. He noted that while the augmentation surplus is projected to be
25 231.36 acre-feet (AF), 99AF of that is historic consumptive use credit that can only be used during
26 irrigation season (May to October), about 78AF (of the original 87AF dedicated by Eagle County) is only
27 for workforce housing and/or streamflow enhancement, which leaves about 55AF of unallocated water for
28 the Authority to serve future uses. Mr. Cowles stated that the unrestricted 55AF includes 25AF pledged
29 by the District.

30 COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

31 Ms. Johnson referenced her report, a copy of which is attached hereto as **Exhibit O** and incorporated
32 herein by this reference. She noted how quickly the Lower Basin states came together to implement the
33 “500+ Plan” to conserve an additional 500,000AF per year. She also noted the change to a “new normal”
34 whereby various meteorological data, including snowpack and precipitation, will now be based on the 30-
35 year period from 1991 to 2020, which is a drier period than the previous 1981-2010 normal.

Upper Eagle Regional Water Authority

1 **GENERAL COUNSEL REPORT**

2 Ms. Wynn acknowledged close coordination with Ms. Johnson in the last month and expressed
3 appreciation for her work.

4 **WATER COUNSEL REPORT**

5 Ms. Moseley similarly acknowledged Ms. Johnson's diligence with board documents and meetings.

6 **EXECUTIVE SESSION**

7 Ms. Winn requested the Board enter Executive Session to discuss cybersecurity pursuant to §24-6-
8 402(4)(d) C.R.S. She asked that no electronic record be made, as the discussion would be entirely
9 privileged attorney-client communications. Upon motion duly made and seconded, it was unanimously

10 **RESOLVED** to enter Executive Session at 9:26 a.m. to discuss cybersecurity pursuant to
11 §24-6-402(4)(d) C.R.S. with no electronic record created as Ms. Winn opined the contents of
12 the discussion would contain privileged attorney-client communications.*

13 Ms. Moseley requested the Board continue Executive Session to receive legal advice of counsel and
14 discuss negotiations regarding the Eagle River MOU pursuant to §24-6-402(4)(b) and (e) C.R.S. She
15 asked that no electronic record be made, as the discussion would be entirely privileged attorney-client
16 communications. Upon motion duly made and seconded, it was unanimously

17 **RESOLVED** to continue Executive Session at 9:33 a.m. to receive advice of counsel and
18 discuss negotiations regarding the Eagle River MOU pursuant to §24-6-402(4)(b) and (e)
19 C.R.S. with no electronic record created as Ms. Moseley opined the contents of the
20 discussion would contain privileged attorney-client communications.*

21 Ms. Winn requested the Board continue Executive Session to receive legal advice of counsel and discuss
22 negotiations regarding unification, pursuant to §24-6-402(4)(b) and (e) C.R.S. She asked that no
23 electronic record be made, as the discussion would be entirely privileged attorney-client communications.
24 Upon motion duly made and seconded, it was unanimously

25 **RESOLVED** to enter Executive Session at 9:40 a.m. to receive advice of counsel and discuss
26 negotiations regarding unification, pursuant to §24-6-402(4)(b)(d) and (e) C.R.S. with no
27 electronic record created as Ms. Winn opined the contents of the discussion would contain
28 privileged attorney-client communications.*

29 The regular meeting resumed at 10:47 a.m.
30
31

32 **ADJOURNMENT**

33 There being no further business to come before the Board, the meeting adjourned at 10:48 a.m.

34 Respectfully submitted,
35
36

37 _____
Secretary to the Meeting