

**Eagle River Water & Sanitation District**  
**Board of Directors Meeting**  
**February 25, 2021**  
**MINUTES**

A special, virtual meeting of the Board of Directors of the Eagle River Water & Sanitation District (District) was held Feb. 25, 2021, at 1:00 p.m., in accordance with the applicable statutes of the State of Colorado.

**ATTENDANCE**

**The following Directors were present via Microsoft Teams, thereby constituting a quorum:**

Kate Burchenal  
Dick Cleveland  
Steve Coyer  
George Gregory  
Timm Paxson  
Bill Simmons  
Robert Warner

**Also in attendance were:**

<u>District Staff</u>	21	Rob Ringle
Tug Birk	22	Siri Roman
Linn Brooks	23	Jeff Schneider
Allen Cerny	24	Shane Swartwout
Jason Cowles	25	Len Wright
Catherine Hayes	26	Brad Zachman
Diane Johnson	27	<b><u>Consultants</u></b>
Kira Koppel	28	Jim Collins, Collins Cockrel & Cole
Melissa Marts	29	Kristin Moseley, Porzak Browning & Bushong LLP
Melissa Mills McLoota	30	Glenn Porzak, Porzak Browning & Bushong LLP
David Norris		

**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 Burchenal disclosed that she is on the Eagle River Watershed Council board of directors. 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 1:00 p.m.

**INTRODUCTIONS**

New employees were introduced, including Ms. Perrigaud, a new customer service specialist, and Mr. Ringle, the new wastewater manager.

**PUBLIC COMMENT**

Public comment was called for and there was none.

**ACTION ITEMS**

**Consideration of Minutes** – The minutes of the meeting of January 28, 2021, were considered. Upon motion duly made and seconded, it was unanimously

**RESOLVED** that the minutes of the January 28, 2021, regular meeting be accepted and hereby are approved as presented.

The minutes of the joint, special meeting of January 28, 2021, with Upper Eagle Regional Water Authority were considered. Upon motion duly made and seconded, it was unanimously

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1           **RESOLVED** that the minutes of the joint special January 28, 2021, special meeting be accepted  
2           and hereby are approved as presented.

3           **Resolution Authorizing Signatures** – A resolution was presented that authorizes certain jobs/positions  
4           to sign documents on behalf of the Authority, a copy of which is attached hereto as **Exhibit A** and  
5           incorporated herein by this reference. Certain positions have updated titles, and the resolution reflects  
6           these changes. After discussion and upon motion duly made and seconded, it was unanimously

7           **RESOLVED** that the resolution authorizing signatures be and hereby is approved as presented.

8           **Rules and Regulations Updates** – Mr. Birk discussed proposed updates to the Rules and Regulations, a  
9           copy of which is attached hereto as **Exhibit B** and incorporated herein by this reference. Discussion  
10          ensued regarding director Warner's comments questioning the prohibition of some outdoor water features  
11          in the updated version. Mr. Birk agreed to add an amendment to specifically address large, wasteful  
12          features. After further discussion and upon motion duly made and seconded, it was unanimously

13          **RESOLVED** that Rules and Regulations updates be and hereby are approved as amended.

14          Mr. Birk left the meeting at 1:20 p.m.

15          **Consent Agenda** – The consent agenda was approved, a copy of which is attached hereto as **Exhibit C** and  
16          incorporated herein by this reference.

17          **Information Reports** – The information reports are attached hereto as **Exhibit D** and incorporated herein by this  
18          reference.

### 19          **STRATEGY ITEMS**

20          **Board Member Input** – Board member input was requested and none was received.

21          **Sustainability Update** – Ms. Koppel summarized 2020 sustainability accomplishments at the  
22          District, including community partnerships, energy savings, emissions reductions, and employee  
23          engagement. Rebates and savings in 2020 totaled nearly \$125,000 through sustainability-related  
24          efforts. The board thanked Ms. Koppel for her update and congratulated her and staff on the  
25          many accomplishments.

26          **Drought Update** – Dr. Wright updated the board on current drought conditions. While recent  
27          snow improved the outlook slightly, there is still much concern with warmer, drier conditions and  
28          lack of winter precipitation. Dr. Wright briefly discussed the cloud seeding effort to which the  
29          Authority, District, and other local and front range entities contributed funding. He is awaiting a full  
30          report on the outcome of the effort.

### 31          **GENERAL MANAGER REPORT**

32          Ms. Brooks referenced her report, a copy of which is attached hereto as **Exhibit D** and incorporated  
33          herein by this reference.

34          **COVID-19 Update** – Ms. Brooks noted the District response returned to its sustain stage, along  
35          with Eagle County's return to Level Yellow on the state dial 2.0. Local case numbers are still  
36          higher than the national average and are sixth highest in Colorado. Ms. Brooks reported there

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1 was still no transmission at work between employees and expressed gratitude for every  
2 employee's professional response to the pandemic, which has now been ongoing for a year.

### 3 **FINANCE REPORT**

4 **Quarterly Financials** – Mr. Norris presented the District's quarterly financials, a copy of which is  
5 attached hereto as **Exhibit E** and incorporated herein by this reference. He reported water  
6 service revenues were higher than expected, with an emphasis on increases in revenue from  
7 water sales tiers 1 – 5. Mr. Norris also wants to improve budgeting for this and other items in the  
8 future. He also recommended a strategic plan for fund balance reserves, particularly for the Vail  
9 water fund, to ensure security in the future.

10 **Housing Program Update** – Mr. Norris also reported on the District's housing program, which he  
11 now oversees. His goal is to ensure the District continues to provide this important benefit to its  
12 employees while ensuring District costs are covered. He reported 43% of all District employees  
13 utilize the program, which is operating at a net income loss. Mr. Norris suggested continued  
14 research into the program and a strategic plan to meet its goals. In response to a question, Mr.  
15 Norris said the fund operates as an enterprise, but it's more efficient to not form an official  
16 enterprise.

### 17 **OPERATIONS REPORT**

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

20 **Utility Services Manager** – Ms. Roman noted Mr. Swartwout's transition to a newly formed  
21 department, Utility Services, which will report to the Director of Operations. Mr. Swartwout will  
22 manage the department, which will oversee meter technicians and the backflow and cross  
23 connection program. Eventually, Utility Services will also include a Fats, Oils and Grease (FOG)  
24 program, as well as an Industrial Pretreatment Program (IPP). Mr. Norris will oversee the  
25 Customer Service department, in addition to Finance.

26 **Avon WWTF Nutrient Upgrade Project** – Ms. Marts updated the board on the Avon WWTF  
27 Nutrient Upgrade Project, which is ongoing at the AWWTF. Significant progress continues, and  
28 staff is working closely with community partners, including the town of Avon neighboring  
29 properties. The project is on time and on budget, with projected completion slated for 2022.

30 **New Wastewater Discharge Permits** – Ms. Roman reported on new permits issued for the  
31 District's three wastewater treatment facilities. The discharge limits were stringent and largely  
32 unachievable in both terms and timing. This led to a meeting with the state and ultimately a permit  
33 modification with a more reasonable copper limit. Ms. Roman noted there were still many details  
34 to work out regarding other areas of the permits.

### 35 **ENGINEERING AND WATER RESOURCES REPORT**

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

2 **Northstar Redevelopment** – Mr. Cowles discussed a request for a conditional capacity to serve  
3 letter for a proposed PUD amendment in Edwards by Vail Health. A draft conditional capacity to  
4 serve letter will be brought to the Authority board for review at a future meeting.

### 5 **COMMUNICATIONS AND PUBLIC AFFAIRS REPORT**

6 Ms. Johnson presented her report, a copy of which is attached hereto as **Exhibit G** and incorporated  
7 herein by this reference.

8 **Legislative and Governmental Updates** – Ms. Johnson briefly updated on items of possible  
9 interest to the board. She noted a new governmental entity may be created to monitor forest  
10 health. She also noted the CORE Act is being reviewed at a national level with apparent support  
11 from the Biden administration. Ms. Johnson and Ms. Moseley also summarized possible  
12 legislation regarding recreational in-channel diversions (RICDs), which would eliminate the  
13 requirement to build actual structures in the stream.

### 14 **GENERAL COUNSEL REPORT**

15 Mr. Collins referred to his confidential legal report included in the confidential packet. He also noted  
16 ongoing work between staff and his office regarding a request from the current owner of a District-  
17 controlled housing unit to rent the unit to a third party.

18 At 2:37 p.m. Msses. Koppel, Marts, and Perrigaud left the meeting.

### 19 **EXECUTIVE SESSION**

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

24 **RESOLVED** to enter Executive Session at 2:40 p.m. to receive advice of counsel regarding  
25 unification, pursuant to §24-6-402(4)(b) and (e) C.R.S. with no electronic record created as  
26 Mr. Collins opined the contents of the discussion would contain privileged attorney-client  
27 communications.\*

28 The regular meeting resumed at 4:00 p.m.

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1 **ADJOURNMENT**

2 There being no further business to come before the Board, the meeting adjourned at 4:01 p.m.

3 Respectfully submitted,

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Secretary to the Meeting