

Upper Eagle Regional Water Authority
Board of Directors Meeting
August 26, 2021
MINUTES

1 A regular, virtual meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority)
2 was held August 26, 2021, at 8:30 a.m., in accordance with the applicable statutes of the State of Colorado.

3
4 **The following Directors and alternate were present via Microsoft Teams, thereby constituting a**
5 **quorum:**

6 Geoff Dreyer, Arrowhead Metropolitan District
7 George Gregory, Berry Creek Metropolitan District
8 Sarah Smith Hymes, Town of Avon
9 Kim Bell Williams, EagleVail Metropolitan District
10 Kevin Hillgren, Beaver Creek Metropolitan District alternate

11 **The following Directors were absent and excused:**

12 Pam Elsner, Beaver Creek Metropolitan District
13 Mick Woodworth, Edwards Metropolitan District

14 **Also in attendance were:**

15 <u>District Staff</u>	29	Jeffrey Schneider
16 Kyle Collins	30	Shane Swartwout
17 Jason Cowles	31	Chris Wolff
18 Sarah Crawford	32	Len Wright
19 Beth Doliboa	33	Brad Zachman
20 Catherine Hayes	34	<u>Consultants</u>
21 Christine Heimerl	35	Jim Collins, Collins Cockrel & Cole
22 Diane Johnson	36	Kristin Moseley, Somach Simmons & Dunn
23 Elena Jones	37	Glenn Porzak, Porzak Browning & Bushong LLP
24 Kira Koppel	38	Kathryn Winn, Collins Cockrel & Cole
25 Craig Malkmes	39	<u>Public</u>
26 David Norris	40	<i>None.</i>
27 Chuck Owen		
28 Siri Roman		

41 **DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST**

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

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

51 **CALL TO ORDER**

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

53 **INTRODUCTIONS**

54 No introductions were made.

55 **PUBLIC COMMENT**

56 Public comment was called for and there was none.

57 **REMEMBRANCE OF PARKER NEWBANKS, III**

58 Ms. Roman shared photos and memories of District employee Parker Newbanks, III, who passed away
59 suddenly Monday, August 9, 2021. He was the husband of Tricia Newbanks and proud father of Parker
60 IV. Parker was employed for 25 years at the District as the Wastewater Supervisor at the Edwards

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1 Wastewater Treatment Facility. Staff is heartbroken by the loss of Mr. Newbanks and will work to keep his
2 legacy alive at the District. The board thanked Ms. Roman for the presentation and expressed its sorrow
3 to Parker's coworkers and family.

4 **ACTION ITEMS**

5 **Consideration of Minutes** – The minutes of the meeting of July 22, 2021, were considered. Upon
6 motion duly made and seconded, it was unanimously

7 **RESOLVED** that the minutes of the July 22, 2021, regular meeting be accepted and hereby are
8 approved as presented.

9 The minutes of the two joint, special meetings of July 22, 2021, with the Eagle River Water and
10 Sanitation District were considered. Upon motion duly made and seconded, it was unanimously

11 **RESOLVED** that the minutes of the July 22, 2021, joint special meetings be accepted and hereby
12 are approved as presented.

13 **Information Reports** – The information reports are attached hereto as **Exhibits A** incorporated herein by
14 this reference.

15 **STRATEGY ITEMS**

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

17 **Drought Update** – Dr. Wright updated on current drought conditions and compared summer
18 precipitation and water production to past years. Ms. Johnson discussed a memo regarding new
19 outreach efforts that were piloted through the Mountain Star Association board, a copy of which is
20 attached here to as **Exhibit B**. Staff presented information about allowed (per the Rules and
21 Regulations) vs. actual water use in Mountain Star. To help homeowners understand gallon
22 limitations for different types of landscapes, staff presented a various plants and their associated
23 water requirements for 12,000 sf. ft. of irrigated area in Mountain Star. Water resources staff
24 developed a GIS-based tool to help with these efforts, and staff continue to work on similar tools
25 for other communities to increase effectiveness with customers.

26 **GENERAL MANAGER REPORT**

27 Mr. Cowles served as Acting General Manager in Ms. Brooks' absence. Mr. Cowles did not include a
28 written report this month.

29 **COVID-19 Response Update** – The Incident Command team reconvened due to the rise in local
30 incidence and positivity rates. There is no public health order in place. To protect staff, the District
31 instituted new expectations and protocols to ensure distancing and masks while indoors or inside
32 vehicles. All District employees have self-reported vaccinations status, and 86% of employees
33 are vaccinated.

34 **FINANCE REPORT**

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1 Mr. Norris referenced a memo on the annual budget process, a copy of which is attached hereto as **Exhibit**
2 **C** and incorporated herein by this reference. He noted the process approach looks at revenue first and
3 allows staff to budget strategically. The process looks at revenue first, carryforward capital needs, and
4 zero-based budgeting concepts. Also, the rate analyses performed will be different to include a menu of
5 items to consider, such as tiered water sales and which tiers are more economical than vs others as
6 expenses are tied directly to those conditions.

7 **OPERATIONS REPORT**

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

10 **Sanitary survey preliminary results** – Mr. Zachman provided a summary of the inspection
11 findings from the Authority’s sanitary survey, held August 18 – 20. The team was prepared and
12 organized for the survey, and the inspectors commended staff for the improvements made to
13 water storage tank and backflow and cross connection control (BPCCC) programs. The formal
14 findings have not been issued, but the Colorado Department of Public Health and Environment
15 (CDPHE) inspectors indicated that a minor violation will be issued for an inadequate quality
16 control program for online chlorine analyzers. District staff identified the program deficiency and
17 resolved the violation prior to the Sanitary Survey. Nonetheless, the violation will require public
18 notification in the 2021 Consumer Confidence Report (CCR), which will be sent out to all
19 customers next summer.

20 **Avon Mudslide Response** – Ms. Roman discussed the operational response to the mudslide in
21 Avon that occurred July 22. All the operations teams responded immediately, which resulted in
22 minimal impacts to facilities and operations. Field Operations staff supported the Town of Avon to
23 vector and jet the stormwater system. Staff is currently debriefing the mudslide and looking at
24 lessons learned to be better prepared for future events.

25 **ENGINEERING AND WATER RESOURCES REPORT**

26 Mr. Cowles referenced the engineering and water resources report, a copy of which is attached hereto as
27 **Exhibit E** and incorporated herein by this reference.

28 **Edwards River Park Update** – Mr. Cowles updated the board on the issuance of the new
29 conditional capacity to serve letter for the Edwards River Park development due to the expiration
30 of the previous letter. There is now a condition that requires a project to obtain an Ability to Serve
31 letter within two -years of Eagle County’s approval of the Preliminary PUD Plan. This was added
32 to address concerns expressed by the Authority Board that the project could tie up the Authority’s
33 unallocated water rights for an extended period following approvals without payment of cash in
34 lieu fees. The letter is included in the engineering and water resources report for review.

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1 **Unallocated Water** – Mr. Cowles discussed adjustments made to the Authority Unallocated
2 Water tracking spreadsheet included in the engineering and water resources report. The
3 adjustments accounted for changes to the Edwards River park project and other projects,
4 resulting in more available water than originally projected in July 2020. Based upon these
5 adjustments, staff projects 228.22-acre feet of augmentation water if all projects currently in the
6 land use entitlement process receive approvals.

7 **Final Report of the Colorado River District Demand Management Committee** – Mr. Cowles
8 included a final report for the Colorado River District Demand Management Committee in the
9 engineering and water resources report. The committee had difficulty reaching consensus on
10 findings, and the report highlights challenges with the CWCB's desire to create a demand
11 management program to intentionally conserve water through temporary, voluntary, and
12 compensated reductions in consumptive use, and that provides a storage pool in Lake Powell to
13 protect the Upper Basin States from compact curtailment. Mr. Cowles encouraged board
14 members to look at concerns included in the report.

15 **Homestake Exchange** – Mr. Cowles updated on low steamflows on the Eagle River. The
16 instream flow on the Eagle River at Avon is 85 cfs and the gauge drop to 75 cfs. Staff initiated a
17 release from Eagle Park to cover Vail Resorts' obligations for augmentation irrigation at Red Sky
18 Ranch, and a release was also initiated from Homestake Reservoir to cover Authority
19 augmentation needs and River District contracts.

20 **COMMUNICATIONS AND PUBLIC AFFAIRS REPORT**

21 Ms. Johnson referenced her report, a copy of which is attached hereto as **Exhibit F** and incorporated
22 herein by this reference.

23 **GENERAL COUNSEL REPORT**

24 Ms. Winn had no updates for the regular meeting and referenced her confidential legal report in the
25 confidential packet.

26 **WATER COUNSEL REPORT**

27 **Brett and Creamery Ditch Water Rights** – Mr. Porzak included a memo re Brett & Creamery
28 Ditch water rights, a copy of which is attached hereto as **Exhibit G** and incorporated herein by
29 this reference.

30 **Stag Gulch Wellfield Diligence Case** – Mr. Porzak included a memo re Stag Gulch Wellfield
31 diligence case, a copy of which is attached hereto as **Exhibit H** and incorporated herein by this
32 reference.

33 **EXECUTIVE SESSION**

34 Ms. Winn requested the Board enter Executive Session to receive legal advice of counsel regarding
35 unification, pursuant to §24-6-402(4)(b) and (e) C.R.S. She asked that no electronic record be made, as
846 Forest Road Vail, Colorado 81657

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1 the discussion would be entirely privileged attorney-client communications. Upon motion duly made and
2 seconded, it was unanimously

3 **RESOLVED** to enter Executive Session at 10:21 a.m. to receive advice of counsel regarding
4 unification, pursuant to §24-6-402(4)(b) and (e) C.R.S. with no electronic record created as
5 Ms. Winn opined the contents of the discussion would contain privileged attorney-client
6 communications. *

7 Ms. Moseley requested the Board continue Executive Session to receive legal advice of counsel
8 regarding Piney River Unit Conditional Water Rights pursuant to §24-6-402(4)(b) and (e) C.R.S. She
9 asked that no electronic record be made, as the discussion would be entirely privileged attorney-client
10 communications. Upon motion duly made and seconded, it was unanimously

11 **RESOLVED** to continue Executive Session at 10:41 a.m. to receive advice of counsel
12 regarding Piney River Unit Conditional Water Rights to §24-6-402(4)(b) and (e) C.R.S. with
13 no electronic record created as Ms. Moseley opined the contents of the discussion would
14 contain privileged attorney-client communications. *

15 The regular meeting resumed at 10:56 a.m..

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1 **ADJOURNMENT**

2 There being no further business to come before the Board, the meeting adjourned at 10:58 a.m.

3 Respectfully submitted,

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5 _____
6 Secretary to the Meeting
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