

Upper Eagle Regional Water Authority

Board of Directors Meeting

February 22, 2024

MINUTES

1 A regular meeting of the Board of Directors of the Upper Eagle Regional Water Authority (Authority) was
2 held February 22, 2024, at 8:30 a.m., in the Walter Kirch Room of the Eagle River Water & Sanitation
3 District (District), 846 Forest Road, Vail, Eagle County, Colorado, in accordance with the applicable statutes
4 of the state of Colorado.

ATTENDANCE

The following Directors were present and acting:

8 Geoff Dreyer, Arrowhead Metropolitan District
9 George Gregory, Berry Creek Metropolitan District
10 Kevin Hillgren, Beaver Creek Metropolitan District
11 Joanna Kerwin, Edwards Metropolitan District
12 Tamra Underwood, Town of Avon
13 Kim Bell Williams, EagleVail Metropolitan District (began serving at 9:10 a.m.)

Also in attendance were:

15 <u>District Staff</u>	29 Brian Thompson
16 Jim Cannava	30 Ivy Todd
17 Jason Cowles	31 Brad Zachman
18 Tim Friday	32
19 Robyn Janssen	33 <u>Consultants</u>
20 Diane Johnson	34 Kristin Moseley, Somach Simmons & Dunn
21 David Norris	35 Kathryn Winn, Collins Cole Flynn Winn & Ulmer PLLC
22 Chuck Owen	36
23 Michael Rae	37 <u>Public</u>
24 Siri Roman	38 Gary Brooks, Cutthroat Consulting
25 Jeffrey Schneider	39 Pedro Campos, Zehren & Associates
26 Micah Schuette	40 Zoe Goldstein, Vail Daily
27 Dan Siebert	41 Eliot Hoyt, Colorado State Land Board
28 Shane Swartwout	42 Mike Towler, Beaver Creek Metropolitan Authority Alternate

DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST

44 The board noted it had received more than 72 hours prior to the meeting certain disclosures of potential conflicts of interest for the following
45 Directors indicating the following conflicts: Director Gregory disclosed that he occasionally undertakes minor development and construction
46 activities within the Authority's service area. Director Bell Williams disclosed that she is the Housing Director for Eagle County and works
47 with the Eagle County Housing and Development Authority Advisory Committee. Director Kerwin disclosed that she is a board member of
48 Mountain Recreation Metropolitan District, Mountain Recreation Foundation, Homestead Court Club Homeowners Association, Homestead
49 Owners Association, and Homestead Valley Association. Director Underwood disclosed that she serves on Avon Town Council as an
50 elected official.

CALL TO ORDER

52 Having determined that quorum was established, Chair Gregory called the meeting to order at 8:30 a.m.

INTRODUCTIONS

54 Mr. Cowles introduced Eliot Hoyt, Assistant Director of Sustainability and Working Lands for the Colorado
55 State Land Board (CSLB). He also introduced CSLB consultants Gary Brooks and Pedro Campos.

PUBLIC COMMENT

57 Chair Gregory called for public comment and there was none.

ACTION ITEMS

59 **Consideration of Minutes** – The minutes of the Jan. 25, 2024, regular meeting were considered.
60 Directors supported amending the Gracious Savior Lutheran Church reference in the Engineering &
61 Water Resources Report section. Upon motion duly made and seconded, it was unanimously

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1 **RESOLVED** that the minutes of the Jan. 25, 2024, regular meeting be accepted and hereby
2 are approved as amended.

3 **Water Rights Dedication: Colorado State Land Board Community Housing Project** – Mr. Cowles
4 presented a memorandum with attachments, a copy of which is attached hereto as **Exhibit A** and
5 incorporated herein by this reference. He said the proposed dedication accounted for 16.0 acre-feet
6 of Eagle Park Reservoir water rights for service to the Colorado State Land Board Community (CSLB)
7 Housing Project, pursuant to Eagle County’s 2020 Eagle Park Reservoir Stock Agreement that
8 conveyed water to the Authority for housing projects. He also discussed the project demand
9 projections and augmentation requirements, the factors used to calculate the dedication amount, and
10 the Stock Agreement requirements, including Eagle County’s subsequent approval of the dedication.
11 In response to a question, Mr. Hoyt provided updates on the proposed development and annexation
12 of the CSLB parcels near Dowd Junction. Director Underwood said her comments at this meeting did
13 not reflect her role in the Town of Avon’s proceedings involving the CSLB. Upon motion duly made
14 and seconded, it was unanimously

15 **RESOLVED** to accept the dedication of 16.0 acre-feet of Eagle Park Reservoir water rights
16 for service to the Colorado State Land Board Community Housing Project and to instruct staff
17 to execute a water service agreement with the Colorado State Land Board, pending approval
18 of the dedication by Eagle County.

19 **Rules and Regulations Revisions** – Mr. Friday and Ms. Todd presented a memorandum, a
20 summary of the proposed revisions to the Rules and Regulations, and a redlined draft of the revised
21 Rules and Regulations, copies of which are attached hereto as **Exhibits D, E, and F**, respectively,
22 and incorporated herein by this reference. Mr. Friday said the revisions were approved by the joint
23 board Rules & Regulations committee on Jan. 12. and presented for comment at a public stakeholder
24 meeting on Jan. 30. Ms. Todd summarized the revisions, including updates to Appendix F, an added
25 definition for “regional facilities,” and specifications related to the Fats, Oils, and Grease (FOG)
26 program. Upon motion duly made and seconded, it was unanimously

27 **RESOLVED** to approve the revised Rules and Regulations as presented.

28 **INFORMATION REPORTS**

29 Directors reviewed board committees, draft January meeting summary, and contract log, copies of which are
30 attached hereto as **Exhibits E, F, and G**, respectively, and incorporated herein by this reference.

31 **BOARD MEMBER INPUT**

32 Chair Gregory called for board member input and there was none.

33 **GENERAL MANAGER REPORT**

34 Ms. Roman said the Authority and District are contracting with The Ferguson Group (TFG) to identify and
35 apply for federal grants for Bolts Lake and other high-priority projects.

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BUSINESS ADMINISTRATION REPORT

Bond update – Mr. Cannava presented the report, a copy of which is attached hereto as **Exhibit H** and incorporated herein by this reference. He said the pricing and closing procedures on the enterprise water bond have been successfully completed. He also said the total costs, including the effective interest rate of 4.2%, were lower than expected. Directors thanked staff for their work on this successful bond issuance.

Water conservation program update – The board noted a memorandum from Allison Ebbets, a copy of which is attached hereto as **Exhibit I** and incorporated herein by this reference.

Safety and Risk Review – Mr. Rae and Mr. Siebert presented a PowerPoint, a copy of which is attached hereto as **Exhibit J** and incorporated herein by this reference. They reported on the District’s 2023 safety statistics and accomplishments, including downward trends in recordable injuries, injury costs, and Experience Modification Factors. They said enhanced employee training and increased near-miss reporting were key factors in these positive outcomes. Directors commended staff for building a strong safety culture.

OPERATIONS REPORT

Mr. Zachman presented the report and a PowerPoint, copies of which are attached hereto as **Exhibit K** and **L**, respectively, and incorporated herein by this reference. He reported on a recent water main repair in the Berry Creek area. Chair Greogry said he was impressed by the organization and management of the response. Mr. Zachman also said staff has responded to 14 emergency water breaks since November 2023, including nine in the Authority service area.

ENGINEERING AND WATER RESOURCES REPORT

Mr. Cowles presented the report, a copy of which is attached hereto as **Exhibit M** and incorporated herein by this reference. He said Black & Veatch has been contracted as the Bolts Lake program manager and their scope of work will be determined by task orders.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Ms. Johnson presented the report, a copy of which is attached hereto as **Exhibit N** and incorporated herein by this reference. She provided updates on two state bills supported by the Authority and District: SB24-005, Prohibit Landscaping Practices for Water Conservation, which passed in the Senate and has moved to the House Agriculture, Water & Natural Resources Committee; and SB24-081, Perfluoroalkyl & Polyfluoroalkyl (PFAS) Chemicals, which was assigned to the Senate Business, Labor & Technology Committee.

WATER COUNSEL REPORT

Bolts Ditch Act – Ms. Moseley presented a memorandum with attachments, a copy of which is attached hereto as **Exhibit O** and incorporated herein by this reference. She commended Ms. Roman for her testimony in support of the Bolts Ditch Act (H.R.4297) at the Jan. 31 hearing before the U.S. House Subcommittee on Federal Lands of the Committee on Natural Resources. She also recognized Minturn Town Manager, Michelle Metteer, for attending the hearing in unity. She further reported that H.R.4297 passed in committee and has gone through mark up, and she and Ms. Roman met with Colorado’s Senate delegation to encourage a hearing on the companion Senate bill, S.2156. Ms. Roman said several local governments are adopting

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1 resolutions supporting the passage of the Bolts Ditch Act. In response to a question, Mr. Cowles discussed
2 the U.S. Forest Service permitting process related to Bolts Ditch.

3 **WATER QUALITY COUNSEL REPORT**

4 **Per- and polyfluoroalkyl substances (PFAS) class action settlements** – The board noted a memorandum
5 by Steve Bushong, a copy of which is attached hereto as **Exhibit P** and incorporated herein by this reference.

6 **GENERAL COUNSEL REPORT**

7 Ms. Winn did not have a report or items to discuss.

8 **EXECUTIVE SESSION**

9 Ms. Moseley requested the board move into Executive Session to receive legal advice regarding Bolts Lake
10 and Battle North/Minturn Case Nos. 21CW3029 and 21CW3030, pursuant to § 24-6-402(4)(b), C.R.S. Upon
11 motion duly made and seconded, it was unanimously

12 **RESOLVED** to enter into Executive Session at 9:43 a.m. to discuss matters regarding Bolts
13 Lake and Battle North/Minturn Case Nos. 21CW3029 and 21CW3030 pursuant to §24-6-
14 402(4)(b), C.R.S., with no electronic record created as Ms. Moseley opined the contents of
15 the discussion would contain privileged attorney-client communications.*

16 Open session resumed at 10:08 a.m. During the executive session, the board did not take any formal action
17 or discuss any matters not enumerated in §24-6-402(4), C.R.S.

18 **SUPPLEMENTAL GENERAL MANAGER REPORT**

19 Ms. Roman previewed the forthcoming joint meeting with the District board regarding the Shoshone Water
20 Right Preservation Campaign. Directors agreed for the Authority and District board budget committees to
21 jointly meet to analyze a potential funding request and bring forth a united recommendation to the board at a
22 future meeting.

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1 **ADJOURNMENT**

2 There being no further business to come before the board at this meeting and upon motion duly moved and
3 seconded, it was unanimously

4 **RESOLVED**, that the signing of the minutes of this meeting shall be deemed to constitute full
5 and complete adoption, ratification, and approval of the business conducted and the
6 resolutions passed; and be it

7 **FURTHER RESOLVED**, that the meeting be adjourned at 10:18 a.m.

8 Respectfully submitted,

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Secretary to the Meeting

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14 **MINUTES APPROVED, FORMAL CALL, AND**
15 **NOTICE OF MEETING WAIVED**

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19 **Arrowhead Metropolitan District**

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23 **Town of Avon**

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27 **Beaver Creek Metropolitan District**

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31 **Berry Creek Metropolitan District**

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35 **EagleVail Metropolitan District**

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39 **Edwards Metropolitan District**

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44 *The undersigned attorney for the applicable Executive Session affirms that the portion of the discussion in
45 Executive Session not recorded constituted privileged attorney-client communications.

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49 **Kristin Moseley, Water Counsel**