



MEMORANDUM

TO: Board of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: October 20, 2023
RE: October 26, 2023, Board Meeting

This memorandum shall serve as notice of a Regular Meeting of the Board of Directors of the Eagle River Water & Sanitation District:

**Thursday, October 26, 2023
12:00 p.m.**

This meeting will be held at:

Walter Kirch Room
Eagle River Water & Sanitation District Vail office
846 Forest Road
Vail, Colorado

The meeting can also be accessed on Microsoft Teams. Login information can be requested by sending an email at least 24 hours in advance to info@erwsd.org.

Input from members of the public is welcomed during the meeting's designated Public Comment period consistent with § 18-9-108, C.R.S. Speakers may address the Board on a first-recognized basis by the Chair. Public Comments are limited to three minutes per speaker on relevant matters not listed on the agenda.



MEMORANDUM

TO: Boards of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: October 20, 2023
RE: Oct. 26 board meeting agenda items

The purpose of this memo is to provide context to certain items on the agenda for the Oct. 26 District and Authority board meetings:

Public Hearings

Public hearings will be held concerning the proposed rate changes and budget for 2024. The board packet includes a board action request memo, copies of the required resolutions, and the updated Proposed 2024 Budget Memorandum.

At each public hearing, staff will present and answer questions from the board. The chair will then ask for public input, which will be limited to three minutes per speaker. The chair will then close the public hearing and ask the board to consider the enclosed resolutions.

Development Report

The Development Report has historically been included under "Information Reports" on board agendas and packets. Based on board feedback, the Development Report will now be incorporated into the Engineering and Water Resources Report. The Development Report is posted as agenda item 8.4.1 on the Oct. 26 agenda.

Draft Policies

David Norris and Kristin Moseley will present drafts of updated policies. No action is required at this meeting. The boards will be asked to review these drafts and consider the policies for adoption at the Dec. 7 meeting.

Staff and counsel are prioritizing the review and update of all board-adopted policies. It is important that policies remain current to ensure proper direction and accountability. Over the summer, staff has inventoried nearly thirty years of archives and analyzed which board-adopted policies are still in use and which policies are either outdated, no longer relevant, or incorporated into the rules or regulations. Staff will continue to present policy updates and sunset recommendations over the next year. We will also develop a schedule for each board to regularly review active policies.

In addition, please note there are no board meetings scheduled in November. The next meeting date is **Dec. 7**.



BOARD OF DIRECTORS REGULAR MEETING

October 26, 2023

12:00 p.m.

Walter Kirch Conference Room

AGENDA

- | | <u>Attachment Link</u> |
|--|-------------------------------|
| 1. Introductions | |
| 2. Public Comment | |
| 3. Public Hearing Concerning FY 2024 Proposed Rates & Fees | |
| 3.1. Res. No. 2023-09: Resolution Increasing Certain Water & Wastewater Service Fees & Rates | Action Item |
| 4. Public Hearing Concerning FY 2024 Budget | |
| 4.1. Res. No. 2023-10: Resolution to Adopt 2024 Budget | Action Item |
| 4.2. Res. No. 2023-11: Resolution to Appropriate Sums of Money | Action Item |
| 4.3. Res. No. 2023-12: Resolution to Set Mill Levies | Action Item |
| 4.4. Updated Proposed 2024 Budget Memorandum | Informational |
| 5. Action Items | |
| 5.1. Consideration of Minutes from September 28, 2023, Regular Meeting | Action Item |
| 5.2. Consideration of Contract Log | Action Item |
| 5.3. Consideration of 2024 Billing Services Agreement with Minturn | Action Item |
| 5.4. Consideration of Bus Access License Agreement with Eagle County School District | Action Item |
| 6. Information Reports | |
| 6.1. Board committees | Informational |
| 6.2. Authority August meeting summary – draft | Informational |
| 7. Board Member Input | |
| 8. General Manager Report – Siri Roman | |
| 8.1. GM information items | |
| 8.2. Business Administration report – David Norris | |
| 8.2.1. Water conservation program update – Allison Ebbets | Informational |
| 8.2.2. Quarterly financial report – Jim Cannava | Informational |
| 8.2.3. Draft of fund balance policy | Informational |
| 8.3. Operations report – Brad Zachman | Informational |
| 8.3.1. Nutrient management | Informational |
| 8.3.2. Water Quality Control Commission’s Denial of Town of Eagle’s Request for Reconsideration of Regulation 93 | Informational |



BOARD ACTION REQUEST

TO: Board of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: October 20, 2023
RE: Res. 2023-09: Resolution Increasing Certain Water and Wastewater Service Rates & Fees

Summary of Subject: At the Oct. 26 board meeting, a public hearing will be held concerning the 2024 proposed rates and fees. Following the public hearing, the board will consider a resolution to adopt the 2024 rates and fees. David Norris and Jim Cannava will provide more details at the Oct. 26 meeting.

Discussion and Background: The District reviews its rates, fees, and charges periodically to ensure that rates support the costs of providing water and sewer services. § 32-1-1001(1)(j), C.R.S. At prior meetings, the board has discussed in depth the need to change rates to better align with the actual costs of service and customer usage. The rates and fees prescribed in Exhibit A of the attached resolution are reasonably related to the District's costs based on an analysis performed by District staff. These rates and fees were supported by the board budget committee at its Sept. 11 meeting and delivered to the full board at the Sept. 28 regular meeting.

Districts providing domestic water or sanitary sewer services directly to residents and property owners must consider the rates and fees at a public meeting held at least 30 days after giving notice of such meeting. § 32-1-1001(2)(a), C.R.S. Public notice of the Oct. 26 public meeting was published in the District's Transparency Notice on Sept. 6. Although a public hearing concerning rates and fees is not required, the District has historically convened a public hearing to promote community engagement and transparency. Notice of this public hearing was published in the Vail Daily and Eagle Valley Enterprise on Sept. 28.

Legal Issues: This resolution was reviewed by counsel.

Budget Implication: The rates and fees adopted by this resolution will provide revenues considered in preparing the full budget for the District for its 2024 operations and capital spending.

Recommendation: Staff recommends the board approve the Resolution Increasing Certain Water and Wastewater Service Rates & Fees

Suggested motion: I move to approve and adopt Resolution 2023-09, Increasing Certain Water and Wastewater Service Rates & Fees, with its attached Exhibit A, as presented .

Attachments:

- Res. 2023-09: Resolution Increasing Certain Water and Wastewater Service Rates and Fees, with its attached Exhibit A: 2024 ERWSD Rates

EAGLE RIVER WATER & SANITATION DISTRICT

RESOLUTION NO. 2023-09

**A RESOLUTION INCREASING CERTAIN WATER AND WASTEWATER SERVICE
RATES & FEES**

WHEREAS, the Eagle River Water and Sanitation District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, the District Board of Directors (“Board”) has the authority to fix and from time to time increase or decrease fees, rates, and charges pursuant to Section 32-1-1001(1)(j), C.R.S., for services, programs or facilities furnished by the District; and

WHEREAS, the Board hereby finds and determines that it is in the best interest of the public health, welfare, and safety of the District residents and visitors that the District collect adequate revenues to pay ongoing operation, maintenance, capital improvement, and water rights costs; and

WHEREAS, the Board has considered a recent analysis performed by District staff and finds the recommended rates and fees contained therein are reasonably related to these costs; and

WHEREAS, more than thirty days advance notice to the District’s customers of the Board’s intent to consider fee increases at the October 26, 2023, regular meeting, was provided in accordance with Section 32-1-1001(2)(a), C.R.S.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Eagle River Water and Sanitation District as follows:

1. The Water and Wastewater Service Rates & Fees, as recommended by staff and attached hereto as Exhibit A and incorporated herein by this reference, are hereby adopted to be effective January 1, 2024.
2. This Resolution shall supersede any contrary provision contained in the District’s Rules and Regulations, which shall be modified as soon as reasonably practical to conform with the provisions set forth in this Resolution; provided, however, if there is any fee that is set forth in the Rules and Regulations or elsewhere established, which is not changed by this Resolution, said fee is hereby ratified and shall remain in full force and effect.

ADOPTED AND APPROVED this 26th day of October 2023.

EAGLE RIVER WATER AND SANITATION
DISTRICT

By: _____
Dick Cleveland

ATTEST:

Robert Warner, Jr, Secretary

Exhibit A

2024 ERWSD Rates

| Vail Water Service Base Charge/SFE | |
|-------------------------------------|----------------|
| Base Rate Per SFE | \$22.76 |
| Debt Service 2017 Bonds | \$6.37 |
| Debt Service 2019 Bonds | \$2.28 |
| Capital Replacement Program | \$7.70 |
| Base Portion of Bill per SFE | \$39.11 |

| Commercial, Mixed Use, Multi-Family, Municipal/SFE/Month | |
|--|---------|
| Tier 1 (0 - 6 kgal) | \$3.70 |
| Tier 2 (6 - 12 kgal) | \$6.72 |
| Tier 3 (12 - 18 kgal) | \$13.28 |
| Tier 4 (18 – 24 kgal) | \$27.67 |
| Tier 5 (Greater than 24 kgal) | \$41.51 |

| Wastewater Service Base Charge/SFE | |
|--|----------------|
| Base Service (min charge 5 kgal) | \$36.72 |
| <i>Additional Winter Average Charge (per kgal)</i> | <i>\$7.34</i> |
| Capital Replacement Program | \$5.47 |
| Debt Service 2017 Bonds | \$2.75 |
| Debt Service 2020A Bonds | \$5.13 |
| Debt Service 2020B Bonds | \$5.06 |
| Debt Service 2023 Bonds | \$6.91 |
| Base Portion of Bill per SFE | \$62.04 |

| Individually Metered Residential (per kgal) | |
|---|---------|
| Tier 1 (0 - 6 kgal) | \$3.70 |
| Tier 2 (6 - 12 kgal) | \$6.72 |
| Tier 3 (12 - 18 kgal) | \$13.28 |
| Tier 4 (18 – 30 kgal) | \$20.15 |
| Tier 5 (Greater than 30 kgal) | \$28.21 |

Outdoor Usage

| Coverage Based Irrigation/Acre/Month | |
|--------------------------------------|---------|
| Base Rate (per Acre) | \$12.77 |
| Tier 1 (0 - 85 kgal) | \$7.39 |
| Tier 2 (85 - 142 kgal) | \$11.58 |
| Tier 3 (142 – 170 kgal) | \$14.58 |
| Tier 4 (170 – 190 kgal) | \$17.09 |
| Tier 5 (Greater than 190 kgal) | \$20.92 |

Construction Usage

| Seasonal Fire Hydrant Use | |
|---|------------|
| Hydrant and Meter Damage Deposit | \$4,000.00 |
| Meter Install/Removal Fee | \$200.00 |
| Weekly Meter Rental Fee | \$175.00 |
| Water Usage Rates | |
| Tier 1 (0-9 kgal) | \$7.39 |
| Tier 2 (9-18 kgal) | \$11.58 |
| Tier 3 (18-36 kgal) | \$14.58 |
| Tier 4 (36-72 kgal) | \$17.09 |
| Tier 5 (Greater than 72 kgal) | \$20.92 |
| <i>Only available April 15 through October 15</i> | |

| Temporary/Suspended Service Rates/SFE/Month | |
|---|---------|
| Water Service Base Charge | \$34.87 |
| Wastewater Service Base Charge | \$42.19 |
| Water Usage Rates | |
| Tier 1 (0-6 kgal) | \$7.39 |
| Tier 2 (6-12 kgal) | \$11.58 |
| Tier 3 (12-18 kgal) | \$14.58 |
| Tier 4 (18-24 kgal) | \$17.09 |
| Tier 5 (Greater than 24 kgal) | \$20.92 |

| Eagle River Water & Sanitation Impact Fees | | | | | | | | |
|--|----------------------------------|---|----------|----------|-----------|-----------|-----------|-------------|
| | RESIDENTIAL | COMMERCIAL - Based on Meter Size | | | | | | |
| CONNECTION FEE | Base Rate Per Square Foot | ¾" | 1" | 1½" | 2" | 3" | 4" | 6" |
| | | 1.5 SFE | 2.6 SFE | 5.8 SFE | 10.3 SFE | 23.0 SFE | 40.9 SFE | 92.1 SFE |
| ERWSD-Wastewater | \$5.46 | \$18,714 | \$32,438 | \$72,361 | \$128,504 | \$286,950 | \$510,272 | \$1,149,049 |
| Vail Water Subdistrict | \$6.29 | \$20,210 | \$35,030 | \$78,144 | \$138,774 | \$309,883 | \$551,053 | \$1,240,880 |
| The following Other Impact Fee assessment may also apply: | | | | | | | | |
| ERWSD-Irrigation Water System Impact Fee | \$1.50 per sq. ft. of irrigation | Applies to new multi-family, open areas, new parks and commercial irrigated areas | | | | | | |

| Development, Inclusion, & Dedication Fees | | |
|---|--|------------|
| DEVELOPMENT FEE/ DEDICATION/ DEPOSIT | RESIDENTIAL | COMMERCIAL |
| Inclusion Fee | \$1,182 | |
| Treated Water Storage Dedication (New Tank) | Where no existing regional water storage is sufficient to serve the proposed development, an applicant will be required to construct and dedicate water storage sufficient to serve the needs of the development. See Treated Water Storage Dedication policy. | |
| Water Rights Dedication Review Deposit | \$1,773 | |
| Water Rights Dedication Cash-in-lieu | \$70,985 per consumptive acre-foot of water* | |

| 2024 OTHER FINES AND FEES | |
|--|-------------------------------|
| Description | Fee/Fine |
| Backflow Program Noncompliance Fine | \$500 per violation/per month |
| Fire Hydrant Meter Relocation Fee | \$200 |
| Penalty Noncompliance Fee | \$150 per SFE/per month |
| Recording Fee | Actual Cost |
| Meter Inspection & Re-inspection Fee | \$200 |
| Returned Check or ACH Fee | \$50 |
| Service and Inspection Calls | \$200 |
| Service Turn-off fee for remodel or construction | \$100 |
| Tampering and Unauthorized Use | \$5000 per violation |
| Turn-off and Turn-on Fee for unpaid charges | \$175 |
| Transfer of Service Fee | \$165 |
| Account Reactivation Fee | \$125 |
| New Connection Application Fee | \$175 |
| Easement Encroachment Review | \$475 |
| Variance Review | \$475 |
| Development Approval Process | \$1,750 |
| Infrastructure Acceptance Process | \$2,000 |
| Delinquent Charge (CRS 29-1-1102) | 5% on past due amount |



BOARD ACTION REQUEST

TO: Board of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: October 26, 2023
RE: Budget resolutions

Summary of Subject: At the Oct. 26 board meeting, a public hearing will be held concerning the District's 2024 budget. Following the public hearing, the board will consider resolutions to adopt the budget, appropriate sums of money, and set mill levies. The board packet includes these resolutions and the updated Proposed 2024 Budget memorandum. David Norris and Jim Cannava will provide more details at the Oct. 26 meeting.

Discussion and Background: A special district must adopt an annual budget prior to certifying the District's mill levy. §§29-1-103(1) and 29-1-108(2), C.R.S. The deadline for certification of mill levies is Dec. 15; if Proposition HH passes, this deadline moves to January 5, 2024. The District must submit a certified copy of the adopted annual budget to the Division of Local Government, including the resolution to adopt the budget, appropriate funds, and set mill levies. While consideration of the budget is occurring prior to knowing whether Proposition HH has passed, revenue from the District's operating and debt mill levies are relatively small, and the attached resolutions include language that allow staff to make appropriate adjustments if Prop. HH passes.

The proposed FY 2024 budget was supported by the board budget committee at its Sept. 11 meeting. The budget was presented to the full board on Sept. 22 (prior to the Oct. 15 statutory deadline) and discussed at the Sept. 28 regular meeting. Notice of the Oct. 26 public hearing was published in the Vail Daily and Eagle Valley Enterprise on Sept. 28, pursuant to §29-1-106(1), C.R.S.

Legal Issues: These resolutions were reviewed by counsel.

Budget Implication: The budget will set the District's 2024 operations and capital spending.

Recommendation: Staff recommends the board approve the resolutions to adopt the 2024 budget, appropriate sums of money, and set mill levies.

Suggested motions (each resolution should be voted on separately):

- 1) I move to approve and adopt Resolution 2023-10 to adopt the District's 2024 budget, as presented.
- 2) I move to approve and adopt Resolution 2023-11 to appropriate sums of money, as presented.
- 3) I move to approve and adopt Resolution 2023-12 to set mill levies, as presented.

Attachments:

- Proposed 2024 Budget Memorandum (updated)
- Res. 2023-09: Resolution To Adopt 2024 Budget
- Res. 2023-10: Resolution to Appropriate Sums of Money
- Res. 2023-11: Resolution to Set Mill Levies

EAGLE RIVER WATER & SANITATION DISTRICT
RESOLUTION NO. 2023-10
RESOLUTION TO ADOPT 2024 BUDGET

WHEREAS, the Board of Directors of the Eagle River Water & Sanitation District (“District”) has appointed a budget committee to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted a proposed budget to this Board on or before October 15, 2023 for its consideration pursuant to § 29-1-105, C.R.S.; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 26, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon District; and

WHEREAS, whatever decrease may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of EAGLE RIVER WATER & SANITATION DISTRICT:

1. That estimated expenditures for each fund are as follows:

| | |
|----------------------------|---------------------|
| Wastewater Fund: | \$51,001,211 |
| Vail Water Sub-District: | \$11,134,775 |
| Total Expenditures: | \$62,135,986 |

2. That estimated revenues for each fund are as follows:

| | |
|---|---------------------|
| From unappropriated surpluses: | \$3,025,345 |
| From Bond Proceeds: | \$12,283,576 |
| From sources other than general property tax: | \$34,470,720 |
| From general property tax: | \$2,055,517 |
| Total Wastewater Fund: | \$51,835,158 |

| | |
|---|----------------------------|
| From unappropriated surpluses: | \$244,130 |
| From Bond Proceeds: | \$902,951 |
| From sources other than general property tax: | \$9,494,798 |
| From general property tax: | \$1,375,068 |
| Total Vail Water Sub-District: | <u>\$12,016,947</u> |
| Total Revenues: | <u>\$63,852,105</u> |

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of Eagle River Water and Sanitation District for the 2024 fiscal year. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section shall be deemed ratified by the Board.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

ADOPTED AND APPROVED this 26th day of October 2023.

EAGLE RIVER WATER & SANITATION
DISTRICT

By:

Dick Cleveland, Chair

ATTEST:

By:

Robert Warner, Jr, Secretary

EAGLE RIVER WATER & SANITATION DISTRICT
RESOLUTION NO. 2022-11
RESOLUTION TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Eagle River Water & Sanitation District (“District”) has adopted the 2024 annual budget in accordance with the Local Government budget laws on October 26, 2023; and

WHEREAS, the Board of Directors for the District has made provision therein for revenues in an amount equal to the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors for the Eagle River Water & Sanitation District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

| | |
|---|---------------------|
| Eagle River Water and Sanitation District- WW: | \$51,001,211 |
| Eagle River Water and Sanitation District- Water Subdistrict: | \$11,134,775 |
| Total Appropriation: | \$62,135,986 |

ADOPTED AND APPROVED this 26th day of October 2023.

EAGLE RIVER WATER & SANITATION
DISTRICT

By:

Dick Cleveland, Chair

ATTEST:

By:

Robert Warner, Jr, Secretary

EAGLE RIVER WATER & SANITATION DISTRICT
RESOLUTION NO. 2022-12
RESOLUTION TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses for the District (WW) is \$859,282; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for debt service expenses for the District (WW) is \$1,372,619; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses for the Eagle River Water and Sanitation District Water Subdistrict (“Water Subdistrict”) is \$655,893; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for debt service expenses for the Water Subdistrict is \$746,246; and

WHEREAS, the 2023 valuation for assessment of the District (WW), as certified by the Eagle County Assessor, is \$3,719,834,070; and

WHEREAS, the 2023 valuation for assessment of the Water Subdistrict, as certified by the Eagle County Assessor, is \$1,673,197,190.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors for the Eagle River Water & Sanitation District:

1. That for the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a property tax of .231 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$859,282.
2. That for the purpose of meeting all debt service expenses of the District during the 2024 budget year, there is hereby levied a property tax of .369 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$1,372,619.
3. That for the purpose of meeting general operating expenses of the Water Subdistrict during the 2024 budget year, there is hereby levied a property tax of .392 mills upon each dollar of the total valuation for assessment of all taxable property within the Water Subdistrict to raise \$655,893.
4. That for the purpose of meeting debt service expenses of the Water Subdistrict during the 2024 budget year, there is hereby levied a property tax of .446 mills upon each dollar of the total valuation for assessment of all taxable property within the Water Subdistrict to raise \$746,246.

5. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Eagle County, Colorado, the mill levies for the District and Water Subdistrict as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED AND APPROVED this 26th day of October 2023.

EAGLE RIVER WATER & SANITATION
DISTRICT

By:

Dick Cleveland, Chair

ATTEST:

By:

Robert Warner, Jr, Secretary



EAGLE RIVER
WATER & SANITATION
 DISTRICT
MEMORANDUM

TO: Board Directors

FROM: David Norris, Director of Business Administration

DATE: October 18, 2023

RE: Proposed 2024 Budget

Introduction

An effective and efficient budget proposal is one that is a team effort and a cross-collaboration from all department managers and staff. This budget season, we continued the hybrid approach of zero-based budgeting and looking at revenue first. Using a collaborative effort of a cross-departmental team to aide in developing the proposed 2024 District and Authority budgets, the attached draft budget packet includes the staff recommended budgets for 2024.

The budget schedule is largely driven by statutory requirements. Critical dates are:

- Oct 15: Draft Budget must be submitted to each Board (Section 29-1-105, CRS)
- Dec 15: Adopt Budget and appropriate moneys, if certifying a mill levy (Section 29-1- 108 (2), CRS)

Executive Summary

The largest takeaways from the budget subcommittee meetings and the associated materials are as follows:

- Total Decision Items for 2024 equal 21 or \$3,685,103

| Request | FTE | Operating | Capital | Total |
|--------------------------------|------------|--------------------|----------------|--------------------|
| IT – Network Administrator | 1 | \$201,329 | \$3,000 | \$204,329 |
| Front Desk Agent from PT to FT | 0.5 | \$21,539 | | \$21,539 |
| Cost of Living Adjustment | | \$537,574 | | \$537,574 |
| Merit Increase | | \$374,510 | | \$374,510 |
| Total | 1.5 | \$1,134,952 | \$3,000 | \$1,137,952 |

- Of the \$3,685,103 in decision items, 1.5 FTE are being requested and 4% COLA/3% Merit package is requested.
- Of the increases in Operating lines, the Wellness benefit proposed increase is increasing from \$500/Year to \$650/Year with 80 employees participating in the program.

- District proposed water rates:
 - Commercial, Mixed Use, Multifamily, Municipal: 3% increase
 - Individually Metered Residential:
 - Transition away from SFE multiplier on water tiers but kept on base rates.

| Tier | Increase/Decrease |
|------|-------------------|
| 1 | 3% |
| 2 | 3% |
| 3 | 3% |
| 4 | -25% |
| 5 | -30% |

- Wastewater rates: 20.2% increase
- Combined total increase to rates: 10.9%
- Irrigation only rates:
 - Added base rates.
 - Transition to Coverage Based Irrigation Rates for all irrigation only customers.

| Tier | Increase/Decrease |
|------|-------------------|
| 1 | 3% |
| 2 | 3% |
| 3 | -20% |
| 4 | -30% |
| 5 | -28.43% |

- Operating Agreement Revenue: \$8,481,648 an increase of \$1,056,648, or 14%
- To increase financial health, protect from unforeseen economic events, and to supplement future bonds, a fund balance policy & investment policy will be proposed in 2023 as part of the strategic plan. Proposed fund balance target ceiling of at least 6 months up to a ceiling equal to 1 year of non-bonded expenses.
- The Capital Improvement Plan has been updated to reflect an updated Bolts Lake spending timeline. The 2024 Bond Budget increased \$428,331 to reflect this change. The 10-Year CIP Bolts Lake budget has been shifted forward to reflect the accelerated timeline.

| | Wastewater Fund | Vail Water Fund |
|--|-----------------|-----------------|
| Projected 2024 Fund Balance | 23,342,035 | 6,437,986 |
| Target (1 Year of non-bonded expenses) | 35,692,290 | 9,987,694 |
| Over/(Under) | (12,350,256) | (3,549,708) |

Budget Summary

Below is a summary of the proposed 2024 budget.

(Table 1: Proposed 2024 Budget Summary)

| Total Budget Comparison | Amount | \$ Change | % Change |
|---|-------------------|--------------|----------|
| 2023 Revised Budget | 72,936,667 | | |
| 2023 Projection | 60,058,312 | (12,878,355) | -17.66% |
| 2024 Proposed Budget | 52,191,341 | | |
| 2023 Projected Carryforward | 9,944,644 | | |
| 2024 Total Proposed Appropriated Funds | 62,135,986 | 2,077,673 | 3.46% |

- Operating budget increase of 9.7% over 2023 projection, and 8% over 2023 Budget
- Capital/CRP decrease 8.2% from the 2023 projection, 50.9% decrease from 2023 Budget
- Bond decrease 67.1% from 2023 projection, 76.7% decrease from 2023 Budget

| Wastewater Budget Comparison | Amount | \$ Change | % Change |
|---|-------------------|--------------|----------|
| 2023 Revised Budget | 62,190,46 | | |
| 2023 Projection | 50,479,14 | (11,711,319) | -18.83% |
| 2024 Proposed Budget | 41,650,316 | | |
| 2023 Projected Carryforward | 9,350,894 | | |
| 2024 Total Proposed Appropriated Funds | 51,001,211 | 522,070 | 1.03% |

- Operating budget increase of 9.6% over 2023 projection, and 6.5% over 2023 Budget
- Capital/CRP decrease 18.5% from the 2023 projection, 57.7% decrease from 2023 Budget
- Bond decrease 68.7% from 2023 projection, 77.6% decrease from 2023 Budget

| Vail Water Budget Comparison | Amount | \$ Change | % Change |
|---|-------------------|-------------|----------|
| 2023 Revised Budget | 10,746,207 | | |
| 2023 Projection | 9,579,172 | (1,167,035) | -10.86% |
| 2024 Proposed Budget | 10,541,025 | | |
| 2023 Projected Carryforward | 593,750 | | |
| 2024 Total Proposed Appropriated Funds | 11,134,775 | 1,555,603 | 16.24% |

- Operating budget increase of 10.3% over 2023 projection, and 13.8% over 2023 Budget
- Capital/CRP increase 45.3% from the 2023 projection, 7.9% decrease from 2023 Budget
- Bond decrease 29.7 from 2023 projection, 57.7% decrease from 2023 Budget

Net Income Summary

- The proposed 2024 net income is \$1,716,119, of which \$833,947 is the Wastewater Fund, and \$882,172 is the Vail Water Fund, in order to build the fund balance to reduce the reliance on Bond funding for future projects. The combined 2024 proposed CRP revenues and expenses are in balance. Debt service and Capital deficits are offset by the Operating surplus.

(Table 2: Combined Net Income Summary)

| ERWSD Combined Funds Net Income | | | |
|---------------------------------|-------------------|-------------------|------------------|
| Type | Revenue | Expense | Net |
| Operating | 32,270,868 | 30,655,765 | 1,615,103 |
| Housing | 929,855 | 607,256 | 322,599 |
| Debt Service | 10,253,063 | 10,327,691 | (74,628) |
| CRP | 2,884,454 | 2,593,170 | 291,284 |
| Capital | 1,057,863 | 1,496,102 | (438,239) |
| Subtotal | 47,396,104 | 45,679,984 | 1,716,119 |
| Bond Projects | | 6,511,357 | |
| Total | | 52,191,341 | |

| Wastewater Fund Net Income | | | |
|----------------------------|-------------------|-------------------|----------------|
| Type | Revenue | Expense | Net |
| Operating | 24,492,939 | 23,707,145 | 785,794 |
| Housing | 929,855 | 607,256 | 322,599 |
| Debt Service | 8,349,540 | 8,339,471 | 10,070 |
| CRP | 1,894,260 | 2,067,536 | (173,276) |
| Capital | 859,643 | 970,882 | (111,239) |
| Subtotal | 36,526,237 | 35,692,290 | 833,947 |
| Bond Projects | | 5,958,026 | |
| Total | | 41,650,316 | |

- CRP & Capital deficits are offset by the Operating surplus

| Vail Water Fund Net Income | | | |
|----------------------------|-------------------|-------------------|----------------|
| Type | Revenue | Expense | Net |
| Operating | 7,787,929 | 6,948,619 | 839,309 |
| Debt Service | 1,903,523 | 1,988,220 | (84,697) |
| CRP | 990,195 | 525,634 | 464,561 |
| Capital | 188,220 | 525,220 | (337,000) |
| Subtotal | 10,869,866 | 9,987,694 | 882,172 |
| Bond Projects | | 553,331 | |
| Total | | 10,541,025 | |

- Debt service deficit due to EPRC debt service does not have a specific rate
- Debt service and Capital deficits are offset by the Operating surplus

Rate Summary

(Table 3: Proposed 2024 Water Base Rates)

| Water Service Base Charge/SFE/Month | | | | |
|--|--------------|--------------|------------------|-------------------|
| | 2023 | 2024 | \$ Change | % Increase |
| Base Rate Per SFE | 22.10 | 22.76 | 0.66 | 3.0% |
| Typical Use (5kgal) | 17.95 | 18.49 | 0.54 | 3.0% |
| Capital Replacement Program | 7.48 | 7.70 | 0.22 | 3.0% |
| Debt Service 2017 Bonds | 6.44 | 6.37 | (0.07) | -1.1% |
| Debt Service 2019 Bonds | 2.28 | 2.28 | - | 0.0% |
| Base Portion of Bill/SFE/Month | 56.25 | 57.61 | 1.36 | 2.4% |

| Commercial, Mixed Use, Multi-Family, Municipal/SFE/Month | | | | |
|---|-------------|-------------|------------------|-------------------|
| Water Usage Rates (per kgal) | 2023 | 2024 | \$ Change | % Increase |
| Tier 1 (0 - 6,000 gallons) | 3.59 | 3.70 | 0.11 | 3.0% |
| Tier 2 (6,001 - 12,000 gallons) | 6.52 | 6.72 | 0.20 | 3.0% |
| Tier 3 (12,001 - 18,000 gallons) | 12.89 | 13.28 | 0.39 | 3.0% |
| Tier 4 (18,001 – 24,000 gallons) | 26.86 | 27.67 | 0.81 | 3.0% |
| Tier 5 (Greater than 24,000 gallons) | 40.30 | 41.51 | 1.21 | 3.0% |

| Individually Metered Residential * | | | | |
|---|-------------|-------------|------------------|-------------------|
| Water Usage Rates (per kgal) | 2023 | 2024 | \$ Change | % Increase |
| Tier 1 (0 - 6,000 gallons) | 3.59 | 3.70 | 0.11 | 3.0% |
| Tier 2 (6,001 - 12,000 gallons) | 6.52 | 6.72 | 0.20 | 3.0% |
| Tier 3 (12,001 - 18,000 gallons) | 12.89 | 13.28 | 0.39 | 3.0% |
| Tier 4 (18,001 – 30,000 gallons) | 26.86 | 20.15 | -6.71 | -25.0% |
| Tier 5 (Greater than 30,000 gallons) | 40.30 | 28.21 | -12.09 | -30.0% |

*Per board direction, the rates for individually metered residential accounts are listed above as well as the rates for all other account types and the proposed rate structures. SFE multiplier reduced to 1.0 for water use only where the multiplier will still apply to base rates.

| Coverage Based Irrigation/Acre/Month* | | | | |
|---------------------------------------|-------|-------|-----------|------------|
| Irrigation Usage Rates (per kgal) | 2023 | 2024 | \$ Change | % Increase |
| Base Rate (per Acre) | | 12.77 | 12.77 | 100.0% |
| Tier 1 (0 - 85,000 gallons) | 7.17 | 7.39 | 0.22 | 3.0% |
| Tier 2 (85,001 - 142,000 gallons) | 11.24 | 11.58 | 0.34 | 3.0% |
| Tier 3 (142,001 – 170,000 gallons) | 18.23 | 14.58 | -3.65 | -20.0% |
| Tier 4 (170,001 – 190,000 gallons) | 24.41 | 17.09 | -7.32 | -30.0% |
| Tier 5 (Greater than 190,000 gallons) | 31.23 | 20.92 | -8.31 | -28.43% |

*Per board direction, transitioning all irrigation only accounts to coverage-based rates listed above and added base rate to the structure. The table above shows the tiered allotments per acre at the 2024 prices.

| Temporary/Suspended Service Rates/SFE/Month | | | | |
|---|-------|-------|-----------|------------|
| | 2023 | 2024 | \$ Change | % Increase |
| Water Service Base Charge | 27.25 | 34.87 | 5.46 | 18.57% |
| Wastewater Service Base Charge | 33.79 | 42.19 | 8.40 | 24.86% |
| <i>Water Usage Rates</i> | | | | |
| Tier 1 (0-6 kgal) | 5.71 | 7.39 | 1.68 | 29.42% |
| Tier 2 (6-12 kgal) | 10.74 | 11.58 | 0.84 | 7.82% |
| Tier 3 (12-18 kgal) | 20.55 | 14.58 | -5.97 | -29.05% |
| Tier 4 (18-24 kgal) | 33.03 | 17.09 | -15.94 | -48.26% |
| Tier 5 (more than 24 kgal) | 49.55 | 20.92 | -28.63 | -57.78% |

| Seasonal Fire Hydrant Use | | | | |
|---|-------|-------|-----------|------------|
| | 2023 | 2024 | \$ Change | % Increase |
| Hydrant and Meter Damage Deposit | 4,000 | 4,000 | 0 | 0% |
| Meter Install/Removal Fee | 168 | 200 | 32 | 19.04% |
| Weekly Meter Rental Fee | 143 | 175 | 32 | 22.37% |
| <i>Water Usage Rates</i> | | | | |
| Tier 1 (0-9 kgal) | 5.71 | 7.39 | 1.68 | 29.42% |
| Tier 2 (9-18 kgal) | 10.74 | 11.58 | 0.84 | 7.82% |
| Tier 3 (18-36 kgal) | 20.55 | 14.58 | -5.97 | -29.05% |
| Tier 4 (36-72 kgal) | 33.03 | 17.09 | -15.94 | -48.26% |
| Tier 5 (more than 72 kgal) | 49.55 | 20.92 | -28.63 | -57.78% |
| <i>Only available April 15 through October 15</i> | | | | |

(Table 4: Proposed 2024 Wastewater Base Rates)

| Wastewater Service Base Charge/SFE/Month (\$7.13 per kgal to \$7.34 per kgal) | | | | |
|--|----------------|--------------|------------------|-------------------|
| | 2023 | 2024 | \$ Change | % Increase |
| Base Service (min charge 5 kgal) | \$35.65 | 36.72 | 1.07 | 3.0% |
| Capital Replacement Program | \$5.31 | 5.47 | 0.16 | 3.0% |
| Debt Service 2017 Bonds | \$2.77 | 2.75 | (0.02) | -0.7% |
| Debt Service 2020A Bonds | \$2.74 | 5.13 | 2.39 | 87.2% |
| Debt Service 2020B Bonds | \$5.15 | 5.06 | (0.09) | -1.7% |
| Debt Service 2023 Bonds | \$0.00 | 6.91 | 6.91 | |
| Base Portion of Bill/SFE/Month | \$51.62 | 62.04 | 10.42 | 20.2% |

| Combined Water and Wastewater | | | | |
|---|-------------|-------------|--------------------|-------------------|
| Typical customer pays per SFE/Month: | 2023 | 2024 | \$ Increase | % Increase |
| Vail Customer | 107.87 | 119.64 | 11.77 | 10.9% |

(Table 5: Impact Fees, Development, Inclusion, & Dedication Fees)

| 2024 Impact Fees | | | | | | | | |
|--|----------------------------------|---|---------------------------------------|--|--|--|--|--|
| EAGLE RIVER WATER & SANITATION DISTRICT IMPACT FEES | | | | | | | | |
| | RESIDENTIAL | COMMERCIAL - Based on Meter Size | | | | | | |
| CONNECTION FEE | Base Rate Per Square Foot | ¾" 1.5 SFE | 1" 2.6 SFE | 1½" 5.8 SFE | 2" 10.3 SFE | 3" 23.0 SFE | 4" 40.9 SFE | 6" 92.1 SFE |
| ERWSD-Wastewater | 5.46 | 18,714 | 32,438 | 72,361 | 128,504 | 286,950 | 510,272 | 1,149,049 |
| Vail Water Subdistrict | 6.29 | 20,210 | 35,030 | 78,144 | 138,774 | 309,883 | 551,053 | 1,240,880 |
| The following Other Impact Fee assessment may also apply: | | | | | | | | |
| ERWSD-Irrigation Water System Impact Fee | 1.50 per sq. ft. of irrigation | Applies to new multi-family, open areas, new parks and commercial irrigated areas | | | | | | |

- Anchoring to construction costing index, the rates above are increased 7.45% in 2024.

(Table 6: Development, Inclusion, & Dedication Fees)

| 2024 Development, Inclusion, & Dedication Fees | | |
|---|--|-------------------|
| Eagle River Water & Sanitation District | Upper Eagle Regional Water Authority | |
| DEVELOPMENT FEE/ DEDICATION/ DEPOSIT | RESIDENTIAL | COMMERCIAL |
| Inclusion Fee | 1,182.00 | |
| Treated Water Storage Dedication (New Tank) | Where no existing regional water storage is sufficient to serve the proposed development, an applicant will be required to construct and dedicate water storage sufficient to serve the needs of the development. See Treated Water Storage Dedication policy. | |
| Water Rights Dedication Review Deposit | 1,773.00 | |
| Water Rights Dedication Cash-in-lieu | 70,985 per consumptive acre-foot of water* | |

- Anchoring to construction costing index, the rates above are increased 7.45% in 2024. The Cash-in-Lieu rate is proposed to increase 7.45% compared to 2023 in anchoring to the construction costing index.

| 2024 OTHER FINES AND FEES | | |
|--|-----------------------------|------------------------------|
| | 2023 | 2024 |
| Description | Fee/Fine | Fee/Fine |
| Backflow Program Noncompliance Fine | 500 per violation/per month | 500 per violation/per month |
| Fire Hydrant Meter Relocation Fee | 200 | 200 |
| Penalty Noncompliance Fee | 150 per SFE/per month | 150 per SFE/per month |
| Recording Fee | Actual Cost | Actual Cost |
| Meter Inspection & Re-inspection Fee | 200 | 200 |
| Returned Check or ACH Fee | 50 | 50 |
| Service and Inspection Calls | 100 | 200 |
| Service Turn-off fee for remodel or construction | 100 | 100 |
| Tampering and Unauthorized Use | 5000 per violation | 5000 per violation |
| Turn-off and Turn-on Fee for unpaid charges | 150 | 175 |
| Transfer of Service Fee | 145 | 165 |
| Account Reactivation Fee | 100 | 125 |
| New Connection Application Fee | 150 | 175 |
| Easement Encroachment Review | 450 | 475 |
| Variance Review | 450 | 475 |
| Development Approval Process | 1,675 | 1,750 |
| Infrastructure Acceptance Process | 1,950 | 2,000 |
| Delinquent Charge (CRS 29-1-1102) | 3% on past due amount | 5% on past due amount |

(Table 7: Fund Balance Summary)

| District Funds | WW Fund | Vail Water Fund |
|-----------------------------------|--------------------|------------------------|
| Beginning Balance | 23,368,899 | 2,353,454 |
| 2023 Projection | 2,164,533 | 3,446,490 |
| 2024 Projected Beginning Balance | 25,533,432 | 5,799,944 |
| 2023 Carry Forward | (3,025,345) | (244,130) |
| 2024 Contribution | 833,947 | 882,172 |
| 2024 Projected End Balance | 23,342,035 | 6,437,986 |

- The carryforward values do not include bond funds. Potential \$1.6MM in water sales are included in the 2023 Projection.
- To increase financial health, protect from unforeseen economic events, and to supplement future bonds, a fund balance policy & investment policy will be proposed in 2023 as part of the strategic plan. The proposed fund balance target has a floor of at least 6 months up to a ceiling equal to 1 year of non-bonded expenses.

| | Wastewater Fund | Vail Water Fund |
|--|-----------------|-----------------|
| Projected 2024 Fund Balance | 23,342,035 | 6,437,986 |
| Target (1 Year of non-bonded expenses) | 35,692,290 | 9,987,694 |
| Over/(Under) | (12,350,256) | (3,549,708) |

Budget Overview

2023 Operational Expense Budget Forecast

The 2023 operating budget was \$28,943,091; the 2023 projected operating expenditures are \$28,488,487, for a positive expense variance (actual spending less than budget) of \$454,604, or 1.6% less than budget. The variance to budget is primarily due to supply chain issues related to meter ordering in 2023.

Note: Total expenditures include operations, outsourced services, housing, payroll, and benefits, and *exclude* any expenditures related to debt service or debt issuance as those are typically capitalized and represented in our capital budgets.

2024 Operational Expense Budget Summary

The 2024 operating budget decision item narratives describing each request are included as an attachment to this memorandum. The proposed 2024 operating budget is \$31,266,021, an increase of \$2,322,930 or 8% from the 2023 budget. As displayed below, the proposed 2024 budget by department, as it relates to 2023 budget, articulates the differences year over year. Decision items are included in the table below.

(Table 8: Department YOY Comparisons)

| Department | 2023 Budget | 2023 Projection | 2024 Proposed Budget | YOY Budget Var | % Change |
|---------------------|-------------|-----------------|----------------------|----------------|----------|
| Administration | 2,600,337 | 2,285,878 | 1,890,039 | (710,298) | -27% |
| Community Relations | 69,411 | 107,538 | 75,720 | 6,309 | 9% |
| Customer Service | 814,348 | 795,430 | 936,354 | 122,006 | 15% |
| Engineering | 2,561,667 | 2,509,412 | 2,758,929 | 197,262 | 8% |
| Field Ops | 3,122,591 | 3,417,764 | 3,552,554 | 429,963 | 14% |
| Finance | 1,211,032 | 1,329,189 | 1,530,324 | 319,292 | 26% |
| Housing | 921,418 | 763,002 | 1,152,416 | 230,998 | 25% |
| Human Resources | 1,842,065 | 1,783,051 | 2,138,796 | 296,731 | 16% |
| IT | 3,462,346 | 3,447,934 | 3,853,334 | 390,988 | 11% |
| Lab | 1,114,697 | 1,146,472 | 1,241,876 | 127,179 | 11% |
| Ops Tech | 1,448,610 | 1,479,363 | 1,590,771 | 142,161 | 10% |

| | | | | | |
|--------------------|-------------------|-------------------|-------------------|------------------|--------------|
| Utility Services | 3,390,330 | 3,293,742 | 3,451,554 | 61,224 | 2% |
| Water Conservation | 51,000 | 20,124 | 529,085 | 478,085 | 937% |
| Wastewater | 3,778,864 | 3,785,342 | 3,929,734 | 150,870 | 4% |
| Water | 2,554,375 | 2,324,246 | 2,631,536 | 77,161 | 3% |
| Total | 28,943,091 | 28,488,487 | 31,263,021 | 2,319,930 | 8.02% |

Below are notable changes from the 2023 operating budget to the proposed 2024 Operating Budget, including the decision items and excluding debt. Departments not included in the list below projected minimal increases/decreases.

Water Conservation

- Create the Water Conservation department to promote the efficient and responsible use of water resources by implementing strategies, programs, and education to ensure a sustainable water supply.

Field Ops

- Increase of 162,066, or 7% for additional positions and temps.
- Increase \$125,000 for outsourced CCTV inspections.

Information Technology

- Increase of \$393,988 or 11% for increase software and licensing expense.
- Decision Items: SharePoint Developer and Database Administrator.

Finance

- Increase of \$319,292 or 26% for billing systems team reorganization, insurance claims settled, leased real estate, and financial services.

Human Resources

- Increase of \$296,731 or 16% for property and liability insurance, PPE, and uniform expenses.
- Wellness benefit increase from \$500/Year to \$650/Year with 80 employees participating in the program. Increase of \$12,000 or 30%.

Upper Eagle Regional Water Authority Operations Agreement

The Authority has contracted with the District to operate and maintain the water treatment plants in Avon and Edwards, the Berry Creek and Cordillera wells, the water distribution system, and to provide support services including accounting and billing, customer service, engineering, and other administrative activities such as board support and staff management. The Operations Agreement covers time, administrative costs, and office equipment and supplies associated with supporting the Authority’s operations.

The Authority is billed monthly by the District based on an annually budgeted amount, and then the accounts are reconciled for each preceding year once the respective costs are properly allocated to each entity. In 2023, the operations agreement was increased from \$6,750,000 to \$7,425,000. The projected need for 2024 is \$8,481,648. The intent is for rates to cover the total expenses associated with the Operating Agreement versus dipping into fund balance to cover the costs.

At the end of the fiscal year, true ups commence, and the Authority pays what is needed. Within the total budget package, there is a \$8,481,648 operations agreement request for 2024. This represents a 14% increase over 2023 due to increased operational costs.

Routine operations overhead include office and operations facilities, supplies and management overhead. Its components are generally split on payroll allocation percentage basis for the Authority and District, respectively. Personnel expenditures are based on the estimated costs for the District staff time spend on Authority operations.

For historical perspective, the below illustrates the actual costs related to the Operations Agreement since 2014.

(Table 9: UERWA Operating Agreement Historical Actuals)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-----------|-----------|
| Budget | 3,345,025 | 3,672,879 | 4,076,066 | 4,076,066 | 4,080,000 | 4,100,000 | 4,700,000 | 4,700,000 | 6,750,000 | 7,425,000 | 8,481,648 |
| Actual | 3,942,664 | 4,061,355 | 3,912,674 | 4,914,771 | 4,961,104 | 4,959,745 | 6,555,621 | 7,539,684 | 8,434,768 | 7,924,998 | |
| Fund Impact | (597,639) | (388,476) | 163,392 | (838,705) | (881,104) | (859,745) | (1,855,621) | (2,839,684) | (1,684,768) | (499,998) | |

*Increases in 2024 are primarily driven by increases in operational costs. From 2014 – 2023 the UERWA fund balance has been absorbing the overages in the budget and actuals from the Operating Agreement totaling \$10,282,348.

Overall Payroll, and Benefits

The total number of full-time employees for 2024 proposed to the District board is 1.5. The increase of 1.5 FTE brings the full-time positions to a total of 144. Budget impacts due to FTE increases are \$255,868. While 1.5 additional FTE are being requested for this budget cycle, there were needs surpassing the requested FTE for the coming year. In addition to the 1.5 FTE request, staff requested from the District board (to which the board approved), 2 off-cycle positions, one water and one wastewater operator in 2023, which impacts the total payroll and benefits costs. With a collaborative effort among the departments, the strategy was developed to concentrate on maintaining the compensation study through cost-of-living adjustments and reduce the FTE requests to allow for debt service rate increases.

- Customer Service – Front Desk Administrative Assistant Part-Time to Full-Time

- IT – SharePoint Developer and Database Administrator
- 4% Cost of Living Adjustment
- 3% Merit Increase

(Table 10: PS Decision Items)

| Request | FTE | Operating | Capital | Total |
|--------------------------------|------------|------------------|--------------|------------------|
| IT – Network Administrator | 1 | 201,329 | 3,000 | 204,329 |
| Front Desk Agent from PT to FT | 0.5 | 21,539 | | 21,539 |
| Cost of Living Adjustment | | 537,574 | | 537,574 |
| Merit Increase | | 374,510 | | 374,510 |
| Total | 1.5 | 1,134,952 | 3,000 | 1,137,952 |

The proposed budget includes a 4% cost-of-living adjustment (COLA), and 3% merit. The combined increase is equal to \$912,084.

Health and other benefit costs are projected to increase by 6%. It is proposed that the District split the increased health costs with employees. The total health, dental, vision, and life is estimated to increase from \$3,322,174 to \$3,521,505, for a total of \$199,331. The proposed budget includes a 75% (4.5%) / 25% (1.5%) distribution of the costs with the employee.

Total District personnel costs (salaries and benefits) for 2024 are budgeted at \$19,281,020, an increase of \$1,730,603 from the 2023 projection, or 9.86%. Of this increase, \$1,137,952 is dedicated to FTE decision items (1.5 new FTE), and the COLA/Merit package.

Capital Budget Overview

The 10-year Capital Budget Spreadsheet for 2024 and decision item narratives describing each request are included as an attachment to this memorandum. The total proposed 2024 capital, CRP, and Bond budget is \$10,172,298, made up of \$8,996,444 in Wastewater and \$1,175,854 in Vail Water projects. Of the \$10,172,298 total budget, the below articulates the following major capital projects, where the remaining projects are listed in the 10-year Appendix A: The 10-year Appendix A includes projected future project needs. Details are included in the project narrative Appendix B.

(Table 11: Major Capital Projects)

| Fund Type | Project Name | 2024 Budget | Total Project Budget |
|-----------------|--|-------------|----------------------|
| WW Bond Project | EWWTf Master Plan Capital Improvements | 4,000,000 | 93,500,000 |
| W Bond Project | Bolts Lake Reservoir | 553,331 | 23,286,273 |

| | | | |
|-----------------|--|-----------|------------|
| Capital | Land and Facility Acquisitions | 0 | 12,000,000 |
| WW Bond Project | VWWTF Master Plan Capital Improvements | 1,000,000 | 11,553,008 |
| WW Bond Project | Cascade Skier Bridge Sewer Main | 500,000 | 3,700,000 |
| WW Bond Project | Minturn Siphon Project | 400,000 | 2,650,000 |
| WW Bond Project | Field and Fleet HQ at AWWTF | 0 | 2,000,000 |

In addition to 2024 requests for funding, the proposed 2024 capital budget is also comprised of projected carryforwards and returned funds from 2023. While every effort is made to accurately forecast project timing, rollovers and returned funds occur for various reasons. The major components are detailed below in Tables 12 and 2, respectively. The total carryforward is estimated to be \$9,944,644 comprised of \$9,350,894 from Wastewater projects, \$593,750 from Vail Water projects.

(Table 12: 2023 to 2024 Budget Carryforward Summary)

| Fund Type | Department | Project Name | Estimated Carryforward |
|-----------------|------------------|--|------------------------|
| WW Bond Project | Wastewater | VWWTF Master Plan Capital Improvements | 3,091,899 |
| Capital | Admin/Housing | Land and Facility Acquisitions | 2,552,723 |
| WW Bond Project | Field Ops | Field and Fleet HQ at AWWTF | 1,829,263 |
| WW Bond Project | Engineering | Gore Valley Trail @ Dowd Jct. Repair | 516,974 |
| WW Bond Project | Field Ops | Dowd Junction Collection System Improve. | 500,000 |
| Capital | Field Ops | Forest Rd./Rockledge Private Sewer Replacement | 302,000 |
| W Bond Project | Engineering | Bolts Lake Reservoir | \$206,245 |
| WW Bond Project | Field Ops | Cascade Skier Bridge Sewer Main | 150,000 |
| W Bond Project | Water | Lower Glen Lyon Fire Flow Improvements | 143,375 |
| WW Bond Project | Wastewater | 2022 WW Master Plan Update | 137,415 |
| Capital | Water | West Vail Flow Control Improvements | 110,118 |
| WW Bond Project | Field Ops | Minturn Siphon Project | 100,000 |
| Capital | Water | Water Treatment Master Plan- | 91,598 |
| CRP | Engineering | GIS Improvements | 81,500 |
| Capital | Field Ops | Hillcrest Field Operations Facility | 65,422 |
| CRP | Utility Services | Vehicle Replacement program | 50,000 |
| Capital | Water | Water System Emergency Power | 16,114 |
| | | Total | \$9,944,644 |

The total returned funds are estimated to be \$4,081,818 comprised of \$3,688,253 from Wastewater Bond projects, \$179,179 from Wastewater projects, \$136,225 from Vail Water Bond projects, and \$78,161 from Vail Water projects.

(Table 13: 2023 Returned to Funds Summary)

| Fund Type | Department | Project Name | Estimated Return to Fund |
|-----------------|------------------|--|--------------------------|
| WW Bond Project | Wastewater | AWWTF Nutrient Upgrades | 3,200,000 |
| WW Bond Project | Utility Services | AWWTF Rooftop Solar Project | 455,000 |
| Capital | Engineering | Greenhouse Gas Inventory | 100,000 |
| W Bond Project | Ops Tech | RTU System Upgrade | 86,225 |
| Capital | Housing | District Housing Sustainability | 75,000 |
| W Bond Project | Water | N. Frontage Road Water Main Connection | 50,000 |
| Capital | Utility Services | AMI Implementation | 36,474 |
| CRP | Water | CRP-Vail Water System Repairs | 35,866 |
| WW Bond Project | Wastewater | AWWTF Fire Flow Improvements | 33,253 |
| CRP | Human Resources | CRP- Safety & Security | 10,000 |
| | | Total | 4,081,818 |

Debt Service

The District issued a series 2023 Enterprise Wastewater Revenue Bond (\$47MM) to complete the Avon Wastewater Treatment Facility and fund three years of major wastewater bond projects. Based on the current wastewater master plan and the 10-year capital improvement plan a \$75MM bond will be required in 2026 to fund major wastewater bond projects including the Edwards Wastewater Treatment Facility. Nutrient standards require the EWWTF to be completed by 2029. The ongoing water master plan will inform the bond requirements for Vail Water. The construction of Bolts Lake will be the primary driver for a Vail water Bond.

(Table 14: Bond Fund Projections)

| District Bond Funds | WW Bond | Water Bond |
|---|---------------------|--------------------|
| Beginning Balance | 41,692,913 | (163,081) |
| 2023 Projection | 21,390,870 | 787,254 |
| 2024 Projected Beginning Balance | 20,302,043 | (950,336) |
| 2023 Carryforward | 6,325,550 | 349,620 |
| 2024 Budget | 5,958,026 | 553,331 |
| 2025 Budget | 9,600,000 | 1,653,331 |
| 2026 Budget | 15,000,000 | 553,331 |
| 2027 Budget | 29,000,000 | 250,000 |
| 2028 Budget | 29,500,000 | 500,000 |
| 2028 End Balance | (75,081,533) | (4,809,949) |

Housing Enterprise Fund

The Housing Fund is treated as an enterprise fund and is derived from the Wastewater total fund balance. Of the \$23,342,035 projected Wastewater fund balance, the Housing Fund has contributed \$217,449 as listed below. This fund is comprised of rental revenue from our housing program, sales of property, and costs associated to the maintenance, upkeep, capital, and HOA costs of our properties. The Housing Program net income, and housing metrics information are provided quarterly to the board(s). The overall projected balances for 2023 and budgeted 2024 for the Housing enterprise fund are below.

(Table 15: Housing Fund Projections)

| Housing | 2023 | 2024 | 2025 | 2026 |
|------------------------|----------------|----------------|----------------|----------------|
| Revenue | 921,768 | 1,134,375 | 1,106,122 | 1,327,347 |
| Expenses | 552,952 | 875,256 | 919,019 | 964,970 |
| Net Income (Loss) | 368,816 | 259,119 | 187,103 | 362,377 |
| Beginning Fund Balance | (151,367) | 217,449 | 476,568 | 663,671 |
| Projected End Balance | 217,449 | 476,568 | 663,671 | 1,026,048 |
| Target | 552,952 | 875,256 | 919,019 | 964,970 |
| Target Over/(Under) | (335,503) | (398,689) | (255,348) | 61,078 |

- Expense growth due to the restructuring of Administration to the Housing department
- Revenue growth due to rate increases determined by an analysis of the affordable housing market.
- 2023 Revenue includes \$140,000 sale of Buckhorn Lot.
- 2024 Revenue includes \$265,000 sales of remaining Buckhorn Lots.
- 2024 (and going forward) expenses include Personnel Services to include a full picture of the Housing Program.
- Housing Fund Targeted Fund balance as is consistent with the (to be proposed in 2023) Wastewater and Vail Water fund balance policies is equal to 1 year of expenses.

Consumer Price-Index

Past budget cycles included a memo documenting the Consumer Price Index values and their impact on all. The Consumer Price Index, CPI, is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Indexes are available for the U.S. and various geographic areas. While the information is informative, Denver-Aurora- Lakewood is not as representative of CPI metrics in the high mountains. Using the Bureau of Labor Statistics going forward and anchoring to Mountain-Plains information, annual increase through June 2023 compared to June 2022 is 3.7%. Projected December 2023 CPI values near 3.5% for the same region.

Decision Items

(Table 16: Decision Items)

| Department | Type | Description | FTE | FTE Amt | Operating | Capital | 2024 Total |
|--------------|-----------|---|------------|----------------|----------------|------------------|------------------|
| HR | Operating | 3% Merit/Pay for Performance | | | 374,510 | | 374,510 |
| HR | Operating | 4% COLA | | | 537,574 | | 537,574 |
| IT | Operating | SharePoint Developer and Database Administrator | 1 | 198,879 | 2,450 | | 201,329 |
| IT | Capital | Dowd Junction Communication Tower | | | | 50,000 | 50,000 |
| IT | Capital | Nimble Storage Replacement | | | | 590,155 | 590,155 |
| IT | Capital | VMWare Enterprise Licensing | | | 63,037 | 163,461 | 226,498 |
| IT | Capital | Web Development Decision Item | | | 20,000 | | 20,000 |
| IT | Capital | FortiSandbox Decision Item | | | 842 | 26,554 | 27,396 |
| IT | Capital | Cisco Phone System Decision Item | | | | 38,602 | 38,602 |
| IT | Capital | ADWF Redundant HVAC | | | | 70,000 | 70,000 |
| | | | | | | | - |
| Field Ops | Capital | Gooseneck Trailer | | | | 25,000 | 25,000 |
| Field Ops | Capital | Jetting Truck | | | | 65,000 | 65,000 |
| Field Ops | Capital | Jetting Equipment | | | | 110,000 | 110,000 |
| Field Ops | Capital | Shoring Trench Box Main Gore Place Waterline | | | | 17,500 | 17,500 |
| Field Ops | Capital | Improvement | | | | 100,000 | 100,000 |
| OPS Tech | Capital | Well R7/Booth Emergency Power | | | | 200,000 | 200,000 |
| Lab | Capital | Lab Instrument | | | | 125,000 | 125,000 |
| Water | Capital | Vail Tank 4 Rehabilitation | | | | 150,000 | 150,000 |
| Wastewater | Capital | EWWTf Centrifuge | | | | 135,000 | 135,000 |
| Wastewater | Capital | EWWTf GT and SC Coatings | | | | 100,000 | 100,000 |
| Wastewater | CRP | EWWTf Biofilter Media Replacement | | | | 400,000 | 400,000 |
| Engineering | Capital | Collection System Master Plan | | | | 100,000 | 100,000 |
| | | | | | | | - |
| CS | Operating | Front Desk Agent from PT to FT | 0.5 | 21,539 | | | 21,539 |
| Total | | | 1.5 | 220,418 | 998,413 | 2,466,272 | 3,685,103 |

Decision Items Details

1. Name of Request: Merit & COLA Increases

Department: **Human Resources**

Problem or Opportunity:

The opportunity is to continue the District’s values and mission to support its employees by requesting merit increases of budgeted amount of 3% and a cost-of-living adjustment of 4%.

Merit pay, also known as pay-for-performance, is defined as a raise in pay based on a set of criteria set by the employer. This usually involves the employer conducting a review meeting with the employee to discuss the employee's work performance during a certain time period. Cost of Living Adjustment is defined as an increase to salaries that often depends on the rising cost of goods and services. The District approved the use of ECI or Employee Cost Index which is pegged at a projected 4% for local governments and lags inflation or CPI numbers.

Consequences of Problem:

Consequences of not doing this, include increased turnover, underappreciated and undervalued employees, as well as a bigger gap between market and our rates.

Proposed Solution:

Pay for performance is a great way to incentivize top performers. Historically this has been monthly review scales of 1-5 with the average score around 4. The average score of the total monthly reviews performed is then the weighted score, where average review score of 4 would equate to a 2.4% increase. In addition to this, the adjustment for COLA is added to the strategies to keep up with rising costs and wages over time.

Costs:

Source: Operating

| Costs | 2024 |
|-------------------------------------|----------------|
| 3% Merit/Pay for Performance | 374,510 |
| 4% Cost of Living Adjustment (COLA) | 537,574 |
| Totals | 912,084 |

2. Name of Request: SharePoint Developer and Database Administrator

Department: **IT**

Problem or Opportunity:

One of our strategic goals is data driven management. We now have all of our databases (including our SCADA databases) available for data analysis in Power BI. We also have access and are starting to utilize Azure Open AI for enhanced data analysis and reporting. Additionally, through the use of Power Automate, we have been able to automate everything from contracts to invoice approval. The number of automations currently running behind the scenes is tremendous. There is much work to be done such as automating the process control spreadsheets for plant operations. Countless hours are currently being spent on these and they are one more example of how Power Automate and Power BI can be used to create additional

efficiencies in operations. The demand for these types of things has skyrocketed and we need to add another position to further our goal of data driven management. There is also a major vulnerability as there is no backup to the current position.

Consequences of Problem:

Because of the high level of automation and analytics that exists today, the existing position is a major vulnerability as there is no redundancy. If the current SharePoint Developer and Database Administrator is out of the office, there is no coverage for the organization. We have become very reliant on the reporting, analytics, and automation that is occurring behind the scenes. If a component of this breaks for any reason it puts us in a tough position. Adding redundancy to this position will benefit the District greatly over the years to come.

Proposed Solution:

Add an additional SharePoint Developer and Database Administrator to the Information Technology department.

Costs:

Source: Operating

| Costs | 2024 | 2025 | 2026 |
|-----------------------------|---------|---------|---------|
| Salary and Benefits | 198,879 | 198,879 | 198,879 |
| Supplies | 500 | | |
| Telephone/Computer/Software | 4,950 | | |
| Totals: | 204,329 | | |

3. Name of Request: Dowd Junction Communication Tower

Department: IT

Problem or Opportunity:

We invested nearly \$10Million in the RTU project, a 10-year effort to upgrade network communications for our SCADA system, but also for physical and cyber security efforts. We are working through an ongoing emergency response plan and are actively improving our resiliency. Dowd Junction is the connection between the two water systems and the radio network is limited by the terrain.

Consequences of Problem:

Rented tower space is at risk for malicious attacks both physical and cyber. The electrical power is not owned by us; nor are the tower facilities themselves. It is much more secure to have our own facility.

Proposed Solution:

We are aiming to construct our own tower at the existing Dowd Communications site. The plan is to initiate geotechnical work and surveying in 2024, submit an SF-299 permit application to the US Forest Service, and a few years of permit support. Then once the permit is issued, a small ~30' tower with electrical service and potential backup power will be constructed. The design is nuanced as we must demonstrate that we will not interfere with any existing uses at the site. This is a strategic goal that reduces our system risk and improves our overall resiliency.

Costs:

Source: Capital

| Costs | 2024 | 2025 | 2026 | 2027 |
|---------------------|--------|--------|--------|---------|
| Design/permitting | 50,000 | 10,000 | 10,000 | |
| Design/construction | | | | |
| Construction | | | | 200,000 |
| Totals: | 50,000 | 10,000 | 10,000 | 200,000 |

4. Name of Request: Nimble Storage Replacement

Department: **IT**

Problem or Opportunity:

7 of 9 of our storage arrays will be going end of life in this budget cycle. When this occurs support, software, and security updates will no longer be available to them.

Consequences of Problem:

A majority of the storage arrays which will be end of life support our industrial control environments. Without software and security updates, these devices would become vulnerable to attack. Additionally, without support, if a critical hardware or software fault occurred, we would not be able to receive any vendor support for the product.

Proposed Solution:

Replacing these 7 arrays will allow the District to continue to receive supports and security updates for a critical piece of hardware which supports our applications and infrastructure.

Costs:

Source: Capital

| Costs | 2024 |
|----------------|---------|
| Capital | 515,155 |
| Labor | 75,000 |
| Totals: | 590,155 |

5. Name of Request: **VMWare Enterprise Licensing**

Department: **IT**

Problem or Opportunity:

We would like to upgrade our licensing to take advantage of DRS (Distributed Resource Scheduler) and DPM (Distributed Power Management). Currently if any one of our 66 hosts fail for any reason, any virtual machine running on that host will crash and need to be manually powered on. Hard shutdowns like this can cause many issues to the virtual servers themselves including corruption, and obviously and interruption to staff using these systems including industrial control process. DRS is a technology that when a host fails, automatically shifts all virtual servers running on the host to another host with no interruption to service. DRS also load balances all hosts to and workloads depending on available resources. DPM optimizes power consumption by placing hosts in standby mode when demand is low and powering on enough hosts when demand is high. DPM can cut power and cooling costs by as much as 20% during low utilization periods.

Consequences of Problem:

A host failure during non-business hours could have a significant impact on critical industrial processes. A failure during regular operation hours could additionally result in an interruption to key systems such as CIS, GIS, Cityworks, GreatPlains, and GE software. Without the DRS solution a significant failure could negatively impact all operations.

Proposed Solution:

Upgrade our licensing to take advantage of DRS (Distributed Resource Scheduler) and DPM (Distributed Power Management). This will ensure automated load balancing of all virtual machine workloads with automatic host redistribution during a host failure. It will also allow for better power management in all our data centers.

Costs:

Source: Bond

| Costs | 2024 | 2025 | 2026 |
|----------------|----------------|---------------|---------------|
| Capital | 163,461 | | |
| Operating | 63,037 | 63,037 | 63,037 |
| Totals: | 226,498 | 63,037 | 63,037 |

6. Name of Request: **Web Development**

Department: **IT**

Problem or Opportunity:

We now have a secure, redesigned, and reliable website hosted with a top tier hosting provider. All content changes from here will be handled internally. Additional work on the site when it comes to programming changes or automation, will still be handled by our partner Colorado Digital. We currently do not have an operating budget for web development and would like to create one.

Consequences of Problem:

Not having a budget for web development will hinder our continued improvement and addition of automation to our website.

Proposed Solution:

- Create a budget to continue improvement and automation development of our website. This budget would start at \$20K in 2024, and \$10K each subsequent year.

Costs:

Source: Capital

| Costs | 2024 | 2025 | 2026 | 2027 |
|------------|--------|--------|--------|--------|
| Operations | 20,000 | 10,000 | 10,000 | 10,000 |
| Totals: | 20,000 | 10,000 | 10,000 | 10,000 |

7. Name of Request: FortiSandbox

Department: **IT**

Problem or Opportunity:

For evaluation purposes we have been using the free version of FortiSandbox. The free version has many limitations, and the features are very restricted preventing us from benefitting from the solution. Implementing the paid version of this product will better help protect District systems.

Consequences of Problem:

FortiSandbox’s ability to strengthen our network security posture is invaluable. There is a threat of malicious files and threats getting to the computers of our employees, and while our AI driven antivirus system would handle them, this system can reduce that exposure drastically. Not implementing this solution forfeits another layer of our cyber security posture.

Proposed Solution:

Purchase and deploy the FortiSandbox service and update the firewalls currently using the free version to utilize the new system. Once the system is 100% operational, we would then adjust alerting, add network-based file blocks in real time, and add an integration for our employees to send in files they may not feel safe opening for a free and quick sandbox check.

Costs:

Source: Capital Operating

| Costs | 2024 |
|------------------|--------|
| Capital | 26,554 |
| Annual Licensing | 842 |
| Totals: | 27,396 |

8. Name of Request: Cisco Phone System

Department: **IT**

Problem or Opportunity:

Our phone system is end of life and needs to be replaced. By moving to a cloud solution, we accomplish several objectives, the first of which is to provide a more reliable solution with regards to availability. Customer service relies on our phone system to be operational at all

times. Our current phone system has historically had a lot of issues incurring downtime, whereas a cloud solution has redundancies built in and very little downtime. The second benefit to a cloud solution is the incorporation of new technology to assist our customer service department with enhanced call analytics, as well as integrating newer telephony technologies such as AI and voice recognition.

Consequences of Problem:

Our current system is antiquated and end of life. Not replacing the existing system with a newer phone system will mean we have no support for our phone system should something fail. It also means no security patches will be available which introduces vulnerabilities into the network.

Proposed Solution:

Replace our existing system with Cisco Webex with Contact Center, the most reliable cloud phone solution available today. While the net savings to operational costs is a wash, there are cost savings in terms of lost productivity of customer service during outages, as well as maintenance time ERWSD IT staff consume supporting the current system. Another benefit is the access to current technologies such as AI and advanced phone trees.

Costs:

Source: Capital

| Costs | 2024 |
|---|-------------|
| Capital | 34,731 |
| Annual Operating cost offset by current program | |
| Totals: | 34,731 |

9. Name of Request: ADWF Redundant HVAC

Department: IT

Problem or Opportunity:

In 2023 a new data center was constructed at ADWF as we had outgrown our existing space. The original design was to include a single HVAC capable of handling the cooling for the entire space. This has been identified as a critical failure point without a redundant HVAC system. Our primary data center at ADWF is home to the majority of our critical business server infrastructure. There are 239 virtual servers which service both the ICS environment for the plant and water distribution, as well as the core admin servers for field ops, customer service, finance, information technology etc. All sites internet is sourced from ADWF. The equipment required to run all this puts out a substantial amount of BTU's. If the primary HVAC system ever fails, the room would overheat rapidly potentially causing catastrophic damage and rendering critical systems unavailable.

Consequences of Problem:

If the primary HVAC system was to fail the room would overheat very quickly. This could cause catastrophic and expensive damage to some of our most important server and network infrastructure. To complicate the issue the data center is outfitted with a fire suppression system. If an HVAC failure were to occur, we cannot open the door to add fans and ventilation because if a piece of equipment were to catch fire due to high temperatures the fire suppression system would deploy quickly spreading toxic gas through the area potentially causing severe injury or death.

Proposed Solution:

Install a redundant HVAC system capable of cooling the data center on its own and run them both simultaneously to eliminate the single point of failure.

Costs:

Source: Capital

| Costs | 2024 |
|--------------|-------------|
| Capital | 70,000 |
| Totals: | 70,000 |

10. Name of Request: Gooseneck Trailer

Department: Field Operations

Problem or Opportunity:

During distribution and collection emergency repairs at locations with narrow, tight access roads, delivery of heavy machinery with lowboy and tractor is difficult and sometimes risky. With smaller truck and gooseneck trailer, we will be able to navigate those access roads easier and safer. Furthermore, this truck -trailer set up will be useful for delivery of materials and machinery for other departments. Delivery of the heavy machinery to the emergency repair site in timely and efficient manner can be problematic. With this new set up we will be able to deliver emergency repair heavy machinery to the site faster, safer, and more efficiently. This set up will have smaller turning radius, lesser width, and it will be ready to move faster than tractor and lowboy.

Consequences of Problem:

Potential risk of damages to vehicles or property with tractor lowboy set up. Longer response time to get tractor low boy set up can delay our response time.

Proposed Solution:

Smaller truck and gooseneck trailer will improve Field Operations team’s goals: Operational Excellence – it will improve Field Ops emergency preparedness, that will further allow us to meet regulatory compliance requirements and to strategically manage our infrastructure. Customer Confidence – we will respond faster and will be able to deliver heavy machinery with less inconvenience to the customer. Climate Resiliency – smaller truck will reduce GHG emission, and faster response time will reduce water losses. Employee Culture – team’s innovative vision and embracing of new technologies and equipment will help us retain and develop our staff.

Costs:

Source: Capital

| Costs | 2024 |
|--------------|-------------|
| Capital | 25,000 |
| Totals: | 25,000 |

11. Name of Request: Small Jetting Truck

Department: Field Operations

Problem or Opportunity:

New equipment will allow us to improve our emergency preparedness and meet our maintenance goals. Access to a jetting truck throughout the whole maintenance season will reduce down time.

Consequences of Problem:

Reduce the ability to meet maintenance goals and to respond to emergencies in timely manner, increasing the risk of SSO. Increased cost of maintaining existing small jetter.

Proposed Solution:

A smaller jetter will improve Field Operations team operations: Operational Excellence – it will improve Field Ops emergency preparedness, that will further allow us to meet regulatory compliance requirements and to strategically manage our infrastructure. Customer Confidence – we will respond faster and prevent SSO and hence protect our water sources. Climate Resiliency – smaller truck will reduce GHG emission, and faster response time will reduce SSO risk and hence protect our water source. Employee Culture – team innovative vision and embracing of new technologies and equipment will help us retain and develop our staff.

Costs:

Source: Capital

| Costs | 2024 |
|-------------------|---------|
| Truck | 65,000 |
| Jetting Equipment | 110,000 |
| Totals: | 175,000 |

12. Name of Request: Trench box Shoring

Department: **Field Operations**

Problem or Opportunity:

Opportunity to improve our safety preparedness for trenching. There is always room to improve trenching safety. More importantly, FO operators like using new system as it is easy to assemble.

Consequences of Problem:

Slower emergency repairs response time can result in greater length of service outage.

Proposed Solution:

New trench shield/box components improve Field Operations team: Operational Excellence – it will improve Field Ops emergency preparedness, that will further allow us to meet regulatory compliance requirements and to strategically manage our infrastructure. Customer Confidence – we will respond faster and will be able to excavate safer. Climate Resiliency – faster response time will reduce water losses and reduce SSO. Employee Culture – improving safety culture will help us retain and develop our staff.

Costs:

Source: Capital

| Costs | 2024 |
|---|--------|
| Additional trench box parts that will allows us to build 4 sided 4' x 4' trench box | 17,500 |
| Totals: | 17,500 |

13. Name of Request: **Main Gore Place Watermain Improvements**

Department: **Field Operations**

Problem or Opportunity:

A costly emergency repair was implemented in winter 2020 with approximately 36 LF of pipe being replaced for approximately \$300,000. The repair revealed several issues on the 6” pipeline that is smaller than our minimum specified size of 8”. High Groundwater, close proximity to the sewer main, and advanced pipe corrosion due to corrosive soils were all apparent. Recently, a corrosion issue occurred on the private side of a service line to one of the condominium buildings. In response to the break, design funds were appropriated from another Vail Water account to begin design, and we are currently at the 60% design level, with potholing and geotechnical engineering planned for this fall. Due to tight Vail Water budgets and other priorities, we are seeking to schedule the construction phase in 2025 to allow for complete design and likely partnership with the HOA for service line replacements.

Consequences of Problem:

What was left in the ground after the emergency repair was in poor condition therefore it is believed that another leak and emergency repair could happen. Planned improvements are always less expensive and smoother than emergency ones. This is a priority for the Field Operations department, and we are excited to reduce the risk of the water system with this project.

Proposed Solution:

A new water main, likely with HDPE or other corrosion-proof material is proposed. Along with this, one of the two water mains will be decommissioned, reducing the overall linear feet of pipeline and the associated risk. The project is at the 60% design level currently, but plenty of time is needed to develop the proper approach to this difficult, complicated project in a tough area.

Costs:

Source: Capital

| Costs | 2024 | 2025 |
|---------------------|-------------|-------------|
| Design | 100,000 | |
| Design/permitting | | |
| Design/construction | | |
| Construction | | 1,100,000 |
| Totals: | 100,000 | 1,100,000 |

14. Name of Request: R7/Booth Emergency Power

Department: **OTS**

Problem or Opportunity:

R7/Booth has a lack of redundant utility feed aka the power is not on a looped system, making an extended outage more likely. An outage in Winter 2022 led to the inability for us to haul a mobile generator to the site due to icy conditions on steep roads at Inline/Booth BPS Pin and sleeve connection. Roadway snow removal makes the pin and sleeve connection at R7 nearly impossible to reach. These issues make the site an excellent candidate for on-site power generation, likely with natural gas.

Consequences of Problem:

Extended power outages could lead to low tank levels and water supply issues in East Vail. This occurred in Winter 2022 and the Gore Valley Plant needed to be started up to supply water to the area. This resulted in safety concerns such as chaining up large truck to haul generator in winter and access to Gore Valley.

Proposed Solution:

Install on site power generation at two facilities, a combined Inline/Booth BPS and treatment generator, located on our treatment facility site, and one at R7 production sites. Challenges include other utilities and permitting/design review challenges at R7, specifically. A small utility screening building or other structure will likely be required. Is classified as an OTS project but would be a collaborative effort between multiple departments: Engineering, Water, OTS, Field Ops, IT, etc.

Costs:

Source: Capital

| Costs | 2024 | 2025 |
|---------------------|----------------|------------------|
| Design | 200,000 | |
| Design/permitting | | |
| Design/construction | | |
| Construction | | 2,500,000 |
| Totals: | 200,000 | 2,500,000 |

15. Name of Request: **Lachat Instrument**

Department: **Laboratory**

Problem or Opportunity:

We received a letter dated January 2020, stating that HACH will discontinue the Lachat. Spare parts and service is available until the end of 2024. We need to replace this instrumentation with something that will analyze the same parameters. Sending samples out 3 times per week is not cost effective.

Consequences of Problem:

Sending samples out 3 times per week is costly. We would not have real time data needed for process changes to help ensure permit compliance. We could no longer accept these types of samples from external customers which is a source of revenue.

Proposed Solution:

Purchase FIA analyzers to replace the Lachat. To meet operational excellence, we need to have the instrumentation to produce real time data and meet regulatory compliance. This data is critical to permitting. It boosts customer confidence knowing samples can be delivered to our lab and excellent QA/QC procedures are followed to provide accurate data to permittees.

Costs:

Source: Capital

| Costs | 2024 |
|-----------------|----------------|
| FIA ALYZER-1000 | 45,337 |
| FIA ALYZER-2000 | 69,015 |
| Totals: | 114,352 |

16. Name of Request: **Vail Tank 4 Rehabilitation**

Department: **Water**

Problem or Opportunity:

Concrete spalling, sand, gravel, and a potential structural deficiency in the tank. Poor access, staging, etc. Separated overflow pipe. Does not meet current CDPHE design standards (one hatch, vent, overflow capacity, etc.). Largest storage in the Core Vail zone (1MG)

Consequences of Problem:

Life cycle replacement and bringing critical infrastructure to current design standards. A failure of the tank could have public health and safety impacts and tank downtime could have water delivery concerns for critical customers in the vail core zone.

Proposed Solution:

A comprehensive tank rehabilitation addressing overflow and venting concerns, sanitary issues, and most importantly, structural, and concrete improvements that would allow for a significant life cycle extension.

Costs:

Source: Capital

| Costs | 2024 | 2025 |
|---------------------|---------|-----------|
| Design | 150,000 | |
| Design/permitting | | |
| Design/construction | | |
| Construction | | 2,000,000 |
| Totals: | 150,000 | 2,000,000 |

17. Name of Request: EWWTF Centrifuge

Department: **Wastewater**

Problem or Opportunity:

A sludge management pinch point exists at the EWWF due to no spare centrifuge(s) being available. The requested equipment would allow for seamless biosolids production if/when one of the two existing centrifuges were to go down/become inoperable.

Consequences of Problem:

If one or both existing centrifuges becoming inoperable, normal plant operations would have to cease, or an expensive sludge hauling regimen would have to be implemented to transport the material to the front range.

Proposed Solution:

The proposed solution is to purchase a spare centrifuge. This would bolster emergency preparedness and increase the District’s ability to maintain regulatory compliance.

Costs:

Source: Capital

| Costs | 2024 |
|---------------------------|---------|
| Centrifuge & Installation | 135,000 |
| Totals: | 135,000 |

18. Name of Request: EWW GT, SC Coatings

Department: **Wastewater**

Problem or Opportunity:

This project would take care of re-coating the existing Gravity Thickeners and Secondary Clarifiers at EWWTF. This item was identified in the current Master Plan Condition Assessment. The current weirs are corroded and in need of urgent replacement.

Consequences of Problem:

If this project is not completed, degradation will continue, making repairs likely more costly down the road. Degradation could continue to the point of units becoming un-operable and thus losing system redundancy/operability.

Proposed Solution:

Rather than replacing major components of the Gravity Thickeners or Secondary Clarifiers, useful life of this equipment can be extended by re-coating. This is a smaller expense than would likely be incurred by waiting and having to perform more significant repairs in the future.

Costs:

Source: Capital

| Costs | 2024 | 2025 |
|----------------|--------|--------|
| Design | 100,00 | |
| Construction | | 900,00 |
| Totals: | 100,00 | 900,00 |

19. Name of Request: EWW Biofilter Media Replacement

Department: **Wastewater**

Problem or Opportunity:

Odor control is a sensitive topic and a potential public perception issue at Edwards WWTF. We're likely going to go to voters to approve a GO Bond tax increase to finance a major capital project for nutrient compliance and keeping the odors under control is important. This is a life cycle recurring expense. Another option would be to defer the work to the large project which would delay the replacement (decreasing effectiveness of odor control) and add costs.

Consequences of Problem:

Risk of odor control breakthrough without media replacement resulting in potential odor complaints. Odor complaints distract WW operations teams from their day-to-day duties.

Proposed Solution:

Replacement of media with new, longer-life inorganic media should provide robust odor treatment for the next 20 years.

Costs:

Source: Capital

| Costs | 2024 |
|---------------------------|--------|
| Centrifuge & Installation | 400,00 |
| Totals: | 400,00 |

20. Name of Request: Collection System Master

Department: **Engineering**

Problem or Opportunity:

A master plan is needed to address the aging infrastructure and potential capacity issues in the collection system. A topographic survey was completed from the Vail WWTF to the Edwards WWTF and in-house modeling will be conducted as a baseline for the report. Our WWTF discharge permits contain requirements to identify and reduce I&I, further reinforcing the need for a master plan.

Consequences of Problem:

Reduced ability to accurately plan for capacity and collections systems repairs and improvements with a data-based process.

Proposed Solution:

Master planning including hydraulic modeling, condition assessment, inflow and infiltration (I & I) study, and capital planning to address the future capacity and projects in the wastewater collection system. The project is well underway with extensive field surveying of the collection system, early infrastructure recommendations and flow metering data received.

Costs:

Source: Capital

| Costs | 2024 |
|---------------------------|---------------|
| Centrifuge & Installation | 100,00 |
| Totals: | 100,00 |

21. Name of Request: Front Desk Administrative Assistant: PT to FT

Department: **Customer Service**

Problem or Opportunity:

Currently this program has .50 FTE on the books, the District does not have many administrative aide positions, and therefore over time, administrative tasks have been reassigned across a variety of functions. The District needs some administrative aide and is requesting .50 FTE to make 1.0 full-time work to continue to support the team and other departments as needed. The Finance department has a seasonal work budget and .50 FTE for 2023 that would be shifted to this line to accommodate the request.

Consequences of Problem:

Some of the mentioned work would not be able to be accomplished.

Proposed Solution:

The additional FTE would help departments be more efficient with administrative and system tasks allowing for increased work product.

Costs:

Source: Capital

| Costs | 2024 |
|----------------|---------------|
| Operations | 21,539 |
| Totals: | 21,539 |



2023 ERWSD CONTRACT LOG

| Contract No. | Date Executed | Change Order Signed On | Project Name | Contractor | Contract Amt. | Project Mgr. | Account No. | Status / Description |
|--------------|---------------|------------------------|---|---|---------------|--------------|-------------------------------------|--|
| 23.15.064 | Pending | | Main Gore Place Watermain Improvements | Ground Engineering Consultants, Inc. | \$9,400.00 | J. Schneider | 10.3.2.20.09.026 | Geotechnical engineering investigative work and engineering report for Main Gore Place Water Main Improvement, including MOH (temporary well). |
| 23.15.065 | Pending | | Miscellaneous Services for Distribution and Collection | J. R. Filanc Construction Company, Inc. | \$75,000.00 | N. Nemcanin | Various | Distribution and collection improvements for ERWSD and UERWA. |
| 23.15.066 | Pending | | CCTV and Miscellaneous Services for Collection System | Simon Pipeline Services LLC | \$125,000.00 | N. Nemcanin | Various | CCTV Survey, Misc. Pipe Repairs for ERWSD & UERWA. |
| 23.15.067 | Pending | | Pipe Repair Services and Various Small Projects for Collection System | Simon Pipeline Services LLC | \$75,000.00 | N. Nemcanin | Various | Various small projects and Pipe Repairs for ERWSD & UERWA. |
| 23.15.068 | Pending | | Edwards WWTF Biofilter Media Replacement | Badger Daylighting Corp | \$79,197.90 | K. Nelson | 10.3.2.10.13.115 | Remove existing biofilter media via vacuum truck and haul off root wood media. |
| 23.15.069 | Pending | | Edwards WWTF Biofilter Media Replacement | Upper Basin Excavating LLC | \$35,094.00 | K. Nelson | 10.3.2.10.13.115 | Place new Haydite media in east and west ATAD Biofilters. |
| 23.15.070 | Pending | | Drought Response Plan | LRE Water | \$79,448.00 | J. Hildreth | 10.3.9.20.90.040 & 20.1.9.00.25.150 | Preparation of a Drought Response Plan (DRP) to preserve the public water supply, protect aquatic environments and protect the recreation economy. |
| 23.15.071 | 10/02/23 | | Natural Gas for District Facilities | Symmetry Energy Solutions | \$107,983.26 | J. Cannava | Various | Natural gas supply for District facilities. |



BOARD ACTION REQUEST

TO: Board of Directors
FROM: David Norris, Director of Business Administration
DATE: October 26, 2023
RE: 2024 Service Agreement with Minturn

Summary of Subject: The District annually approves operations agreements with the town of Minturn. Minor updates to the agreement were made to reflect rate and fee changes.

2024 Minturn Operations Agreement

Discussion/Background: Through this agreement, the District performs billing for Minturn's water service and trash collection service in conjunction with the District's sewer service charge billings and remits the amount due to Minturn in accordance with the terms of the agreement. Exhibit A was updated to reflect the rates in the 2024 District budget, and a 13% increase is applied to monthly services for 2024 to reflect increases in direct costs related to personnel services.

Recommendation: We recommend the Board approve the 2024 Minturn Operations Agreement as presented.

Suggested Resolution/Motion: To approve the 2024 Minturn Operations Agreement as presented.

Attached Supporting Documentation: A copy of the agreement is available upon request.

**BILLING SERVICES AGREEMENT
BETWEEN
EAGLE RIVER WATER & SANITATION DISTRICT AND
TOWN OF MINTURN**

THIS BILLING SERVICES AGREEMENT effective this 1st day of January 2024, by and between TOWN OF MINTURN, a quasi-municipal corporation of the State of Colorado ("Town"), and EAGLE RIVER WATER & SANITATION DISTRICT, a quasi-municipal corporation of the State of Colorado ("District"). The Town and District are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, among its other functions Town owns and operates a water treatment and distribution system and provides trash collection services substantially within the boundaries of District; and

WHEREAS, District has sufficient experience, personnel, and equipment to perform certain services desired by Town; and

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein expressed, the Parties agree as follows:

**ARTICLE 1
GENERAL CONDITIONS**

- 1.1 District shall provide in a good and workmanlike manner the services described in this agreement upon the terms and conditions herein stated.
- 1.2 District shall be an independent contractor, and nothing herein contained shall be construed to create the relationship of principal and agent or employer and employee between Town and District. Any person or party hired by District shall be the employee, agent, servant, or contractor of District.
- 1.3 District shall comply with all applicable local, State and Federal laws, rules and regulations.
- 1.4 District shall provide the services described in Article 2 herein in accordance with the Rules and Regulations of District and any amendments thereto.

ARTICLE 2 SCOPE OF SERVICES TO BE PERFORMED BY DISTRICT

- 2.1 Billing Services. District agrees to provide billing services (“Billing Services”) for monthly water and trash collection services provided by Minturn to its customers, subject to the following:
- 2.1.1 Customer billings for water service and trash collection shall be issued at the same time and in the same manner as sewer service billings.
 - 2.1.2 All customer bills, which remain unpaid twenty-five days from the date of mailing of such bills, will have a Late Charge of five percent (5%) of any Balance Forward added thereto which shall be retained by District. Town authorizes District to pursue all collection procedures outlined in District’s Rules and Regulations, to include Certification of the unpaid amounts to the Eagle County Treasurer for collection with property taxes annually, as allowed by Eagle County. Such unpaid amounts may include Town’s unpaid water and trash collection service charges and District’s unpaid sewer service charges.
 - 2.1.3 Town, at the request of District, shall discontinue water and/or trash service to customers following notice of disconnection to such customers as provided in the Rules and Regulations of District.
 - 2.1.4 In the event a customer’s service is unable to be discontinued, Town will contract the work to correct any system deficiencies so that the customer’s water service is able to be discontinued. The cost of such work may be added to the customer billing as an adjustment.
 - 2.1.5 Approximately one month after the end of each billing period, District shall remit to Town, an amount equal to the total water and sewer services billed, less all amounts due from customers, which have any amounts in Balance Forward on their bills, which have remained unpaid for more than one hundred twenty (120) days.
- 2.2 Additional Services. The Town may request, and the District will provide additional labor and equipment as set forth on Exhibit A (“Additional Services”).

ARTICLE 3 COMPENSATION AND PAYMENT

- 3.1 Cost of Services. Town shall pay District for services performed according to the following:
- 3.1.1 The cost for Billing Services is \$40,954 per year, to be paid in monthly installments of \$3,412.83 each.
 - 3.1.2 Fees for Additional Services shall be billed at rates listed in Exhibit A or for amounts agreed to by District and Town.
- 3.2 Payment. Payment by Town to District shall be made within three (3) days following the approval of District's payment request in the regular meeting of Town Council following the end of the calendar month in which the services were performed.

ARTICLE 4 SPECIAL CONDITIONS

- 4.1 Insurance Requirements. At all times during the term of this Agreement, District shall carry and maintain in full force, at District's expense, the following insurance coverage. Such policies shall include a provision requiring a minimum of thirty (30) days' notice to Town of substantial change or cancellation of coverage or insurance policies.
- 4.1.1 General Comprehensive Liability insurance in an amount of \$424,000 per person and \$1,195,000 per occurrence, including the following coverage: property damage; underground explosion and collapse hazard; and personal injury.
- 4.1.2 Comprehensive Automobile Liability insurance on all owned vehicles used in connection with the services in an amount of \$424,000 per person and \$1,195,000 per occurrence combined single limits for Bodily Injury and Property Damage.
- 4.1.3 Worker's Compensation insurance in accordance with the provisions of the Worker's Compensation Act of the State of Colorado for all employees to be engaged in the services.
- 4.2 Certificates of Insurance. Prior to commencement of services, District shall provide Town with Certificate(s) of Insurance evidencing the insurance required by this Article and naming Town as an additional named insured as its interests may appear for all Comprehensive General Liability insurance.
- 4.3 Indemnity. To the extent permitted by law, and to the extent of the limits of any insurance coverage maintained by District, District further agrees to indemnify and hold Town harmless from, and defend all actions against, all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising from any negligent act or omission on the part of District, its agents, or employees, provided, however, that any claim for negligent acts or omissions must be brought in accordance with and subject to the limitations of the Colorado Governmental Immunity Act, C.R.S. 24-10-101, et. seq., as amended, as the same may now or hereafter exist, and nothing herein shall be deemed or construed to be a waiver of the rights granted hereunder. Town shall provide District with notice of the commencement of any action, subject to this paragraph, not more than five (5) days following receipt by Town of notice of commencement of such action. Notwithstanding the foregoing, the District does not waive the protections, monetary limitations, or immunities provided by the Colorado Governmental Immunity Act.
- 4.4 Renegotiation. Duties or services to be performed by District may be added or deleted and charges for services may be renegotiated by either Party upon thirty (30) days written notice to the other Party.
- 4.5 Assignment. Neither Party shall assign its rights and/or obligations under this Agreement without the express written consent of the non-assigning Party.

4.6 Term of Agreement. The term of this Agreement shall be January 1, 2024 to December 31, 2024.

4.7 Termination. The provisions of Section 4.6 notwithstanding, either Party shall have the right to terminate this Agreement upon thirty (30) days written notice to the other Party.

ARTICLE 5 MISCELLANEOUS

5.1. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties hereto relating to the services, and sets forth the rights, duties, and obligations of each to the other as of this date. The Agreement supersedes any prior and contemporaneous discussions, agreements or representations and warranties and any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both Parties.

5.2. Binding Agreement. This Agreement shall inure to and be binding upon the Parties, their successors, and assigns.

5.3. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

5.4. Controlling Law. This Agreement shall be governed by and construed in accordance with the law of the State of Colorado.

5.5. Subject to Annual Appropriation and Budget. Under no circumstances shall this Agreement constitute, or be considered as, a multiple-fiscal year obligation of either the District or the Town. The Town's and the District's individual obligations under this Agreement exist subject to annual budgeting and appropriations by their respective governing bodies, and shall remain subject to the same for the entire term of this Agreement.

5.6. Governmental Immunity. Nothing in this Agreement shall be construed to constitute a waiver, in whole or in part, of any of either of the Parties' rights and protections under the Colorado Governmental Immunity Act, § 24-10- 101, et seq., C.R.S., as amended from time to time.

5.7. No Third-Party Beneficiaries. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

5.8. Counterpart Execution. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals as of the day and year first above written.

TOWN OF MINTURN

By: _____
Mayor

ATTEST:

Town Clerk

EAGLE RIVER WATER & SANITATION DISTRICT:

By: _____
Chair

ATTEST:

Secretary

**EXHIBIT A
 2024 FEE SCHEDULE FOR DISTRICT EQUIPMENT AND PERSONNEL**

| Equipment | 2024 In District Hourly Rates |
|---|-------------------------------|
| 1 Ton Utility, Duramax | 56.00 |
| 3" Pump | 31.00 |
| 6" Power Prime Pump Trailer | 62.00 |
| Air Compressor (180 cfs) | 25.00 |
| Asphalt Cutter | 38.00 |
| Backhoe, John Deere #710 (1-1/2 cy, 3/8 cy Hoe) | 93.00 |
| Camera Locator | 62.00 |
| Camera Water or Sewer | 223.00 |
| Chain Saw | 31.00 |
| Composting Auger | 38.00 |
| Correlator-DigiCorr | 99.00 |
| Correlator-Zcorr | 49.00 |
| Demo Saw | 31.00 |
| End Dump Trailer | 81.00 |
| Forklift | 49.00 |
| Generator | 62.00 |
| Generator-Portable | 43.00 |
| Hoe/Pack Compactor | 93.00 |
| Jack Hammer and Hydraulic unit # 105 (1 ton) | 56.00 |
| Large Jetting Truck | 136.00 |
| Light Plant (mobile) | 62.00 |
| Loader | 93.00 |
| Lowboy Tractor | 81.00 |
| Lowboy Trailer | 74.00 |
| Mac-Trailer | 31.00 |
| Message Boards | 31.00 |
| Meter Test Bench | 49.00 |
| Mikasa Jumping Jack | 56.00 |
| Mini Excavator | 93.00 |
| Pickup with Plow | 56.00 |
| Pickup with Plow & Liftgate | 56.00 |
| Pump Truck | 149.00 |
| Rock Breaker/Hammer | 186.00 |
| Skid Steer | 74.00 |
| Skid Steer w/ Blower or Brush | 99.00 |

| Equipment | 2024 In District Hourly Rates |
|----------------------------|-------------------------------|
| Small Dump Truck | 43.00 |
| Small Jetting Truck | 125.00 |
| Small Portable Welder | 25.00 |
| Snowblower-Manual | 18.00 |
| Steamer | 25.00 |
| Tandem Dump Truck | 62.00 |
| TV Van | 125.00 |
| Utility Trailer | 38.00 |
| Valve Box Cleaner | 25.00 |
| Valve Box Operator/Cleaner | 43.00 |
| Valve Maintenance Trailer | 81.00 |
| Vehicle & Tools | 43.00 |

| Labor | 2024 In District Hourly Rates |
|--|-------------------------------|
| Construction Managers, Planning Supervisors, Project Engineers | 95.00 |
| General Manager | 210.00 |
| Executive Manager | 165.00 |
| Field Operations Personnel | 65.00 |
| Managers | 115.00 |
| Office Administration & Accounting Staff | 75.00 |
| Operational Interns/Temps | 27.50 |
| Operations Supervisors and Field Operations Leads & Planners | 110.00 |
| Water & Wastewater Operations Personnel | 65.00 |

| Test | Method | Matrix | 2024 Cost |
|--------------------------------|--------------|-------------------------------|-----------|
| Alkalinity, Total | SM 2320B | Wastewater and Drinking Water | 18.50 |
| Biochemical Oxygen Demand | SM 5210B | Wastewater | 68.00 |
| Chlorine (DPD Residual) | SM 4500-CI G | Wastewater and Drinking Water | 18.50 |
| Chemical Oxygen Demand | SM 5220D | Wastewater | 41.00 |
| Conductivity | SM 2510A | Wastewater and Drinking Water | 12.50 |
| E. coli MPN | SM 9223 | Wastewater and Drinking Water | 38.00 |
| Total Coliform and E. coli MPN | SM 9223 | Wastewater and Drinking Water | 50.00 |
| Hardness | SM 2340C | Wastewater and Drinking Water | 27.50 |

| Test | Method | Matrix | 2024 Cost |
|--|---------------------------------|-------------------------------|-----------|
| Heterotrophic Plate Count | SM 9215B | Drinking Water | 27.50 |
| Nitrogen, Ammonia | SM 4500-NH3E | Wastewater | 25.00 |
| Nitrogen, Nitrate + Nitrite | SM 4500-NO3F | Wastewater | 18.50 |
| Nitrogen, Total | Lachat Method 10-107-04-4-A | Wastewater | 37.00 |
| pH | SM 4500-H+B | Wastewater and Drinking Water | 25.00 |
| Simplified, TKN | Hach TNT 880 | Wastewater | 38.00 |
| Solids, Total Dissolved | SM 2540C | Wastewater and Drinking Water | 31.00 |
| Solids, Total Suspended | SM 2540D | Wastewater and Drinking Water | 25.00 |
| Solids, Total | SM 2540B | Wastewater | 25.00 |
| Solids, Total Suspended + Volatile Suspended | SM 2540D and SM 2540G | Wastewater and Drinking Water | 38.00 |
| Sulfate | EPA 375.4 | Wastewater and Drinking Water | 25.00 |
| Total Coliforms - presence/absence (BacT Sample) | SM 9223B | Drinking Water | 31.00 |
| Phosphorus, Reactive (Ortho) | SM4500-P E (Hach 843, 844, 845) | Wastewater | 18.50 |
| Phosphorus, Reactive (Ortho) | Lachat Method 10-115-01-1-M | Wastewater | 31.00 |
| Phosphorus, Total | SM4500-P E (Hach 843, 844, 845) | Wastewater | 18.50 |
| Phosphorus, Total | Lachat Method 10-115-01-1-F | Wastewater | 38.00 |

| Late fees (This additional cost applies to samples not received during the time period requested) | Accepted sample drop off times/days | Matrix | 2024 Cost |
|---|---|-------------------------------|-----------|
| Total Coliforms – presence/absence (BacT Sample) | 7:00 am to 3:00 pm (Monday-Thursday) | Drinking Water | \$9.00 |
| Solids, Total Dissolved | First two weeks of the month (Monday or Tuesday ONLY) | Wastewater and Drinking Water | \$30.00 |
| E. coli MPN and Total Coliform plus E. coli MPN | Before 9:00 am (Monday, Tuesday, or Thursday) | Wastewater and Drinking Water | \$22.50 |



M E M O R A N D U M

TO: Board of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: Oct. 20, 2023
RE: Bus Access License Agreement Between Eagle River Water & Sanitation District and Eagle County School District

Summary: The board will be asked to approve a Bus Access License Agreement between ERWSD and Eagle County School District (ECSD).

Background: At the board meeting on Apr. 27, 2023, the ERWSD board supported a request by ECSD to grant school buses access through the District's Cattail Flats housing property due to a recent change in Colorado law prohibiting school buses from stopping along highways. Since then, Siri and Kathryn have worked with ECSD on the Bus Access License Agreement and the Addendum that are included in the Oct. 26 board packet.

Legal issues: The Bus Access License Agreement and Addendum have been approved by counsel.

Budget implications: N/A

Recommendation: Pursuant to the board's direction from Apr. 27, staff recommends approving the Bus Access License Agreement.

Suggested resolution and motion: I move to approve the Bus Access License Agreement with Eagle County School District, with its attached Exhibits and Addendum, as presented .

Attached supporting documentation:

- Bus Access License Agreement with its Exhibits A and B
- Addendum to Bus Access License Agreement

BUS ACCESS LICENSE AGREEMENT

1. PARTIES. The parties to this Bus Access License Agreement (“Agreement”) are Eagle County School District RE-50J (“ECSD”) and the Eagle River Water & Sanitation District (“ERWSD”). ECSD and ERWSD are referred to individually as a “Party” and collectively as the “Parties”.

2. RECITALS AND PURPOSE. ERWSD owns certain real property in the County of Eagle, Colorado, known as Tract F of the Cattail Flats Final Plat, and more particularly described on the attached **Exhibit A** Cattail Flats Final Plat map (“ERWSD Property”). The Parties desire by this Agreement to permit ECSD busses to traverse the ERWSD Property for purposes of a bus stop, servicing students from the ERWSD Property and adjacent property owned by Ascentia Real Estate Holding Company, LLC (“Ascentia”).

Now, therefore, in consideration of the mutual promises contained in this Agreement, the Parties covenant and agree to the terms and conditions set forth in the following paragraphs.

3. BUS STOP LICENSE. ERWSD hereby grants to s ECSD a license (“License”) for vehicular access across the ERWSD Property for access by buses and ECSD employees and agents to a bus stop (“Bus Stop”) to be located on Ascentia’s property for dropping off and picking up of ECSD students. The location of the License is as identified on **Exhibit B** (the “Access Route”).

4. INFORMATION PROVIDED BY ECSD. ECSD shall provide to ERWSD the following information regarding the Bus Stop annually by September 1:

- a. Projected number of students who will use the Bus Stop
- b. Bus routes that serve the Bus Stop
- c. Stop times for the Bus Stop

5. SNOW PLOWING. ERWSD shall make best efforts to keep the Access Route clear of snow and ice.

6. TERM. The Term of this Agreement shall commence upon the last Party to execute the Agreement and shall remain in effect for one (1) year. Thereafter, the Agreement shall automatically renew for one (1) year periods, unless earlier terminated as provided herein. Without cause, any Party may terminate this Agreement (termination to be effective at the end of the then-current Term) by providing the other Party at least thirty (30) days’ notice prior to the end of the then-current Term.

7. ASSIGNMENT. This Agreement shall not be assigned or delegated except with the prior written consent of the non-assigning Party.

8. NOTICES. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is intended to be given at the address set forth on the signature page below, or at such other address as has been previously furnished in writing to the other Party or Parties. Such notice shall be deemed to have been given when deposited in the U.S. Mail.

9. EXHIBITS. All exhibits referred to in this Agreement are, by this reference, incorporated in this Agreement for all purposes.

10. DELAYS. Any delays in, or failure of, performance by any Party of his or its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, strikes, labor

disputes, accidents, regulations or orders of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, which are beyond the control of such Party.

11. INTEGRATION AND AMENDMENT. This Agreement and the Colorado Law Addendum represents the entire agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties.

12. DEFAULT AND/OR TERMINATION. All terms and conditions of this Agreement are considered material. In the event that any party defaults in the performance of any of the covenants or agreements to be kept, done or performed by and under the requirements of this Agreement, the non-defaulting Party shall give the defaulting party 14 days written notice of such default, and if the defaulting Party fails, neglects or refuses for a period of more than 14 days thereafter to make good or perform the default, then the non-defaulting party, without further notice, may, in addition to any other remedies available to it, terminate all rights and privileges granted in this Agreement and this Agreement shall be of no further force or effect. If the non-defaulting Party elects to treat this Agreement as being in full force and effect, the non-defaulting Party shall have the right to an action for specific performance or damages or both.

13. IMMUNITIES PRESERVED. It is the intention of the Parties that this Agreement shall not to be construed as a contractual waiver of any immunities or defenses provided by the Colorado Governmental Immunity Act, Section 24-10-101 and following, Colorado Revised Statutes.

14. BINDING EFFECT. This Agreement shall inure to the benefit of, and be binding upon, the Parties, and their respective legal representatives, successors, heirs and assigns; provided, however, that nothing contained in this paragraph shall be construed to permit the assignment of this Agreement except as otherwise specifically authorized in this Agreement.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Colorado.

16. COUNTERPARTS. This Agreement may be executed in several counterparts and, as so executed, shall constitute one Agreement, binding on all the Parties even though all the Parties have not signed the same counterpart. Any counterpart of this Agreement which has attached to it separate signature pages, which altogether contain the signatures of all the parties, shall be deemed a fully executed instrument for all purposes.

17. SEVERABILITY. If any provision of this Agreement is declared to be invalid, void or unenforceable by a court of competent jurisdiction, such provision shall be deemed to be severable, and all other provisions of this Agreement shall remain fully enforceable, and this Agreement shall be interpreted in all respects as if such provision were omitted.

EAGLE COUNTY SCHOOL DISTRICT RE-50J

EAGLE RIVER WATER & SANITATION DISTRICT

By: _____

By: _____

Title: _____

Title: _____

Date: _____

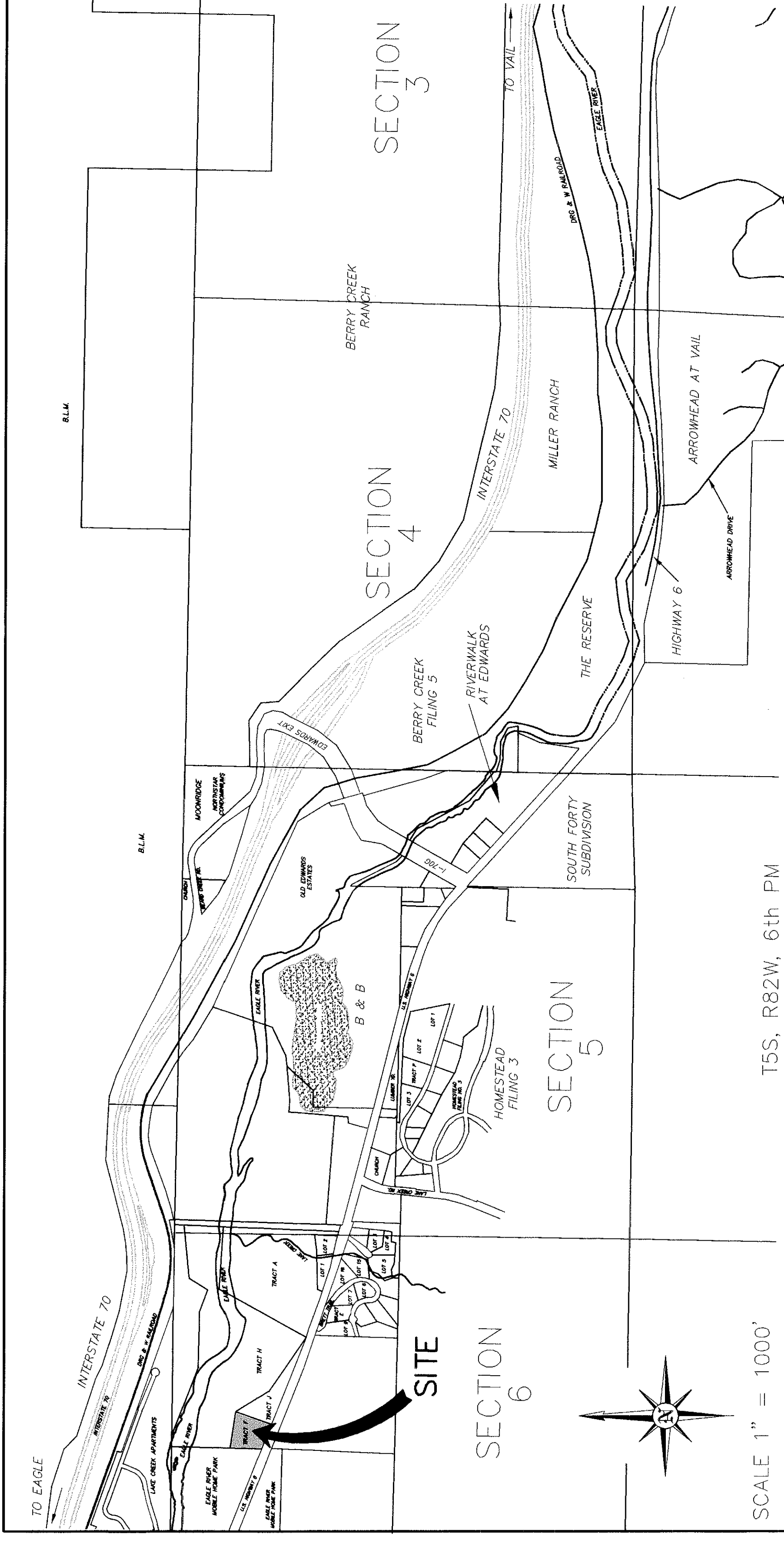
Date: _____

Address: _____

Address: _____

**FINAL PLAT
CATTAIL FLATS
A RESUBDIVISION OF TRACT F, BRETT RANCH PUD
A PARCEL IN THE NORTHEAST 1/4 OF SECTION 6,
TOWNSHIP 5 SOUTH, RANGE 82 WEST OF THE 6th PM
EAGLE COUNTY, COLORADO**

EAGLE COUNTY FILE NO. PDF-00087



CERTIFICATE OF DEDICATION AND OWNERSHIP

Know all men by these presents that Eagle River Water and Sanitation District, a Colorado Quasi-Municipal Corporation, Colorado, described as follows:

Tract F, Brett Ranch PUD, according to the Final Plat recorded May 20, 1998, on Receipts No. 657151 in the Office of the Clerk and Recorder of Eagle County, Colorado, is hereby dedicated to the public, more or less, as shown on this final plat under the name and style of Cattail Flats, a Resubdivision of Tract F, Brett Ranch PUD, as shown on the Final Plat recorded May 20, 1998, on Receipts No. 657151. The dedication is for the completion of required improvements and does hereby dedicate and assign all of the public rights and other public improvements and places as shown on the accompanying plat to the use of the public forever, and does hereby dedicate these portions of said real property which are created as public improvements, to the public, to be maintained, improved, repaired, replaced, and otherwise maintained, unless otherwise expressly provided herein, and do hereby grant the right to install and maintain necessary structures to the entity responsible for providing the services for which the easements are established.

EXECUTED this 20th day of October, A.D., 2004.

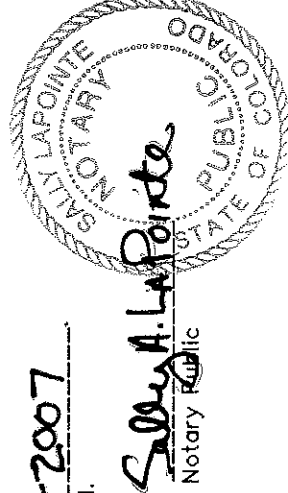
Owners: Eagle River Water and Sanitation District
A Colorado Quasi-Municipal Corporation
846 Forest Road
Vail, Colorado 81657

By: *[Signature]*
Title: **General Manager**

STATE OF COLORADO }
COUNTY OF EAGLE }

The foregoing Certificate of Dedication and Ownership was acknowledged before me this 20th day of October, A.D., 2004, by *[Signature]*
as **General Manager**

My Commission expires **8-11-2007**
Witness my hand and official seal.



COUNTY COMMISSIONERS' CERTIFICATE

This Plat approved by the Board of County Commissioners of Eagle County, Colorado, this 21st day of October, A.D., 2004, or filing with the Clerk and Recorder of Eagle County and for conveyance to the County of the public dedications shown herein, subject to the provision that construction of improvements thereon shall have been completed in accordance with Eagle County specifications and the Board of County Commissioners of Eagle County has by a subsequent resolution agreed to undertake maintenance of the same. This approval does not guarantee that the improvements shown on this plat will be constructed. The Board of County Commissioners of any lot shown herein are such that a building permit, sewage disposal permit or any other required permit will be issued. This approval is with the understanding that all expenses involving required improvements for all utility services, paving, grading, landscaping, curbs, gutters, sidewalks, and other improvements shall be the responsibility of the subdivider and not the County of Eagle.



[Signature]
Chairman, Board of County Commissioners
Eagle County, Colorado

Witness my hand and seal of the County of Eagle,
this 21st day of October, A.D., 2004.
[Signature]
Clerk to the Board of County Commissioners

CERTIFICATE OF TAXES PAID RD-44477

I, the undersigned, do hereby certify that the entire amount of taxes and assessments due and payable as of December 31, 2004 upon all parcels of real estate described on this plat are paid in full.

Dated this 21st day of October, A.D., 2004.

[Signature]
Treasurer of Eagle County

TITLE CERTIFICATE

I, the undersigned, do hereby certify that I have examined the Title to all lands shown upon this Plat and that Title to such lands is vested in SAINT ANTHONY TRACT, free and clear of all liens, claims and encumbrances, except as follows:

Dated this 21st day of October, A.D., 2004.

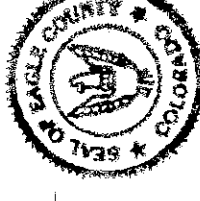
AGENT

[Signature]
SARAH DENARD,
AGENT
UNIVERSITY CREDIT
105 S. FORT WARRIOR RD. W.
SUITE 203 WYLLI, CO
81657

CLERK AND RECORDER'S CERTIFICATE

This Plat was filed for record in the Office of the Clerk and Recorder at 11:00 AM on this 13th day of October, 2004, and is duly recorded on Receipts No. 426238

[Signature]
Clerk and Recorder



NOTES

- DATE OF SURVEY: SEPTEMBER 2, 2004.
- BASIS OF BEARING: PLATED BEARING OF N01°27'07"E ALONG THE WEST LINE OF BRETT RANCH PUD, RECEPTION NO. 657151 BETWEEN A FOUND 5/8" REBAR AND 1 1/2" ALUMINUM CAP (LLEGBLE) AND A FOUND 5/8" REBAR AND 1 1/2" ALUMINUM CAP (50 WC RLS 11204). SEE SHEET 2 OF 2.
- SEE LAND TITLE GUARANTEE COMPANY INC., COMMITMENT #50008169-2 (DATED AUGUST 24, 2004) FOR ALL TITLE INFORMATION.
- NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF THE CERTIFICATION SHOWN.
- ADDRESSES ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE SUBJECT TO CHANGE. PLEASE VERIFY FINAL ADDRESSES WITH THE EAGLE COUNTY DEPARTMENT OF COMMUNITY DEVELOPMENT.
- THE PURPOSE OF THIS PLAT IS TO RESUBDIVIDE TRACT F INTO LOTS 1 THROUGH 5 AND TRACTS A, B, AND C, TO CREATE EASEMENTS AS SHOWN HEREON AND TO VACATE THE EXISTING SEWER EASEMENT PREVIOUSLY RECORDED AT RECEPTION NO. 657151.
- ALL EASEMENTS SHOWN HEREON AND NOT DESIGNATED WITH A RECEPTION NUMBER ARE CREATED BY THIS PLAT
- EAGLE RIVER WATER AND SANITATION DISTRICT, HEREBY RESERVES FOR ITSELF AND ITS ASSIGNS, THE FOLLOWING EASEMENTS:
A) SEWER EASEMENTS ON, OVER, UNDER, ABOVE, ACROSS AND THROUGH THOSE AREAS DESIGNATED HEREON AS "SEWER EASEMENT" FOR THE PURPOSES OF DISPOSAL AND TRANSMISSION OF DOMESTIC SEWAGE, THE INSTALLATION, USE, REPAIR, REPLACEMENT, IMPROVEMENT AND MAINTENANCE OF SANITARY SEWER STRUCTURES INCLUDING BUT NOT LIMITED TO MANHOLES, PIPES AND ALL OTHER RELATED STRUCTURES, TOGETHER WITH PERPETUAL RIGHT OF INGRESS AND EGRESS.
B) WATER LINE EASEMENTS ON, OVER, UNDER, ABOVE, ACROSS AND THROUGH THOSE AREAS DESIGNATED HEREON AS "WATERLINE EASEMENT" FOR THE PURPOSE OF THE INSTALLATION, USE, REPAIR, REPLACEMENT, IMPROVEMENT AND MAINTENANCE OF WATERLINES INCLUDING BUT NOT LIMITED TO MANHOLES, PIPES AND ALL OTHER RELATED STRUCTURES, TOGETHER WITH PERPETUAL RIGHT OF INGRESS AND EGRESS.
C) UTILITY EASEMENTS ON, OVER, UNDER, ABOVE, ACROSS AND THROUGH THOSE AREAS DESIGNATED HEREON AS "UTILITY EASEMENT" FOR THE PURPOSE OF THE INSTALLATION, USE, REPAIR, REPLACEMENT, IMPROVEMENT AND MAINTENANCE OF UTILITIES OF ANY KIND WHATSOEVER, INCLUDING BUT NOT LIMITED TO TELEPHONE LINES, CABLE TELEVISION LINES, GASLINES, ELECTRIC LINES, FIBER OPTIC LINES, OTHER COMMUNICATION LINES AND ALL RELATED STRUCTURES, TOGETHER WITH A PERPETUAL RIGHT OF INGRESS AND EGRESS.
D) DRAINAGE AND UTILITY EASEMENTS ON, OVER, UNDER, ABOVE, ACROSS AND THROUGH THOSE AREAS DESIGNATED HEREON AS "TYPICAL DRAINAGE AND UTILITY EASEMENT" INSIDE ALL LOTS, BEING TEN (10) FEET IN WIDTH ALONG ALL LOT LINES AS SHOWN ON THE TYPICAL DRAINAGE AND UTILITY EASEMENT FOR THE PURPOSE OF: 1) THE INSTALLATION, USE, REPAIR, REPLACEMENT, IMPROVEMENT AND MAINTENANCE OF UTILITIES OF ANY KIND WHATSOEVER, INCLUDING BUT NOT LIMITED TO TELEPHONE LINES, CABLE TELEVISION LINES, GASLINES, ELECTRIC LINES, FIBER OPTIC LINES, OTHER COMMUNICATION LINES AND ALL RELATED STRUCTURES, TOGETHER WITH A PERPETUAL RIGHT OF INGRESS AND EGRESS; 2) STORM DRAINAGE, INCLUDING BUT NOT LIMITED TO STORM DRAINAGE STRUCTURES INCLUDING BUT NOT LIMITED TO SWALES, DITCHES, CULVERTS, TOGETHER WITH A PERPETUAL RIGHT OF INGRESS AND EGRESS.
- EAGLE RIVER WATER AND SANITATION DISTRICT, HEREBY DEDICATES TO EAGLE COUNTY THE FOLLOWING EASEMENTS AND RIGHTS OF WAY:
a) TRACT A, BEING PUBLIC ROAD RIGHT-OF-WAY.
b) PUBLIC ACCESS EASEMENTS ON, OVER, ABOVE, ACROSS AND THROUGH THOSE AREAS DESIGNATED HEREIN AS "PUBLIC ACCESS EASEMENT" FOR THE PURPOSE OF PUBLIC VEHICULAR TRAFFIC AND PEDESTRIAN ACCESS.
- THE FLOODPLAIN SHOWN ON THIS FINAL PLAT WAS DERIVED FROM THE FLOODPLAIN INFORMATION REPORT AND STUDY PREPARED BY MATRIX DESIGN GROUP, DATED AUGUST 22, 2003. VERTICAL DATUM WAS BASED ON BENCHMARK OFS003 ELEVATION 7207.1' (NAVD 88 DATUM) LOCATED AT THE INTERSTATE 70 EDWARDS OVERLOOK PER THE FLOODPLAIN INFORMATION REPORT.
- ALL LANDS SHOWN HEREIN ARE SUBJECT TO THE FOLLOWING: THE PUD GUIDE FOR BRETT RANCH AS FILED FOR RECORD OCTOBER 29, 1998 AT RECEPTION NO. 674255 AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME, EAGLE COUNTY, STATE OF COLORADO.
- WITH THE ACCEPTANCE OF THIS FINAL PLAT, EAGLE RIVER WATER & SANITATION DISTRICT HEREBY VACATES THOSE PORTIONS OF THE 30' SEWER EASEMENT WITHIN THE LOTS AS IDENTIFIED HEREIN. SAID EASEMENT WAS CREATED AND DEDICATED WITH THE FINAL PLAT OF BRETT RANCH PUD AS RECORDED MAY 20th, 1998 AT RECEPTION NO. 657151 IN THE OFFICE OF THE CLERK AND RECORDER, EAGLE COUNTY, STATE OF COLORADO.

SURVEYOR'S CERTIFICATE

I, Dana B. Schreiner, do hereby certify that I am a Registered Land Surveyor licensed under the laws of the State of Colorado and that this plat is as laid out, plotted, dedicated and shown herein, that such plat was made from an accurate survey of said property by me and/or under my supervision and that the same are staked upon the ground in compliance with applicable regulations governing the subdivision of land.

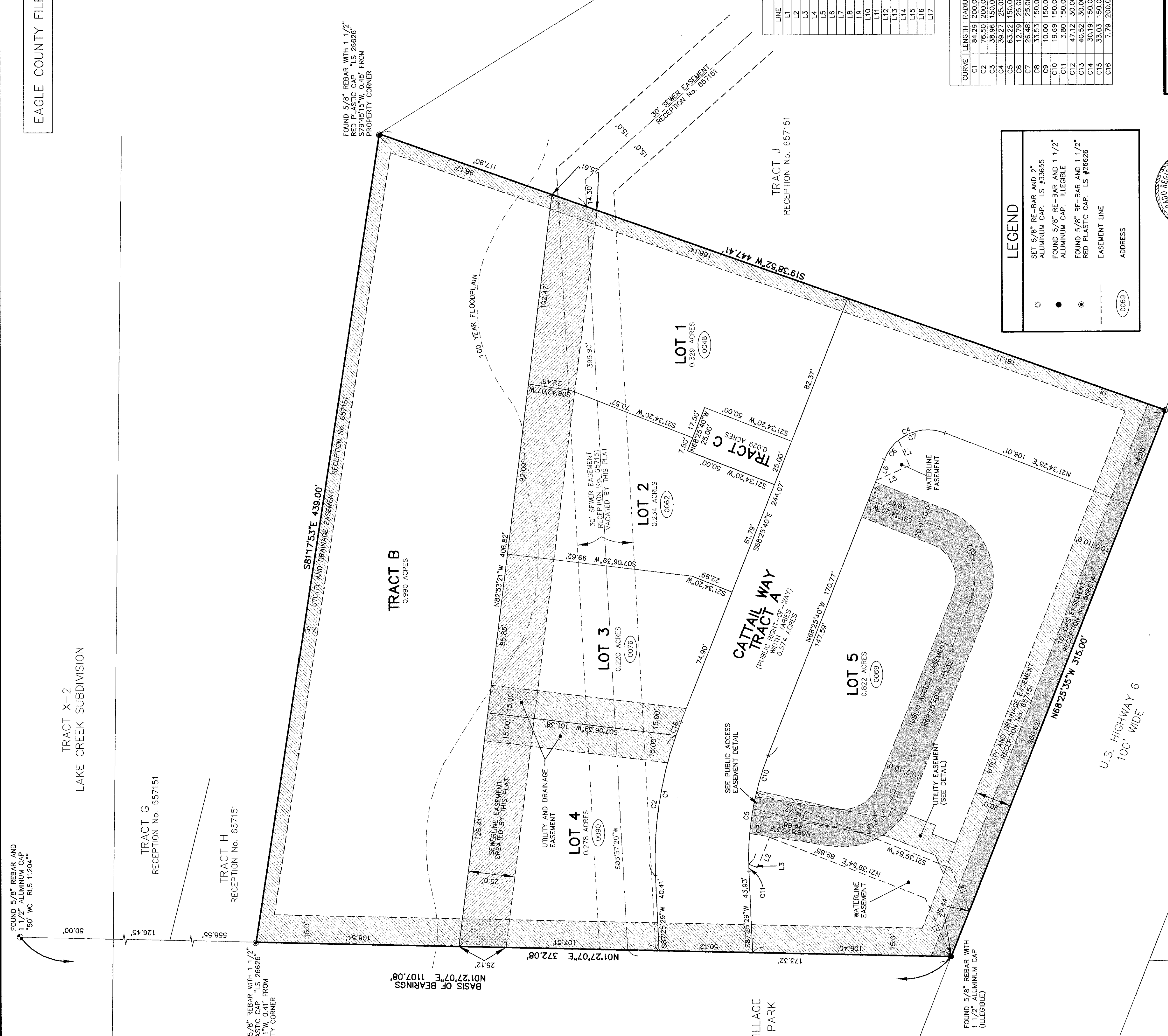
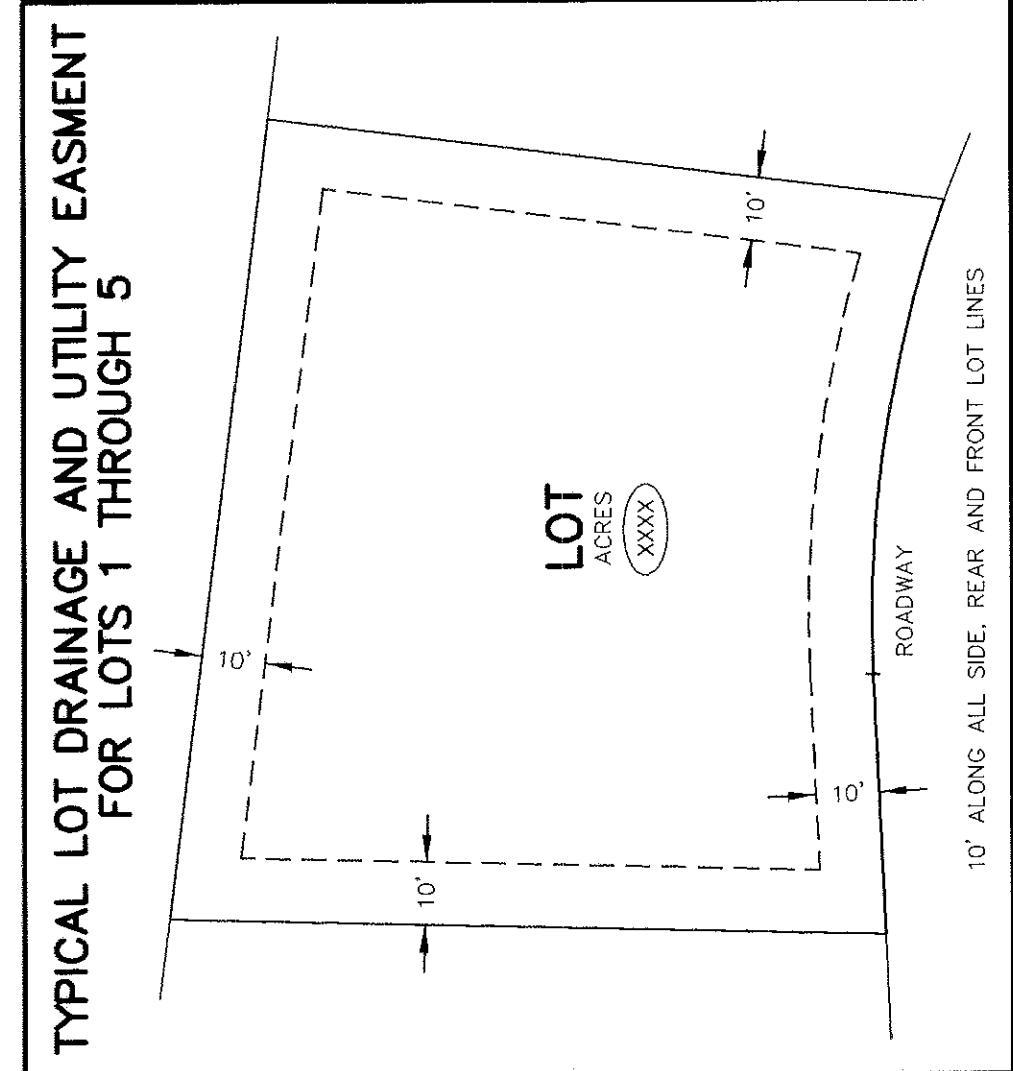
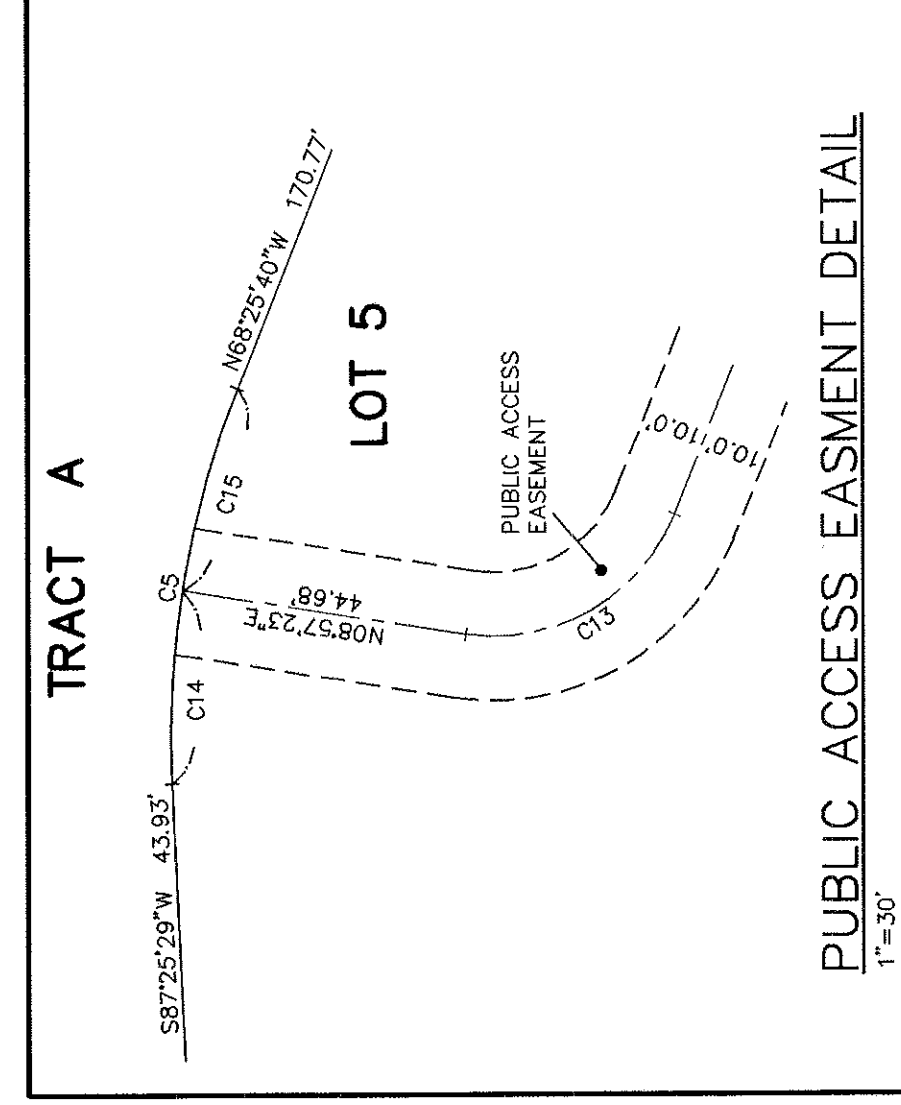
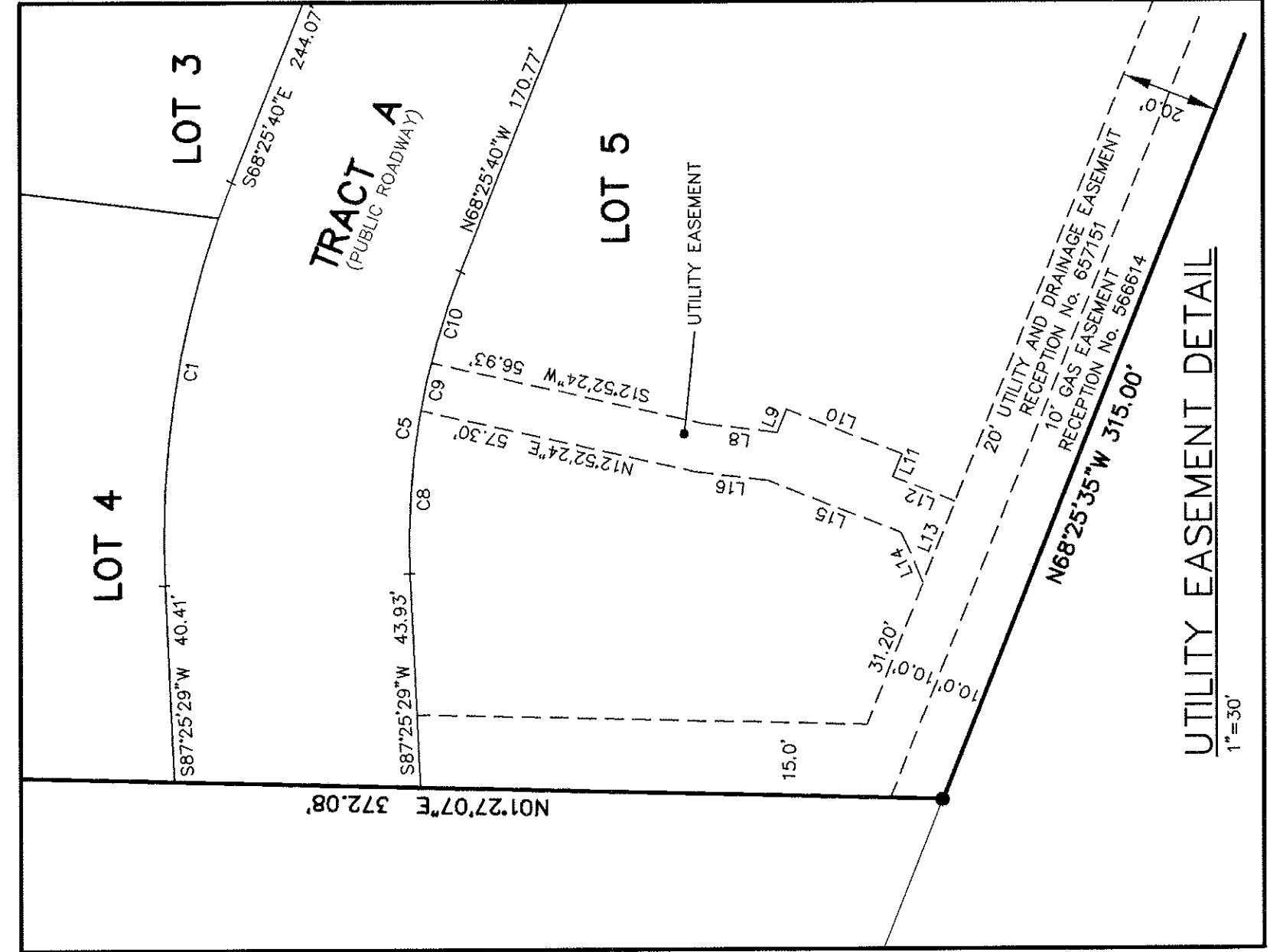
In Witness Whereof, I have set my hand and seal this 21st day of October, A.D., 2004.

[Signature]
Dana B. Schreiner
Registered Land Surveyor
No. 10325
Eagle, Colorado

| LOT/TRACT | AREA | LAND USE | ADDRESS |
|-----------------------|-------|---------------------|------------------|
| LOT 1 | 0.329 | SINGLE FAMILY | 0048 CATTAIL WAY |
| LOT 2 | 0.234 | SINGLE FAMILY | 0082 CATTAIL WAY |
| LOT 3 | 0.220 | SINGLE FAMILY | 0076 CATTAIL WAY |
| LOT 4 | 0.278 | SINGLE FAMILY | 0090 CATTAIL WAY |
| LOT 5 | 0.822 | MULTI-FAMILY | 0069 CATTAIL WAY |
| TRACT A (CATTAIL WAY) | 0.574 | PUBLIC RIGHT-OF-WAY | N/A |
| TRACT B | 0.990 | OPEN SPACE | N/A |
| TRACT C | 0.029 | OPEN SPACE | N/A |
| TOTAL | 3.477 | ACRES | |



FINAL PLAT
CATTAIL FLATS
 A RESUBDIVISION OF TRACT F, BRETT RANCH PUD
 A PARCEL IN THE NORTHEAST 1/4 OF SECTION 6,
 TOWNSHIP 5 SOUTH, RANGE 82 WEST OF THE 6th PM
 EAGLE COUNTY, COLORADO



LINE TABLE

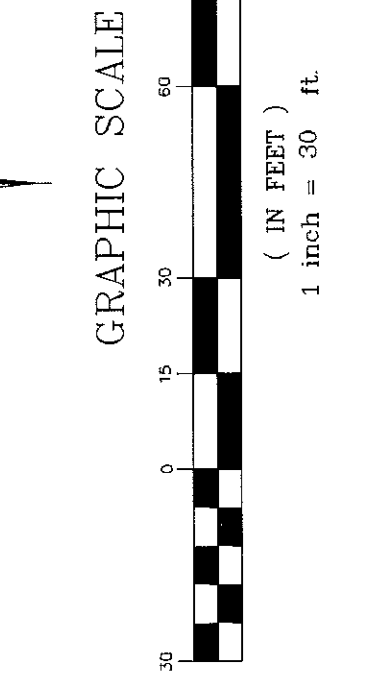
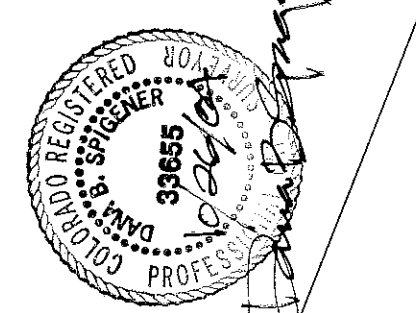
| LINE | LENGTH | BEARING |
|------|--------|-------------|
| L1 | 34.35 | N65°34'25"E |
| L2 | 17.51 | S67°50'44"E |
| L3 | 5.07 | S22°09'16"W |
| L4 | 25.23 | N66°34'25"E |
| L5 | 19.48 | S23°25'35"E |
| L6 | 12.11 | S68°25'40"E |
| L7 | 15.03 | S07°15'55"W |
| L8 | 5.14 | S68°25'40"E |
| L9 | 25.25 | N21°34'25"E |
| L10 | 5.00 | S68°01'42"E |
| L11 | 13.65 | N21°34'25"E |
| L12 | 17.04 | S68°25'35"W |
| L13 | 11.68 | S68°25'35"W |
| L14 | 28.23 | N21°34'25"E |
| L15 | 14.82 | S07°15'55"W |
| L16 | 11.07 | N68°25'40"W |

CURVE TABLE

| CURVE | LENGTH | RADIUS | DELTA | TANGENT | BEARING | CHORD |
|-------|--------|--------|-----------|---------|-------------|-------|
| C1 | 84.29 | 200.00 | 240°05'1" | 7.62 | N80°30'05"W | 83.67 |
| C2 | 76.50 | 200.00 | 21°34'54" | 38.72 | N81°37'04"W | 76.03 |
| C3 | 38.96 | 150.00 | 14°52'52" | 19.59 | N85°40'59"W | 38.85 |
| C4 | 39.27 | 25.00 | 90°00'05" | 25.00 | N23°25'35"W | 35.36 |
| C5 | 13.26 | 25.00 | 24°08'50" | 6.54 | N89°30'05"W | 12.65 |
| C6 | 26.48 | 25.00 | 60°41'07" | 14.63 | N08°46'08"W | 25.26 |
| C7 | 33.53 | 150.00 | 12°48'24" | 16.83 | N86°10'18"W | 33.46 |
| C8 | 10.00 | 150.00 | 3°49'14" | 5.00 | N77°52'28"W | 10.00 |
| C9 | 19.69 | 150.00 | 7°31'12" | 9.86 | N72°11'16"W | 19.67 |
| C10 | 3.90 | 150.00 | 07°27'06" | 1.90 | S86°09'02"W | 3.89 |
| C11 | 40.35 | 30.00 | 77°23'03" | 24.03 | S29°44'09"E | 37.51 |
| C12 | 33.03 | 150.00 | 12°36'57" | 16.56 | N74°44'09"W | 32.96 |
| C13 | 7.79 | 200.00 | 21°35'5" | 3.90 | N69°32'38"W | 7.79 |

LEGEND

- SET 5/8" RE-BAR AND 2" ALUMINUM CAP. LS #33655
- FOUND 5/8" RE-BAR AND 1 1/2" ALUMINUM CAP. ILLEGIBLE
- FOUND 5/8" RE-BAR AND 1 1/2" RED PLASTIC CAP. LS #26626
- EASEMENT LINE
- ADDRESS





Possible Bus Stop

Possible Bus Stop

Approximate location for gate to be located on Ascentia property.

Enter

Exit

ADDENDUM TO BUS ACCESS LICENSE AGREEMENT

THIS ADDENDUM TO BUS ACCESS LICENSE AGREEMENT (“Addendum”) modifies the Bus Access License Agreement (“Agreement”) between Eagle County School District RE-50J, a school district in the State of Colorado (“ECSD”) and Eagle River Water and Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado (“District,” and together with ECSD, the “Parties,” or either of the Parties individually, the “Party”), and is effective as of the same date as the Agreement.

In consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the District and ECSD hereby modify the Agreement as follows:

1. Terms of Addendum Controlling. The Parties expressly intend and agree that this Addendum is hereby incorporated into the Agreement and the terms herein shall modify and control the terms in the Agreement. Any inconsistency between the terms of this Addendum and the terms of the Agreement shall be resolved in favor of the terms contained in this Addendum.

2. Workers Compensation Insurance. During the Term of the Agreement, District and ECSD shall maintain in full force and effect a policy of workers compensation insurance to the extent required by law for District’s and ECSD’s employees respectively.

3. Independent Contractor. The relationship between ECSD and the District is one independent contractors and not of an employees or partners of the other Party. **Neither Party nor its employees are entitled to workers’ compensation benefits from the other Party for the performance of the services specified in the Agreement.**

4. Limitation on Indemnity. Notwithstanding any provision in the Agreement, ECSD and the District do not waive and shall retain all of the immunities, protections, rights, procedures, and limitations provided to each under the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

5. Limitation on Damages. Under no circumstances shall either Party be liable to the other Party for special, punitive, indirect or consequential damages suffered by a Party arising out of or in connection with the Agreement including, without limitation, lost profits, loss of use, or loss of opportunity.

6. Governing Law and Venue. The laws of the State of Colorado, without regard to Colorado laws regarding conflicts of law, shall govern the construction, interpretation, execution and enforcement of the Agreement. Venue for any dispute arising

out of or relating to the Agreement shall be in the State of Colorado District Court for Eagle County.

7. Annual Appropriation - District. Pursuant to Article X, Section 20 of the Colorado Constitution and Section 29-1-110, C.R.S., the District's obligations hereunder are subject to the annual appropriation of funds necessary for the performance thereof, which appropriations will be made in the sole discretion of the District's Board of Directors. Notwithstanding any other provision of this Addendum and the Agreement concerning termination, upon the District's failure to appropriate such funds, this Addendum and the Agreement shall automatically terminate.

8. Annual Appropriation – ECSD. The Parties understand and acknowledge that ECSD is subject to Article X, § 20 of the Colorado Constitution (“TABOR”). The Parties do not intend to violate the terms and requirements of TABOR by the execution of this Addendum or the Contract. It is understood and agreed that this Addendum and the Agreement do not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in this Addendum and the Agreement to the contrary, any payment obligation of ECSD is expressly dependent and conditioned upon the continuing availability of funds beyond the term of the current fiscal period ending upon the next succeeding June 30. Financial obligations payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of ECSD, as applicable, and other applicable law. Notwithstanding any other provision of this Addendum and the Agreement concerning termination, upon ECSD's failure to appropriate such funds, this Addendum and the Agreement shall automatically terminate.

9. Incorporation of § 22-1-135, C.R.S. The Agreement incorporates the requirements of § 22-1-135, C.R.S. in its entirety.

10. Counterparts, Electronic Signatures and Electronic Records. This Addendum may be executed in two counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument. The Parties consent to the use of electronic signatures and agree that the transaction may be conducted electronically pursuant to the Uniform Electronic Transactions Act, § 24-71.3-101 *et seq.*, C.R.S. The Agreement, and any other documents requiring a signature, may be signed electronically by either Party. The Parties agree not to deny the legal effect or enforceability of the Agreement, solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature on the grounds that it is an electronic record or an electronic signature or that it is not in its original form or is not an original.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum to be effective as of the date first set forth above.

EAGLE COUNTY SCHOOL DISTRICT RE-50J

EAGLE RIVER WATER & SANITATION DISTRICT

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____



BOARD COMMITTEES

DISTRICT

Audit/Budget Dick Cleveland
Steve Coyer
*Sarah Smith Hymes

Employee Housing Steve Coyer
Rick Pylman
*Robert Warner, Jr.

Retirement Plans Robert Warner, Jr.
Siri Roman
David Norris
*Dick Cleveland

Organizational Development Robert Warner, Jr.
Dick Cleveland
*Timm Paxson

Water Quality Sarah Smith Hymes
Timm Paxson
*Steve Coyer

AUTHORITY

Audit/Budget Geoff Dreyer
George Gregory
*Mike Trueblood

JOINT

Rules and Regulations Kim Bell Williams (A)
Robert Warner, Jr. (D)
*George Gregory (A)
*Rick Pylman (D)

Water Conservation Mike Trueblood (A)
Tamra Underwood (A)
Kate Burchenal (D)
Steve Coyer (D)
*Kevin Hillgren (A)
*Sarah Smith Hymes (D)

(A) = Authority, (D) = District

*Backup committee member
(serves in the absence of a primary member)



**UPPER EAGLE REGIONAL
WATER AUTHORITY**

GOVERNED BY:

The Metropolitan
Districts of:
Arrowhead
Beaver Creek
Berry Creek
EagleVail
Edwards
The Town of Avon

M E M O R A N D U M

TO: Board of Directors
FROM: Brian Thompson, Government Affairs Administrator
DATE: October 20, 2023
RE: Summary of Authority’s September 28, 2023, Board Meeting

The following is a summary of items discussed at the Authority’s September 28, 2023, board meeting.

Directors present and acting were Chair George Gregory, Secretary Kim Bell Williams, Treasurer Geoff Dreyer, Kevin Hillgren, Mike Trueblood, and Tamra Underwood.

- Awards Recognition** The board congratulated the District for receiving the Special District Association’s “Safest District of the Year” award; the Avon Wastewater Treatment Facility for receiving operational awards from the Rocky Mountain Water Environment Association (RMWEA) and American Concrete Institute; and project manager Madeleine Harris for receiving RMWEA’s Young Professional of the Year.

- Supporting the Bolts Ditch Act** The board passed a joint resolution supporting the Bolts Ditch Act (S. 2156), which would include the Authority and District as governmental entities that may use, maintain, and repair Bolts Ditch and its headgate.

- Budget Work Session** The board convened a work session to study the proposed FY 2024 budget. The board discussed the importance of Bolts Lake and project acceleration. A public hearing on the proposed budget will be held on Oct. 26.

- Community Outreach: Rate restructuring** Siri Roman reported on community outreach explaining the foundational corrections to certain rate structures that will be implemented in January 2024. Diane Johnson said a postcard was sent to all mailing address in the Authority and Vail Water service areas to inform customers of increased rates and rate structure changes to *Individually Metered Residential* and *Irrigation-Only* accounts.

- Minturn/Battle North Settlement Agreement** Siri Roman presented a letter that was sent to Minturn and Battle North restating agreement provisions and clarifying mutual expectations regarding the recreational uses of Bolts Lake.

- Water Conservation Program Updates** Allison Ebbets and Salma Huque presented a personalized, interactive web-based bill forecasting tool to help customers calculate projected 2024 billings compared to 2023 and how changing water use will impact their total bill. The tool will be available on the District website in October.

- Drought Management Plan** Jason Cowles said the District and Authority received a Colorado Water Conservation Board grant to develop a drought / water scarcity management plan.

- Joint Work Session with Becky Mitchell** Diane Johnson said Colorado River Commissioner Becky Mitchell will meet with the District and Authority boards on Oct. 20. Commissioner Mitchell will also speak at a community event on Oct. 20 at the Lionshead Grand View Room.

Managed by Eagle River Water & Sanitation District

846 Forest Road Vail, Colorado 81657 Tel (970) 476-7480 erwsd.org



MEMORANDUM

TO: Boards of Directors
FROM: Allison Ebbets, Water Conservation Supervisor
DATE: October 18, 2023
RE: Water Conservation Program Update

Below is a summary of Water Conservation staff work since September 2023.

Rebates to reduce outdoor water use

Staff continue to process rebate applications, conduct site visits, and answer customer questions about how to use less water outdoors. In early October ERWSD and UERWA were each awarded an additional \$10,000 of Colorado Water Conservation Board (CWCB) Turf Replacement Program (TRP) funding, bringing the total rebate program grant funding to \$50,000 for each entity.

Online bill forecasting tool

The online bill forecasting tool is being launched this month! Staff is tracking questions and comments that come in through customer service and the number of customers who access the online tool. The WC team will use this information to improve future communication about water conservation and billing structure changes.

Water Service Agreements and Special Deals

Water Conservation staff have reviewed ERWSD and UERWA's existing water service agreements and special water agreements. Staff will draft letters to water service agreement partners regarding the details of agreements, detailing a path forward to encourage properties out of compliance to adjust. Staff are reviewing all available information and data for special water agreements with end dates and will propose a consistent path forward based on available data and documentation.

Data management and tracking

Data management is an ongoing effort that staff incorporates into every project and evaluation. The next phase of concerted data management includes updating billing rates and billing structures in our customer information system before they are implemented for 2024.

Customer Outreach

Water Conservation and Communications staff are meeting with internal staff and external stakeholder groups to review rate and rate structure changes. Internally, Water Conservation staff have met with customer service and held an all-staff lunch and learn to share detailed information about coming changes and demonstrate the bill forecasting tool. Water Conservation and Communications staff are supporting external meetings with community stakeholders, metro districts, and individuals as needed. In addition, Water Conservation staff have been participating in the Urban Landscape Conservation Task Force meetings and workshops, a final report from the task force is scheduled for release in January 2024.

| Type | Timing |
|---|---------------------|
| One-on-one meetings with community / HOA / property managers | Continual |
| Radio interviews | Continual |
| News stories, columns | Monthly |
| Postcard to every 81620, 81632, 81657, and 81658 address | Sept. 29 |
| Print, digital, and radio advertising | Oct. 1 |
| Individualized letter showing rate change difference between 2023 and 2024 | October |
| Bill calculator tool | October |
| Local government meetings | October-December |
| HOA and other community groups | October-December |
| Billing insert to every customer account | November statements |
| Email / phone communication to highest affected groups | November-December |
| Individualized letter showing rate change difference to highest affected groups | February-March 2024 |



Fiscal Year 2023
Quarterly Financial Report
For the 3rd Quarter Ending September 2023

1. Quarterly Financial Report Cover Memo
2. Net Income & Budget Comparisons
3. Revenue Comparisons
4. Bond & Cash Balances
5. Housing Report



To: Board of Directors
From: Jim Cannava, Finance Manager
Date: October 18, 2023
Re: Quarterly Financial Reports – YTD September 30, 2023

Operating Revenues:

- **Wastewater and Vail Water Combined:**
 - Within 1% of budget and 11% greater than YTD 2022
- **Wastewater:**
 - 1.1% better than budget due to winter averaging service offset by under budget meter sales
- **Vail Water:**
 - 1.8% under budget, mainly due to June water sales and the timing of operating property tax receipts
 - Year-to-date water consumption is 7.7% less than the 5-year average

Operating Expenses:

- **Combined:**
 - 5.6% under budget
 - 6.3% greater than YTD 2022
- **Reasons for Operating Expenses Performance:**
 - Timing of meter purchases
 - Personnel services under-budget



Net Income & Budget Comparisons

WASTEWATER

| Operating | Annual Budget | YTD 2023 Q3 | YTD 2022 Q3 |
|------------------|----------------------|--------------------|--------------------|
| Revenue | \$24,579,751 | \$18,746,000 | \$16,921,239 |
| Expense | \$22,809,637 | \$16,209,388 | \$15,586,652 |
| Net Income | \$1,770,114 | \$2,536,613 | \$1,334,588 |

| Non-Operating | Annual Budget | YTD 2023 Q3 | YTD 2022 Q3 |
|----------------------|----------------------|--------------------|--------------------|
| Revenue | \$7,744,851 | \$10,060,242 | \$5,824,149 |
| Expense | \$12,676,434 | \$5,767,713 | \$5,444,176 |
| Net Income | (4,931,583) | 4,292,529 | 379,974 |

| | | | |
|-------------------|--------------------|--------------------|--------------------|
| Net Income | (3,161,469) | \$6,829,141 | \$1,714,561 |
|-------------------|--------------------|--------------------|--------------------|

| Unrestricted Fund Balance | Annual Budget | YTD 2023 Q3 |
|----------------------------------|----------------------|--------------------|
| Beginning Balance | \$23,368,899 | \$23,368,899 |
| Net Income | (3,161,469) | 6,829,141 |
| Ending Unrestricted Balance | \$20,207,430 | \$30,198,040 |

VAIL WATER

| Operating | Annual Budget | YTD 2023 Q3 | YTD 2022 Q3 |
|------------------|----------------------|--------------------|--------------------|
| Revenue | \$7,990,397 | \$6,503,009 | \$5,735,212 |
| Expense | \$6,081,523 | \$4,744,496 | \$4,331,308 |
| Net Income | \$1,908,874 | \$1,758,511 | \$1,403,904 |

| Non-Operating | Annual Budget | YTD 2023 Q3 | YTD 2022 Q3 |
|----------------------|----------------------|--------------------|--------------------|
| Revenue | \$2,592,612 | \$2,215,757 | \$2,053,930 |
| Expense | \$3,386,734 | \$1,028,428 | \$1,950,807 |
| Net Income | (794,122) | \$1,187,329 | \$103,123 |

| | | | |
|-------------------|--------------------|--------------------|--------------------|
| Net Income | \$1,114,752 | \$2,945,840 | \$1,507,027 |
|-------------------|--------------------|--------------------|--------------------|

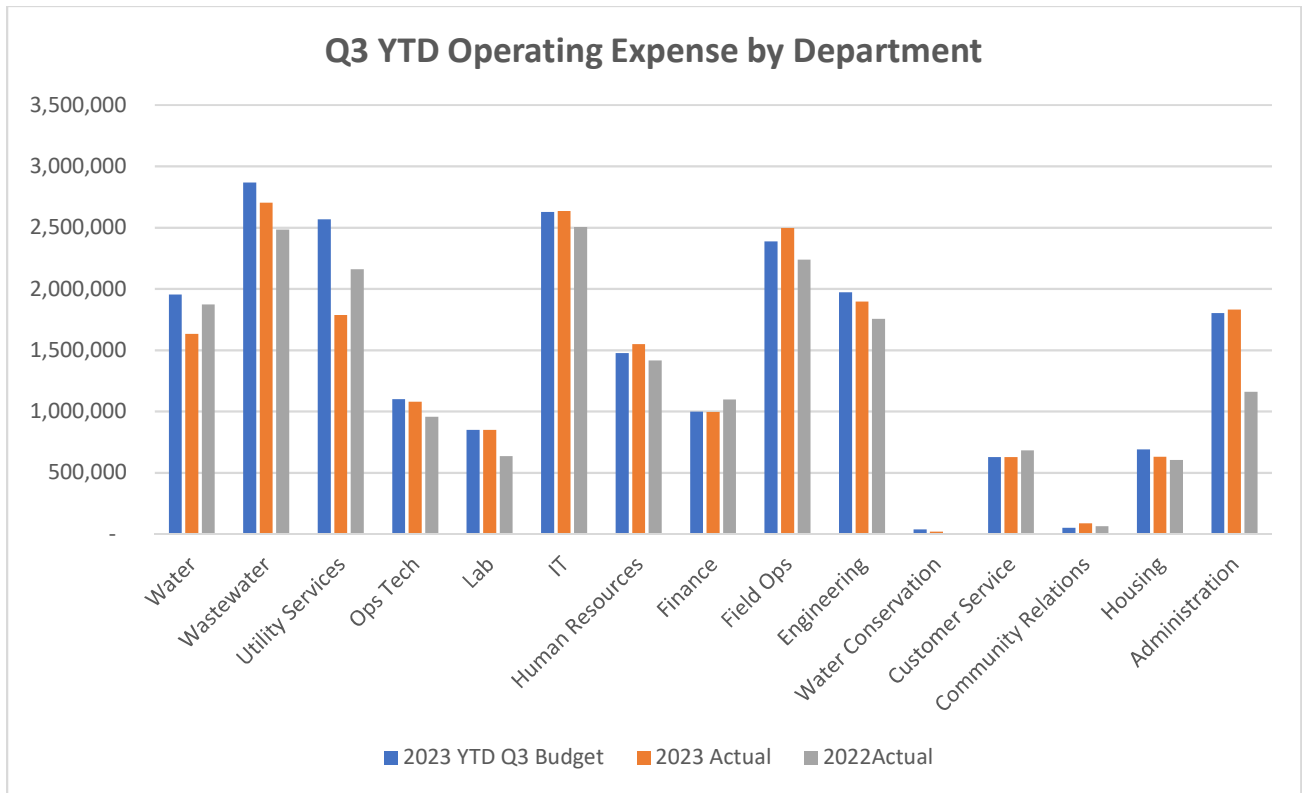
| Unrestricted Fund Balance | Annual Budget | YTD 2023 Q3 |
|----------------------------------|----------------------|--------------------|
| Beginning Balance | \$2,353,454 | \$2,353,454 |
| Net Income | \$1,114,751 | \$2,945,840 |
| Ending Unrestricted Balance | \$3,468,206 | \$5,299,295 |

- Budgets reflect a negative net income due to FY 2022 capital project carryforwards.
- Operating expense budgets are revised to reflect shared expenses split 80/20 from 75/25.



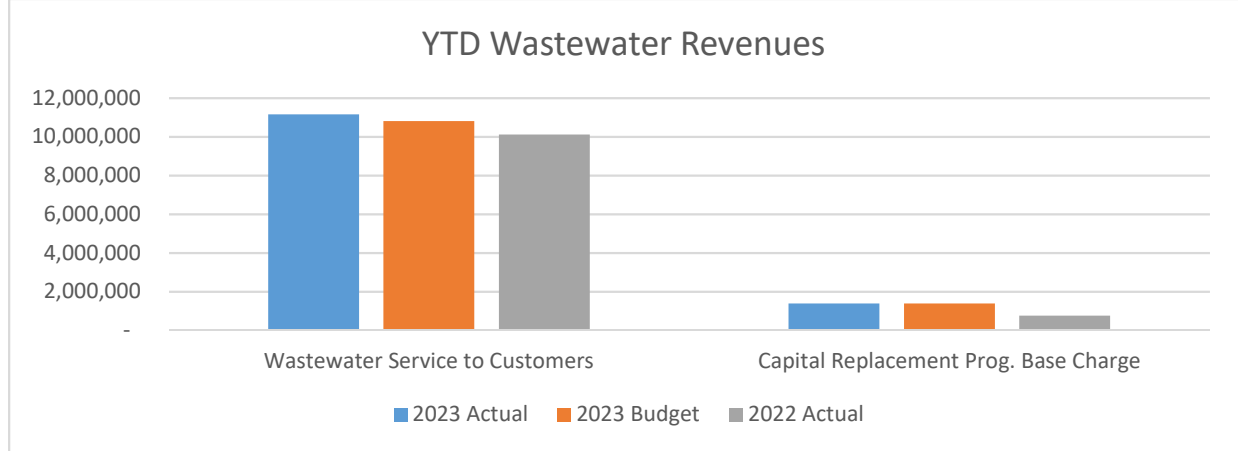
YTD Combined Operating Expense Comparison

| Expense Type | 2023 Revised Budget | 2023 Actual | (Over) Under | % Remaining | 2022 Actual | YOY Var |
|---------------|---------------------|---------------------|---------------------|-------------|---------------------|-------------|
| Operating | \$28,247,223 | \$18,668,789 | \$9,578,434 | 34% | \$17,185,028 | 9% |
| Housing | \$498,868 | \$344,828 | \$154,040 | 31% | \$283,190 | 22% |
| Debt Service | \$7,716,103 | \$4,367,816 | \$3,348,287 | 43% | \$2,752,924 | 59% |
| Capital & CRP | \$8,523,259 | \$3,023,220 | \$5,500,039 | 65% | \$4,057,785 | -25% |
| Bond Project | \$28,390,614 | \$8,913,341 | \$19,477,273 | 69% | \$15,355,995 | -42% |
| Total | \$73,376,067 | \$35,317,994 | \$38,058,073 | 52% | \$39,634,922 | -11% |

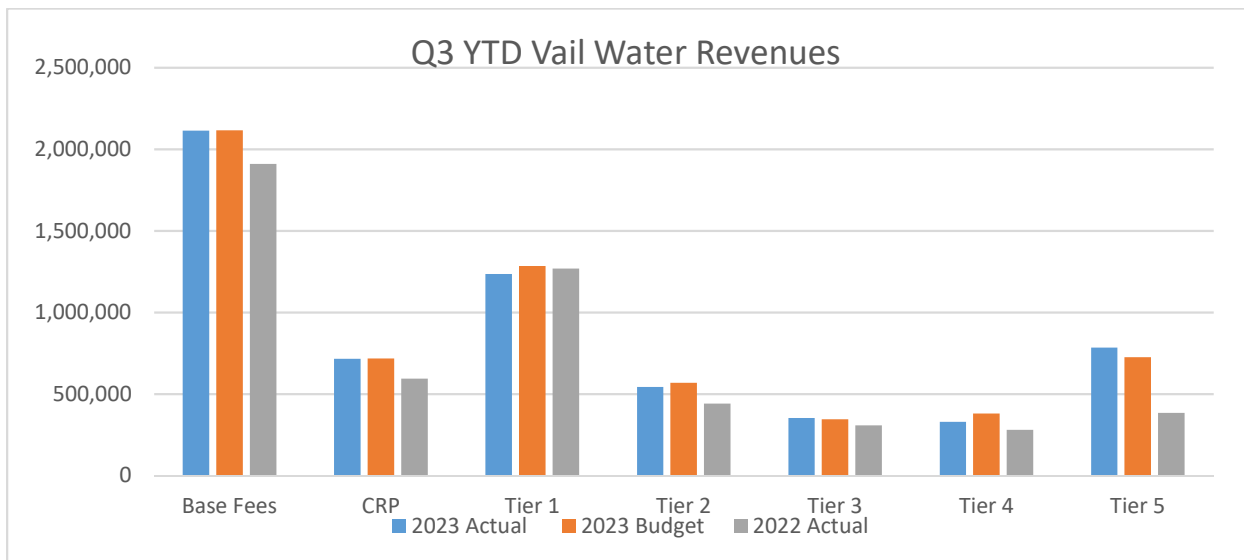


- Utility Services are under budget due to the timing of meter purchases
- Water is under budget due personnel and electric expenses
- Wastewater is under budget due to personnel expenses
- Human resources are over budget due to property and liability insurance
- Field Ops is over budget due to emergency distribution system repairs

Revenue Comparison



- Wastewater Service to Customers Revenue is 3% better than budget due to volume over the winter months. (Winter Averaging began in April)
- Base rates are 10.3% greater than 2022 due to rate increases and SFE growth
- CRP Base Fees are equal to budget and 81% greater than 2022 due to rate increases and SFE growth
- Impact Fees are \$2,058,809, \$1,854,726 over budget and \$1,525,412 over 2022



- Vail Water Service Revenue is 1.% less than budget due to tier consumption in June
- YTD Q3 Consumption is 7.7% less than the 5-year average due to June consumption. June was 23% less than the 5-year average.
- CRP & Base Fees are on budget



- Impact fees are \$47,876, \$93,289 under budget, and \$53,543 less than 2022

| |
|---------------------------------|
| Bond & Cash Balances |
|---------------------------------|

| |
|-------------------|
| WASTEWATER |
|-------------------|

| WW Bond Funds | Annual Budget | YTD 2023 | YE 2022 |
|-------------------|---------------|--------------|---------------|
| Beginning Balance | \$39,459,781 | \$39,459,781 | \$14,582,968 |
| Expense | \$26,646,061 | \$9,536,160 | \$22,451,858 |
| Bond Balance | \$12,813,720 | \$29,923,621 | (\$7,868,890) |

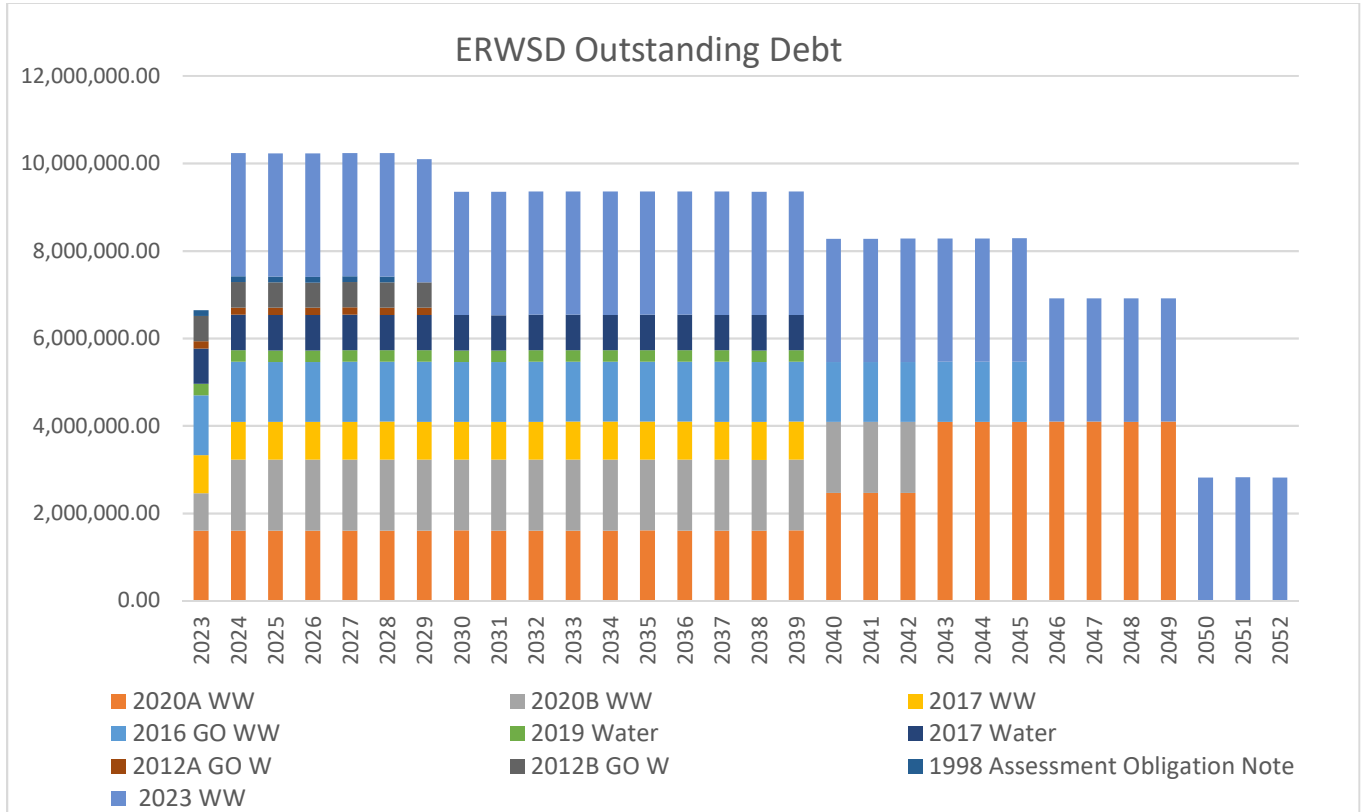
| WW Bond Projects | Budget | Expense | Remaining Budget |
|--|---------------------|--------------------|---------------------|
| Gore Valley Trail @ Dowd Jct. Repair | \$516,974 | \$0 | \$516,974 |
| Field and Fleet HQ at AWWTF | \$1,981,194 | \$51,931 | \$1,929,263 |
| AWWTF Fire Flow Improvements | \$63,908 | \$8,533 | \$55,376 |
| AWWTF Nutrient Upgrades | \$8,272,229 | \$4,091,308 | \$4,180,921 |
| VWWTF Master Plan Capital Improvements | \$8,517,396 | \$2,742,615 | \$5,774,781 |
| 2022 WW Master Plan Update | \$441,669 | \$185,758 | \$255,911 |
| Westhaven Sewer Main | \$200,000 | \$0 | \$200,000 |
| Minturn Siphon Project | \$150,000 | \$0 | \$150,000 |
| Dowd Junction Collection System Improve. | \$6,047,691 | \$2,456,014 | \$3,591,677 |
| AWWTF Rooftop Solar Project | \$455,000 | \$0 | \$455,000 |
| Total | \$26,646,061 | \$9,536,160 | \$17,109,901 |

| |
|-------------------|
| VAIL WATER |
|-------------------|

| Vail Water Bond Funds | Annual Budget | YTD 2023 | YE 2022 |
|-----------------------|---------------|-------------|-------------|
| Beginning Balance | (\$144,211) | (\$144,211) | \$2,000,741 |
| Expense | \$1,100,000 | \$599,028 | \$2,144,952 |
| Bond Balance | (\$1,244,211) | (\$743,239) | (\$144,211) |

| Vail Water Projects | Budget | Expense | Remaining Budget |
|--|--------------------|------------------|------------------|
| Bolts Lake Reservoir | \$321,723 | \$193,993 | \$127,730 |
| Lower Glen Lyon Fire Flow Improvements | \$450,000 | \$12,809 | \$437,191 |
| N. Frontage Road Water Main | \$450,205 | \$392,226 | \$57,979 |
| RTU System Upgrade | \$86,225 | \$86,225 | \$86,225 |
| Total | \$1,308,153 | \$599,028 | \$709,125 |

- 2023 budgets include 2022 budget carryforwards
- The Water Master Plan is in progress and will determine the need for a water bond



- Wastewater Debt Service Outstanding: \$223,052,960
- Vail Water Debt Service Outstanding: \$23,439,100
- Total Outstanding Debt Service: \$246,492,060

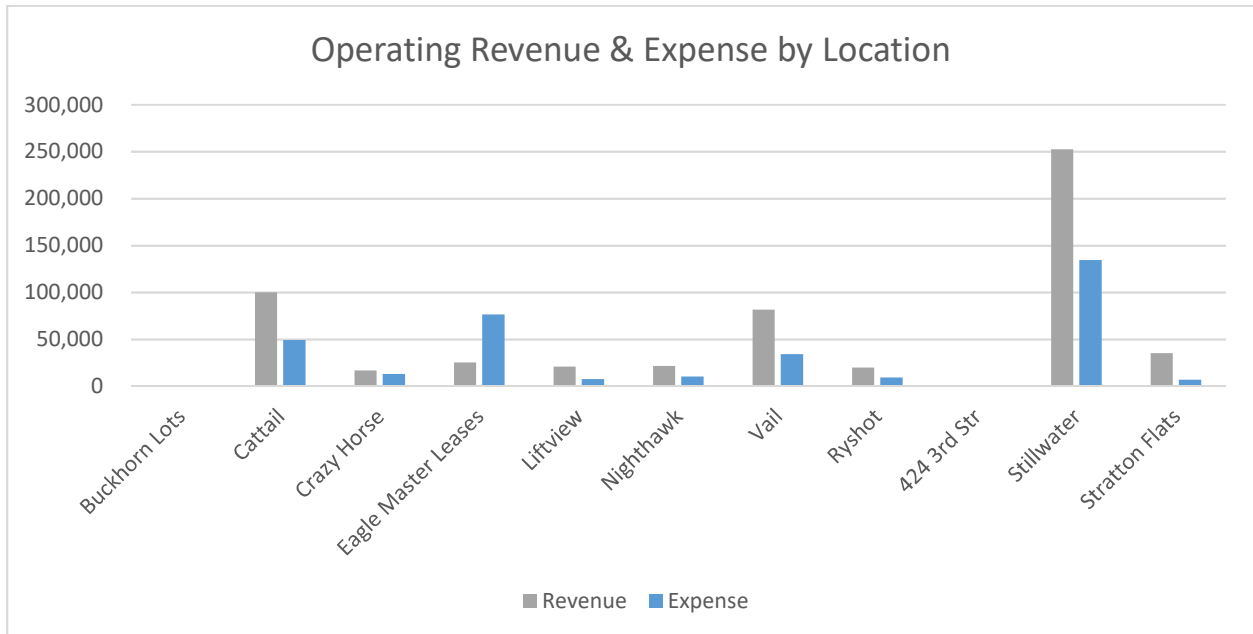
| ERWSD WW & W | 2023 | 2022 | 2021 | 2020 |
|-------------------------|---------------|--------------|--------------|--------------|
| Combined Cash Balance | \$ 77,862,586 | \$26,705,049 | \$49,529,239 | \$66,182,827 |

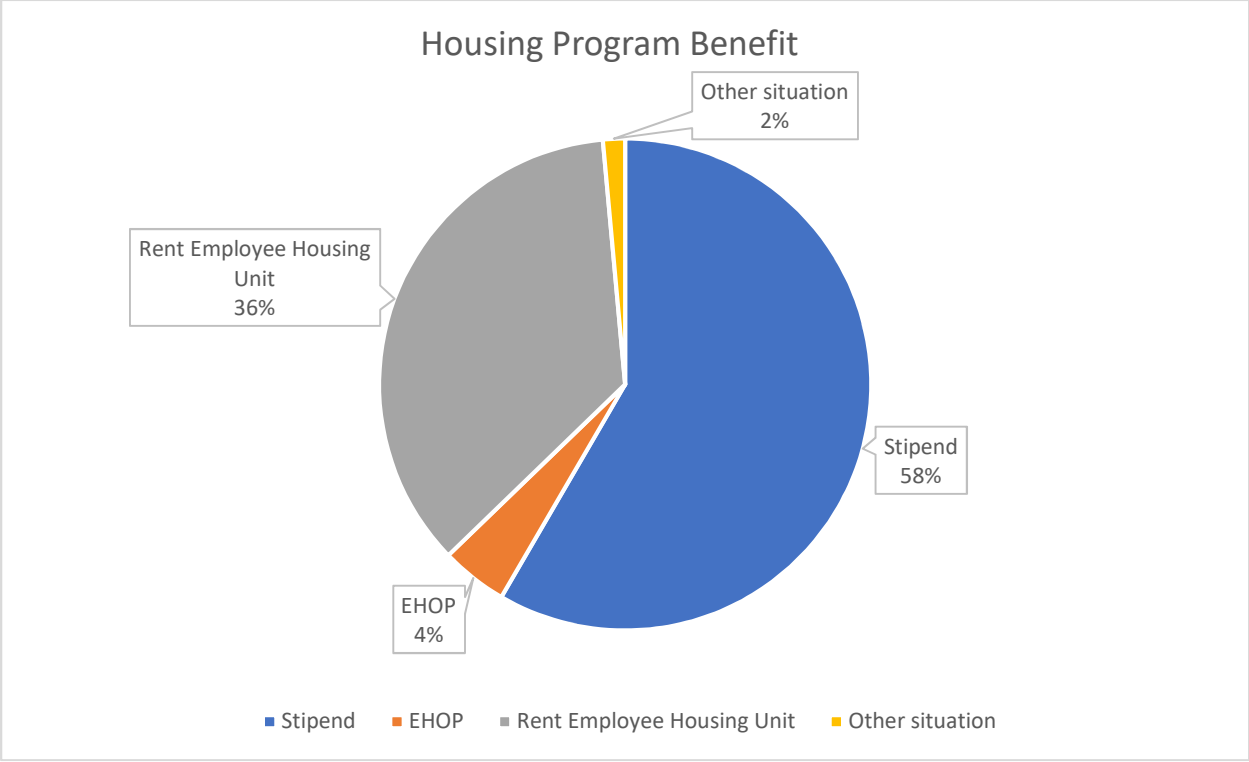
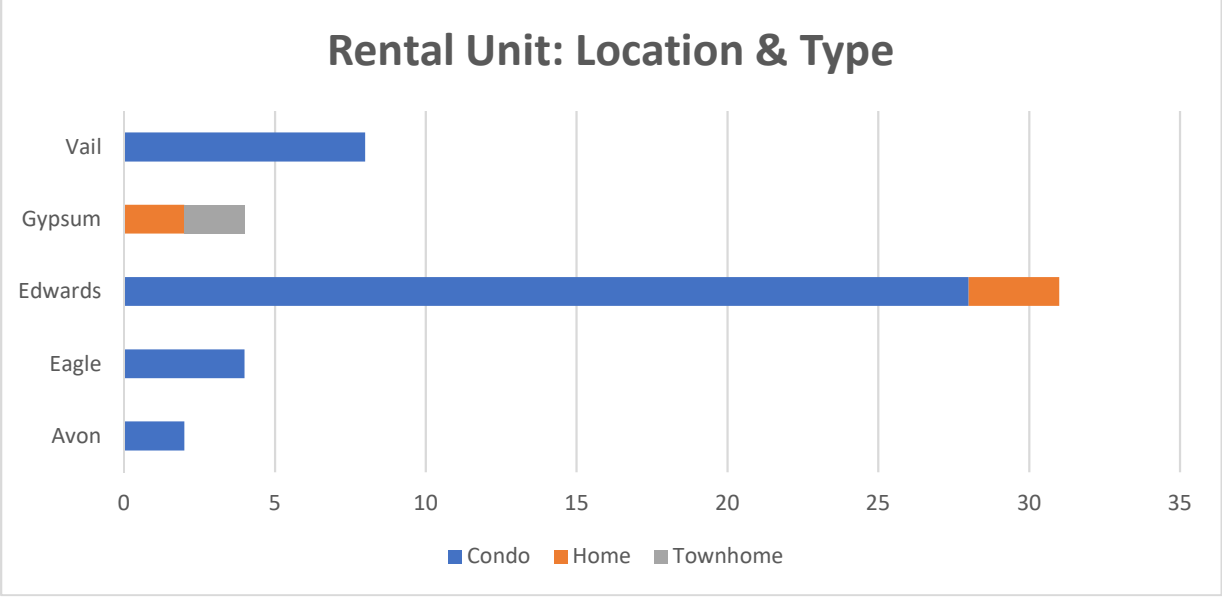
- Combined Cash balance increase due to the 2023 wastewater bond proceeds.

Housing Report

| Location | Total Units | Revenue | Expense | Net Income |
|---------------------|-------------|----------------|----------------|----------------|
| Buckhorn Lots | 0 | 0 | 1,062 | (1,062) |
| Cattail | 8 | 100,278 | 49,216 | 51,063 |
| Crazy Horse | 2 | 16,821 | 13,254 | 3,566 |
| Eagle Master Leases | 2 | 25,511 | 76,692 | (51,181) |
| Liftview | 2 | 21,138 | 7,843 | 13,295 |
| Nighthawk | 2 | 21,849 | 10,617 | 11,232 |
| Vail | 8 | 81,668 | 34,245 | 47,423 |
| Ryshot | 1 | 20,020 | 9,279 | 10,741 |
| Eagle Unit | 1 | 0 | 931 | (931) |
| Stillwater | 21 | 252,440 | 134,528 | 117,911 |
| Stratton Flats | 2 | 35,254 | 7,160 | 28,094 |
| Total | 49 | 574,979 | 344,828 | 230,151 |

- Revenues are tracking better than budget due to high occupancies. The net loss for the Master Leases is due to the discounts provided using the approved housing rent setting methodologies.





- Total employees currently participating in program: 137
- Other situations include employees sharing units and employee purchased units.



BOARD POLICY

| | |
|-----------------------------------|--|
| Title: Fund Balance Policy | Department: Business Administration |
| Effective Date: 12/07/2023 | Previous Effective Date(s): N/A |

Background:

The purpose of this policy is to establish clear guidelines for maintaining an appropriate level of fund balance in the Wastewater and Water Funds. This policy is designed to ensure prudent financial management, improve creditworthiness, maintain high-quality service, and safeguard the long-term financial stability of the District, contributing to the well-being of the community it serves.

Policy:

To determine appropriate Fund Balance levels, the District will consider the following critical factors:

1. **Maintain Six Months of Operating Funds:** The District shall maintain a reserve equivalent to a minimum of six months' worth of operating expenses to ensure a cushion against unexpected financial challenges.
2. **Hold Reserves to Meet All Bond Covenants:** Sufficient reserves shall be maintained to meet all bond covenants and obligations, providing security to investors.
3. **Provide Flexibility for Unexpected or Emergency Expenditures:** The policy allows for the flexibility to address unexpected or emergency expenditures, including provisions for a contingency fund, which can be accessed in times of need.
4. **Maintain Reserves for Revenue Shortfalls:** Reserves shall be maintained to cover any shortfalls in revenues due to unexpected changes in demand, such as wet weather, drought conditions, or natural disasters, ensuring financial stability during unforeseen
5. **Maintain Reserves for Bond Issue Timing Flexibility:** Reserves shall allow flexibility in bond issue timing to better manage the implementation of increased rates, ensuring financial agility in responding to market conditions.

To meet the levels outlined above, this policy establishes the following targets:

- **Fund Balance Floor:** The minimum fund balance shall be set at 6 months of operating expenses to maintain financial security.
- **Fund Balance Ceiling:** The maximum fund balance shall be set at 12 months of operating expenses, preventing excessive accumulation of funds.

In the event that the fund balance falls below the targeted minimum level, District staff will develop a plan through the annual budgetary process to bring the balance to the target level over a reasonable period, not exceeding 3 years. Amounts in excess of the maximum ceiling shall be subject to review by the Board of Directors to determine their appropriate use(s).

While current and projected levels in ERWSD's fund balances appear to satisfactorily meet funding needs, District staff will continue to proactively evaluate factors driving the fund balance strategy and make adjustments as necessary to ensure the District's long-term financial health.

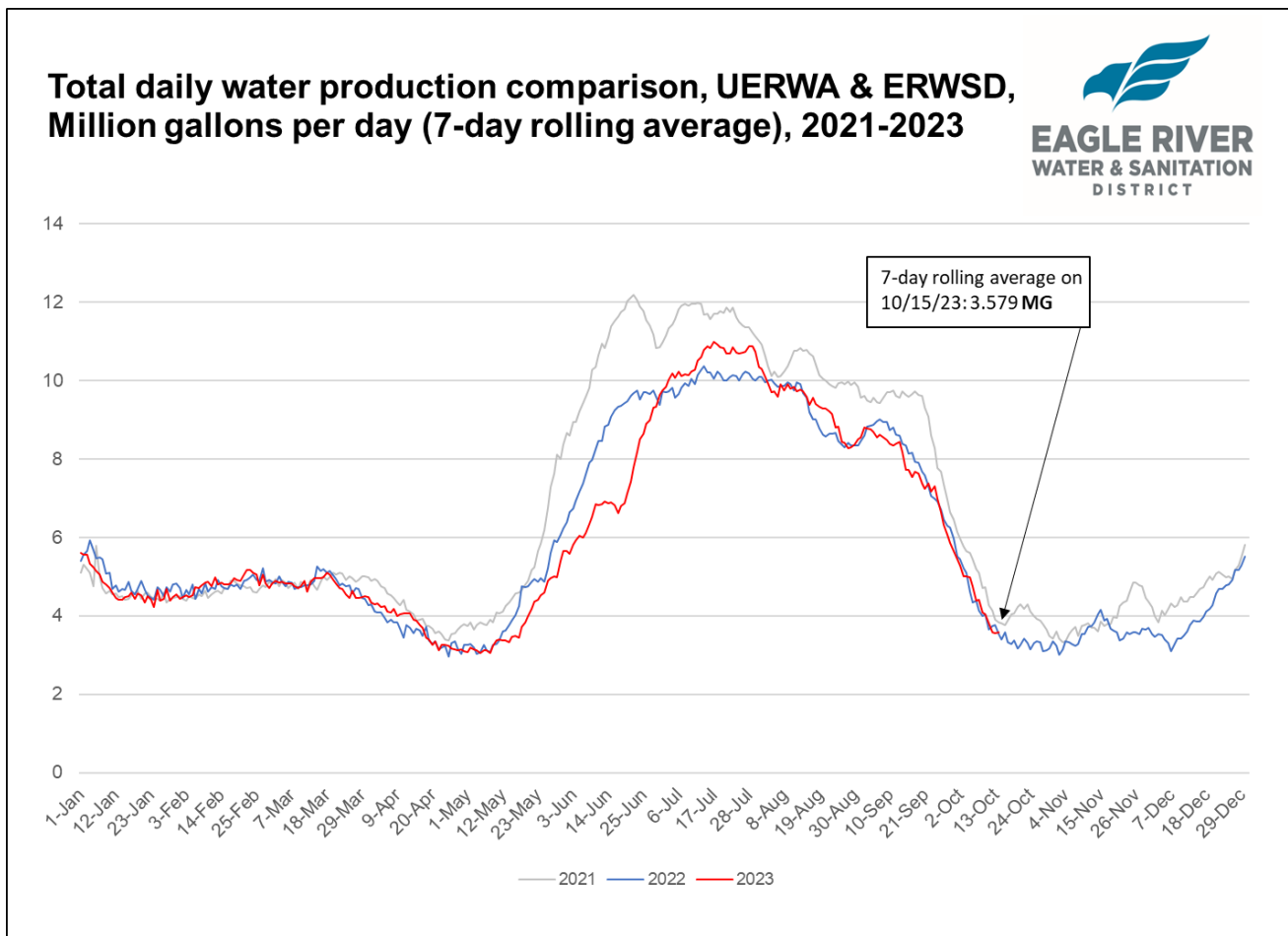


OPERATIONS MONTHLY REPORT OCTOBER 2023

WATER

Kailey Rosema

The system-wide water production comparison was updated through Oct. 15. Production is normal for this time of year.



The Avon Drinking Water Facility (ADWF) was taken out of service on Oct. 9 to complete the planned Programmable Logic Controllers (PLCs) upgrade project. Water downloading (from Vail into Avon) has been initiated and will continue through Nov. 9, the scheduled completion date of the PLC project.

The 2023 annual comprehensive water storage tank inspections have been completed. One-third of the tanks are inspected and cleaned each year. This year, 17 inspections and cleanings were performed using a submersible remotely operated vehicle (ROV). The ROV equipment provides high resolution imagery of each tank's internal infrastructure. An ROV inspection is safer and reduces the risk of water contamination because human divers do not need to enter the tanks.



Comprehensive water tank inspection and cleaning performed using an ROV

District staff coordinated with Vail Resorts and the Ski and Snowboard Club Vail (SCCV) to prepare the Golden Peak snowmaking pump station for seasonal startup. A 2023 goal is to optimize distribution system operation to maximize water availability to SCCV during the early snowmaking season (October and November).

WASTEWATER

Chris Giesting

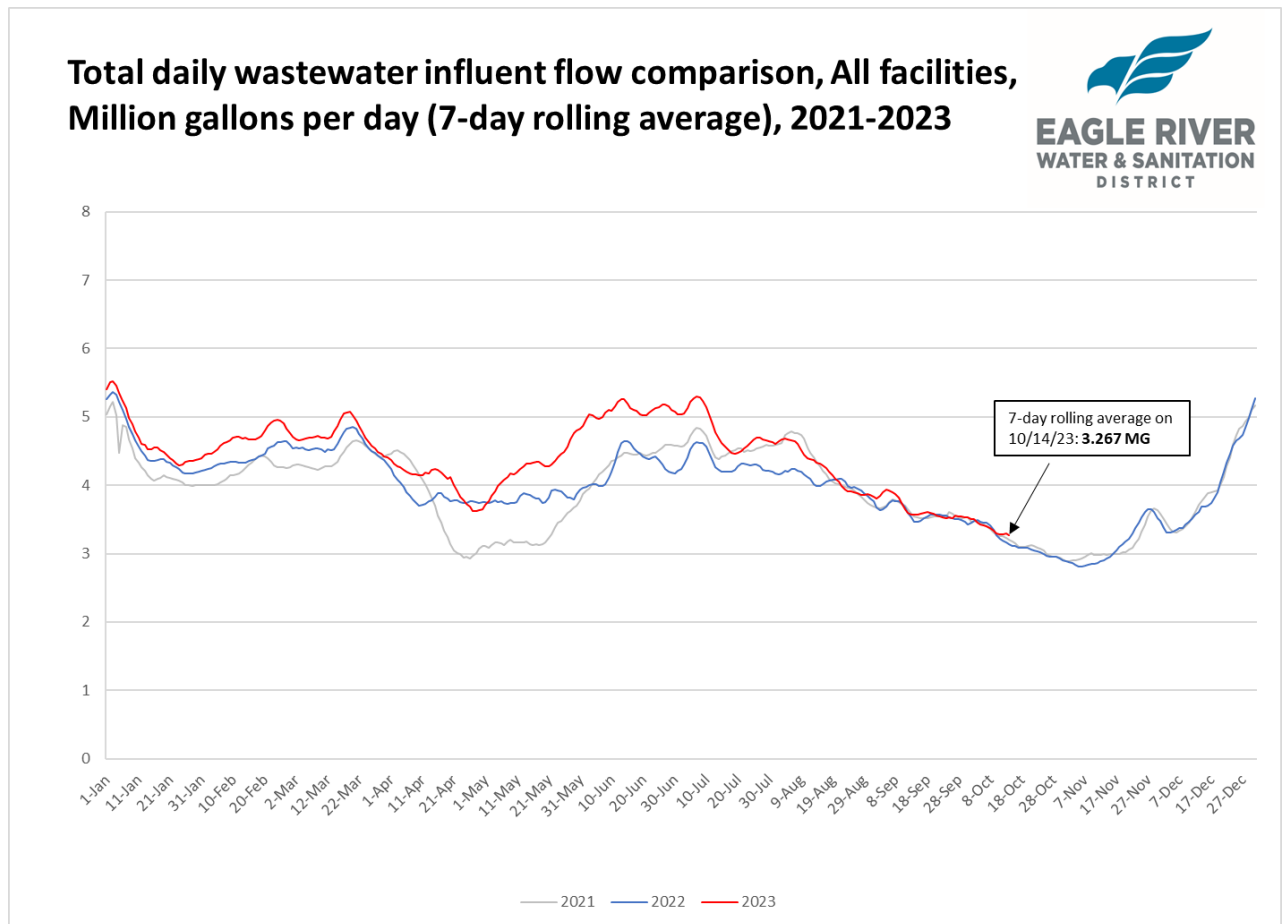
CDPHE's Compliance Evaluation Inspection (CEI) of the District's wastewater and collection facilities is scheduled for Dec. 12-13. The CEI occurs once every three years. It involves a detailed onsite inspection of the wastewater facilities/infrastructure and a comprehensive audit of all clean water regulatory programs, recordkeeping programs, safety programs, and operations procedures. The entire operations department will be focused on CEI preparation over the next two months.

CIP is assisting with media replacement at the two biofilter odor control units at the Edwards Wastewater Facility (EWW). The work involves removal and disposal of organic wood media, removal and cleaning the inorganic rock media, inspection, cleaning, and air flow verification of the units, and re-installation of a larger quantity of inorganic rock media. The media replacement project is expected to be completed by the end of the year.



Media removal from EWW odor control biofilter

Cumulative influent wastewater flow and organic loading is normal for this time of year.



FIELD OPERATIONS

Niko Nemcanin

The Field Operations team replaced and relocated a fire hydrant near Deer Boulevard in Eagle Vail. The previous hydrant did not meet District standards and could not be maintained without shutting down water service for nearby residences.



Fire hydrant replacement (before and after)

The Field Operations and CIP teams partnered on a project to abandon the 6-inch water main in Millies Lane (in Avon) that was upsized and replaced during the 2022 Avon Wastewater Facility (AWW) fire flow improvements project. A hairline crack was observed in a tee fitting, illustrating the generally poor condition of the old pipe that was replaced.



Cracked ductile iron fitting

| |
|-------------------------|
| UTILITY SERVICES |
|-------------------------|

Shane Swartwout

Meter Services

The construction meter rental season has ended, and the Meter Services team has started collecting meters from customers. Once collected, staff will inspect the meters, test the backflow preventers, and process the customer accounts. The team is also continuing with its AMI conversion effort in the Authority system. A progress report is provided below.

| | |
|--------------|------------|
| Report Date: | 10/16/2023 |
|--------------|------------|

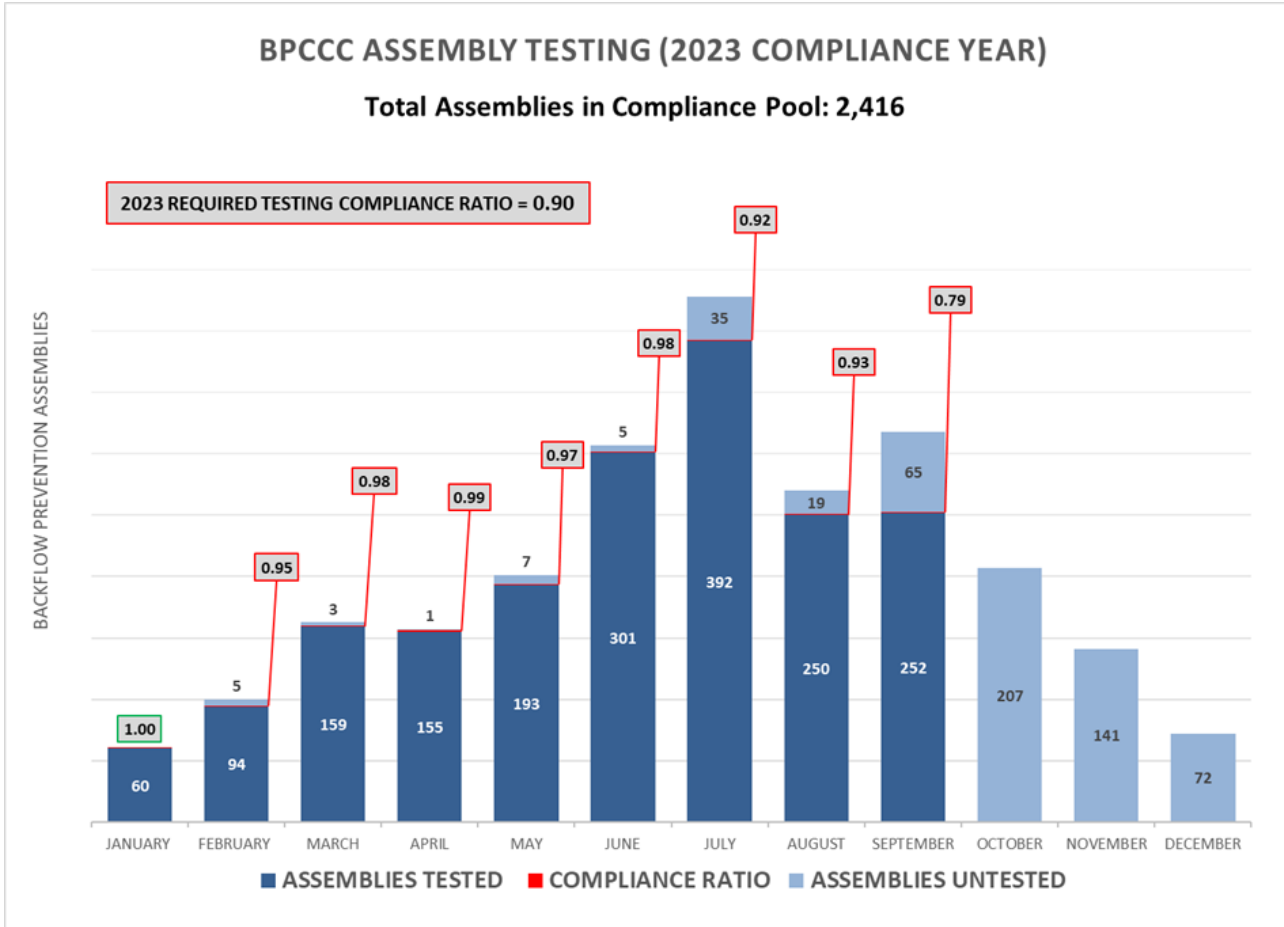
| AMI SYSTEM STATUS | ERWSD | UERWA | TOTAL |
|-------------------------------------|----------|------------|------------|
| (1) Total No. of Meters | 3207 | 6856 | 10063 |
| (2) No. of AMI Meters | 3207 | 6220 | 9427 |
| (3) System Percentage of AMI Meters | 100% | 91% | 95% |
| Meters Remaining to Reach 100% AMI | 0 | 636 | 636 |

Meter Services – Advanced Metering Infrastructure (AMI) Status (Updated 10-16-2023)

BPCCC Program

District staff participated in the CDPHE stakeholder process for updates to the BPCCC Rule, *Backflow Prevention and Cross Connection Control Rule Policy* (Policy 7), and the BPCCC annual reporting template. Two noteworthy policy updates were incorporated into the revisions. First, 120-day compliance extension requests can be self-administered by suppliers and no longer require CDPHE review and approval. Secondly, the timeline to test any assemblies not tested during the previous calendar was extended from 90 days to a full calendar year. The Division made these changes based on stakeholder input and are intended to allow greater compliance flexibility for water systems without adversely affecting public health protection goals.

The BPCCC team is on-track to be compliant with the assembly testing requirement by the Dec. 31 compliance deadline. A progress update is provided below.



ENGINEERING

Jeff Schneider

WATER PROJECTS

Avon Drinking Water Facility (ADWF) PLC Upgrades

Jenna Beirsto

General Project Scope: This project includes replacement of the programmable logic controllers (PLCs) at ADWF. Additionally, a new server room will be constructed within the facility. All existing programming and PLC logic will be reverse-engineered and updated to meet current District standards.

Project Update: ADWF was shut down on Oct. 9 to begin installation of the new PLCs. Crews finished demolition of PLCs #1 and #6 and replaced equipment in the remaining remote input/output (RIO) control terminals. Crews are currently working to route communication cables and terminate control wiring. Project commissioning and testing activities are scheduled to begin the week of Oct. 23. The ADWF facility is scheduled to be placed back into service on Nov 9.



PLC #1 installation

Fenno Wellhouse and Raw Water Conveyance

Carter Keller

General Project Scope: The project includes complete replacement of a treatment facility in Cordillera that treats water from seven groundwater wells. The previous facility did not meet electrical code, had safety concerns, and was generally at the end of its useful life. The new treatment facility was completed in 2022. The current focus of this project is to assess and rehabilitate the aging wells and raw water conveyance piping that serve the new facility.

Project Update: The inspection of Fenno Well F2 was completed, and the well is back online. The project team attempted to video-inspect Fenno Well F4 on Oct. 9, but a metal hose clamp was observed at 280 feet that prevented the camera from passing. The project team is currently developing a plan to remove the hose clamp and complete the well casing evaluation. The team is also continuing to work through an easement access/encroachment issue with Fenno Well F7.

Water Production and Treatment Masterplan

Jenna Beirsto

General Project Scope: The masterplan will be a wholistic look at all production and treatment facilities system-wide including treatment plants and wells. The goal is to identify future capital project priorities. The project will include a detailed condition assessment of existing assets and will evaluate treatment and production threats from climate change, low stream flows, wildfires, etc. The masterplan will be completed using in-house staff. The major work will begin at the end of 2023, after the end of the busy construction and operation seasons.

Project Update: The project team is continuing to gather information on existing plant equipment and operations. Pall, the membrane supplier for Edwards Water Treatment Facility (EDWF), was onsite in September to evaluate the condition of the membrane system. The findings from the evaluation will be incorporated into the master planning effort.

North Frontage Road Watermain Improvements

Kevin Nelson

General Project Scope: This project involves construction of approximately 700 linear feet of 10-inch diameter water main from the Residences at Main Gore (near the main Vail roundabout) to the culvert crossing at Middle Creek.

Project Update: Approximately 650 linear feet of 10-inch water main pipe and two new fire hydrants have been installed. All pavement disturbed during construction work has been restored. The project team encountered an unexpected complication with the final tie-in location because the existing water main is much deeper than expected (~20 feet). A new tie-in location has been identified within the Middle Creek Village complex, but the final construction work will be deferred until spring to allow the excavation to be safely coordinated and to minimize disruption to Middle Creek Village residents.

Wildridge BPS, PRV, and Tank Improvements

Carter Keller

General Project Scope: This project addresses high priority recommendations from the 2020 Distribution System Master Plan and involves improvements to the pumping, storage, and pressure regulating facilities in the Wildridge service area. The scope includes mechanical, electrical, structural, architectural, and electrical improvements at multiple sites, including installation of an on-site emergency generator at Wildridge Booster Pump Station 1.

Project Update: The construction team is currently working to install pump bypass connections that will be used when the existing booster pump stations are taken offline for rehabilitation.

Avon Drinking Water Facility (ADWF) Roof Replacement

General Project Scope: This project includes replacement of the ballasted and fully adhered sections of the roof at ADWF. The existing roof is over twenty years old and has developed several major leaks.

Project Update: Roofers have finished work on the largest ballasted roof. Crews are currently working to replace the last portions of the fully adhered membrane. Final flashing and detail work will begin soon. The project is on schedule and is expected to be completed by the end of October.



ADWF roof installation progress

WASTEWATER PROJECTS

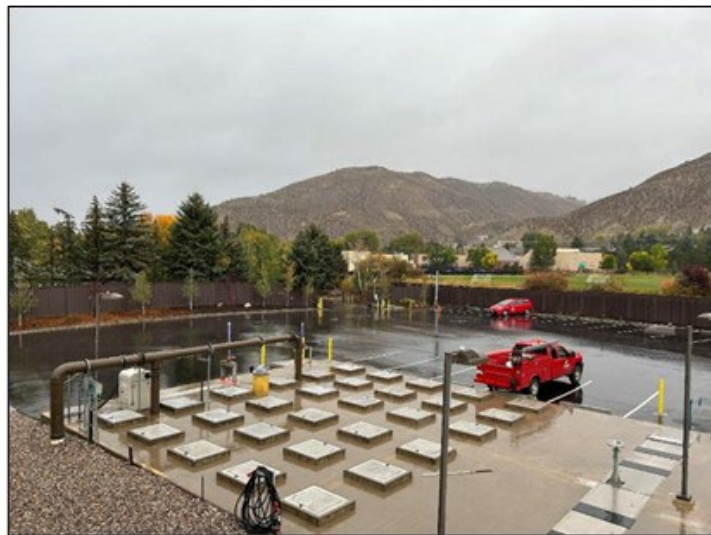
Avon Wastewater Treatment Facility (AWW) Nutrient Upgrades Jeff Schneider/Jenna Beairsto

General Project Scope: The AWW requires upgrades to meet Regulation 85, which requires a reduction of the concentrations of nitrogen and phosphorus in the effluent. The scope of this project includes: addition of 0.6 million gallons of aeration basin capacity, installation of a new secondary clarifier, structural modifications to the existing aeration basins to remove the existing double-tees and replace with a building structure, installation of a new odor control study and system, and other improvements throughout the facility. This project also includes improvements identified in a 2017 condition assessment in process areas throughout the facility.

Project Update: The project is complete except for some minor contractual and administrative closeout tasks. The contractor has fully demobilized. The final required construction certifications have been submitted to CDPHE and the site application process has been closed out. A final project team debrief meeting is scheduled on Nov. 1 to discuss and document the major lessons learned from the 5+ year project.



Final coating of HVAC and ductwork



Completed site photo (view looking northwest)



Completed site photo (view looking southeast)

Dowd Junction Collection System Improvements

Jenna Beairsto

General Project Scope: The project consists of four major infrastructure improvements: the aerial interceptor crossing at Dowd Junction; Lift Station 4, which conveys all of Minturn's wastewater; the aerial interceptor crossing at the Minturn Road bridge; and the force main downstream of Lift Station 4. The new infrastructure will be sized to accommodate future growth in the service area, most notably the Minturn area.

Project Update: Process, HVAC, and electrical work is ongoing inside the new lift station. Exterior siding and roofing work is also ongoing. Tile and window installations are scheduled to begin Oct. 16. The generator pad and secondary power conduit will be placed and installed the week of Oct. 16. Paving on the highway and on the re-routed trail around the lift station is scheduled to be completed on Oct. 20. A major intermediate project schedule milestone is set for Nov. 3, at which time all work will be completed other than building electrical service and installation of the natural gas-powered backup pump.



Siding installation at the lift station



Trail and traffic barrier installation

Avon Lab Improvements

Carter Keller

General Project Scope: The overall objective of this project is to install a new inductively coupled plasma mass spectrometer (ICP-MS) in the lab at the Avon Wastewater Facility. The new instrument will enable District staff to perform metals analyses in-house. Lab and architectural modifications will be completed, including installation of a new gas cabinet, duct chase, and fume hood. Additionally, the makeup air unit (MAU) that serves the lab and the HVAC system for the lab and lab offices will be replaced.

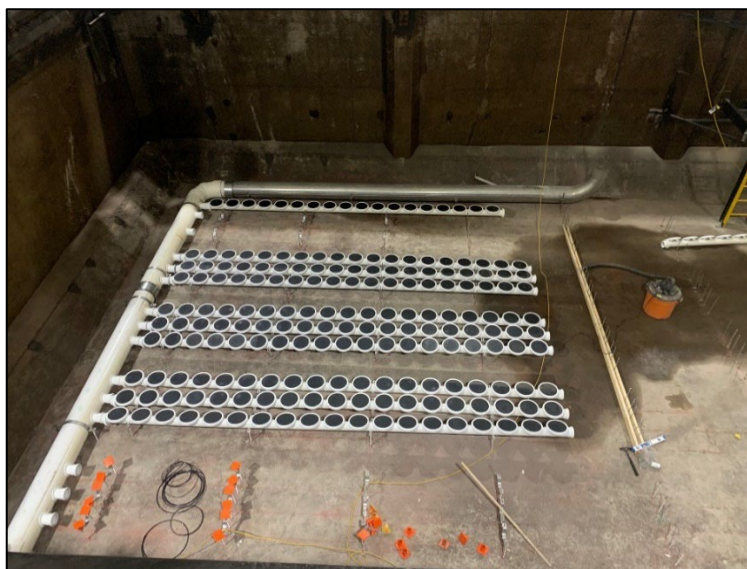
Project Update: The project team is working to finalize the makeup air unit (MAU) temperature settings for the lab space. All punchlist items have been completed and the contractor is currently submitting closeout documents for the project.

Vail Wastewater Treatment Facility (VWW) Master Plan Improvements

Mark Mantua

General Project Scope: A condition assessment of the VWW was conducted as part of the 2017 wastewater masterplan. The assessment identified several critical upgrades that are required to keep the facility in reliable and operable condition. The scope of this project includes installation of a new, larger diesel generator, structural repairs in the aeration basin, equalization, and clarifier rooms, replacement of the aging ultraviolet (UV) system, and construction and installation of an external facility bypass.

Project Update: Demolition of Aeration Basin #4 is complete, and installation of the new aeration diffusers is underway. The new slide gate, actuator and interior components of the flow control vault are currently being installed. Waterproofing and drain installation is complete in the front plaza and concrete replacement will begin in late October. Installation of the electrical ductbank is complete in the lower parking lot. The new UV channel concrete was formed and poured. Installation of the new bar screen is expected to begin in late October.



New aeration diffusers in Aeration Basin #4



Front plaza waterproofing

Wastewater Master Plan

Madeleine Harris

General Project Scope: This Master Plan update builds on the 2017 master planning effort by evaluating and updating previous flow and load projections, current and future plant performance, biosolids, and will inform the scope and scale of the design for the upcoming Edwards Wastewater Treatment Facility (EWW) Nutrient Upgrades Project, which will be required to meet upcoming Regulation 85 nitrogen and phosphorous nutrient limits, as well as provide additional volume to meet existing rated capacity.

Project Update: The project team is currently focusing on long-term biosolids planning and is evaluating potential improvement needs at the Biosolids Containment Facility. The District's internal team is reviewing draft chapters of the master plan final report.

Gore Valley Trail Repair

Mark Mantua

General Project Scope: The Town of Vail operates and maintains the Gore Valley Trail (GVT) from Dowd Junction to East Vail. The District owns and maintains an 18-inch sanitary sewer interceptor main that is located beneath the GVT near Dowd Junction. In many areas, the GVT is supported by a vertical retaining wall with steep embankment slopes down to Gore Creek. In 2010, Gore Creek experienced high streamflow, which resulted in embankment erosion that exposed the District's sanitary sewer main. Temporary repairs have previously been attempted, including rebuilding and grouting the retaining wall. However, in 2019 high stream flow in Gore Creek once again caused subsidence in the gravel shoulder of the GVT. This project involves streambank and channel improvements to permanently restabilize the embankments.

Project Update: The contractor installed new boulders and concrete to stabilize the streambank and create a new energy-dissipating drop pool structure. Army Corps of Engineer regulations require all instream work to be completed within a brief fall window that closes on Oct. 20. The

contractor completed approximately 50-percent of the instream work this season and will remobilize and complete the remainder of the work next fall.



Filter fabric installation on the streambank



MEMORANDUM

TO: District Board Members

FROM: Siri Roman, General Manager
Brad Zachman, Director of Operations

DATE: Oct. 19, 2023

RE: Nutrient Management Strategy
2018 Memorandum of Understanding

In 2018, the District and the Colorado Department of Public Health and the Environment (CDPHE) Water Quality Control Division (WQCD) collaboratively developed a Nutrient Memorandum of Understanding (MOU) that:

- Established a phased permitting compliance schedule for the District's three wastewater treatment facilities under Regulation 85 and Regulation 31.
- Leveraged existing synergies between the District's three, interconnected wastewater treatment facilities
- Maximized near-term nutrient reductions to the Eagle River basin
- Balanced the availability of District resources with the financial impact to rate payers
- Helped the District prepare for forthcoming regulatory compliance schedules with potential options to reasonably spread \$105M (*2017 cost estimate*) of improvement project cash flow across the 20 year planning period

The District has met the first major milestone established in the MOU with the recent completion of capital improvement upgrades at the Avon Wastewater Treatment Facility (WWTF). The District has also started planning for the next phase, which involves major upgrades to the Edwards WWTF. However, since implementing the 2018 MOU, circumstances have changed significantly including increased construction costs and more frequent drought conditions.

At this month's meeting, Staff will provide an overview of nutrient regulations and the impact of more frequent drought conditions on in-stream standards, nutrient reductions realized by the Avon Nutrient Upgrade Project, updated cost estimates, preliminary plans for the Edwards Upgrade Project, and a wholistic environmental impact view of proposed nutrient upgrades.

This presentation is intended to lay the foundation for future staff updates on the Wastewater Master Plan Update, regulatory compliance strategies, capital financial planning, and meeting community-wide goals (water quality, water quantity, greenhouse gas emissions, affordability etc.).

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”), effective as of the date executed by both parties below, is between the Eagle River Water and Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado (“District”), and the Water Quality Control Division of the Colorado Department of Public Health and Environment, an agency of the State of Colorado (“Division”). The District and Division are collectively referred to herein as the “Parties”.

WHEREAS, the District operates three wastewater treatment facilities (“WWTFs”), one in the Town of Vail (the “Vail WWTF”), one in the Town of Avon (“Avon WWTF”) and one in unincorporated Eagle County (“Edwards WWTF”).

WHEREAS, the District operates its WWTFs pursuant to the following permits issued under the Colorado Discharge Permit System: Vail WWTF, Permit No. CO-0021369; Avon WWTF, Permit No. CO-0024431; and Edwards WWTF, Permit No. CO-0037311.

WHEREAS, the Water Quality Control Commission (“Commission”) adopted Regulation 85 which includes the requirement that WWTFs meet specified reductions in nutrient concentrations in effluent before the Regulation 31 standards for nutrients is applied to discharge permits.

WHEREAS, in response to concerns raised by the District during the original adoption of Regulation 85, the Commission stated that it “intends that where multiple treatment facilities with a single operator are on the same permit renewal schedule, the Division will take that factor into account when developing the compliance schedule.” Regulation 85, Statement of Basis and Purpose, § 85.5(VI) (2012).

WHEREAS, after considerable study and planning, including development of a Capital Improvement Plan with projects estimating a total cost of \$105 million, the District has proposed phasing in capital improvements to help achieve nutrient reductions one WWTF at a time, and to do so in a manner that will maximize near-term environmental benefits in the watershed, maximize cost effectiveness, and remain consistent with the District’s resources and its interconnected WWTFs.

WHEREAS, the Vail WWTF permit was renewed in 2015 and is currently the only District WWTF required to meet Regulation 85 limits, with a compliance schedule ending December 31, 2020.

WHEREAS, renewal of the Avon WWTF and Edwards WWTF discharge permits was administratively extended until the Division renews permits for the Avon WWTF (Permit No. CO-0024431) and Edwards WWTF (Permit No. CO-0037311) which is expected in 2018 or 2019, at which time they will receive Regulation 85 compliance schedules.

WHEREAS, the Parties agree there is little reason to upgrade the Vail WWTF first to meet Regulation 85 requirements before upgrading the other District WWTFs, because the Vail WWTF has the lowest rated capacity of the District’s WWTFs, is largely in compliance with

Regulation 85 on an annual median basis under current conditions, such Regulation 85 improvements cannot be cost efficiently modified in the future to achieve Regulation 31 given site constraints at the Vail WWTF, and other reasons supported by the District's analysis.

WHEREAS, the District desires to begin implementing capital improvements to meet or exceed Regulation 85 requirements at the largest of its WWTFs, the Avon WWTF, but requires assurances from the Division regarding the permitting of the Vail WWTF and Edwards WWTF, because the District does not have the resources to implement more than one project of this magnitude at a time.

WHEREAS, the Division desires to provide the District with the assurances needed to allow it to initiate the Avon WWTF project first.

WHEREAS, the Division agrees that given the detailed information provided to it by the District, and subject to the terms hereof, either staggered compliance schedules, trading, or similar regulatory relief is reasonable, appropriate, and consistent with applicable regulations and public policy, and will allow the District to stagger the implementation of capital improvements one WWTF at a time as described in this MOU, so that the District may first proceed with nutrient reductions at the Avon WWTF.

WHEREFORE, in consideration of the foregoing recitals, and the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Permit Renewal Schedule. The District submitted timely applications for renewal of the Avon WWTF and Edwards WWTF in 2016. The District also has a permit modification application pending for the Vail WWTF discharge permit to change the existing Regulation 85 compliance schedule. In order to synchronize permitting schedules among the District WWTFs, and in reliance upon this MOU, the District will withdraw its permit modification application for the Vail WWTF and instead submit an application in 2018 to renew the Vail WWTF permit so that all three discharge permits for its WWTFs are on the same permit renewal schedule, with renewals expected in 2018 or 2019.

2. Permitting of District WWTFs under Regulation 85 or Regulation 31. The Division agrees to allow the District to implement its Capital Improvement Plan to reduce nutrient concentrations at all three WWTFs in the sequence described below, because that sequence maximizes near-term environmental benefits in the watershed, maximizes cost effectiveness, and is consistent with the District's resources and its interconnected WWTFs. The Division also agrees that allowing the proposed capital improvements to be staggered over time in the manner set forth below is reasonable, appropriate, and consistent with applicable regulations and public policy. Although the precise formulation of the permits for the WWTFs still needs to be resolved, the Division hereby agrees to develop, in coordination with the District, a bubble permit or watershed permit for the three WWTFs, linked compliance schedules among the WWTFs, trading between the WWTFs or associated with other actions, monitoring/reporting requirements, and/or use such other regulatory mechanisms as will allow for the following sequence of capital improvements by the District:

- a. Avon WWTF: The District will begin the process of implementing capital improvements at the Avon WWTF upon approval of this MOU, with the intent of completing said improvements and such other actions as needed to meet or exceed Regulation 85 nutrient regulatory limits by or before December 31, 2023.
- b. Edwards WWTF: The District will begin the process of implementing capital improvements at the Edwards WWTF in 2024, with the intent of completing said improvements and such other actions as needed to meet or exceed applicable nutrient regulatory limits (expected to be Regulation 85) by December 31, 2028.
- c. Vail WWTF: The District will begin the process of implementing capital improvements at the Vail WWTF in 2029, with the intent of completing said improvements and such other actions as needed to meet Regulation 31 limits by December 31, 2033.

The District agrees to implement the sequence of capital improvements set forth above, subject to all applicable regulations and policies, unless changes to any applicable law, regulation, or policy render the above schedules unlawful or moot. Both parties agree that if other changed circumstances render the above schedules unreasonable, the parties will endeavor in good faith to modify this MOU to address the changed circumstances in a mutually acceptable manner consistent with the intent hereof and, if that is not possible, either party may opt to terminate the obligations outlined under this MOU upon notification and agreement by the co-signing party.

It is the intent of the Parties that the foregoing sequence of capital improvements will be implemented in any future permit renewals for the District WWTFs. The District's intent as expressed above is to implement improvements at the Vail WWTF that will go beyond Regulation 85 and achieve Regulation 31 compliance. However, given the uncertainty in the Regulation 31 standards and other variables, this MOU is not intended to negate a discharger specific variance, trading, or other regulations if found to be applicable to the Vail WWTF.

3. Incentive Program. The Parties agree that this MOU provides a significant time extension for the Vail WWTF to meet Regulation 85 requirements. The expectation of the Parties is that improvements to the Vail WWTF are being designed to meet Regulation 31 limits (or a site-specific water quality standard, if appropriate). Any Incentive Program credits earned by the District are not eligible to apply to meeting the Regulation 31 limits at the Vail WWTF after 2027.
5. Initiation of Avon WWTF Improvements. In reliance upon this MOU, the District will dedicate its resources to first implementing improvements to the Avon WWTF at a currently estimated cost of \$31,665,000, which includes biological nutrient removal to meet Regulation 85.
6. No Third-Party Beneficiaries. This MOU is entered into between the Parties for the express purposes set forth herein, and is not intended to, and shall not confer, rights to any other person or entity.

7. No Precedent. The Parties do not intend for this MOU to be relied upon by any other person for any reason. This MOU does not create any expectation for future determinations in any other matter and does not create precedent in any other matter.

8. Entire Agreement. This MOU constitutes the understanding and agreement among the Parties and supersedes any prior understandings, agreements, or arrangements among the Parties relating to the subject matter hereof. Any amendment hereof must be in writing and signed by the Parties.


9. Invalidity or Unenforceability. The Parties enter into this MOU with the understanding and intent that it is valid and enforceable, and the District is expending funds in reliance upon that understanding. In the event any provision of this MOU is ever deemed invalid or unenforceable by a court of competent jurisdiction or agency with such authority, the Parties will endeavor in good faith to renegotiate such provision, or new provisions of the MOU, to best accomplish the intent hereof in a way that is valid and enforceable. If not able to do so in good faith, this MOU will no longer be in effect.

10. Legal Review. Both Parties were represented by legal counsel in the preparation and review of this MOU.


11. Authority. The Parties hereto represent and affirm the signatories to this MOU are legally authorized to bind the Parties.

EAGLE RIVER WATER AND SANITATION
DISTRICT

WATER QUALITY CONTROL DIVISION


Lynn Brooks, General Manager

Date: 6.29.18


Patrick Pfaltzgraff, Director, Water Quality
Control Division

Date: 27 Jun 18



MEMORANDUM

TO: Boards of Directors

FROM: Siri Roman, General Manager
Brad Zachman, Director of Operations

DATE: Oct. 19, 2023

RE: Denial of Town of Eagle's Request for Reconsideration of Regulation 93

On May 8, the Water Quality Control Commission (WQCC) held a rulemaking hearing to review Regulation 93, Colorado's Section 303(d) List of Impaired Waters and Monitoring and Evaluation List. At this hearing, the WQCC supported the Water Quality Control Division's (WQCD) proposal and added Eagle River Segment 9c to the 303(d) list as impaired for temperature. Segment 9c is the mainstem of the Eagle River from a point immediately below the confluence with Rube Creek (Wolcott) to the confluence with the Colorado River.

On Sept. 26, the town of Eagle requested that the WQCC reconsider the listing based on the WQCD's new interpretation of the temperature criteria. District staff and our consultants supported the town of Eagle in both the rulemaking hearing and the reconsideration request (see attached letter). Our data shows that drought, low flows, warm days, elevation drops, and changing seasons directly impact water temperatures. Temperature standards should be developed that are biologically protective while also recognizing that natural environmental factors can and will cause exceedances.

The WQCC denied the town of Eagle's request. District staff will continue to participate in workgroups and work with stakeholders to develop standards that are biologically protective and consider the 20+ year drought that we are experiencing.

Attachments:

- CDPHE Order regarding town of Eagle's Request for Reconsideration
- ERWSD Letter of Support for town of Eagle's Request for Reconsideration

WATER QUALITY CONTROL COMMISSION
COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

ORDER REGARDING THE TOWN OF EAGLE'S REQUEST FOR RECONSIDERATION AND
AMENDMENT OF REGULATION 93

IN THE MATTER CONCERNING THE ADOPTION OF REVISIONS TO COLORADO'S SECTION
303(D) LIST OF IMPAIRED WATERS AND MONIOTRING AND EVALUATION LIST,
REGULATION #93 (5 CCR 1002-93)

On September 26, 2023, the Town of Eagle submitted a Request for Reconsideration of Regulation 93, specifically adding Eagle River Segment 9c (COUCEA09c) to the state's 303(d) list as impaired for temperature and associated Statement of Basis and Purpose language. Pursuant to C.R.S. 25-8-403, the Water Quality Control Commission made a determination via email on October 6, 2023.

The Town of Eagle's Request for Reconsideration of Regulation 93, is **denied** per a vote of 5 to 1, with 3 abstentions due to absences at the May rulemaking hearing.

This determination will be confirmed at the Commission's next meeting on October 10, 2023.

DONE and ORDERED this 6th day of October 2023.

Water Quality Control Commission



Mike Weber, Chair



Oct. 3, 2023

transmitted via email

Jojo La, Administrator
Colorado Environmental Boards and Commissions
Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South
Denver, CO 80246

Re: Town of Eagle's Request for Reconsideration
Water Quality Control Commission – Regulation 93 Rulemaking Hearing

Dear Water Quality Control Commission,

Please accept this letter of support for the Town of Eagle's Request for Reconsideration of the 303(d) Listing for temperature on Eagle River Segment 9c. Eagle River Water & Sanitation District (ERWSD) has studied water temperature in the Eagle River basin since 2007. Our research indicates that although the Commission sets temperature standards to protect the most sensitive species that might occur, there will be times when those temperatures cannot naturally be achieved. The Commission has always understood this fact. Low flows, warm days, and changing seasons directly impact water temperatures. Drought conditions in our watershed further impact stream temperatures. In addition, our streams drop more than 5,000 feet in elevation while keeping the same temperature classification.

Accordingly, we have directed our counsel and expert consultants to work with stakeholders and the Division to develop temperature standards that are biologically protective while also recognizing that natural environmental factors can and will cause exceedances. Meanwhile, ERWSD is implementing projects to enhance temperature and protect our trout fishery, including collaborating with the Town of Vail to plant more than 20,000 riparian trees and plants along Gore Creek, pioneering the use of heat recovery in our wastewater to heat public places while reducing effluent temperatures, and operating and investing in water supply infrastructure that allows us to improve river temperatures by augmenting flows during low flow periods.

When the Division first requested that Eagle River segment 9c be listed for temperature we thought it was a mistake. Having worked with the Division and others to develop the warming event methodology and having been involved in developing the regulatory language, it should be clear that minor deviations above the standard are not an exceedance if they are within the allowable warming event that is built into the standard. Thus, we were dismayed when the Division and CPW argued at the hearing that "the standard is the standard" and even 0.1 degree over the standard is an exceedance. This interpretation ignores the footnote to the standard that expressly states the opposite, the language of the warming event method itself, and the history of temperature standards in Colorado. Rather than apply the regulatory language as written, the Commission adopted the Division's position subject to Commissioner Waters dissent based on his concern that the new interpretation did not acknowledge the impact of drought and would result in nearly all stream segments being listed. Mr. Waters is correct and

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846 Forest Road Vail, Colorado 81657 Tel (970) 476-7480 Fax (970) 476-4089 erwsd.org

his comments echo previous Commissioner concerns regarding exceedances of water temperatures due to natural conditions.

History of Temperature Standards

“Due to ... the potential for natural systems to have temperatures exceeding numeric standards” the Commission in 2005 added a footnote to the Regulation 31 temperature standard stating it “shall not be considered an exceedance of the criteria” when elevated water temperatures are the result of certain air temperature and low flow excursion criteria. 5 CCR 1002-31, pp. 178-179. In 2009, the Commission added shoulder seasons to the same footnote, recognizing that shoulder season temperature excursions above the standard are not exceedances so long as the natural seasonal progression of temperature was maintained. 5 CCR 1002-31, p. 202. The basis for this “excursion” method continued to be recognized by the Commission over time. See 5 CCR 1002-31, p. 223 (2016 finding: “summer temperature standards are not attainable in every year in every segment where they have been adopted” and “[w]ater temperature in unimpacted streams is primarily governed by physical factors ...”).

At the direction of the Commission, a biological approach to temperature warming above the standard was developed in the 303(d) Listing Methodology (“LM”). The resulting “warming event” approach was defined as follows:

A “warming event” is defined as the maximum allowable extent of exceedances above the standard, defined in terms of degree-days. This concept integrates both the magnitude of temperatures above the standards as well as the duration (in days). **The stream is allowed to exceed standards for a specific number of degree-days.** However, if temperatures . . . exceed the number of ‘degree-days’ specified in Table 7, the entire segment, or the portion of the segment indicating nonattainment, will be placed on the 303(d) List as impaired for temperature.

LM, p. 29 (emphasis added); see *also* LM, p.30 (if the segment “does not exceed the ‘degree-days’ value in Table 7 then the segment is not considered impaired”). For cold-water streams, the “allowable degree-days for defining a temperature warming event” was set at 2.4 °C degree-days for the acute standard and 13.5 °C degree-days for the chronic standard. LM, pp. 29-30, Table 7. These degree-days were derived using a biological basis to protect the fisheries. *Id.* In other words, while excursions focused on the physical factors that cause temperatures to be naturally higher than the standard, the warming event imposed a biological limit on temperatures above the standard.

As set forth in ERWSD’s prehearing statements in this matter and as further expounded upon by the Town of Eagle, all parties were in apparent accord on the meaning of the above language when it was adopted. Although both the warming event and excursion methods were originally applied to assess stream compliance with the temperature standards, ERWSD supported the Division’s request in 2021 to replace excursions with the warming event recognizing that they largely accomplished the same thing and applying both might not be protective of trout.

Importantly, in replacing excursions with the warming event in 2021, the Commission modified the footnote to the temperature standards in Regulation 31 to read as follows:

The following shall not be considered an exceedance of the criteria: ...
 A 'warming event' is the maximum allowable extent of exceedances above the standard, in units of degree-days (°C-days). This concept integrates both the magnitude of temperature (°C) above the standard as well as the duration (in days) and represents the cumulative temperatures above which growth or lethal impacts to fisheries are expected. For all Cold Stream tiers the allowable degree days are 2.4 (acute) and 13.5 (chronic).

5 CCR 1002-31, pp. 51-52, Table I (Physical and Biological Parameters), FN. (5)(c). Thus, the criteria itself is clear that a warming event is not an exceedance. See *also*, 5 CCR 1002-31, p.264 ("Standards attainment ... allows for a short duration of temperature exceedance as defined by the biological warming event"). Moreover, in replacing excursions, the Commission found "the warming event and excursions are approximately equal in resulting in an assessment decision of impairment or attainment for a waterbody; therefore, deletion of the excursions is not likely to result in an increase in temperature 303(d) listings." 5 CCR 1002-31, p.247. This can only be true if the warming event is applied as written – so that warming above the standard less than the "allowable degree-days" is not an exceedance. If the warming event is interpreted so that even 0.1 degree above the standard is an unlawful exceedance, then there is no latitude for any natural warming as existed under the excursions and an increase in temperature 303(d) listings will result.

Conclusion

Most of us at ERWSD live in the valley to enjoy and recreate in the environment. We take our responsibility seriously and are proud that the gold medal trout status on Gore Creek starts at our wastewater outfall. We are in the process of implementing and spending more than \$200M in wastewater upgrades. But listing a stream for minor natural exceedances in temperature that may require new expensive cooling towers will not change the factors that cause natural warming and will not benefit the environment. Although there may be places in the state where cooling is needed, the stakeholders worked together to establish a reasonable, biological-based, warming event method that recognizes temperature variability due to natural causes and allows minor warming above the standard without being an exceedance. We think it was a mistake not to apply that regulatory language.

The Commission, Division, and wastewater providers each have a role in protecting our environment. We should be working together. The decision to list Eagle River Segment 9c for temperature was a step backwards. Utilities cannot cool an entire stream or river to reverse the consequences of drought and global warming. The Commission's decision effectively eliminates the intended latitude for naturally driven excursions above the stream standards that was always recognized and embraced by the Commission.

Western Colorado is experiencing a 20+ year drought, we can no longer look at quality and quantity separately, we must consider how the two issues impact each other and develop solutions accordingly. ERWSD has a history of developing creative, collaborative solutions that benefit instream water quality while considering feasibility, affordability, and community needs. We welcome the opportunity to continue to collaborate with CDPHE on finding creative solutions that benefit all of our stakeholders, aquatic life included.

At my request, Steve Bushong helped draft this letter on ERWSD's behalf to ensure we correctly cited the regulatory language that was adopted by the Commission with the assistance and input of ERWSD, Mr. Bushong, and ERWSD's consultants. Mr. Bushong and the ERWSD team are available to discuss these issues further with the Commission should it so desire.

Sincerely,

Siri Roman
General Manager

ec: Larry Pardee, Town of Eagle Manager
Steve Bushong, Bushong & Holleman PC
Caroline Byus, Pinyon Environmental, Inc



M E M O R A N D U M

TO: District and Authority Boards of Directors
FROM: Jason Cowles, P.E. and Justin Hildreth, P.E.
DATE: October 19, 2023
RE: Engineering & Water Resources Report

Development Report

The Cairns Townhomes Project, which was proposing to build 12 townhomes on a narrow lot adjacent to the Interfaith Chapel on Hwy 6 in Edwards, is no longer moving forward and the developer has requested a refund of their water rights dedication deposit. Accordingly, we have removed the project from the Authority Development Report.

At last month's Authority meeting, there was a request for an accounting of water supply availability. We are developing a spreadsheet model to track water supply availability with new water supply commitments, which will be included in the December meeting packet.

State Land Board Parcels

We have also added the Colorado State Land Board (SLB) project in Dowd Junction to the Development Report. The SLB is planning to submit a petition for 90 acres of property to be annexed into the Town of Avon. During the annexation process, which is expected to occur in Q1 of 2024, it is anticipated that the Town of Avon will also apply zoning to the property. The property is presently developed with approximately 60,000 square feet of commercial buildings that receive water service from individual wells and 15 mobile homes that receive water service from the Authority. The proposed zoning is anticipated to maintain the current commercial square footage and allow for the development of up to 700 new deed restricted residential units. The SLB is requesting water service for the 60,000 square feet of commercial development and the 685 net new residential units. Development of the project is likely to be phased over 20 years as the SLB will honor existing leases to commercial tenants. The first phase of the project, which will involve the construction of 96 apartments where mobile homes currently exist, is tentatively planned to break ground in late 2024. Future development phases will occur on the north side of the Eagle River and as properties along Hwy 6 are redeveloped after existing commercial leases expire. An informational presentation on the project from a recent work session with the SLB and the Eagle County Board of County Commissioners (BOCC) is attached.

During the work session Town of Avon, SLB, and County representatives discussed the possibility of utilizing the Eagle Park Reservoir water dedicated to the Authority by the County for affordable/workforce housing projects to meet the water dedication requirements of the project, which are currently estimated at approximately 15.48 acre-feet. The BOCC generally appeared to be in favor of this approach.

The SLB has also entered a contract with AE2S, the engineering firm that assisted with our water distribution master plan and hydraulic model development, who will utilize our hydraulic model to evaluate any water system improvements necessary to serve the project. It is not likely that improvements will be necessary to serve the first phase, but it is likely that off-site water main improvements in the Eagle-Vail area will be required when the project phases north of the Eagle River are developed. Wastewater generated by the project will be conveyed to the Avon WWTF by the Avon interceptor located on property along the south bank of the Eagle River.

Water Supply and Land Use Planning Work Session

Siri, Eric Heil, and I met with Jeff Schroll and Jill Klosterman of Eagle County on October 5 to discuss the Authority's limited water supply availability and land use priorities of the Town of Avon and Eagle County. The meeting was productive and highlighted the importance of prioritizing water for land use projects that meet current community priorities until additional sources of water supply are developed. A work session with Eagle County, Avon, and Authority representatives is planned for Wednesday, November 8 to further discuss water supply and land use planning in the Authority service area and how to achieve better coordination between the three entities.

Drought Management Plan

One of our goals for this year was to develop an updated Drought Management Plan for the District and Authority. We recently applied for a Colorado Water Plan grant from the Colorado Water Conservation Board and were awarded \$59,586 for the preparation of the plan. The contract with the CWCB is expected to be completed in the next couple of weeks, with the project slated to commence around November 1. To facilitate this process, a dedicated drought planning committee will be established by the end of this year, tasked with formulating the plan's objectives and operational principles. Moreover, we intend to establish an external stakeholder group, consisting of major water users, local government representatives, and other pertinent interest groups, to actively engage and solicit feedback from the community. This collaborative approach will ensure widespread community support for the finalized plan. Our timeline involves the preparation of a preliminary draft plan within approximately 6 months, followed by an extensive review process, leading to the final plan for approval within a year.

Attachments:

1. District and Authority New Development Report, October 2023
2. State Trust Land, Board of County Commissioners Work Session Presentation October 10, 2023

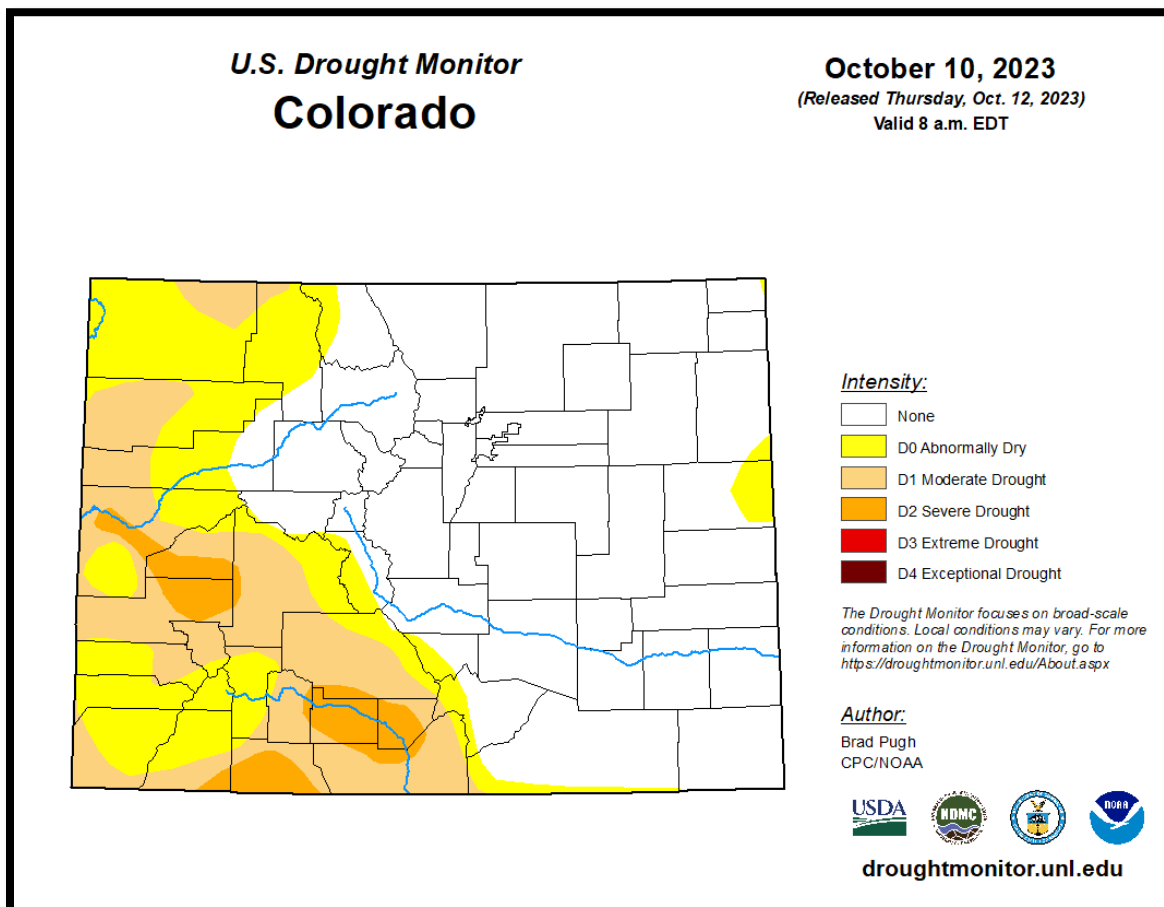
Water Resources Report

Justin Hildreth

Drought Conditions

October 10, 2023, U.S. Drought Monitor continues to categorize Eagle County along with eastern Colorado as not in a drought condition. The drought intensity for the southwest portion of the state remained moderate and severe and the northwestern portion of the state increased from normal to dry and moderate drought conditions.

Figure 1. U.S. Drought Monitor – Colorado. October 10, 2023 (National Drought Mitigation Center)



Temperature and Precipitation Forecasts

Figures 2 and 3 show the current National Weather Service 8-to-14-day temperature and precipitation outlooks. The 2-week outlook indicates that the temperatures will be leaning above normal. The 2-week outlook indicates precipitation is leaning above average. The seasonal 3-month temperature and precipitation outlooks, which are less accurate, indicate equal chances of above or below-average precipitation and temperature.

Figure 2: 8-14 Day Temperature Outlook - October 15, 2023 (NOAA Climate Prediction Center)

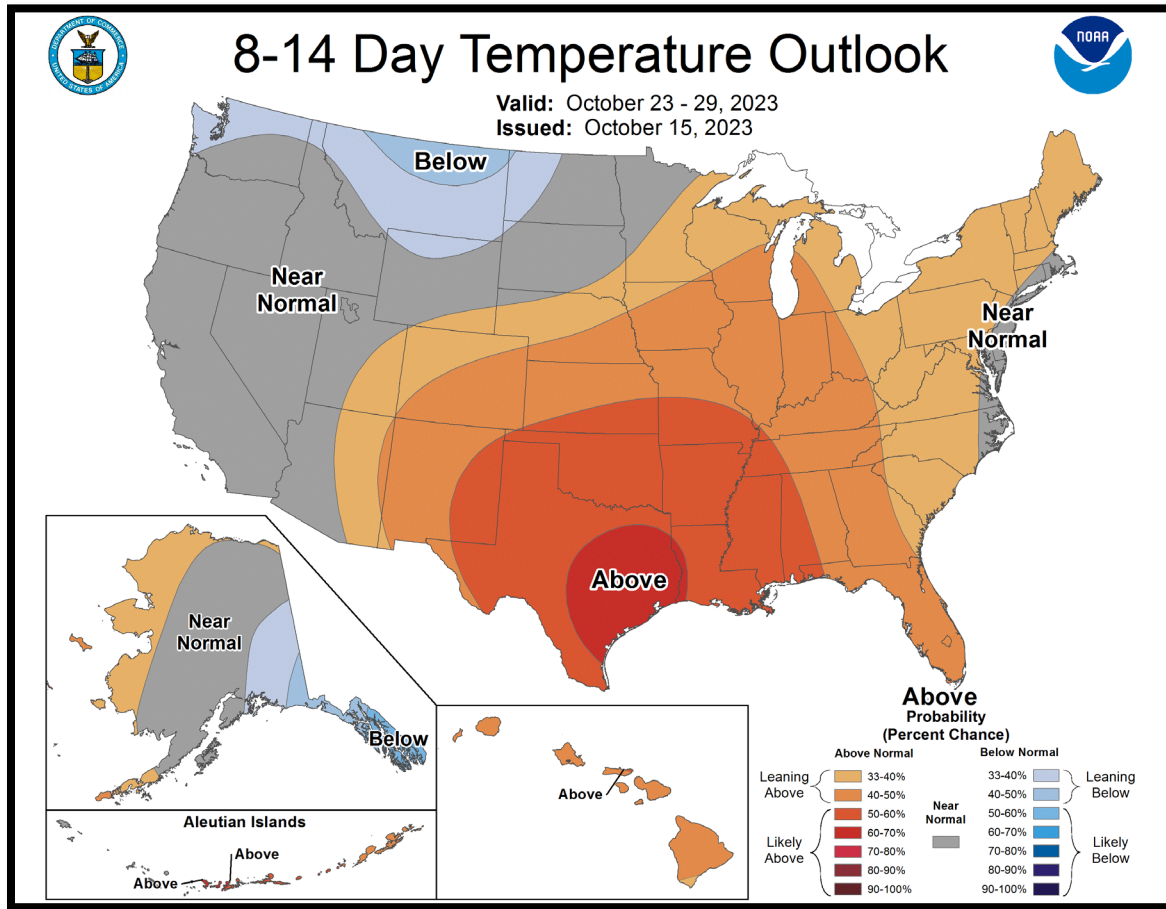
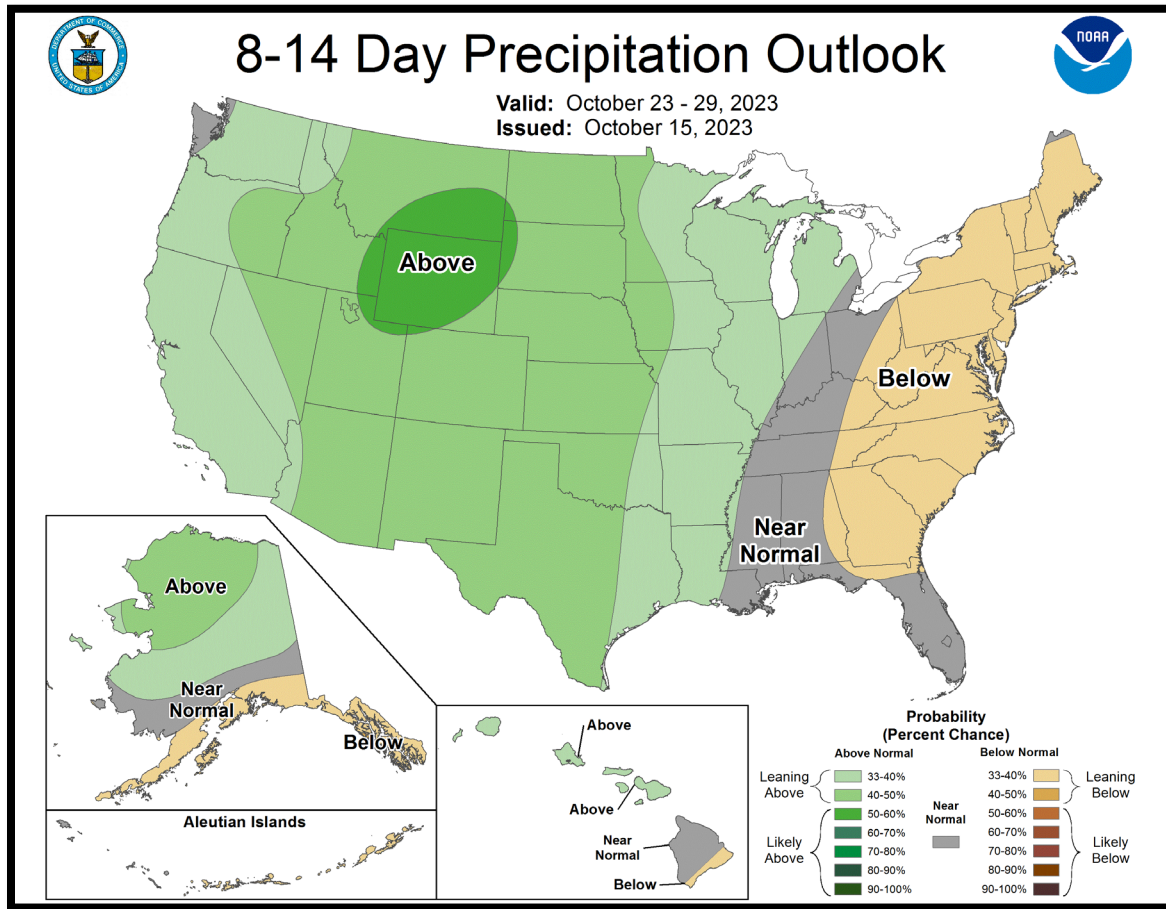


Figure 3: 8-14 Day Precipitation Outlook - October 15, 2023 (NOAA Climate Prediction Center)



Precipitation Conditions

Figures 4 and 5 show the cumulative water year-to-date precipitation, which starts on October 1, at Vail Mountain and Fremont Pass respectively. As of October 16, 2023, Vail Mountain has 1.8” of accumulated precipitation for the water year, 0.3” above the median. Fremont Pass has 1.1” of accumulated precipitation for the water year, matching the median. The accumulated precipitation is mostly from the storm on October 11th and 12th.

Figure 4: Accumulated Precipitation at Vail Mountain SNOTEL station, October 16, 2023 (USDA)

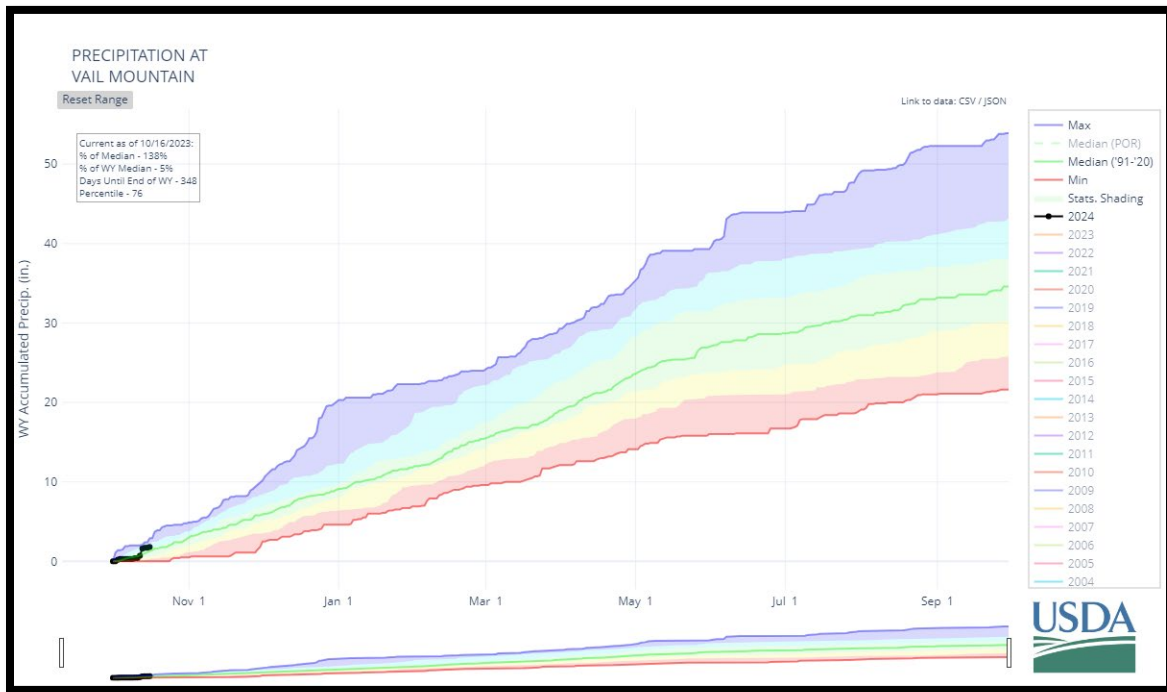
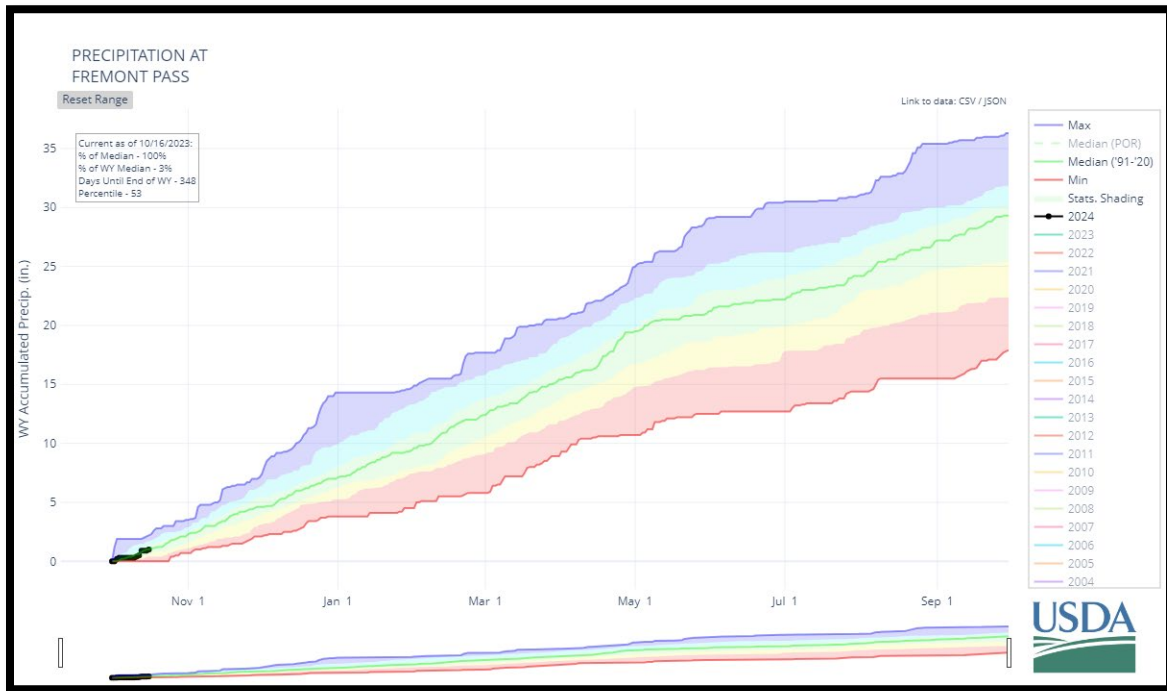


Figure 5: Accumulated Precipitation at Fremont Pass SNOTEL station, October 16, 2023 (USDA)



Streamflow

Figures 6 and 7 depict hydrographs from the National Weather Service's Colorado Basin River Forecast Center. The State of Colorado streamflow forecasts indicate seasonal low flows with fluctuations due to snowmelt. These hydrographs represent Gore Creek above Red Sandstone Creek, and Eagle River at Avon USGS gages. Currently, Gore Creek above Red Sandstone is flowing at 25cfs, slightly above the median of 24cfs and comfortably exceeding the Colorado Water Conservation Board (CWCB) minimum instream flow water right of 16cfs for October. Meanwhile, the flow at the Eagle River Avon station stands at 83cfs, below the median of 94cfs and well above the CWCB minimum in-stream flow water right of 35cfs.

Figure 6: October 16, 2023, Gore Creek above Red Sandstone Creek Forecast Hydrograph, National Weather Service.

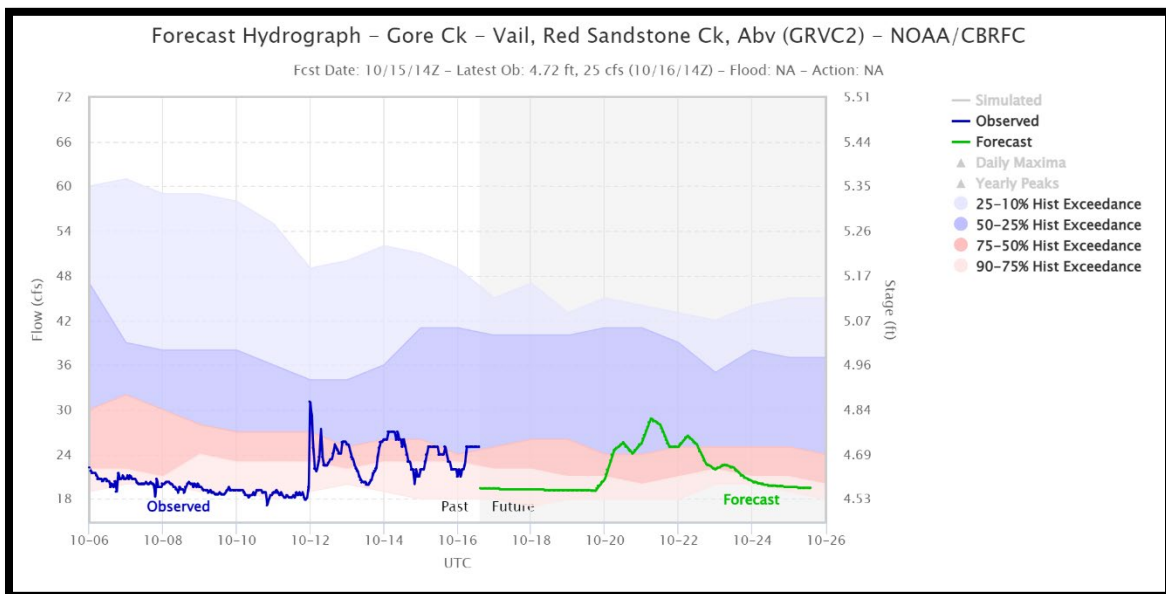
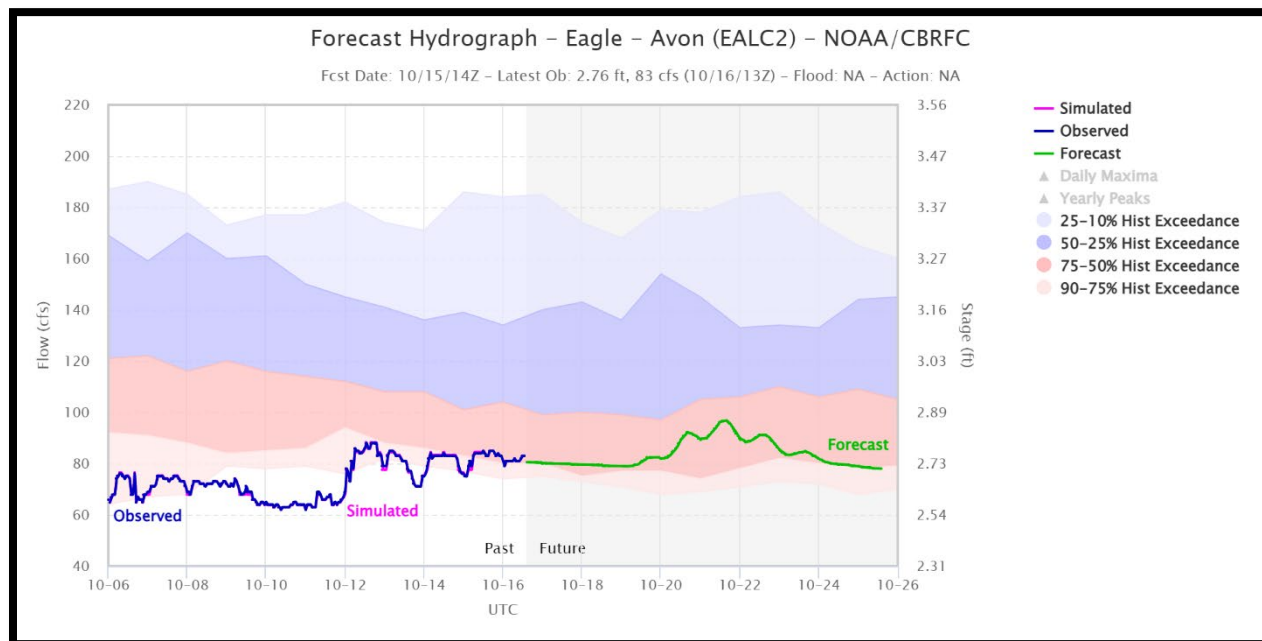


Figure 7: October 16, 2023, Eagle River at Avon Forecast Hydrograph, National Weather Service.



Reservoir Volumes

Table 1 summarizes the reservoir storage accounts and demonstrates that the reservoir storage accounts are nearly full and expected to meet the District’s and Authority’s needs for 2023-2024. Eagle Park reservoir is not currently releasing because there are no calls from the Cameo or Shoshone Power Plant and Gore Creek and Eagle River are above minimum stream flows.

Table 1: District and Authority storage accounts for October 1, 2023 (Helton and Williamsen).

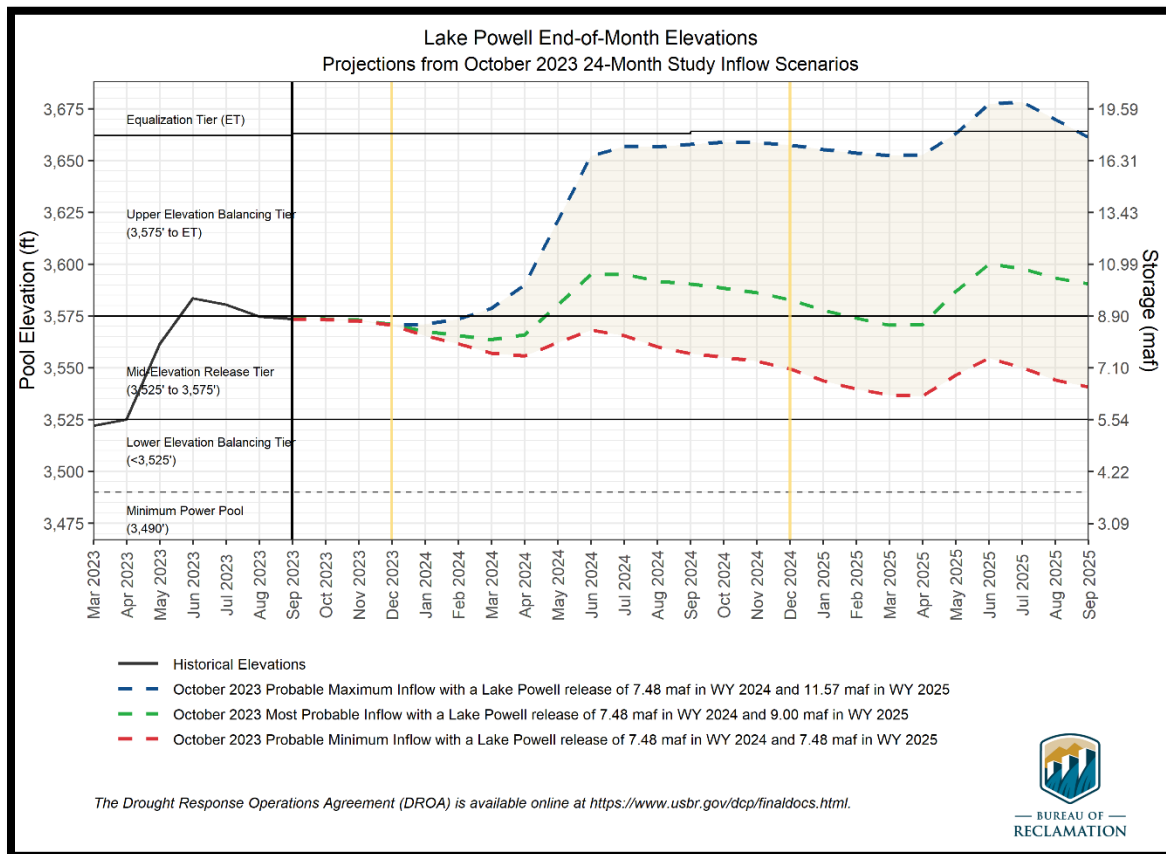
| October 1, 2023 Volumes in Storage (acre-feet) and Percentages of Full: | | | | | | |
|---|--------|------|--------|------|---------|------|
| Reservoir | ERWSD | | UERWA | | Total | |
| Green Mountain | 934 | 100% | 475 | 87% | 1409 | 95% |
| Black Lakes | 425 | 100% | 300 | 100% | 425 | 100% |
| Eagle Park | 432.36 | 100% | 648.86 | 100% | 1080.22 | 97% |
| Homestake Res | 250 | 100% | 256.50 | 100% | 506.50 | 100% |
| Wolford Mtn | 500 | 100% | 710.80 | 100% | 1210.80 | 100% |

*Homestake Year is currently set as July 1 to June 30.

Lake Powell

The US Bureau of Reclamation (USBR) October 24-Month Study elevation projections for Lake Powell are shown below in Figure 8. The Lake Powell levels are 50-FT higher than a year ago and USBR projects them to be 10-FT higher in October 2024. Lake Powell storage is 8.7 million acre-feet, 36% of capacity, 60% of the median, and 149% of last year.

Figure 8: USBR October 2023 24-Month Study Elevation Projections for Lake Powell





ERWSD New Development Report, October 2023

| Project Location | Type of Use | SFEs Proposed | Additional Water Rights Required | Application Initiation Date | Development Approval Process Step: | Construction Approval Process Step: |
|--|---------------------------|------------------------------------|---|--|--|-------------------------------------|
| Timber Ridge II Redevelopment | Residential | 289 | 2.2 | July 25, 2023 | 2. Water Analysis | 1. Plan Review |
| Maloit Park ECO School District Housing Minturn | Residential | 138 | | July 21, 2023 | N/A | 0. Conceptual |
| Midtown Village PUD Minturn | Mixed | 42 + Com | | October 13, 2022 | N/A | 1. Plan Review |
| North Minturn PUD Minturn | Residential | 36 | | October 10, 2022 | N/A | 0. Conceptual |
| Middle Creek Lot 4,5 Vail | Mixed | 64 | 0.72 | June 28, 2022 | 0. Conceptual | 0. Conceptual |
| Wolcott PUD Wolcott | Mixed | 360 + Com | | May 11, 2022 | 0. Conceptual | 0. Conceptual |
| The Residences at Main Vail Vail | Residential | 72 | 0.81 | February 11, 2021 | 5. Ability to Serve Letter | 4. Final Acceptance |
| Belden Place (1200 Block Main St) Minturn | Residential | 41 | | December 23, 2020 | N/A | 2. Plan Approval |
| Highline (Double Tree Expansion) Vail | Residential | 43.65 | 0.79 | July 11, 2019 | 5. Ability to Serve Letter | 2. Plan Approval |
| 500 E Lionshead Circle - Legacy Vail | Residential | 20 | 0.29 | August 29, 2018 | 4. Water Rights Allocation & Service Agreement | 3. Under Construction |
| Alura (Miradoro) Vail | Residential | 10 | 0.405 | May 29, 2018 | 4. Water Rights Allocation & Service Agreement | 3. Under Construction |
| 534 E Lionshead Circle - Elevation Vail | Residential | 12 | 0.31 | May 14, 2018 | 1. Connection Application | 0. Conceptual |
| Booth Heights East Vail | Residential | TBD | TBD | August 23, 2017 | 1. Connection Application | 0. Conceptual |
| Projects Completing Warranty Period | | | | | | |
| 3010 Basingdale (Phase II), 841/851 Main St Minturn, Red Sandstone Parking Garage, VVMC Phase II-East Wing, Vail Marriot Residence Inn | | | | | | |
| Development Approval Process Steps: | 1. Connection Application | 2. Water Demand Worksheet Analysis | 3. Conditional Capacity to Serve Letter | 4. Water Rights Allocation & Service Agreement | 5. Ability to Serve Letter | |
| Construction Approval Process Steps: | 0. Conceptual | 1. Plan Review | 2. Plan Approval | 3. Under Construction | 4. Final Acceptance | |



UERWA New Development Report, October 2023

| Project Location | Type of Use | Water Source | SFEs Proposed | Augmentation Requirement (acre-feet) | Application Initiation Date | Development Approval Process Step: | Construction Approval Process Step: | |
|--|---------------------------|-------------------------------------|---------------------|--------------------------------------|---|--|-------------------------------------|----------------------------|
| Projects undergoing Water Rights Dedication | | | | | | | | |
| State Land Board Parcels Avon | Mixed | Unallocated | 700 + 60,000 SF Com | 12.9 | August 7, 2023 | 2. Water Analysis | 0. Conceptual | |
| Eagle River Presbyterian Church Housing Unincorporated ECO | Residential | Unallocated | 2 | 0.17 | June 20, 2023 | 2. Water Analysis | 1. Plan Review | |
| Cairn's Townhomes Edwards | Residential | Unallocated | 12 | 1.16 | May 22, 2023 | Withdrawn | Withdrawn | |
| Margaux PUD Edwards | Residential | Unallocated | 32 | 3.56 | October 11, 2021 | 3. Cond. Capacity Expires October 9, 2023 | 0. Conceptual | |
| Edwards River Park PUD Edwards | Mixed | Unallocated | 440 + Com | 70.2 | December 2, 2016 | 3. Cond. Capacity Expire December 31, 2023 | 0. Conceptual | |
| Projects not requiring or that have completed Water Rights Dedication | | | | | | | | |
| Vail Valley Foundation Childcare Center Traer Creek | Mixed | Traer Creek Water Service Agreement | TBD | | October 13, 2023 | 1. Connection Application | 0. Conceptual | |
| Slopeside Housing Avon | Residential | TBD | TBD | | October 5, 2023 | 1. Connection Application | 0. Conceptual | |
| Eagle County - Freedom Park Project Edwards | Mixed | Berry Creek Allocated Water Rights | 20 + Com | 3.28 | June 7, 2023 | 2. Water Analysis | 1. Plan Review | |
| 140 W BC BLVD Hotel Avon | Residential | Avon SFE Guarantee | 79 | | May 16, 2023 | N/A | 1. Plan Review | |
| Tract Y - Metcalf Road Avon | Residential | Avon SFE Guarantee | 53 | | February 16, 2023 | 5. Ability to Serve Letter | 2. Plan Approval | |
| CMC Student Housing (Phase I & II) Berry Creek | Residential | Berry Creek Allocated Water Rights | 72 | | February 16, 2022 | 5. Ability to Serve Letter | 4. Final Acceptance | |
| Avon Dual Brand Hotel Traer Creek - Tract J | Commercial | Traer Creek Water Service Agreement | 85.05 | | February 4, 2022 | 5. Ability to Serve Letter | 3. Under Construction | |
| ECO School District Housing Berry Creek | Residential | Berry Creek Allocated Water Rights | 37 | | August 12, 2021 | 5. Ability to Serve Letter | 3. Under Construction | |
| McGrady Acres Avon | Residential | Avon SFE Guarantee | 24 | | August 5, 2021 | 5. Ability to Serve Letter | 3. Under Construction | |
| Riverfront Lot 1 Avon | Residential | Avon SFE Guarantee | 53 | | December 22, 2020 | N/A | 3. Under Construction | |
| Maverik Gas Station Traer Creek | Commercial | Traer Creek Water Service Agreement | 2.6 | | November 11, 2020 | 5. Ability to Serve Letter | 4. Final Acceptance | |
| NorthStar PUD Amendment Edwards | Commercial | Unallocated | TBD | 3.7 | November 3, 2020 | 5. Ability to Serve Letter | 3. Under Construction | |
| West End PUD Amendment Edwards | Residential | Unallocated | 275 | 34.25 | February 27, 2019 | 3. Cond. Capacity Expires August 12, 2023 | 1. Plan Review | |
| Frontgate (CO World Resorts) Avon | Mixed | Unallocated | 84 | 2.6 | December 12, 2017 | 5. Ability to Serve Letter | 3. Under Construction | |
| Fox Hollow Amended PUD Edwards | Mixed | Unallocated | 108 | 14 | February 28, 2017 | 5. Ability to Serve Letter | 3. Under Construction | |
| Projects Completing Construction Warranty Period | | | | | | | | |
| 185 Elk Tract, Piedmont Apartments, Riverfront Village, Stillwater | | | | | | | | |
| Development Approval Process Steps: | 1. Connection Application | | | 2. Water Demand Worksheet Analysis | 3. Conditional Capacity to Serve Letter | 4. Water Rights Allocation & Service Agreement | | 5. Ability to Serve Letter |
| Construction Approval Process Steps: | 0. Conceptual | | | 1. Plan Review | 2. Plan Approval | 3. Under Construction | | 4. Final Acceptance |

State Trust Land

Board of County Commissioners Work Session

October 10, 2023



COLORADO
State Land Board

1. Introduction
2. Colorado State Land Board
3. Project Overview
 - Context, Site Character, Constraints and Opportunities
 - Conceptual Project Plan, Zoning, and Phasing
 - Annexation Timeline
4. Eagle County Presentation
 - Eagle Park Reservoir Agreement
 - Affordability Criteria
 - State Land Board Request
5. Questions and Discussion



\$2B FOR SCHOOLS



■ MISSION

The State Land Board manages an endowment of assets held in perpetual, intergenerational public trusts for the financial support of Colorado's public schools and other public institutions.

Generate reasonable and consistent income over time.

Protect and enhance the long-term productivity and sound stewardship of working trust lands.



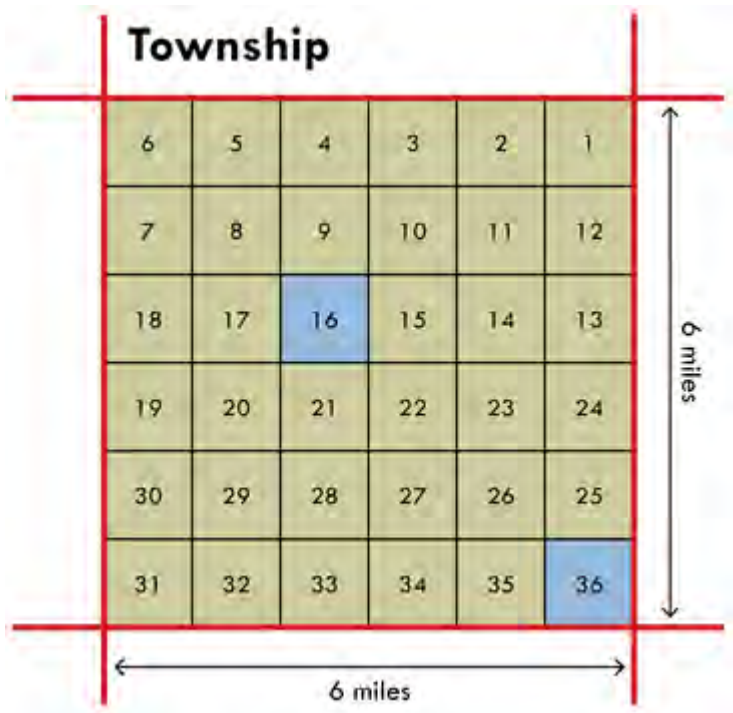
■ VISION

Make possible capital funding for the modernization of all Colorado public schools.

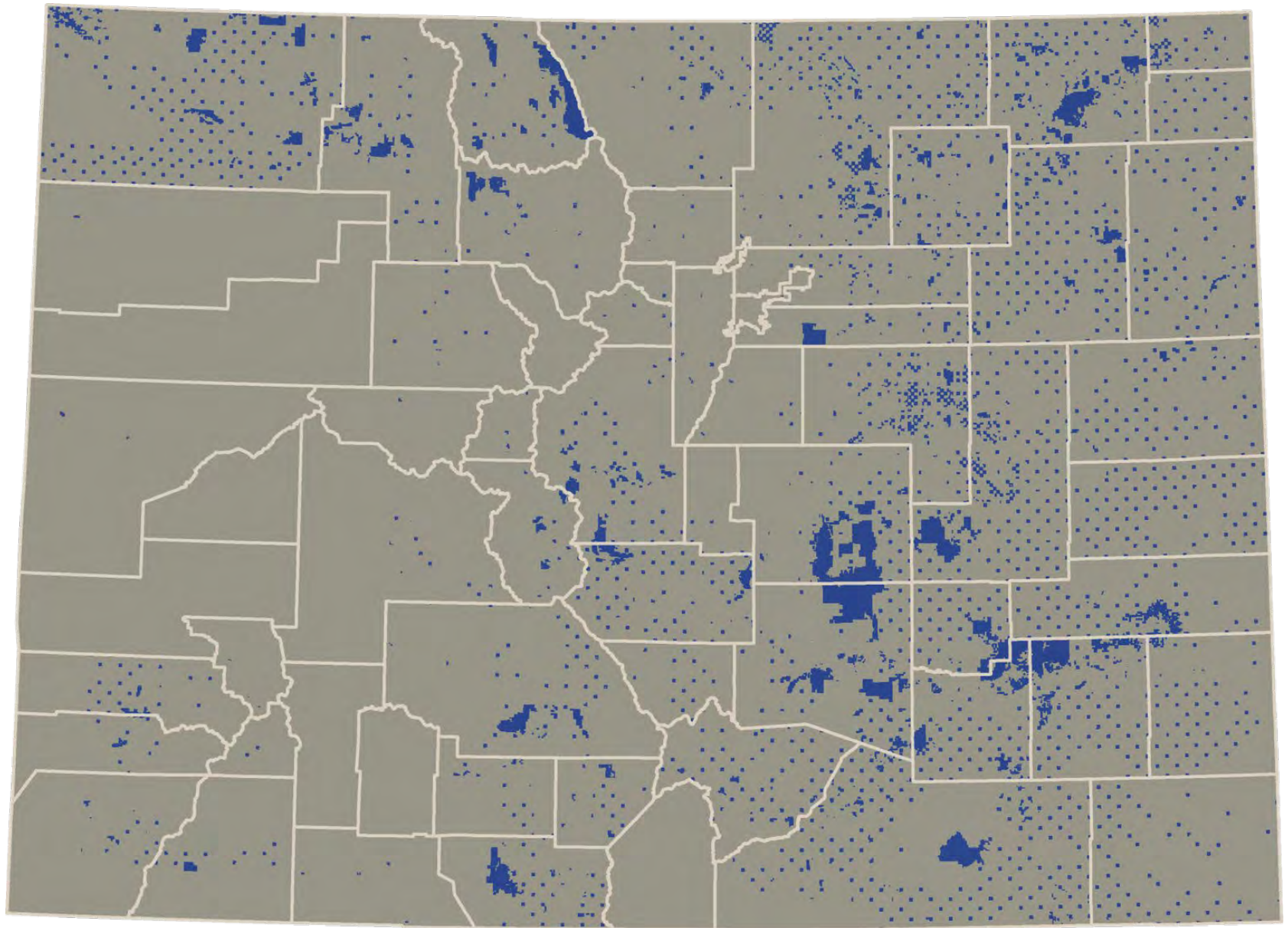


COLORADO
State Land Board

The Colorado Enabling Act (1875): “sections 16 and 36 ... are hereby granted to said state for the support of common schools.”



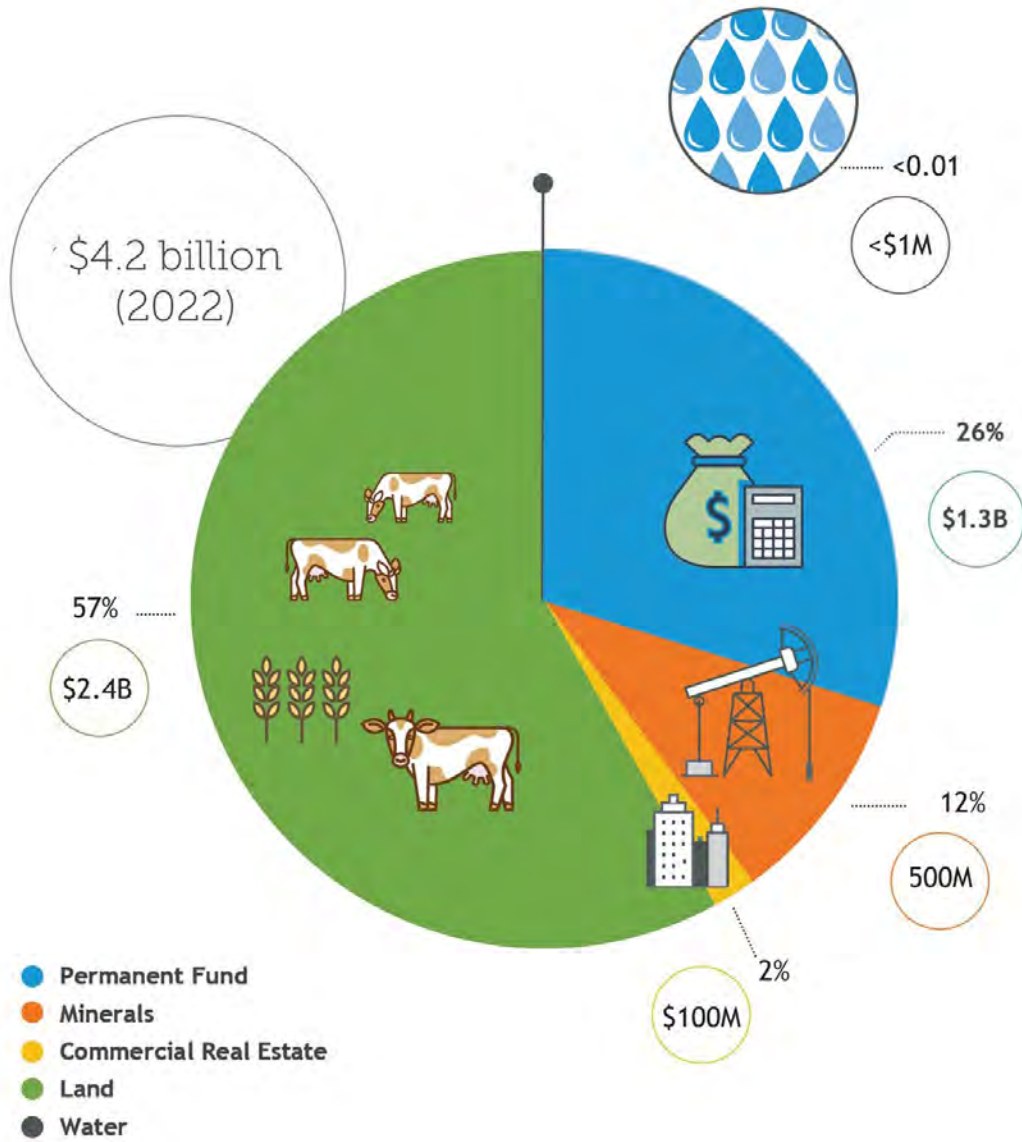
~1900 schoolhouse
Gilpin, CO



2.8 MILLION ACRES



COLORADO
State Land Board



TOTAL TRUST VALUE



COLORADO
State Land Board



LEASING PROGRAMS



COLORADO
State Land Board



AFFORDABLE HOUSING



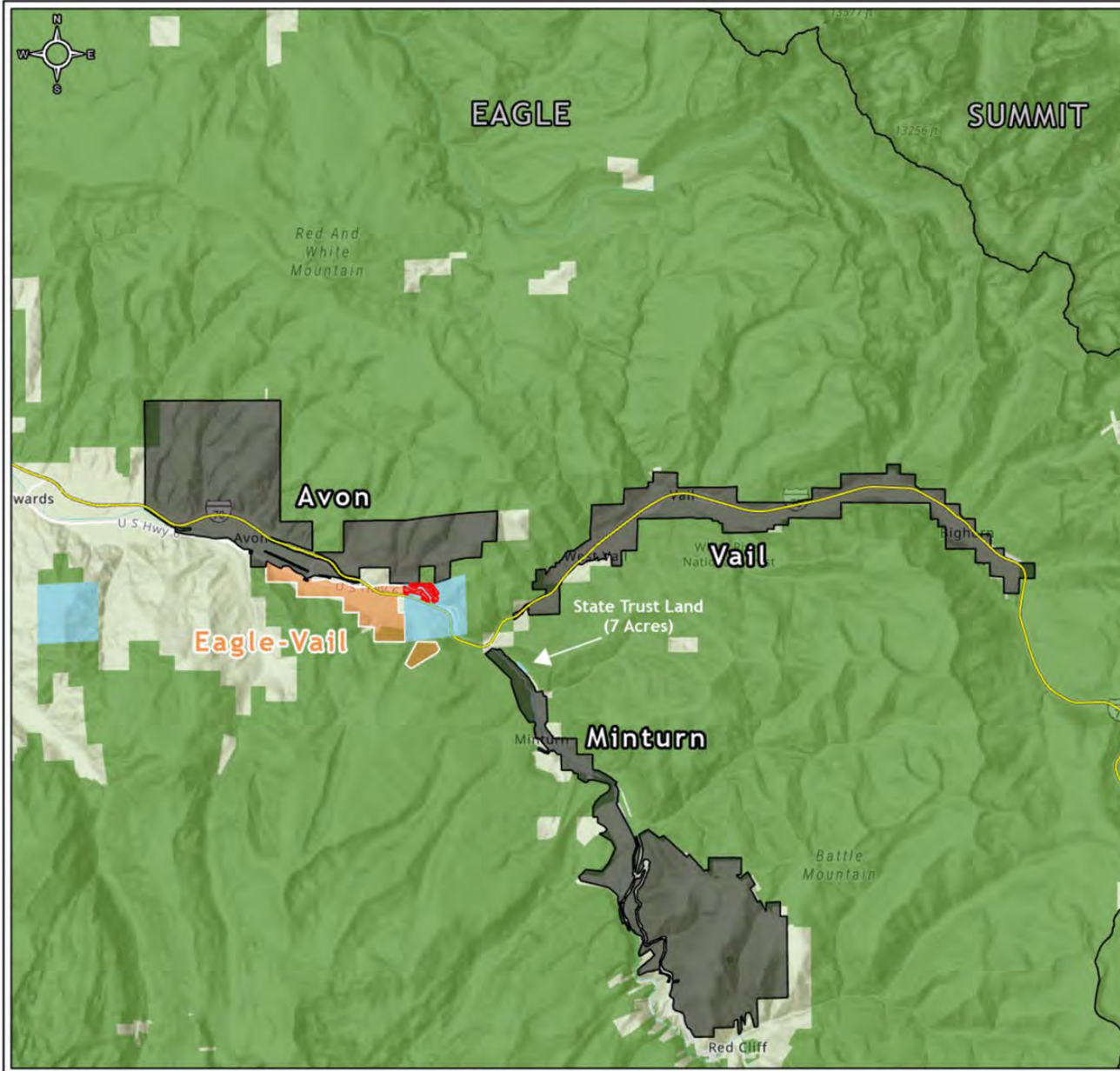
COLORADO
State Land Board

1. Annex 90-acres into the Town of Avon
2. New mixed-use neighborhood
3. 700 community housing units
 - 100% deed restricted
 - Mix of income levels
 - Rental and fee ownership
4. 60,000 s.f. of commercial space

PROJECT SUMMARY



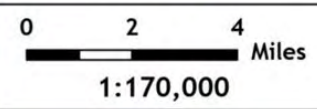
COLORADO
State Land Board



Dowd Junction

Eagle County

- Subject Area - Dowd Junction
- SLB Surface Ownership
- City Boundary
- Eagle-Vail Metropolitan District
- County
- US Forest Service
- I-70



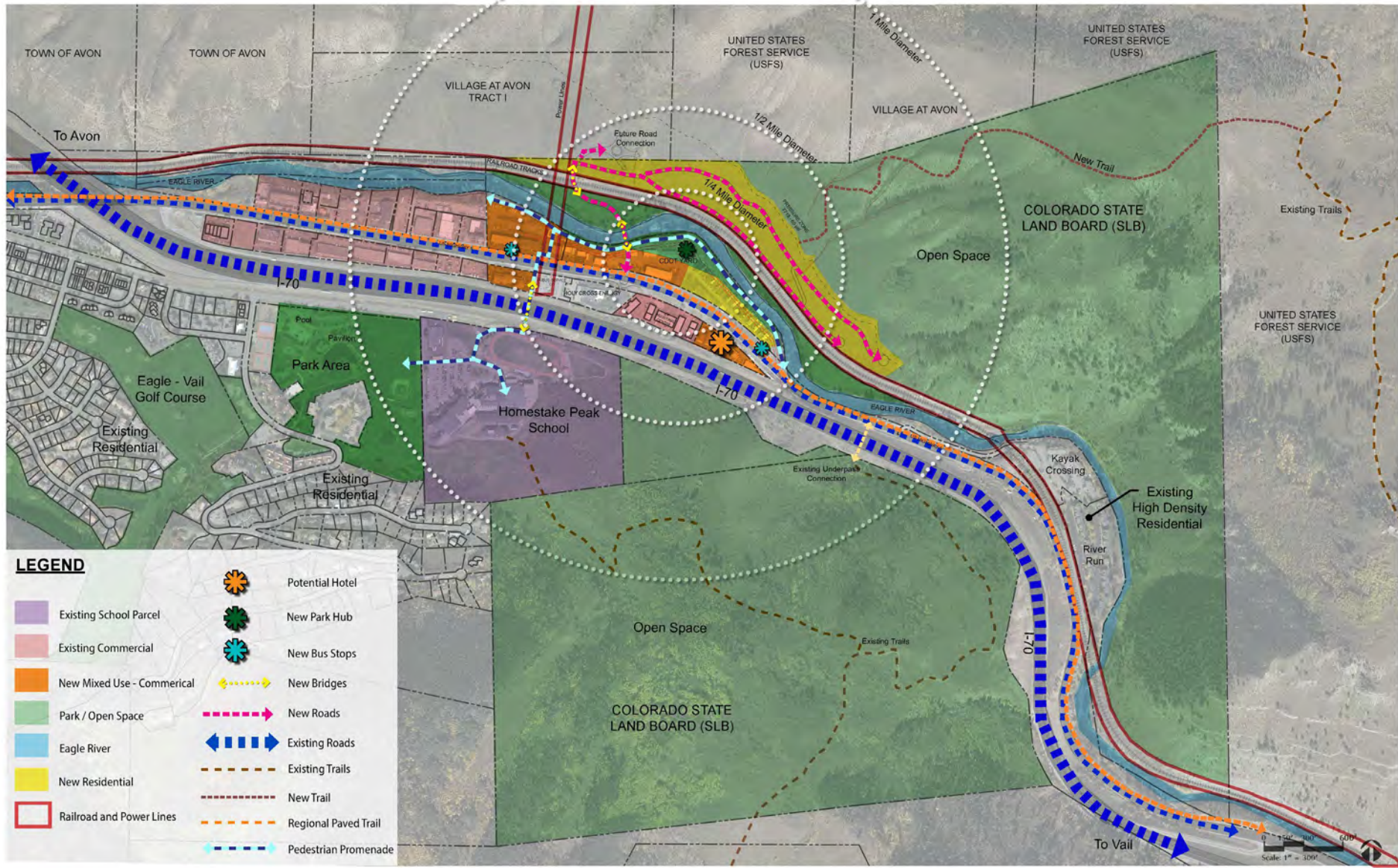
COLORADO
State Land Board

Date: 10/5/2022

PROJECT LOCATION



COLORADO
State Land Board



PROJECT LOCATION



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



COLORADO
State Land Board



EXISTING CONDITIONS



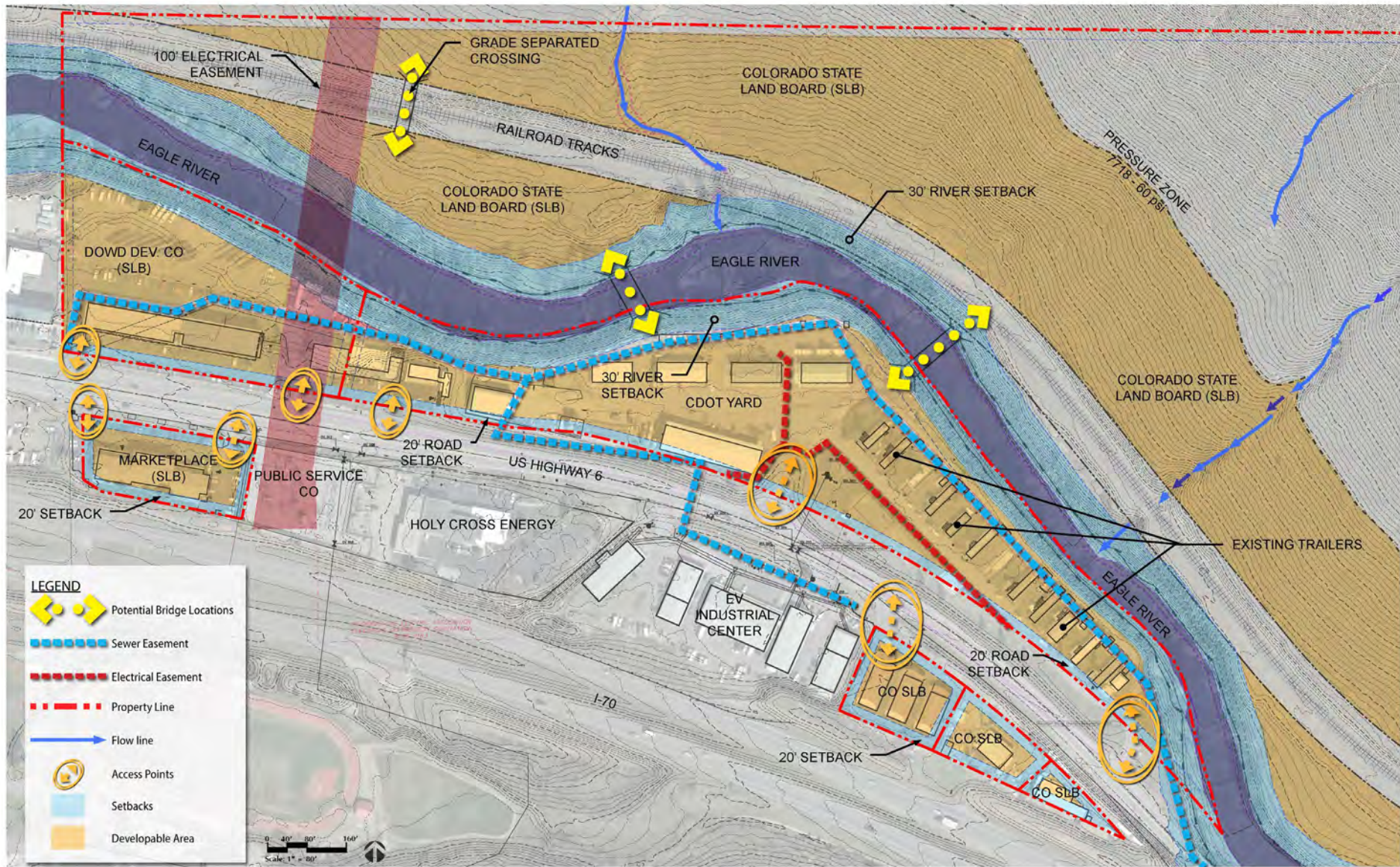
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EXISTING CONDITIONS



COLORADO
State Land Board



SITE CONSTRAINTS



COLORADO
State Land Board



CONCEPT SITE PLAN



COLORADO
State Land Board



VIEW ALONG HWY 6



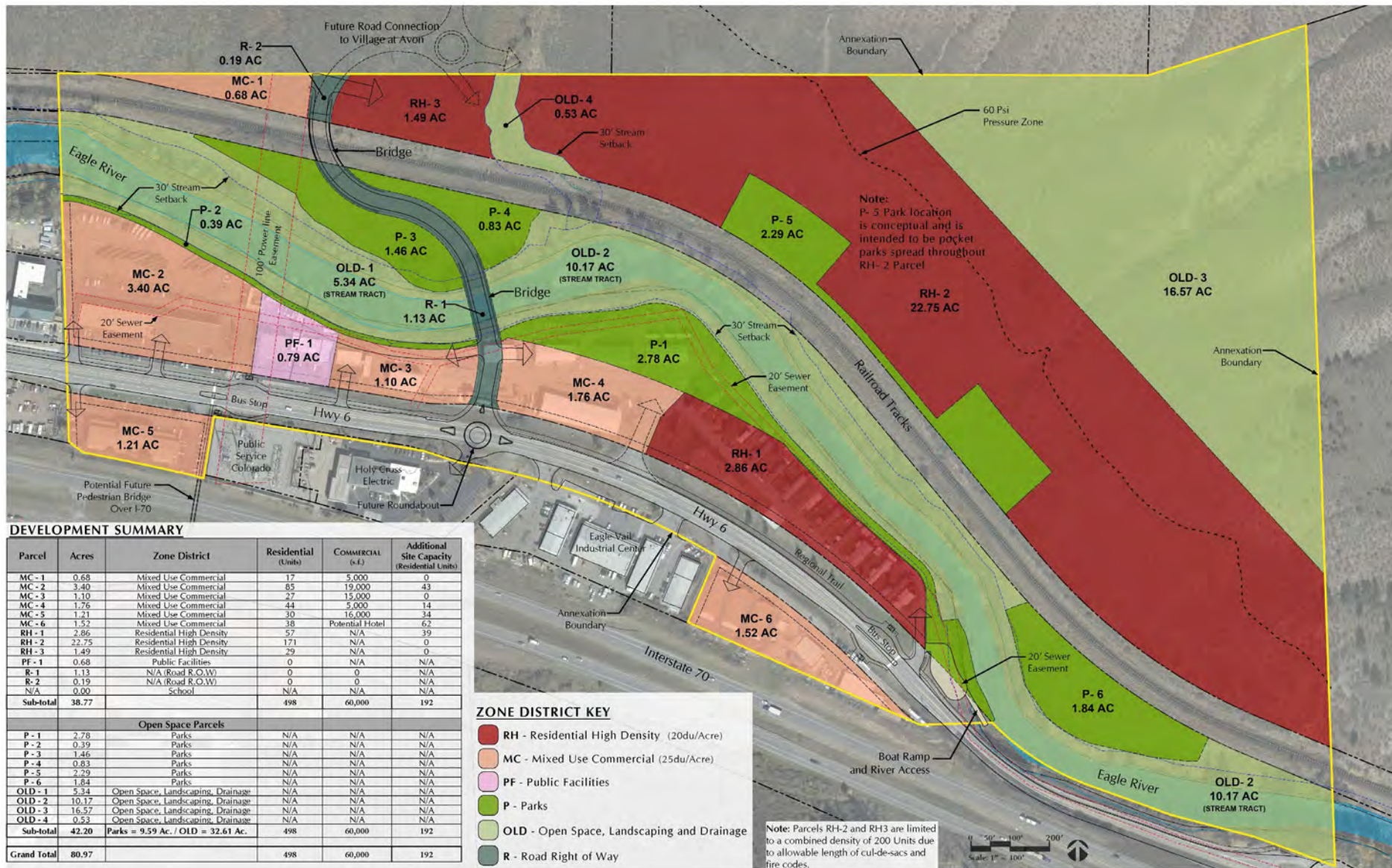
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State Land Board



VIEW ACROSS RIVER



COLORADO
State Land Board



DEVELOPMENT SUMMARY

| Parcel | Acres | Zone District | Residential (Units) | COMMERCIAL (sq ft) | Additional Site Capacity (Residential Units) |
|---------------------------|--------------|---|---------------------|--------------------|--|
| MC-1 | 0.68 | Mixed Use Commercial | 17 | 5,000 | 0 |
| MC-2 | 3.40 | Mixed Use Commercial | 85 | 19,000 | 43 |
| MC-3 | 1.10 | Mixed Use Commercial | 27 | 15,000 | 0 |
| MC-4 | 1.76 | Mixed Use Commercial | 44 | 5,000 | 14 |
| MC-5 | 1.21 | Mixed Use Commercial | 30 | 16,000 | 34 |
| MC-6 | 1.52 | Mixed Use Commercial | 38 | Potential Hotel | 62 |
| RH-1 | 2.86 | Residential High Density | 57 | N/A | 39 |
| RH-2 | 22.75 | Residential High Density | 171 | N/A | 0 |
| RH-3 | 1.49 | Residential High Density | 29 | N/A | 0 |
| PF-1 | 0.79 | Public Facilities | 0 | N/A | N/A |
| R-1 | 1.13 | N/A (Road R.O.W) | 0 | 0 | N/A |
| R-2 | 0.19 | N/A (Road R.O.W) | 0 | 0 | N/A |
| N/A | 0.00 | School | N/A | N/A | N/A |
| Sub-total | 38.77 | | 498 | 60,000 | 192 |
| Open Space Parcels | | | | | |
| P-1 | 2.78 | Parks | N/A | N/A | N/A |
| P-2 | 0.39 | Parks | N/A | N/A | N/A |
| P-3 | 1.46 | Parks | N/A | N/A | N/A |
| P-4 | 0.83 | Parks | N/A | N/A | N/A |
| P-5 | 2.29 | Parks | N/A | N/A | N/A |
| P-6 | 1.84 | Parks | N/A | N/A | N/A |
| OLD-1 | 5.34 | Open Space, Landscaping, Drainage | N/A | N/A | N/A |
| OLD-2 | 10.17 | Open Space, Landscaping, Drainage | N/A | N/A | N/A |
| OLD-3 | 16.57 | Open Space, Landscaping, Drainage | N/A | N/A | N/A |
| OLD-4 | 0.53 | Open Space, Landscaping, Drainage | N/A | N/A | N/A |
| Sub-total | 42.20 | Parks = 9.59 Ac. / OLD = 32.61 Ac. | 498 | 60,000 | 192 |
| Grand Total | 80.97 | | 498 | 60,000 | 192 |

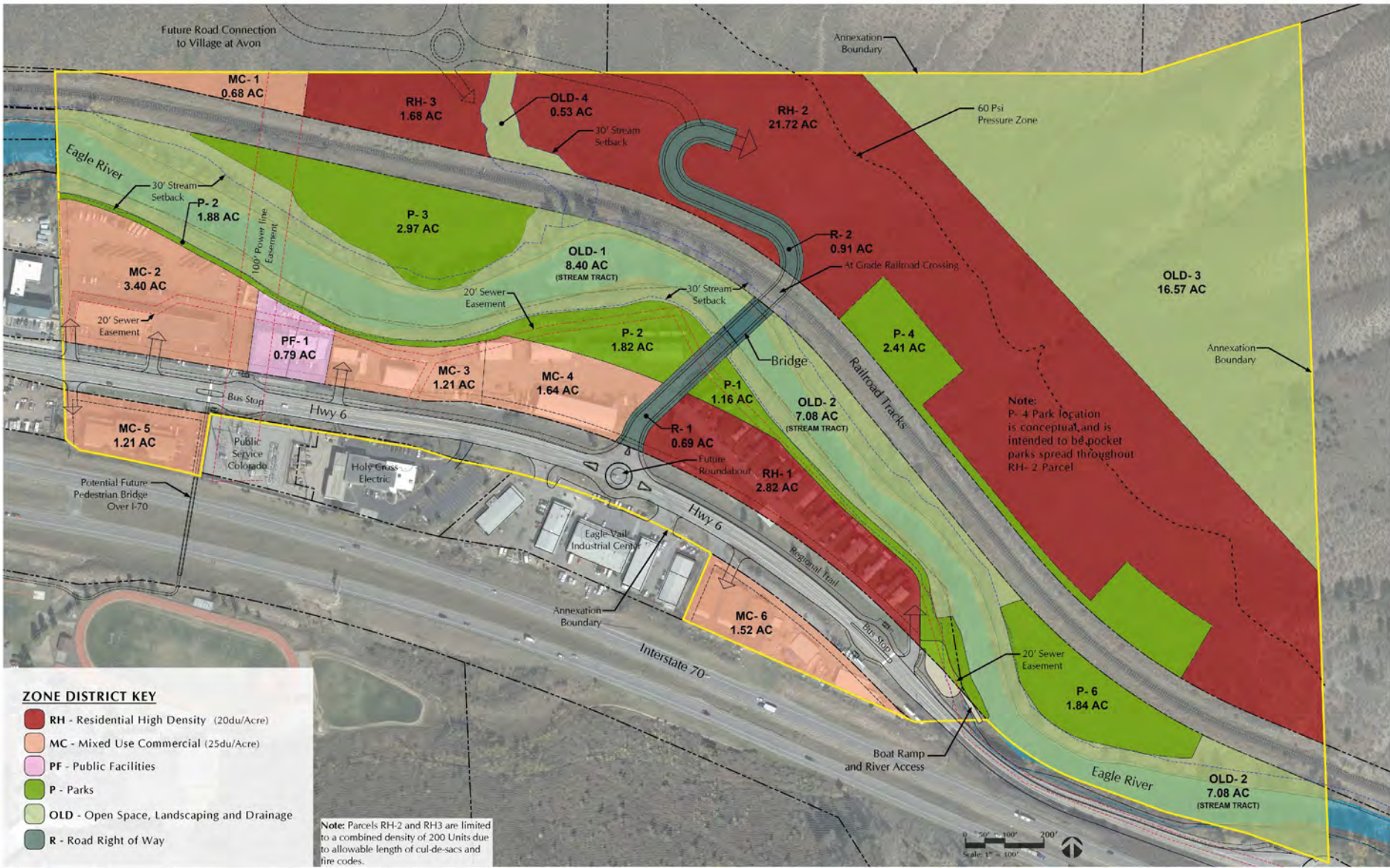
ZONE DISTRICT KEY

- RH - Residential High Density (20du/Acre)
- MC - Mixed Use Commercial (25du/Acre)
- PF - Public Facilities
- P - Parks
- OLD - Open Space, Landscaping and Drainage
- R - Road Right of Way

Note: Parcels RH-2 and RH-3 are limited to a combined density of 200 Units due to allowable length of cul-de-sacs and fire codes.



ZONING PLAN



ALTERNATE ACCESS

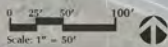


COLORADO
State Land Board



DEVELOPMENT SUMMARY - Phase 1

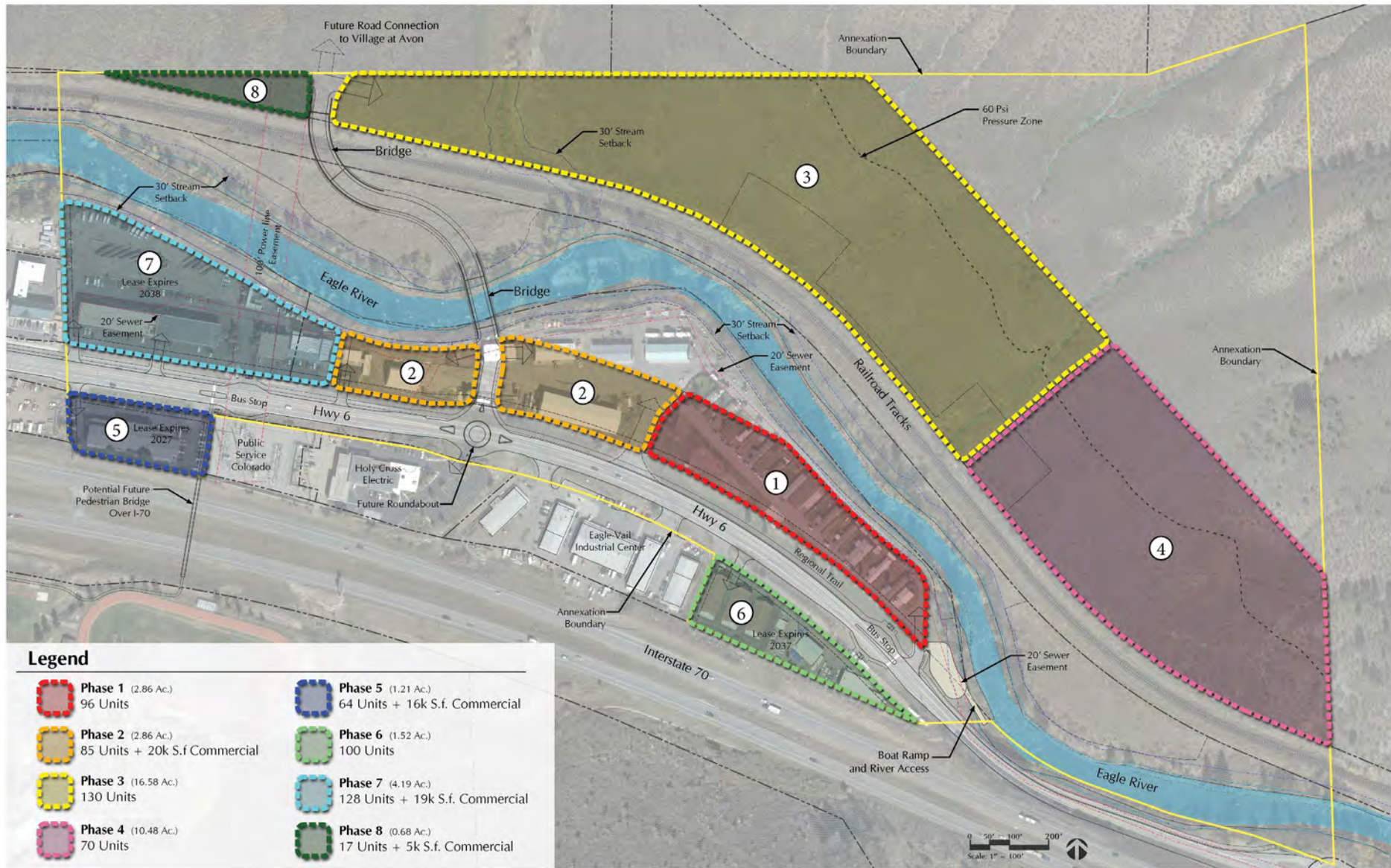
| | |
|-----------------------|--|
| Parcel RH-1 | 96 Apts. |
| Total Units: | 96 UNITS |
| Parking: | |
| Phase 1 | 136 Garage Spaces + 61 Surface Spaces |
| Total Parking: | 197 Spaces (2.05 Spaces / Unit) |



PHASE ONE



COLORADO
State Land Board



PHASING PLAN



COLORADO
State Land Board

Town of Avon Annexation Timeline

- **Town Council Compliance Determination**
November 14, 2023
- **Town Council Eligibility Hearing**
January 2024
- **Planning & Zoning Commission Review:**
December 2023 / January 2024
- **Town Council 1st and 2nd Readings:**
February / March 2024

TIMELINE



COLORADO
State Land Board

Eagle County Presentation



Questions/Comments





MEMORANDUM

TO: District and Authority Boards of Directors
FROM: Jason Cowles, P.E.
DATE: October 19, 2023
RE: Extended Shoshone Power Plant Outage

The Shoshone Power Plant has remained offline this fall due to rockfall mitigation work in Glenwood Canyon and repairs to one of its two turbines. We were informed this morning that the Power Plant would likely remain offline until December 31, when rockfall mitigation work is anticipated to be completed. At that time, only one turbine will be operational. The second turbine will not be operational until Mar 1, 2024 when repairs are anticipated to be completed. Division 5 does not anticipate that there will be a Shoshone call this winter as a result.

The Shoshone Power Plant outage has already depleted volumes of water stored in Green Mountain Reservoir that are otherwise used to support streamflows on the main stem of the Colorado River per the Shoshone Outage Protocol. The United States Bureau of Reclamation (USBR) is anticipating that they will fully deplete these supplies during this extended outage. This morning, we received a request from Division 5 and USBR to consider making the District's (924 AF) and Authority's (475 AF) contracted water supplies in Green Mountain Reservoir available to support the Shoshone Outage Protocol during this extended outage. We are evaluating the request and will be prepared to make a recommendation at next week's meeting.



MEMORANDUM

TO: Boards of Directors

FROM: Jason Cowles, Director of Engineering and Water Resources
Justin Hildreth, Water Resources Engineer

DATE: October 18, 2023

RE: Bolts Lake Update

This memorandum provides an update on the Bolts Lake project, and the project schedule.

Bolts Lake Background

Bolts Lake is a 1200-acre-foot reservoir planned on property owned by the District and Authority (D&A) south of Minturn, situated between Maloit Park and Tigiwon Road (refer to Figure 1). The D&A water demand projections which include future growth and climate change impacts highlighted the necessity for additional in-basin storage to augment depletions primarily for the benefit of the Authority. A feasibility study conducted on the Bolts Lake site confirmed its technical viability and diversions from Cross Creek or the Eagle River can fill the reservoir. The D&A subsequently purchased the site from the Battle North developers.

Project Status

The D&A retained Shannon and Wilson, Inc. (S&W) and LRE Water to complete the preliminary design, scheduled for completion in early 2024. This design phase includes geotechnical studies, grading plans, groundwater modeling, soil borrow investigations, water diversions analysis, headgate assessment, and permitting assistance.

Schedule

Attachment A contains the current project schedule. After S&W completes the preliminary design, we will solicit qualifications for a design team to complete the final design and preparation of construction documents. We will initiate the federal, state, and local permitting process upon completion of the preliminary design, and selection of the Construction Program Manager. We anticipate that the permitting and design phase will span a minimum of two years, potentially extending further due to the inherent risk of delays during permitting. Construction by the contractor is tentatively slated to commence in 2027 following the conclusion of the final design and permitting processes. The reservoir's construction is estimated to take approximately three years, with the earliest feasible completion projected to be 2029, subject to permitting and project funding.

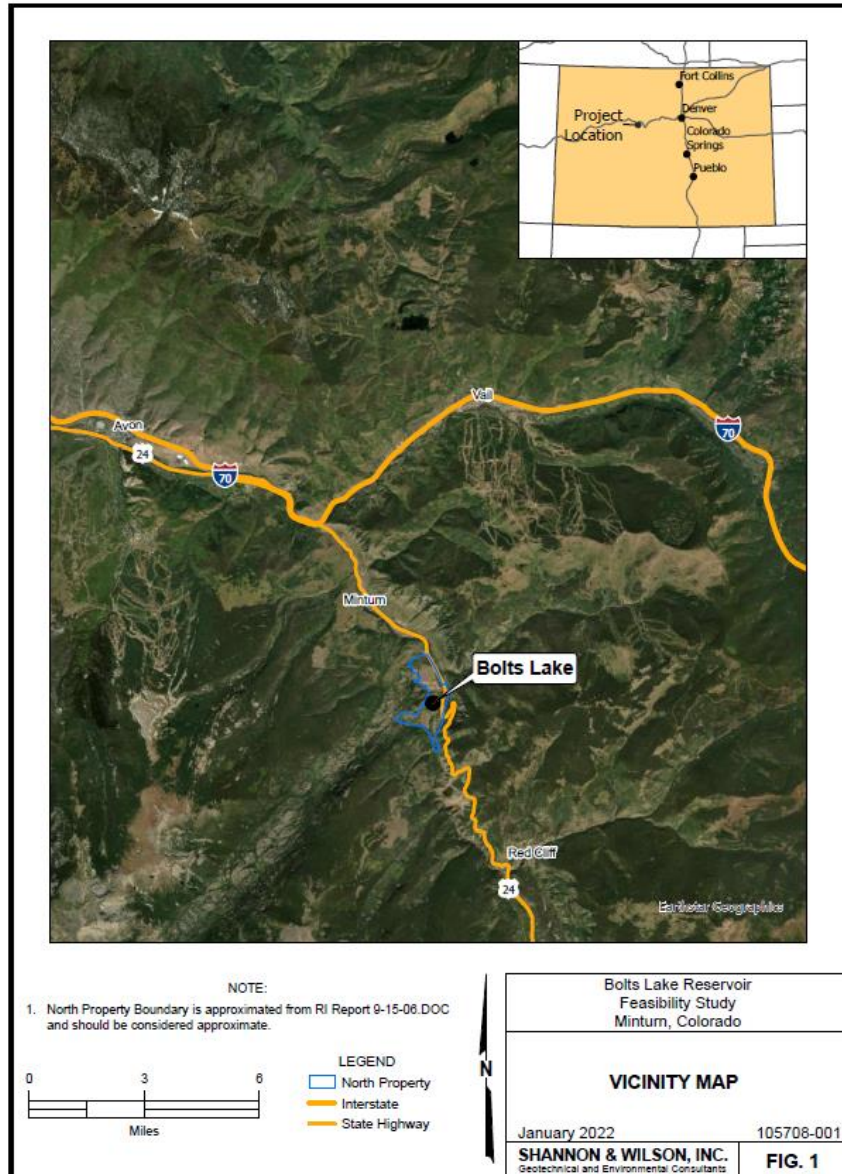


Figure 1: Vicinity Map

United States Bureau of Reclamation Small Storage Program

The USBR mandates that Small Storage Program grant applicants complete a feasibility study before applying for funds. S&W is working on the study, and it is scheduled to be completed around December 1st. The USBR review will take 6 months to complete, and we are on schedule to have the report approved in anticipation of applying for grant funding in the fall 2024 cycle. We plan to apply for the USBR small storage program grant to offset permitting and design expenses, with the project budget estimating these costs to be approximately \$8,000,000. The program offers funding up to 25%, potentially amounting to \$2,000,000.

Program Manager

The Program Manager will be responsible for overseeing and managing the project to completion including final design, permitting, and construction. Their role will involve coordinating all aspects of the construction process, ensuring that the contractor adheres to the schedule, stays within budget, and meets quality and safety standards.

We intend to advertise and Request for Qualifications (RFQ) for Program Manager services around November 1. The solicitation process is expected to take 3 months including advertising, reviewing qualifications, and interviewing respondents. The Program Manager should be under contract before the completion of the preliminary design phase in early 2024.

Water Diversion Source

There are two sources of water to fill Bolts Lake, Eagle River, and Cross Creek. The Cross Creek diversion (Figure 2) appears to be the most efficient and cost-effective way to fill the reservoir because it will be a gravity-based system. The preliminary hydrologic models indicate that there are adequate flows in Cross Creek to the reservoir in average to wet years not accounting for long-term climate change impacts, but Cross Creek diversions will be physically limited in extreme dry years.

An Eagle River diversion is also recommended for three reasons:

1. It can assist in filling the reservoir when Cross Creek flows are not adequate to fill the reservoir.
2. It will provide for redundancy if the Cross Creek diversion is not operating properly.
3. It will offer flexibility in case of catastrophic watershed impact such as a wildfire.

S&W evaluated two options to divert water from the Eagle River, one is a diversion starting south of the site, flowing through a ditch past the old tailings pile, and a pump station near the reservoir. The second option is to divert water from the Eagle River near the US HWY24 and Tigiwon Road intersection and pump directly to the reservoir. The second option requires more pumping but appears to be the most feasible because of the small construction footprint and consequently lower construction and operation & maintenance costs.

Additional details regarding the water diversion sources and operation will be presented at the December 7, 2023, Board update.

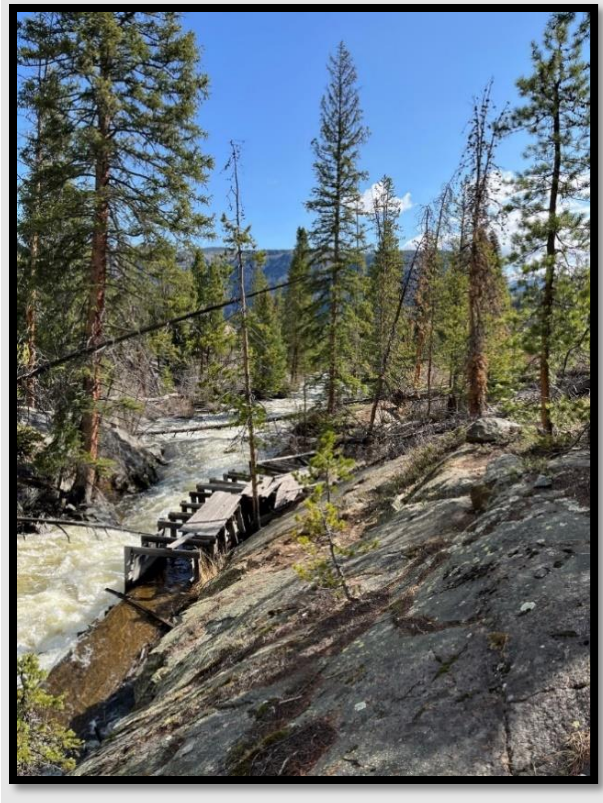


Figure 2: Bolts Lake Headgate on Cross Creek in 2023

Attachments:

1. Bolts Lake Reservoir Project Schedule

BOLTS LAKE RESERVOIR PROJECT SCHEDULE

EAGLE RIVER WATER AND SANITATION DISTRICT
UPPER EAGLE REGIONAL WATER AUTHORITY

PREPARED DATE 10/16/23

| TASK | Duration | 2023 | | | | 2024 | | | | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | | 2030 | | | | 2031 | | | | | |
|--|--|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|--|--|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | |
| PERMITTING & PRELIMINARY DESIGN | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Due Diligence, Preliminary Design | ■ | | | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Design Development | | | | | ■ | | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Construction Documents | | | | | | | | | | | | | ■ | | ■ | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Bolts Lake Water Rights Decree | ■ | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Amend Existing Authority Augmentation Plans | | | | | | | | | ■ | | ■ | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Colorado River District Accelerator Grant to fund US Bureau of Reclamation Feasibility Study | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | US Bureau of Reclamation Feasibility Study | | | | | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | US Bureau of Reclamation Reviews and Approves Feasibility Study | | | | | ■ | | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | Apply for USBR Small Projects Grant for Design Funding Assistance | | | | | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | EPA Work Plan Approval | | | | | | | | | | | | | ■ | | ■ | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Eagle County 1041 Permit Process | | | | | | | | | | | | | ■ | | ■ | | | | | | | | | | | | | | | | | | | | | | | |
| 12 | Minturn 1041 Permit Process | | | | | | | | | | | | | ■ | | ■ | | | | | | | | | | | | | | | | | | | | | | | |
| USFS AND NEPA APPROVAL PROCESS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Pre-Application Consultation - USFS | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | USFS Special Use Application and MRAF Evaluation | | | | | ■ | | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Final Purpose and Needs Report | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Select 3rd Party NEPA Contractor | | | | | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Consultation with Other Agencies and Stakeholders | | | | | ■ | | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | NEPA Public Scoping Meetings, COE 404 Permit Application | | | | | ■ | | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Develop and Refine Alternatives | | | | | | | | | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Conduct Environmental Studies | | | | | | | | | ■ | | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | | | | | |

BOLTS LAKE RESERVOIR PROJECT SCHEDULE

EAGLE RIVER WATER AND SANITATION DISTRICT
UPPER EAGLE REGIONAL WATER AUTHORITY

PREPARED DATE 10/16/23

| TASK | Duration | 2023 | | | | 2024 | | | | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | | 2030 | | | | 2031 | | | |
|---|---|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| 9 | Prepare Cat Ex/EA or EIS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13 | Section 7 Endangered Species Consultation with US Fish and Wildlife | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Permit Approvals and Decision Documents | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PROGRAM MANAGER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Prepare Request for Qualifications | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Advertise RFQ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Hire Program Manager | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Program Manager Assists with Project Development, Final Design & Permitting | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Program Manager Manages Construction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CONSTRUCTION MANAGER (CONTRACTOR) SELECTION AND CONSTRUCTION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Prepare Request for Qualifications | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Advertise RFQ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Hire Construction Manager | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Construction Manager Assists with Design and Cost Estimating | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Develop Guaranteed Maximum Price | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Issue and Process Bonds for Project funding | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Construction Manager Obtains State and Local Construction Permits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Construction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | Warranty | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



MEMORANDUM

TO: Boards of Directors
FROM: Diane Johnson, Communications & Public Affairs Manager
DATE: October 26, 2023
RE: Communications and Public Affairs Report

2024 rates and conservation outreach

The 2024 rates postcard arrived at Vail, Avon, and Edwards zip code addresses starting on Sept.29. Customer Service received a manageable number of calls with more on the first day/week and dwindling afterwards. Our digital and print campaign in the Vail Daily uses similar imagery. Continuity of imagery and wording is also carried through to the side-by-side billing comparison mailer that will be sent this month to all account holders.

Colorado River Drought Task Force

The Colorado River Drought Task Force is scheduled to meet five more times in 2023; the sub-task force on tribal matters is scheduled for four more meetings. Some information is on the [task force website](#).

District in the news:

1. Oct. 12, Vail Daily: Eagle County commissioners and Avon like what they see in State Land Board proposal
2. Oct. 10, Vail Daily: [Construction on Highway 6 & 24 in Dowd Junction continues to impact traffic](#)
3. Sept. 26, Vail Daily: [Water main break repaired on Vail Valley Drive, contractors working to restore traffic flow](#)

Attachments (and/or hyperlinks):

1. Oct. 18, Rep. Neguse press release: [Rep. Neguse, Sens. Bennet and Hickenlooper Advocate for Forest and Watershed Health on Colorado's Western Slope](#)
2. Oct. 16, Durango Herald: Sticks in snow; Snowtopography sites in the southwest could foster more climate-resilient forests
3. Oct. 13, LA Times: [California's epic rain year boosted groundwater levels, but not enough to recoup losses](#)
4. Oct. 10, Colorado Sun: [Colorado cities accelerate turf wars with new construction bans, public median rip-outs](#)
5. Oct. 9, Vail Daily: [Town of Avon to hear about annexing nearly 100 acres to create 700 new affordable housing units](#)
6. Oct. 6, Aspen Journalism: [Improving resilience to drought](#)
7. Oct. 5, LA Times: [Saudi firm that grows hay in California and Arizona to lose farm leases over water issue](#)
8. Sept. 26, Colorado Sun: Colorado River officials extend stumbling program that pays farmers, ranchers to use less water

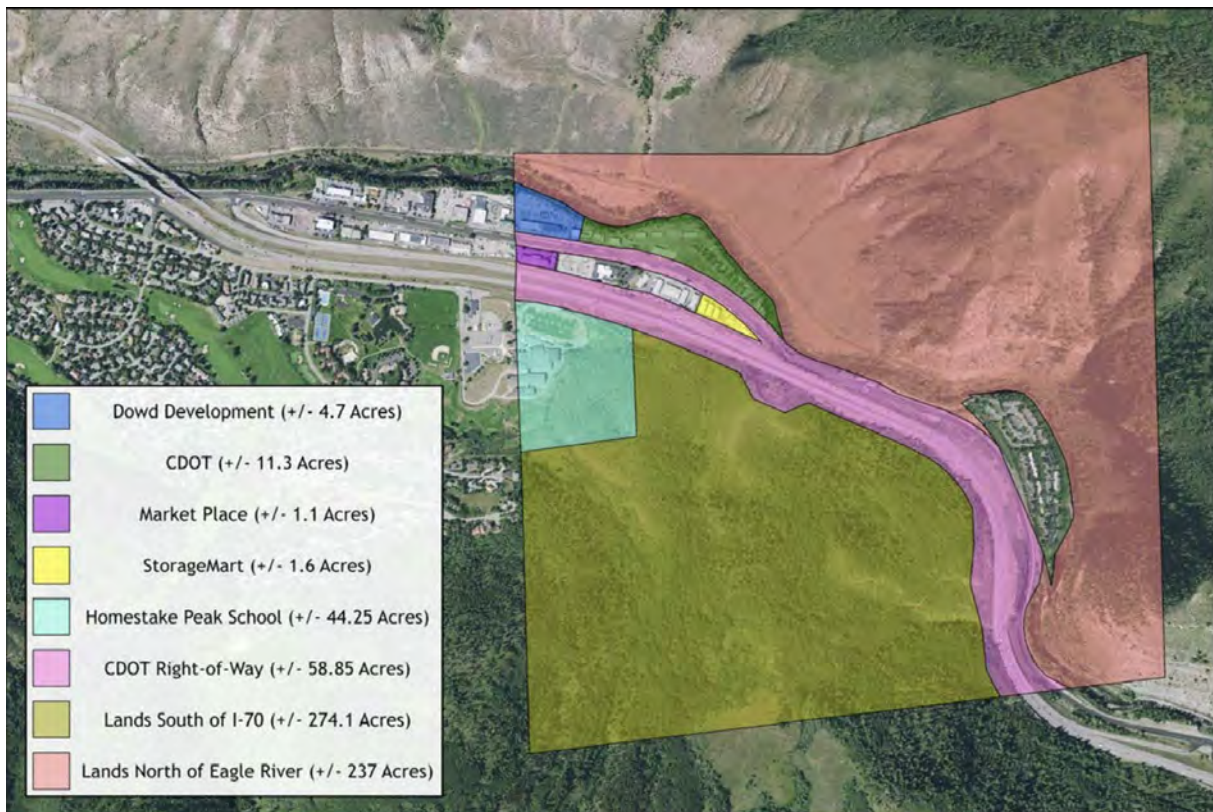
Eagle County commissioners and Avon like what they see in State Land Board proposal

The county's portfolio includes enough 'wet water' to serve proposed 700 homes on nearly 100 acres of land

News [FOLLOW NEWS](#) | Oct 12, 2023



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The 97.6 acres of land the Colorado State Board of Land Commissioners has suggested for Avon to annex to develop 700 units of community housing, as well as 60,000 square feet of commercial property, plus parks, open space, and a fire station.

Colorado State Board of Land Commissioners/Courtesy image

Eagle County may be asked to supply water to a [96.7-acre, 700-unit](#) workforce housing development on the east end of EagleVail and property on the north side of the Eagle River.

Representatives from the town of Avon and the Colorado State Board of Land Commissioners on Tuesday provided the Eagle County Board of Commissioners with an overview of the possible project.

The Land Board has roughly 2.8 million acres of property around the state and is legally bound to manage that land — two square miles or 1,280 acres in each Colorado township — for the benefit of the state's K-12 schools.

Some of the property is used for commercial operations. That includes long-term leases for businesses at the east end of EagleVail. Other property is used for direct educational uses. A portion of the campus of the Homestake Peak School in EagleVail sits on Land Board property. Other land is leased for grazing and similar uses.



Thanks to the 2023 Senate Bill 001, as well as a push from Gov. Jared Polis, land commissioners can look to lease or sell property for workforce housing. A preliminary plan created by the Land Board and town of Avon officials is part of that effort.

There are plenty of hurdles to clear before starting work, including supplying the property with water. That's where Eagle County comes in.

'Wet water' is essential

According to preliminary figures, the development would require between 10 and 20 acre-feet of "fully consumable" water. An acre-foot would put 12 inches of water atop a standard football field.

The county, through an agreement with the Upper Eagle Regional Water Authority, owns a little more than 87 acre-feet of water. That portfolio is what those in the water business call "wet water," meaning water that can be routed and delivered to users. There's also "paper water" – water rights that exist mostly in theory to satisfy various legal requirements.

Under the current preliminary plan, 20 acre-feet from the county's portfolio would cost \$1.3 million.

i How we got here

- Eagle County's representatives in the Colorado Legislature, Sen. Dylan Roberts and Rep. Meghan Lukens, co-sponsored a bill, Senate Bill 23-001, in the Legislature's 2023 session.
- That bill promotes the use of public-private partnerships, in part to spur the development of affordable housing.

While a host of details need to be worked out, starting with the town's annexation of the property and how to phase various elements of the project over as much as 25 years, Commissioner Kathy Chandler-Henry said she was impressed.

"This is exactly the kind of proposal we've been looking for," Chandler-Henry said.

Town of Avon



The plot of land runs along U.S. Highway 6, and includes a number of existing leases, including the current living area of several Colorado Department of Transportation employees, who will be relocated in the first phase of the plan. Colorado State Board of Land Commissioners/Courtesy image

State Land Board representatives also presented the proposal to the Avon Town Council and Avon Planning and Zoning Commission in a joint Tuesday meeting. Avon is expected to annex the property, and the discussion surrounded the complications of adding the land to the town.

Concerns including the need for traffic studies, the creation of new zoning rules, and the longevity of current leases within the plot have to be resolved by town officials.

Traffic studies are needed, but have not yet been completed to examine how adding 700 units of housing impacts traffic along U.S. Highway 6 and the ramp onto Interstate 70.

The first phase of the project is relocating the Colorado Department of Transportation employees who currently live on the property, and money from Senate Bill 23-001 will be used to assist in the relocation.

Next steps



Facing eastbound on Highway 6, the existing Colorado Department of Transportation employee housing mobile homes can be seen on the left, and commercial properties within the area on the right. Commercial leases are intended to be allowed to run out, rather than end early, within the boundary of the parcel. Colorado State Board of Land Commissioners/Courtesy image

For Avon, the next step in the process is to work toward annexing the plot. On the current accelerated timeline, the land will be annexed into Avon in January or February of 2024.

A second phase might include developing the western half of the plot, with a third phase to look into developing only the portion of the plot across the Eagle River, which can accommodate approximately 200 homes while adhering to fire restrictions.

The plot also has several long-term ground leases currently in effect. Phases five, six, and seven of the development plan will be delayed because some existing leases do not end for 20-plus years.

“It’s our intention to let all leases run all the way through their current term,” said Greg Ochis, assistant director of the Colorado State Board of Land Commissioners.

“Nothing immediate is going to happen. There is no need to start packing up,” said Avon Town Manager Eric Heil.

As the State Land Board does not operate as a developer, the housing and other new property features would be developed by independent contractors at the direction of Avon. Avon would be responsible for creating the zoning regulations and deed restrictions and waiving fees according to town community housing policies. Those fees are estimated to cost approximately \$20 million.

The council discussed the need to properly zone the property, including proceeding through the process slowly to ensure it is done right.

Tim McGuire, the chair of the EagleVail Metropolitan District board, expressed concern that the maximum allowed building height for high-density housing, 60 feet, would create a “wall” along the edge of EagleVail. McGuire suggested that a different definition of zoning outside of Avon’s current high-density housing zoning rules should be invented and applied to this specific area of land.

Many council members agreed with McGuire’s suggestion.

“Let’s invent definitions that work for everybody so we’re all on the same page, and know that in 18 to 25 years, when the last builder has bought the last parcel, it’s zoned right for what we thought should be in that place in 2024, and not just auto-zoned for high density,” Council Member Tamra Underwood said.

Tuesday’s meeting was just informational, and the project will come before the Avon Town Council and the Planning and Zoning Commission again several times prior to the official annexation of the property.

Business Editor Scott Miller contributed reporting to this story.



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Sticks in snow

Snowtopography sites in the southwest could foster more climate-resilient forests

By Reuben M. Schafir Herald Staff Writer

Monday, Oct 16, 2023 5:00 AM



Lenka Daskocil, the water program research associate at Mountain Studies Institute, explains how the Jackson Mountain snowtopography site is designed to capture data on snow melt timing and pace along the edges of the clearing. (Reuben Schafir/Durango Herald)

Reuben M. Schafir



prote

Privacy - Terms

JACKSON MOUNTAIN – Two straight lines of 6-foot-tall red and white measuring sticks divide a small clearing near the Jackson Mountain trail head into quarters. A young buck wanders through the meadow east of Pagosa Springs, undisturbed and unaware of its recent transformation.

The unassuming installation – a series of measuring sticks, cameras and moisture sensors – is part of a growing network of snowtography sites across the Southwestern United States that is helping to reshape scientists’ and water managers’ understanding of how forest management impacts snow melt.

“We are trying to create climate-resilient forests and water supplies,” said Jake Kurzweil, the associate director of MSI’s water program.

These simple installations are beginning to proliferate throughout Arizona and Colorado – the Jackson Mountain site is one of five in Southwest Colorado. There are **three more located near Dolores** and another on Red Mountain Pass.

The scientists behind them say the data snowtography yields is likely to increase the control humans have over the melting snowpack.



**A buck wanders through the The Jackson Mountain snowtography site earlier this month.
(Reuben Schafir/Durango Herald)**

Reuben M. Schafir



A different type of data

Snow telemetry, or SNOTEL, sites **popped up beginning in the 1970s** and provided a sort of all-in-one mechanism to track snowfall. The installations gather data on the weather, depth of the snow as well as how much water it contains (the snow-water equivalent). But they come with a downside: about \$250,000 in associated costs.

Snowtography is different. The sites are equipped with just \$15,000 worth of basic equipment and produce a different type of data.

“They’re way more intense,” Lenka Dorskocil, a water program research associate at the Mountain Studies Institute, said of SNOTEL sites. “This is the most basic form of snow measurement, which is, how deep is it.”

A series of cameras mounted on trees throughout the plot take several pictures each day, capturing images of all 35 stakes on the plot. The images provide daily data points tracking the snow depth across the plot throughout the winter. Staff will visit the plot every other week and download the pictures, as well as the data recorded by four soil moisture monitors buried around the site.

“We’re using automated trail cameras and painted sticks, and as far as I know, there’s nothing patentable within it,” said Joel Biederman, the research hydrologist with the USDA-Agricultural Research Service in Tucson, Arizona.

But the data is not just courser than SNOTEL – it has a broader reach.

Biederman, who is also a research associate at the University of Arizona, ran across an old snowtopography site while working in the field with students some years ago. The site was faded, but Biederman saw it was capable of providing the kind of data he was after.



“We’re using automated trail cameras and painted sticks, and as far as I know, there’s nothing patentable within it,” said Joel Biederman, the research hydrologist with the USDA-Agricultural Research Service in Tucson, Arizona. The cameras capture images of the measuring sticks recording the depth of snow on a daily basis. (Reuben Schafir/Durango Herald)

Reuben M. Schafir



He had been measuring snow depths by hand and aggregating SNOTEL data to paint a better picture of the snowpack across the landscape. He pointed out that SNOTEL provides data only from a singular point.

“Critically, that one point is almost always a shaded clearing that captures and holds more snow than anywhere else on the landscape,” Biederman said. “... They don’t tell us anything about how forests are regulating snow.”

That unknown is important, Biederman says, because forests are changing rapidly. And so is the way they regulate snow.

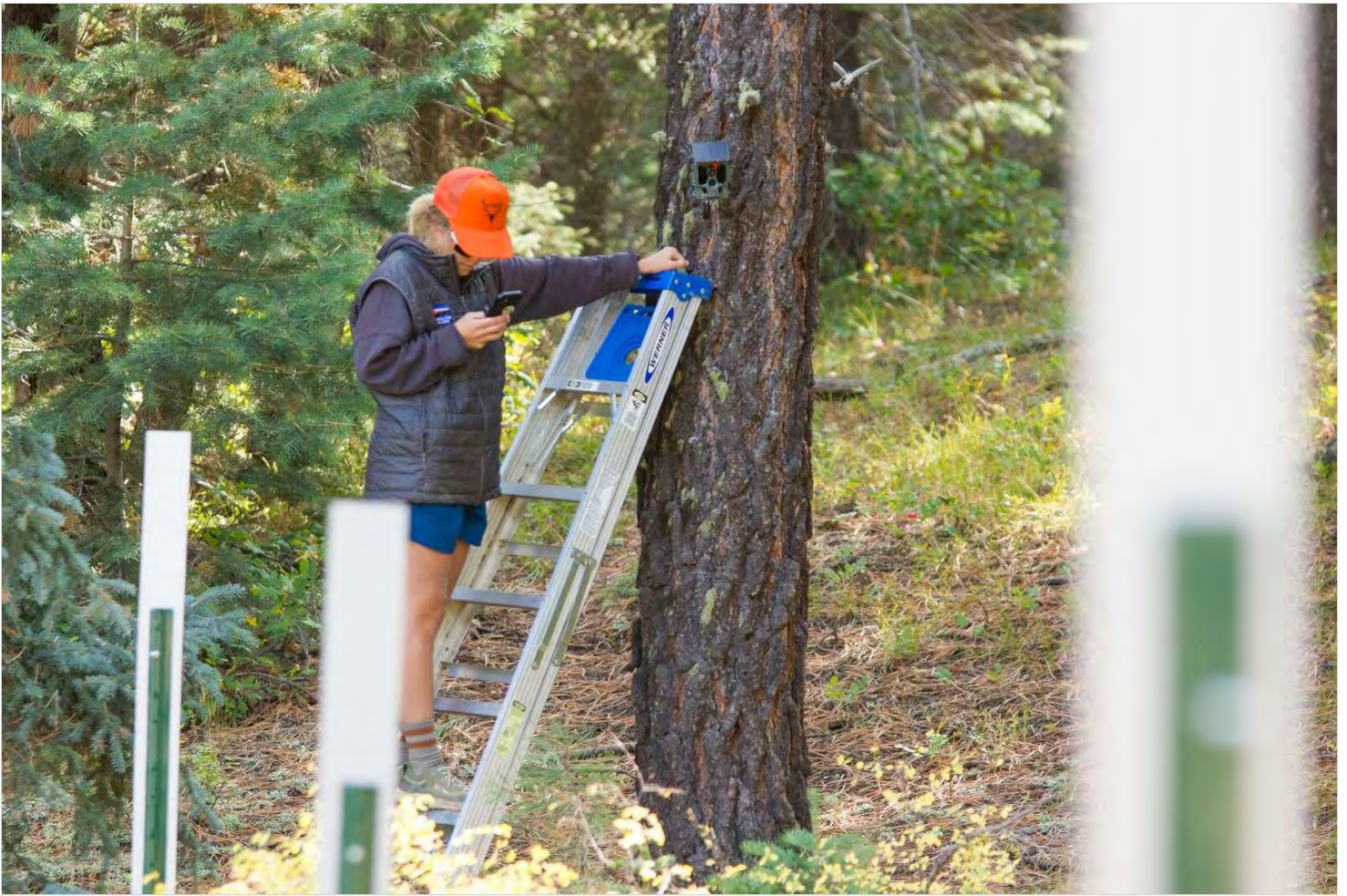
Learning in changing forests

The plot at Jackson Mountain was carefully selected by Kurzweil and reviewed by Biederman.

The stakes span a clearing, ending approximately 15 meters into the forest on either end. The “cool” side of the clearing is located to the south, where the tall trees block the sun’s radiation but the exposed ground still accumulates snow. The “warm” side of the site is located to the north, where the lack of trees allows the sun to directly shine on the snowpack.

“As we speak, forests are changing super rapidly due to drought, insect infestation like bark beetles or spruce budworm, and then of course wildfire,” Biederman said. “And then we have the human response trying to be proactive about that with management.”

The result of those changes is swathes of forest wiped out by insects, logging or thinning operations, wildfire-ravaged slopes or, alternatively, a wildfire-adapted landscape that has not burned in a century.



Forest Programs Assistant Julia Ledford checks one of the cameras at the Jackson Mountain snowtopography site. (Reuben Schafir/Durango Herald)

Reuben M. Schafir



“It’s well known that there are different, what we call, snow environments,” Biederman said.

But how they impact the reservoir of water, that is, the annual snowpack, remains less than clear. Less snow falls directly under trees as it gets intercepted by branches. That snow sublimates, meaning it evaporates directly back into the atmosphere, before it can ever seep into the ground water or flow through an irrigation ditch.

On the other hand, snow that is able to land near trees is a little bit more shielded from the sun and wind than snow out in the open, Biederman said. But exactly what the degree of coverage does to the snowpack has yet to be studied.

The bigger picture

Management of reservoirs, such as Lake Nighthorse, locally, or Lake Mead, farther downstream, can send water wonks into a dizzying conniption as the over-allocated Colorado River slowly bleeds dry.

But Biederman and Kurzweil are looking upstream, although not in the typical sense of “the upper basin.”

Snowpack is a reservoir too, and if snowtopography can help explain how different forest gradients impact the duration and time at which it melts, might it also inform forest managers in making more water-conscious decisions?

“I certainly hope so,” Biederman said.

The speed and timing of snow melt impacts what happens to the water, he explained. Snowtopography can help predict that.

“We'd really like to be able to inform forest management to see if we can improve any of those outcomes,” Biederman said.



“This is the most basic form of snow measurement, which is how deep is it,” said Lenka Duskocil, the water program research associate. The stakes behind her measure the snow depth, while a sensor placed in the hole she is digging will capture soil moisture. (Reuben Schafir/Durango Herald)

Reuben M. Schafir



Thanks to funding from The Nature Conservancy in Arizona and Colorado River Program, Biederman has been able to fund a growing number of snowtopography sites in the Colorado River basin. There are now 15 sites across Arizona, Colorado and Wyoming.

The data will be publicly available, and Biederman hopes to hire a data scientist to create a more formalized database of the information.

“We want to make sure that this data is not just for, say, a reservoir manager or a municipality but that somebody who's not a scientist is able to read this information and understand and say, ‘Well, what does this mean for me?’” Kurzweil said.

The impacts are broad, he said, because climate change poses such interdisciplinary questions.

“As we go into this intensified climate change, we need to have diversified solutions,” Kurzweil said. “There is no silver bullet. We're looking for the silver shotgun.”

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You might also like



WATER

Colorado River officials extend stumbling program that pays farmers, ranchers to use less water

The 2023 program spent more and saved less water than in the past, but officials say there's more that can be learned about water conservation in the next round



Shannon Mullane

4:08 AM MDT on Sep 26, 2023



A combine harvests grain on a Colorado farm in 2022. This year, 22 farms or ranches on the Western Slope chose to conserve water through a federally funded program that was extended into 2024 on Thursday. (Danny Wood via AP)

Colorado farmers and ranchers will have another chance to be paid to cut back on their water use through a conservation program that was extended into 2024.

The System Conservation Pilot Program is part of a federally funded, multistate effort to stabilize the overtaxed Colorado River Basin, but the program saw mixed success this year. The four Upper Basin states — Colorado, New Mexico, Utah and Wyoming — spent nearly \$16.1 million in tax dollars on this year’s conservation program, almost double the \$8.5 million spent, in total, during the four-year pilot that preceded it. They saved about 37,810 acre-feet of water, a tiny drop in the Colorado River’s annual flow of about 12 million acre-feet.

The conservation program gave water users the chance to try things that they wouldn’t have been able to do otherwise, said Colorado Commissioner Becky Mitchell during the Upper Colorado River Commission meeting Thursday.

“And I’ve heard plenty about how the process could be improved, including the level of transparency,” she said. “All of this input has really helped inform the decision that I’m making today, and it informs us on how any process will be developed if the program moves forward.”

She and the commissioners from the other Upper Basin states voted unanimously to continue the program during the meeting.

The conservation program **originally launched in 2015** to, in part, see if voluntary, temporary and compensated water cuts in the four Upper Basin states could help stabilize water levels in Lake Powell and be a useful response to drought. Powell is one of the largest reservoirs in the Colorado River Basin, where drought, climate change and overuse are stressing the water supply for 40 million people across the Western U.S.

Between 2015 and 2018, farmers and ranchers reduced their irrigation or didn’t irrigate at all on parts of their land. Some switched to more water-efficient crops. Over four years, the program spent about \$8.5 million to conserve about 47,200 acre-feet of water, about \$180 per acre-foot, across the Upper Basin states. (One acre-foot can support the annual water needs of two, or sometimes more, average households.)

In 2022, when Colorado River conditions worsened and the basin’s water storage was historically low, the federal government called on states to cut their water use by 2 million to 4 million acre-feet. The Upper Basin states outlined **their response in a 5-Point Plan**, and first on the list was relaunching the system conservation program.

In December 2022, the federal government reauthorized the program. Upper Basin states **had up to \$125 million** from the federal Inflation Reduction Act to spend on projects between 2023 and 2026.

Of the \$16.1 million spent during this year’s program, about \$992,000 went to 22 project participants in Colorado to save 2,517 acre-feet of water. Overall, the price of water saved jumped to about \$425 per acre-foot across the four Upper Basin states, a 136% increase compared to the program’s first iteration.

A narrowed focus for 2024

The small savings are just one of the challenging outcomes from this year’s program, but officials are bent on turning things around during the 2024 program.

The 2024 water conservation program will still encourage voluntary, temporary and compensated participation. It will focus on innovative water conservation methods and developing local drought resilience tools, but Colorado River commissioners also chose to narrow the program’s scope in 2024 to explore a much-debated water conservation strategy called demand management.

A demand management program would involve saving water and then tracking the water savings from the source, across state lines and all the way to Lake Powell. The concept aims to help stabilize water levels in Flaming Gorge, Navajo, the Aspinall Unit — which includes Blue Mesa — and Lake Powell reservoirs.

In 2024, the Upper Colorado River Commission water conservation plans to prioritize projects that help fill in data gaps in a demand management feasibility investigation. Officials are still figuring out exactly what data is needed, according to Colorado Water Conservation Board staff.

“I think if you asked the four Upper Division states, what are your open questions for demand management, you might get four different answers,” said Amy Ostdiek, section chief of the agency’s interstate, federal and water information section, during a Colorado Basin Roundtable meeting Monday. “The short answer is, I don’t know.”

The idea poses significant challenges related to water administration and public support.

For farmers and ranchers, it’s an immediate no-go, said Greg Vlaming, a soil scientist and agricultural producer in southwestern Colorado who helped many other producers navigate the program this year.

Many growers want water savings to stay in reservoirs close to home to help provide for irrigation in dry years, and stopping irrigation, or fallowing, parts of their land means higher startup costs and more hours to bring that land back into production the next season.

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3:45 AM MDT on Oct 18, 2023

“It’s not demand management yet. That’s what we’re all kind of watching for,” Vlaming said. “If we have to go fallow and we have to shepherd water, then I don’t think we’ll get participation on any level.”

“It would be imprudent not to try”

Another tweak: The 2024 program will have an earlier application window beginning in October. This year, **farmers and ranchers were left in limbo**, waiting for application updates in early spring while needing to make planting and irrigation decisions. Administrators faced a time crunch to finish the complex approval process before the irrigation season started.

If all goes according to plan, project applications will be received by mid-December, reviewed by February and in action by mid-March 2024, according to the commission.

Officials also say the **compensation structure will be more straightforward** in the 2024 program. This year, the program offered \$150 per acre-foot of water saved, based on the median compensation from the first pilot program, or participants could negotiate based on justifiable on-farm expenses.

On average, Colorado farmers and ranchers were paid \$394 per acre-foot. But participants wanted more transparency from the get-go, so the 2024 program will have a firm, fixed price for compensation, according to the Upper Colorado River Commission.

Vlaming said these changes are key.

“I guess my initial hit was, good job. I think they found the focus points that needed to get tightened up a little bit,” he said, referencing the compensation structure in particular. “I’m glad that they’re going to keep it like it was last year because it did give us a lot of latitude to get creative and help farmers farm.”

In the 2024 program, people will also have more chances to comment on the process, and outreach will improve: The Upper Colorado River Commission plans to hold public information meetings and pre-application sessions with potential applicants to ease the process.

“Having now talked through some of the improvements that are being recommended and, with this unique opportunity of ... funding, I think it would be imprudent not to try and learn what we can from a new round of this,” New Mexico Commissioner Estevan Lopez said.



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MEMORANDUM

TO: Eagle River Water & Sanitation District Board of Directors
FROM: Kristin Moseley
SUBJECT: Eagle River Water & Sanitation District Resolution on Water Dedication Policy for 2024
DATE: October 18, 2023

Attached for your consideration is a revised version of the Eagle River Water & Sanitation District Resolution on Water Dedication Policy for 2024, which incorporates a price escalation of 7.45% based on inflation and increased anticipated costs of construction of Bolts Lake. Accordingly, the cash in lieu fee of \$66,063 per consumptive acre foot charged in 2023 is proposed to be increased to \$70,985 per consumptive acre foot effective January 1, 2024. The proposed Resolution is attached as a draft for your review and comment, and a final version will be included for your approval in the board packet for the meeting scheduled on December 7, 2023.

**EAGLE RIVER WATER & SANITATION DISTRICT
RESOLUTION ON
WATER DEDICATION POLICY**

Effective January 1, 2024

WHEREAS, the Eagle River Water & Sanitation District (“District”) is a quasi-municipal entity authorized and empowered to supply water for domestic and other public and private purposes; and

WHEREAS, the District’s mission is, among other goals and responsibilities, to provide efficient, effective, and reliable water to its service area, ranging from East Vail to Wolcott; and

WHEREAS, extensive redevelopment is occurring in the District’s service area and such redevelopment is increasing the existing development density and water uses associated with certain redevelopment properties; and

WHEREAS, new development and water uses are occurring within the District’s service area; and

WHEREAS, the District may expand its boundaries and commit to serve properties not currently within its service area; and

WHEREAS, to accommodate the increase in water demands caused by redevelopment projects and new water uses within or outside its current service area, and to continue to provide efficient, effective, and reliable water to its service area as it may from time to time be expanded, the District seeks to establish a uniform water dedication policy for third-party developers seeking (i) increased water service for the redevelopment of property within the District’s service area or seeking new water service for properties not covered by existing taps or zoning, or (ii) water service for properties not currently within the District’s service area (“Developers”); and

WHEREAS, such water dedication policy needs to protect the general welfare of the residents in the service area.

BE IT RESOLVED,

1. **GENERAL POLICY.** The District adopts the general policy of conditioning certain water service upon either a dedication of water rights or a payment of cash in lieu of water rights. This general policy shall apply (A) to all new development or redevelopment within its service area that will require an increase in water use or a new water use not covered by existing taps or zoning that existed as of July 22, 2004, and (B) to all properties not currently within the District’s service area. For any redevelopment, this condition applies only to the difference between the projected increased water demand and the pre-redevelopment water demand. For

example, if the pre-redevelopment demand for a particular parcel of property is five consumptive acre-feet and the projected redevelopment water demand will increase demand to six consumptive acre-feet, the increase of one consumptive acre-foot will be subject to this water dedication policy. The increase may be as a result of increased density, increased landscaping, or any other change in use of the property that increases the water demand from the pre-redevelopment demand.

2. **DEDICATION OF WATER RIGHTS.** The dedication of water rights must provide the District with a dependable legal supply of water equal to one hundred and twenty percent (120%) of the water rights necessary to service the new or increased water requirements associated with the new development or redevelopment, or property not currently within the District's service area. Using the example in Paragraph 1, if the District agrees to accept a dedication of water rights, the Developer would be required to supply a dependable legal supply of water in the amount of 1.2 consumptive acre-feet (120% of the increase in demand of one acre-foot). All water dedication agreements or contracts between Developers and the District that provide water rights to the District under this policy shall be at the discretion of the District. There may also be situations where the water rights dedication or payment of cash in lieu is based on the diversion demand, not just the consumptive use of the water demand.

To the extent the District determines to accept a dedication of water rights, the following criteria shall be used in determining the type of water rights to be dedicated:

- (A) Shares of stock in the Eagle Park Reservoir Company representing the right to the annual release of water from Eagle Park and/or Homestake Reservoirs.
- (B) Water rights that could be used to enhance the yield of Eagle Park Reservoir.
- (C) Interests in consumptive use credits that are already decreed for diversion and use at the District's diversion points.
- (D) Imported/transbasin water that is available for use in the Colorado River basin upstream of the Shoshone Power Plant.
- (E) Other water rights or storage facilities that can be integrated into the District's water system or used to enhance existing exchanges without significant expense.
- (F) All dedicated water rights must be owned in fee and cannot be based on a term limited leasehold interest.
- (G) There shall be a preference for in-basin or imported water.
- (H) Only water rights senior to the 1922 Colorado River Compact shall be accepted.

3. **CASH IN LIEU OF WATER RIGHTS.** All water dedication agreements or contracts between Developers and the District that provide cash in lieu of water rights under this policy shall be at the discretion of the District and shall be subject to the following conditions:

- (A) The District has sufficient water rights to meet the new water service obligation.
- (B) The Developer does not have access to the type of water rights that meet the District's criteria for acceptance of water rights.
- (C) The water rights appurtenant to the land to be served have been previously severed.
- (D) Cash payments based on 120% of the projected new or increased water use shall be valued based on the current market value of firm annual yield of in-basin storage, for example Eagle Park and Homestake Reservoirs, but shall not be less than the amount set forth on the attached Exhibit A.
- (E) Cash payments shall be paid to the District to be used, at the discretion of the District, to develop and/or acquire additional in-basin storage or imported/transbasin water for the District.

Notwithstanding the foregoing provisions of Paragraph 3(D) regarding the percentage of the amount of the cash in lieu fee, the District may choose in its sole discretion to reduce the percentage of the cash in lieu fee to an amount less than 120% where the Developer provides evidence acceptable to the District that the landscape design and water use fixtures of the development provide efficiencies that demonstrate a water use that is less than the District's projected new or increased water use that is used to calculate the cash in lieu fee; provided, however, in no event shall the cash in lieu fee be less than 100% of the amount of the projected new or increased water use.

The District may also choose in its sole discretion to eliminate any cash in lieu fee for the portions of a Developer's property that require the temporary irrigation of native grasses or trees for a period of a maximum of two years if the temporary irrigation is metered separately from other water uses on the property and billed at the District's irrigation rate.

4. **PAYMENT OF COSTS.** All payment of costs regarding water dedication agreements or contracts between Developers and the District under this policy shall be subject to the following conditions:

- (A) In addition to the dedication of water rights under Paragraph 2 or cash payments under Paragraph 3(D), Developers shall be required to pay the District for all legal, engineering, and other costs incurred or which may be incurred by the District to evaluate and/or adjudicate any augmentation plan or other water court application, if necessary, to provide new or increased water service to any Developer's property.

(B) Where an engineering or legal evaluation is required by the District to implement the terms of this Policy, the Developer will be required to deposit with the District an initial fee of no less than \$5,000 to pay for the cost of such evaluation. The initial deposit shall be used to pay the costs of staff, legal consultants, engineering consultants, and other expenses that may be incurred by the District. These costs are separate and distinct from any other Tap Fees and other charges applicable to the development. This cost reimbursement charge is not related or credited to any other fee or the District. Deposit amounts in excess of the actual cost of the analysis will be refunded to the proponents of the development. A good faith effort will be made to generally account for the costs incurred, but the District shall not be obligated to provide a specific accounting of costs, but only a generalized estimate.

(C) Developers requiring an Ability to Serve Letter, as defined in **C.R.S § 29-20-304**, as evidence of sufficient water rights from the District for a land use permit application shall pay a refundable cash in lieu deposit to the District that is equal to twenty-five percent (25%) of the estimated cash payment under Paragraph 3(D). Following the receipt of such cash in lieu deposit, the District will issue a Conditional Capacity to Serve Letter to the relevant government authority that demonstrates the District will serve the project once certain conditions have been met, including the payment in full of cash in lieu fees. The cash in lieu deposit will be credited toward the final cash in lieu fee payment, which shall be calculated at the current value of water rights set forth in Paragraph 3(D) at the time of payment of the full cash in lieu fees. Following the payment in full of cash in lieu fees and the execution of a Water Service Agreement, the District will provide the Developer with an Ability to Serve Letter as defined in **C.R.S § 29-20-304**. In the event water service is no longer required or desired for the Developer's property, any refund of the cash in lieu deposit shall be paid within 120 days of written notice being provided to the District. Any unpaid reimbursement costs described in Paragraphs 4(A) and (B) above owed to the District shall be withheld from the refund. The District will not refund a cash in lieu deposit once the property to which water service has been extended has obtained land use approval unless such land use approval is revoked or otherwise terminated by the relevant governmental authority.

(D) In the event water service is no longer required or desired for Developer's property, any refund of a cash in lieu payment previously paid shall be at the sole discretion of the District. Where the District decides in its sole discretion to refund a cash in lieu payment, the District may charge a cancellation fee. The District will not refund a cash in lieu payment once the property to which water service has been extended has obtained land use approval unless such land use approval is revoked or otherwise terminated by the relevant governmental authority.

5. **APPLICABILITY OF POLICY.** Upon the referral from the Town of Vail or Eagle County for an ability to serve commitment, the District staff shall determine whether this policy is applicable to any property that is currently within the District's service area and that is being developed or redeveloped.

Approved this ____ day of _____, 2023.

EAGLE RIVER WATER & SANITATION DISTRICT

By: _____
Dick Cleveland , Chairman of the Board

ATTEST:

By: _____
Robert Warner, Secretary

Exhibit A

The cash in lieu payment under paragraph 3(D) of the Water Dedication Policy shall not be less than seventy thousand nine hundred and eighty-five dollars (\$70,985) per consumptive acre foot of water.

Bushong & Holleman PC

A t t o r n e y s • a t • L a w

1525 Spruce Street, Suite 200, Boulder, Colorado 80302

TO: Boards of Directors for the Eagle River Water & Sanitation and the Upper Eagle Regional Water Authority.

FROM: Steve Bushong

DATE: October 18, 2023

RE: PFAS Class Action Settlements

This is to inform you of two class action settlements reached in litigation over the presence of PFAS in drinking water that will affect many Public Water Systems (“PWS”) in the United States. ERWSD and UERWA are both a PWS that meets the qualifications to be class members to the settlements. As a result, ERWSD and UERWA will be bound by the terms of the settlements unless each opts-out by submitting requests for exclusion. ERWSD and UERWA will also be entitled to compensation under the settlements, but that will require claim documentation to be submitted. The following briefly summarizes the status and next steps:

1. A class action lawsuit in the United States District Court of South Carolina has resulted in settlements with two separate groups of defendants: (A) the 3M Company and (B) a group of five companies known collectively as DuPont. The settlements have been preliminarily approved by the district court. Pursuant to the settlements, 3M and DuPont collectively agreed to pay over \$11.5 billion dollars to class members to resolve claims related to PFAS contamination of public drinking water.
2. Unless a PWS opts-out, the class action settlements apply to all active PWS that have water sources showing measurable concentrations of PFAS as of June 2023. The settlements also apply to all active PWS that do not have water sources showing measurable concentrations of PFAS but are required to test for it under the EPA’s Fifth Unregulated Contaminant Monitoring Rule (UCMR 5) or, under the 3M settlement, that serve more than 3,300 people.
3. A PWS is defined in the settlements as “a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, if such system has at least fifteen (15) service connections or regularly serves an average of at least twenty-five (25) individuals daily at least sixty (60) days out of the year.” This is consistent with the Safe Drinking Water Act, 42 U.S.C. § 300f(4)(A) and applicable regulations.

4. As noted above, ERWSD and UERWA are PWS as that term is defined above and in limited sampling of ERWSD and UERWA sources PFOS (or the related chemical PFOA) was detected below EPA's proposed health limit in some instances. ERWSD and UERWA are also required to sample for PFOS. Thus, ERWSD and UERWA are class members subject to the class-action settlements.
5. Any PWS seeking to opt-out of the class action settlements must file a request for exclusion no later than **December 4, 2023** (DuPont settlement) and **December 11, 2023** (3M settlement). If you do not opt-out – you are bound by the settlements.
5. If ERWSD and UERWA do not opt-out, each must complete a claims form for both the 3M and DuPont settlements to establish eligibility for compensation. The deadline to submit a claims form depends on your status within the class, but the earliest deadline is 60 days following the effective date of the settlements. The effective date will be determined after the Court's Final Fairness Hearing on December 14, 2023 (DuPont) and February 2, 2024 (3M).
6. We have identified some concerns with the settlements. This includes the June 2023 cutoff for identifying the PFOS issue that applies in some circumstances and the broad release provisions in the settlements. There are also benefits to participating as class members in terms of potential compensation without litigation. We are working with ERWSD and UERWA staff to estimate the potential compensation using the formulas available for each settlement.
7. All settlement class members may object to either of the settlements by filing a written and signed objection by **November 4, 2023**, for the DuPont settlement and **November 11, 2023**, for the 3M Settlement.
8. For those interested in more details, we can provide you with the district court-approved notices for each settlement. The following website is also a good source of information on the class-action settlements: <https://www.pfaswatersettlement.com/>. If more details are sought regarding the potential benefits and obligations of the PFAS settlements, we recommend engaging an attorney who is very involved in the PFAS issues. We have referral attorneys who we have been communicating with and can help coordinate engagement of such counsel should you desire.