



**Tuesday January 25, 2022 – 4:00PM (Executive Session)
5:30PM (Regular Session)**

AGENDA – SPECIAL MEETING

**Town Council Meeting
Minturn Town Hall / Council Chambers
302 Pine St Minturn, CO**

The agenda is subject to change, including the addition of items 24 hours in advance or the deletion of items at any time. The order of agenda items listed are approximate. This agenda and meetings can be viewed at www.minturn.org.

MEETING ACCESS INFORMATION AND PUBLIC PARTICIPATION

This will be an in-person meeting with access for the public to attend in person or via the Zoom link included. Zoom Link: <https://us02web.zoom.us/j/84004639852>

Zoom Call-In Information: **1 651 372 8299 or 1 301 715 8592 Webinar ID: 840 0463 9852**

Please note: all virtual participants are muted. In order to be called upon an unmuted, you will need to use the “raise hand” feature in the Zoom platform. When it’s your turn to speak, the moderator will unmute your line and you will have five (5) minutes for public comment.

PUBLIC COMMENTS: If you are unable to attend, public comments regarding any items on the agenda can be submitted to Jay Brunvand, Town Clerk, prior to the meeting and will be included as part of the record.

CALL TO ORDER

The Minturn Town Council will open the Regular Meeting at 4:00PM for the purpose of convening into Executive Session. The Regular Meeting will convene in public AFTER the Executive Session *estimated* start time is 5:30PM.

ROLL CALL & PLEDGE OF ALLEGIANCE

EXECUTIVE SESSION

1. Executive Session pursuant to C.R.S. § CRS 24-6-402(4)(b) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under CRS 24-6-402(4)(e) – Eagle River Water and Sanitation District, Battle Mountain – Winokur/Sawyer

APPROVAL OF AGENDA *Opportunity for amendment or deletions to the agenda.*

DECLARATION OF CONFLICTS OF INTEREST

PUBLIC COMMENT *Citizens are invited to comment on any item on the Consent Agenda, or not on the regular Agenda subject to a public hearing. Please limit your comments to five (5) minutes per person unless arrangements have been made for a presentation with the Town Clerk. Those who are speaking are requested to state their name and address for the record.*

BUSINESS ITEMS *Items and/or Public Hearings are listed under Business may be old or new and may require review or action by the Council.*

1. Ordinance 03 – Series 2022 (First Reading) an Ordinance approving an Intergovernmental Agreement between Minturn, Eagle River Water and Sanitation District and Upper Eagle Regional Water Authority – Winokur/Sawyer/Metteer

ADJOURN

INFORMATIONAL ONLY ITEMS

Council Meetings:

- February 2, 2022
- February 16, 2022
- March 2, 2022
- March 16, 2022



To: Mayor and Council
From: Michelle Metteer
Date: January 25, 2022
Agenda Item: Proposed Intergovernmental Agreement (“Agreement”) between the Town of Minturn (“Town”), Eagle River Water & Sanitation District (“ERWSD” or “District”) and the Upper Eagle Regional Water Authority (“UERWA” or “Authority”)

REQUEST:

Minturn staff, consultants and attorneys request the Town Council consider an Ordinance for an Intergovernmental Agreement (Agreement) between the Town of Minturn, the District, and the Authority.

INTRODUCTION:

A proposed agreement between Minturn and the Eagle River Water and Sanitation District would provide for Minturn to receive significant valuable water rights, which rights would provide important water security to Minturn. Minturn will also receive a Recreational Covenant for Use of the Lake, when completed. In exchange, the District would get the use of Minturn's Bolt's Lake Easement and the cooperation of the Town.

If Minturn does not enter into this agreement, The District will, in all likelihood, obtain the easement by condemnation and Minturn would then be entitled to only the value of the easement as determined in Court. Minturn is currently in the process of obtaining an appraisal of the value of its Bolt's Lake Easement, and that appraisal will be available before the proposed agreement goes before Council for final consideration.

Battle North (formerly Battle Mountain or Ginn) signed a contract last year to sell land for Bolts Lake reservoir to the District and Authority via the [“Agreement Pertaining to Acquisition for Bolts Lake Reservoir Project.”](#) This Agreement includes a one-year due diligence period prior to execution. The due diligence period will be complete as of February 9, 2022.

Long-time residents may recall the multiple agreements with Battle North’s predecessor, which voters approved in 2008 as part of the annexation procedures for the Battle North property to be incorporated into the Town of Minturn. Among other promises, the 2008 Agreements included Minturn acquiring an [easement for the Bolts Lake area](#), and Battle North developing the reservoir for use by a future Battle North project and the Town of Minturn, primarily for augmentation purposes.

The Town has provided legal notice of its intention to sue Battle North for breach of the various agreements pertaining to the Battle North property and [development approvals](#). Prior to filing the lawsuit, the Town and Battle North have agreed to mediation which will begin in March of 2022. The Town of Minturn, in all likelihood, does not have the ability to stop the sale of the Bolts Lake parcel because the District and Authority are prepared to file a condemnation act if necessary. The Town is still entitled to sue Battle North for damages.

If Minturn's easement is condemned, Minturn will receive the value of the easement as determined by the court. Minturn is in the process of obtaining an appraisal of the easement which should be received by early February.

ANALYSIS:

The District and Authority want to proceed with construction of Bolts Lake reservoir as quickly as possible, and to do so, have sought Minturn's cooperation. To this end, the District and Authority are willing to commit, among other things, certain augmentation use rights to Minturn. Staff and Council have been involved in intense negotiations with the District and Authority to obtain the best agreement possible. In exchange for the easement, Minturn will obtain the following benefits.

If the public is not supportive of the proposed Agreement the deal does not have to be finalized.

BENEFITS:

- **The District and Authority are offering Minturn a permanent supply of augmentation water not offered to other entities outside of their service area.**
- **Waiver of purchase price for 20-acre feet of permanent augmentation water (this is an \$860,000 cash value).**
 - The 20-acre feet is a perpetual augmentation supply as opposed to Minturn's current 40-year contract with the Colorado River Water Conservation District.
 - The reduction in annual operation, maintenance, and repair costs between the District/Authority supply and Minturn's current augmentation water contract over a 99-year time period equates to approximately \$280,000.
- **Eagle River Surface diversion water right for 4.0 cfs – Case 21CW3030**
 - With the approval of a Water Court Case 21CW3030 submitted by the District and Authority, Minturn will receive a surface diversion water right in the area of the confluence of Cross Creek and the Eagle River. This would allow Minturn to develop a fully redundant back up raw-water supply that could serve the entire Town and infill growth.
 - With the approval of Water Court Case 21CW3030 submitted by the District and Authority, Minturn would receive a water right at Dowd Junction (well field or surface diversion to still be determined).
 - The District and Authority are paying for all fees associated with the Water Court application process (including attorney fees) at an estimated value of \$100,000 to \$250,000.
- **Option to Purchase Augmentation Water Supply**
 - 55-acre feet will be held in reserve by the District and Authority for up to 30-years from the date of the IGA for Minturn's right to purchase. The option to purchase will be phased as follows:
 - 30-acre feet will be made available when the District and Authorities decrees are entered by the Water Court.
 - 25-acre feet will be available once Bolts Reservoir is operational
 - This allows Minturn to reduce its current augmentation water contracts and direct the savings to other water system improvements.

- **Environmental Remediation of the Old Tailings Pile (part of the Eagle Mine Superfund Site)**
 - The District and Authority have agreed to pay for the remediation of the Old Tailings Pile.
- **Recreational Use at Bolts Reservoir**
 - The District and Authority would issue Minturn a recreational use covenant to allow public summer-time (approximately May – November) non-motorized use of the reservoir. This would include such activities as stand up paddleboarding, swimming, canoeing, and fishing.
- **Cooperation with the District & Authority**
 - The IGA would provide for cooperation between the Town and the District and Authority on a number of topics including: administration of water rights on Cross Creek, environmental remediation in the Bolts Lake area, provision of water to Dowd Junction, and a commitment that the District and Authority will not claim that Minturn has abandoned any portion of its water rights.

WHAT MINTURN IS GIVING TO THE DISTRICT

- **The right to enforce Bolts Lake Easement**
 - Minturn will still have the right to sue Battle Mountain in the 2008 Water Services Agreement
- **Minturn would commit to not develop its conditional water right as it pertains to Bolts Reservoir in a way that would interfere with the operation of Bolts Reservoir.**
- **Release of the 2008 Water Service Agreement from the Bolts Lake Property**
- **Minturn would cooperate with the District and Authority with respect to the construction of Bolts Reservoir.**

TIMING

Minturn has until February 9, 2022 to either accept or reject the Agreement with the District and Authority. We anticipate Minturn will have the appraisal prior to any final decision being made by the Town Council.

COMMUNITY INPUT: Required

BUDGET / STAFF IMPACT: Tbd

STRATEGIC PLAN ALIGNMENT:

Practice fair, transparent and communicative local government

Advance decisions/projects/initiatives that expand future opportunity and viability for Minturn

RECOMMENDED ACTION OR PROPOSED MOTION:

Motion to approve Ordinance 03 – Series 2022 and Ordinance approving an Intergovernmental

Agreement among the Town of Minturn, The Eagle River Water & Sanitation District and the Upper Eagle Regional Water Authority.

ATTACHMENTS:

- Ordinance 03 – Series 2022
- Question & Answer Handout
- Intergovernmental Agreement among the Town of Minturn, The Eagle River Water & Sanitation District and the Upper Eagle Regional Water Authority.

**TOWN OF MINTURN, COLORADO
ORDINANCE NO. 03 – SERIES 2022**

**AN ORDINANCE OF THE TOWN OF MINTURN,
COLORADO APPROVING AN INTERGOVERNMENTAL
AGREEMENT BETWEEN THE TOWN OF MINTURN AND
THE EAGLE RIVER WATER AND
SANITATION DISTRICT AND THE UPPER EAGLE
REGIONAL WATER AUTHORITY**

WHEREAS, the Town of Minturn (“Town”) is a Colorado home rule municipality organized pursuant to Article XX of the Colorado Constitution and with the authority of the Town of Minturn Home Rule Charter for which the Minturn Town Council (“Town Council”) is authorized to act; and

WHEREAS, C.R.S. § 29-20-105 authorizes and encourages local governments to cooperate and contract with other units of government for such purposes as joint planning, land use regulation, zoning, development, and other related regulations; and

WHEREAS, the Eagle River Water and Sanitation District (“District”) and Upper Eagle Regional Water Authority (“Authority”) have contracted to purchase various property interests from Battle North in order to construct Bolts Lake reservoir; and

WHEREAS, the Town owns various real property and water rights interests associated with Bolts Lake; and

WHEREAS, various entities associated with the Battle Mountain development, including Battle North, are obligated under agreements with the Town to construct Bolts Lake and provide the Town with 160 acre-feet of storage in the reservoir; and

WHEREAS, the entities associated with Battle Mountain have defaulted on their Bolts Lake obligations; and

WHEREAS, the Town desires to have Bolts Lake constructed by the District and Authority and cooperate in the development of Bolts Lake with respect to the real property and water rights interests the Town possesses; and

WHEREAS, the Town will receive various benefits identified in the Intergovernmental Agreement; and

WHEREAS, by entering into the Intergovernmental Agreement the Town will partially mitigate the damages flowing from the breaches of agreements by the entities associated with the Battle Mountain development related to the failure to construct the Bolts Lake reservoir; and

WHEREAS, the Town Council finds and determines that adoption of this Ordinance is necessary for the best interests of the Town and the preservation of the public peace, health, safety and property.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MINTURN, COLORADO:

SECTION 1. The foregoing recitals are incorporated herein as if set forth in full.

SECTION 2. The Town of Minturn Town Council hereby approves and authorizes the Mayor to sign the Intergovernmental Agreement between the Town of Minturn and the District and Authority regarding Bolts Lake.

INTRODUCED, READ BY TITLE, APPROVED ON THE FIRST READING AND ORDERED PUBLISHED BY TITLE ONLY AND POSTED IN FULL ON THE OFFICIAL TOWN WEBSITE THE 25th DAY OF JANUARY, 2022. A PUBLIC HEARING ON THIS ORDINANCE SHALL BE HELD AT THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF MINTURN, COLORADO ON THE 2ND DAY OF FEBRUARY, 2022 AT 5:30 p.m. AT THE MINTURN TOWN HALL 302 PINE STREET, MINTURN COLORADO 81645.

TOWN OF MINTURN, COLORADO

Earle Bidez, Mayor

ATTEST:

By: _____
Jay Brunvand, Town Clerk

THE TOWN OF MINTURN, COLORADO, ORDAINS THIS ORDINANCE ENACTED ON SECOND READING AND ORDERED PUBLISHED BY TITLE ONLY AND POSTED IN FULL ON THE OFFICIAL TOWN WEB SITE THIS 2ND DAY OF FEBRUARY, 2022.

TOWN OF MINTURN, COLORADO

Earle Bidez, Mayor

ATTEST:

By: _____
Jay Brunvand, Town Clerk

**INTERGOVERNMENTAL AGREEMENT AMONG THE TOWN
OF MINTURN, THE EAGLE RIVER WATER & SANITATION
DISTRICT AND THE UPPER EAGLE REGIONAL WATER
AUTHORITY**

This Agreement dated February 2, 2022, is among the Town of Minturn (“Minturn”), Eagle River Water & Sanitation District (“District”) and the Upper Eagle Regional Water Authority (“Authority”) (the “Agreement”).

A. Whereas, the District and Authority have an integrated water system that provides municipal water service from the Town of Vail to Wolcott.

B. Whereas, the District provides sanitation service from Vail to Wolcott, including Minturn.

C. Whereas, Minturn’s jurisdictional boundaries are included within the District for sanitation purposes, but not for water purposes, and Minturn operates its own independent water system within its municipal boundaries.

D. Whereas, Minturn has requested that the District provide Minturn with augmentation water to serve needs within Minturn’s jurisdictional boundaries.

E. Whereas, the District has an available augmentation water supply which has a current cash-in-lieu price of \$43,000 per acre-foot.

F. Whereas, the District and Authority have contracted with Battle North, LLC (“Battle North”) to purchase land within Minturn’s municipal boundaries for construction of Bolts Lake storage reservoir, conditional water rights, easements and additional commitments (the “Battle North Agreement”).

G. Whereas, the Battle North Agreement provides for conveyance of Battle North’s conditional water rights in Bolts Lake and Bolts Ditch as well as the real property underlying the Bolts Lake location to the District and Authority;

H. Whereas, the Battle North Agreement commits the District and Authority to provide a series of augmentation credit options for Battle North to develop its property (the “Battle North Augmentation Options”) and be served with domestic water supplies by Minturn, should Minturn be willing to provide physical water service, or alternatively for the District and Authority to provide physical water service if Minturn declines water service.

I. Whereas, the District and Authority desire to own, construct and operate Bolts Lake to meet existing and future water service obligations for the region.

J. Whereas, the District and Authority have filed an application for water rights, augmentation and exchange for Bolts Lake in Case No. 21CW3029 in the Water Court in and for Water Division No. 5 (the “Water Court”).

K. Whereas, the District and Authority have filed an application for water rights, augmentation and exchange for various augmentation options in Case No. 21CW3030 in the Water Court.

L. Whereas, Minturn has filed Statements of Opposition to the applications in Case Nos. 21CW3029 and 21CW3030.

M. Whereas, Minturn also owns conditional water storage rights in Bolts Lake which list Bolts Ditch as a source of fill.

N. Whereas, Minturn and multiple entities called the “Ginn Entities”, a prior owner and developer of the Bolts Lake property, entered into a Water Service Agreement on February 27, 2008 (the “WSA”), which provided for conveyance to Minturn of conditional water rights, included an easement for constructed storage capacity in Bolts Lake (the “Easement”), and required the Ginn Entities to provide replacement storage and capacity to the Town if Bolts Lake was not constructed within a five-year period.

O. Whereas, Minturn recorded the WSA on March 27, 2008 in the real property records of the Eagle County Clerk and Recorder at Reception No. 200806743.

P. Whereas, almost fourteen (14) years have passed since the WSA was executed and recorded and the District and Authority estimate that it will take a minimum of ten (10) years to construct Bolts Lake following acquisition of the Bolts Lake reservoir property.

Q. Whereas, the District and Authority have offered to Minturn use of augmentation water supplies as defined herein.

R. Whereas, Minturn recorded the Easement on October 7, 2021 in the real property records of Eagle County Clerk & Recorder at Reception No. 202122820.

S. Whereas there is disagreement between Minturn and the current owner and developer of the Bolts Lake property, Battle North, regarding the obligations set forth in the WSA.

T. Whereas, the District and Authority intend to close on the purchase outlined in the Battle North Agreement by February 9, 2022.

U. Whereas, the District and Authority desire to obtain clear title to the Bolts Lake property without a formal condemnation proceeding, and in connection therewith have requested that Minturn release the Easement and WSA from the Bolts Lake property.

V. Whereas, the District and Authority desire to obtain the right to divert water from Bolts Ditch to fill Bolts Lake and in connection therewith have requested that Minturn take certain actions to support the District's and Authority's efforts to obtain necessary approvals to operate Bolts Ditch.

W. Whereas, the parties desire to enter into an intergovernmental agreement in satisfaction of the formal permitting process under Article 25 of the Minturn Municipal Code.

X. Whereas, the District and Authority desire to secure Minturn's cooperation on the operation and filling of Bolts Lake.

Y. Whereas, Minturn is entering into this Agreement, in part, to mitigate damages it believes arise from Ginn's and/or Battle North's failure to construct Bolts Lake pursuant to the WSA.

Z. Whereas, Minturn is a permitting authority for the construction and operation of Bolts Lake.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Water Service Agreement and Easement. Minturn agrees that for purposes of the WSA and Easement, neither the District nor the Authority shall be treated as a "successor" or "assign" of the Ginn Entities or Battle North; nor shall the WSA or the Easement be deemed to have been assigned to the District or Authority; and Minturn will not look to the District and/or Authority for enforcement of outstanding obligations, if any, under the WSA or Easement. No later than March 16, 2022, Minturn will record a Release of the Easement and WSA in the form attached hereto as **Exhibit A** (the "Release"). The District and Authority agree not to interfere with any enforcement of the WSA or Easement or any claims that Minturn may have against Battle North under the WSA or Easement, however, if the District and/or Authority (or a successor entity of either) construct Bolts Lake, Minturn shall not claim rights to any storage capacity, including enforcement of the Easement or WSA, in Bolts Lake.

2. Provision of Supplemental Augmentation Water to Minturn. (a) As consideration to Minturn for effecting clear title through the release of the Easement and WSA as set forth in Section 1 herein, the District and Authority shall provide without charge of

cash-in-lieu fees to Minturn a source of augmentation water in the amount of 20 acre feet to shore up augmentation supplies for Minturn's water rights ("Supplemental Augmentation Supply"). The present cash-in-lieu price of the Supplemental Augmentation Supply is \$860,000. The Supplemental Augmentation Supply shall be a use right, and not a title conveyance, and shall consist of a mix of storage water and historic consumptive use credits chosen annually by the District/Authority in their sole discretion.

(b) The Supplemental Augmentation Supply shall be legally available to augment depletions associated with Minturn's points of diversion on Cross Creek and the Eagle River (at or above Dowd Junction).

(c) The Supplemental Augmentation Supply shall be provided to Minturn upon entry of a full and final judgement and decree in Case No. 21CW3030.

(d) Until such time as a full and final judgement and decree is entered in Case No. 21CW3030, upon Minturn's request the District shall provide to Minturn the Supplemental Augmentation Supply (up to 20 acre feet) from its Eagle Park Reservoir Project supply, for augmentation of out-of-priority depletions under Minturn's plan for augmentation decreed in Case No. 07CW225.

3. Provision of Augmentation Options. The District/Authority shall reserve and grant to Minturn an option to obtain the right to the perpetual deliveries and use of water to augment the municipal diversions in Minturn up to a maximum of 55 acre feet of augmentation water (the “Minturn Option”). The water provided pursuant to the Minturn Option shall be a use right, and not a title conveyance, and shall consist of a mix of storage water and historic consumptive use credits chosen annually by the District/Authority in their sole discretion (the “Option Water”). The Option Water shall be legally available to augment depletions associated with Minturn’s points of diversion on Cross Creek and the Eagle River (at or above Dowd Junction). The Minturn Option may be exercised in an amount of up to 30 acre feet upon entry of a full and final judgement and decree in Case No. 21CW3030, and the option period shall extend for 30 years from the Effective Date of this Agreement. The remaining 25 acre feet of the Option Water may only be exercised after such time as Bolts Lake Reservoir is constructed and operational, and shall extend for (i) 30 years from the Effective Date of this Agreement, or (ii) 15 years from the date upon which Bolts Lake Reservoir is constructed and operational, whichever occurs later. Such option period may be extended upon mutual agreement of the parties. The Minturn Option shall not be subject to the “first come, first serve” policy of the District/Authority. The price for the Option Water shall be the cash in lieu fee of the District/Authority then in effect (for in-district rates) at the time Minturn exercises any portion of the Minturn Option. It is anticipated that the Option Water shall be paid for by developers of future residential and commercial properties within Minturn’s service area, however, Minturn may also pay applicable cash in lieu fees in order exercise the Minturn Option directly for usage within its municipal water system. If Minturn wishes to request additional augmentation supplies from the District and Authority after the Minturn

Option has been fully exercised or has expired, the District and Authority will evaluate Minturn's request for additional water at that time.

4. Annual OM&R. (a) The District shall also assess Minturn an annual operations, maintenance and capital replacement fee ("OM&R") associated with the Supplemental Augmentation Supply and the volume of Option Water exercised pursuant to the Minturn Option based on a pro-rata share of costs based on the percentage of single family equivalents in Minturn compared to the percentage of single family equivalents in the District's service area. Operations, maintenance and capital replacement fees unrelated to the Supplemental Augmentation Supply and the Option Water shall not be included in the OM&R fee assessed to Minturn. A description of the OM&R fee and the component costs as would be assessed in 2022 is attached as **Exhibit B**. This Exhibit is attached to give an example of the types of operations, maintenance, and capital replacement items that are associated with the Supplemental Augmentation Supply and will be associated with the Option Water upon any exercise of the Minturn Option; but recognizing that the exact OM&R components and costs may change over time as the District develops and changes the elements of its augmentation water supplies. The District will provide Minturn with a breakdown of the OM&R fee associated with the Supplemental Augmentation Supply and the Minturn Option on an annual basis.

(b) Minturn shall commence payment of OM&R fees on the Supplemental Augmentation Supply upon entry of a full and final decree in Case No. 21CW3030. If Minturn requests the District to provide the Supplemental Augmentation Supply for augmentation under Case No. 07CW225 (as described above in paragraph 2(d)) prior to entry of a full and final judgement and decree in Case No. 21CW3030, then Minturn shall commence payment of OM&R fees on that portion of the Supplemental Augmentation Supply made available at such time.

(c) Minturn shall commence payment of OM&R fees on the Option Water on such amounts and at such time as the cash in lieu fee is paid to the District and Authority. For the first year that OM&R fees are paid by Minturn, OM&R fees shall be pro-rated based upon the day of the year on which the final decrees are entered or the cash in lieu fee is paid divided by the total number of days in the year.

5. Subsequent Water Augmentation Agreements. The parties will enter into subsequent water augmentation agreements that set forth detailed terms for the provision of Supplemental Augmentation Supply and the Option Water purchased pursuant to the Minturn Option, in the form attached hereto as **Exhibit C**. In recognition that Minturn released its rights in its permanent Easement, the Supplemental Augmentation Supply and Option Water purchased pursuant to the Minturn Option shall be made available by the District and Authority on a permanent basis. However, the subsequent water augmentation agreements shall have set terms (99 years) with an automatic renewal provision, to avoid concerns with the rule against perpetuities. The subsequent water augmentation agreements will be recorded in the public records of Eagle County. The parties will also prepare and record an annual joint

statement identifying Option Water secured by Minturn in the public records of Eagle County on an annual basis.

6. Obligation to purchase Option Water. During the option period described in Paragraph 3, Minturn shall require that all Town water users shall secure a perpetual use right to Option Water to fulfill any cash in lieu payment obligations provided for under the Minturn Town Code. Any water use made by the Town of Minturn or the Eagle County School District (up to 120 SFEs and irrigation of lands owned by the Eagle County School District with water rights owned by the School District) shall be exempt from this obligation. If Minturn collects cash-in-lieu payments prior to entry of a full and final judgement and decree in Case No. 21CW3030, Minturn will hold such payments in escrow and then transfer such funds to the District and Authority within 30 days of entry of such decree in satisfaction of the obligation to purchase Option Water. Minturn shall assess cash-in-lieu fees no less than the cash-in-lieu fees that are charged by the District and Authority at the time the payment is collected. Within six months of entry of full and final judgements and decrees in Case No. 21CW3030, the Town shall amend its Code to implement the requirement that new water uses shall require the purchase Option Water.

7. Process of Case Nos. 21CW3029 and 21CW3030. Obtaining water rights for Bolts Lake in Case No. 21CW3029 and augmentation supplies for Minturn and Battle North in Case No. 21CW3030 are crucial priorities for the District and Authority in order to provide essential water supplies for all of its customers within its service area as well as be in compliance with the terms of this Agreement and the Battle North Agreement. Accordingly, the District and Authority will pursue the cases through completion of final judgments and decrees as quickly

as possible, and, if necessary, through trials and appeals. The District and Authority shall file amended applications within 30 days of the recording of the Release to effectuate the commitments set forth in this Agreement.

8. Minturn's Conditional Water Right in Bolts Lake. (a) Minturn owns a conditional water right for Bolts Lake and associated rights to divert water into Bolts Lake through the Bolts Ditch. If Minturn desires to exercise its conditional water storage right in Bolts Lake, Minturn may do so only pursuant to a decree entered by the Water Court that changes the place of storage of the water right to a location outside of the land underlying Bolts Lake that the District and Authority have contracted to acquire from Battle North and shall not fill from the Bolts Ditch. Any such change of water right application shall be filed by Minturn no later than one month prior to Minturn's first deadline to file an application seeking a finding of diligence on its Bolts Lake water right after Bolts Lake is constructed and operational.

(b) Minturn shall not file an action against the District or Authority to condemn the real property underlying Bolts Lake. Nor shall Minturn file an action against the District or Authority to condemn water storage capacity in the Bolts Lake Reservoir.

9. Land Use Approvals.

(a) The District and the Authority intend to develop, construct, and operate Bolts Lake and the associated diversion, pipelines, ditches, and outlet facilities for all decreed beneficial uses to meet the water requirements of their existing and future service areas. The Town has, set forth in Article 25 of the Minturn Municipal Code (the

“1041 Regulations”), certain requirements and criteria related to the construction of major facilities of public utilities, such as the Bolts Lake Reservoir. The formal permitting process under the 1041 Regulations can be fulfilled by entering into an intergovernmental agreement with an implementing governmental entity addressing the various requirements of the 1041 Regulations. This Agreement constitutes, in part, an intergovernmental agreement entered into to partially fulfill the 1041 Regulations requirements. The Parties hereby agree as follows that for purposes of the Town’s 1041 Regulations:

- i. The Town will not require security for the construction of Bolts Lake.
- ii. Any changes to Article 25 of the Code adopted after February 2, 2022 will not apply to construction of Bolts Lake without the District’s and Authority’s consent.
- iii. In lieu of public hearings contemplated under Section 16-25-110 of the Town Code, the Town will conduct public hearings as part of the adoption of this Agreement and any subsequent intergovernmental agreements related to Bolts Lake.
- iv. The District and Authority, through prior presentations to the Town and the additional provisions of water contemplated by this Agreement, have met the “demonstration of need” requirement of Section 16-25-270 of the Code.
- v. The District and Authority anticipate purchasing title insurance upon taking title to the Bolts Lake property, which title commitment does not show any mineral owners required to be notified pursuant to

Section 16-25-270(11) of the Town Code and Section 24-65.5-101, *et seq.*, of the Colorado Revised Statutes. The District and Authority will present a copy of the title commitment to the Town, which will satisfy the mineral owners' notice requirement.

- vi. The Parties agree that once completed, the impacts of the Reservoir on to utilities, water supply, emergency services, transportation, infrastructure, etc. will be de minimus.
 - vii. The recreational use covenant set forth in Section 10 of this Agreement satisfies the requirement to describe impacts and net effect of the project on recreational opportunities as set forth in Section 16-25-270(15) of the Code.
 - viii. The requirement to provide a description of social impacts as set forth in Section 16-25-270(16) of the Code is inapplicable to further land use actions involving Bolts Lake.
 - ix. The District's provision of water to the Town pursuant to this Agreement satisfies the water quantity provisions of Section 16.25-270(23) of the Code.
- (b) The staging and placement of excavated material on the Old Tailings Pile area are components of the CERCLA remedy for Operable Unit 3 of the Eagle Mine Superfund Site, as set forth in the United States Environmental Protection Agency's 2017 Record of Decision. Accordingly, so long as the activities are

conducted entirely on-site and in compliance with section 121 of CERCLA, 42 U.S.C. § 9621, the Town will not apply the 1041 permitting process or requirements to those specific activities.

(c) The Town's land use code applies to the area where Bolts Lake will be constructed. For purposes of zoning compliance, the parties agree:

i. Section 16-10-20(6) of the Code allows for lands within the Bolt's Lake Character Area to be used, as a matter of right, for: Operation, maintenance and use of water rights, water resources, water diversion structures, ditches, pipeline structures, ponds, water impoundments and associated facilities consistent with the decreed uses but subject to these restrictions. The parties agree that the current zoning allows for the use by right for construction of the Bolts Lake Reservoir and the associated points of diversion, ditches, and pipelines associated with Bolts Lake. The Town agrees not to modify the zoning for the Bolt's Lake Character Area in any manner that would alter the use by right nature of the Bolts Lake project.

ii. The Bolts Lake project is subject to Minturn Code provisions of general applicability.

(d) No later than April 30, 2022, the Parties will enter into a separate intergovernmental agreement, pursuant to

Section 16-25-40(8) of the Town of Minturn Municipal Code, outlining and satisfying how the requirements under Article 25 of the Minturn Municipal Code (the “1041 Regulations”) will be implemented as further information is generated for the Bolts Lake project. The Parties agree to address the following within the intergovernmental agreement:

- i. As part of the construction of Bolts Lake, the District and Authority must obtain numerous state and federal permits. The Town, following review of the applications for such permits and participation as a cooperating agency where applicable and permitted by the state or relevant federal agency, agrees to consider such state and federal permits as satisfactory of relevant provisions of the 1041 Regulations.
- ii. As further construction plans and construction phasing for the Bolts Lake project are generated, the Town will review such documents and pursuant to a process to be identified in the intergovernmental agreement impose reasonable restrictions to effectuate compliance with the 1041 Regulations.
- iii. The Parties intend to minimize duplication of efforts and outside consultations related to the processing and review of the project under the 1041 Regulations so that the ultimate cost to the taxpayers and customers is minimized.

10. Bolts Ditch. (a) Minturn shall execute and deliver to the District and Authority the assignment attached hereto as **Exhibit D**

which assigns to the District and the Authority all of Minturn's interest in and to the physical headgate and ditch structure of the Bolts Ditch, together with any special use permit to the Bolts Ditch which it may obtain. Minturn shall pass a resolution in support of the District's and Authority's efforts to obtain the approval of the U.S. Forest Service to the assignment of any special use permit to the Bolts Ditch that it may obtain, or to have the District and Authority substituted for Minturn as the permittee of the special use permit for the Bolts Ditch.

(b) Minturn shall support the amendment of the Bolts Ditch federal legislation passed as part of S.47 entitled the John D. Dingell, Jr. Conservation, Management and Recreation Act to include the District and the Authority as permittees of the U.S. Forest Service special use permit for the Bolts Ditch. Minturn's support shall be limited to passing a resolution in support of such amendment and tendering the same to the Colorado congressional delegation.

(c) Minturn shall support any application filed by the District and Authority to obtain a special use permit from the U.S. Forest Service for a structure that diverts water from Cross Creek and the associated diversion facilities that transport the Cross Creek water to Bolts Lake. Minturn's support shall be limited to passing a resolution in support of the application and tendering the same to the United States Forest Service.

11. Recreational Use. Certain terms and conditions contained in Article X of the Battle North Agreement provide for allowed public recreational uses of the Bolts Lake reservoir including: (i) non-motorized boating, (ii) fishing from shores, boats, or float tubes (i.e. belly boats), (iii) paddle boarding, (iv) picnicking, (v) hiking around

lake, and (vi) other future uses approved by the District and Authority. The District and Authority confirm that Article X of the Battle North Agreement is strictly a type of use limitation and that the granting of authority to use or operate the Bolts Lake reservoir remains at the discretion of the District and Authority, as further acknowledged in Section 10.1(k) of the Battle North Agreement. The District and Authority hereby authorize Minturn the right to provide recreational services and facilities to the general public as follows:

(a) Any recreational use of Bolts Lake shall be secondary and subordinate to the primary use of Bolts Lake by the District and the Authority for the existing and future decreed uses.

(b) Any recreational use shall be limited to: (i) non-motorized boating, (ii) fishing from shores, boats, or float tubes (i.e. belly boats), (iii) paddle boarding, (iv) picnicking, (v) hiking around lake, and (vi) other future uses approved by the District and Authority. Minturn shall be allowed to stock Bolts Lake with fish subject to the provisions of paragraph 11 of this Covenant. Except for the above permitted uses, no other recreational uses shall be allowed on Bolts Lake. Moreover, no recreation use of Bolts Lake by a commercial operator shall be permitted.

(c) There shall be no right to maintenance of water levels in Bolts Lake for the purpose of supporting the permitted recreational use. No surface recreational use shall be allowed during the months of December through April, or when it would jeopardize the health, safety and welfare of users.

(d) One dock may be installed at Bolts Lake at no cost to the District and Authority to facilitate the above-described recreational uses. The design of the dock shall be subject to review and approval by the District and Authority; provided that such approval may be withheld at their sole discretion.

(e) Should new water quality regulations be adopted in Colorado that would subject Bolts Lake to increased water quality testing as a result of body contact with the water stored in Bolts Lake, the body contact recreational use shall be discontinued to ensure that the recreational use of Bolts Lake does not result in the District and Authority being subjected to increased testing and treatment costs; provided, however, if Minturn pays for all costs and agrees to assume all liabilities associated with testing and treatment costs, recreational uses involving body contact will be allowed to continue.

(f) To the extent permitted by law, Minturn shall indemnify the District and Authority against any claims, demands and liabilities arising out of, resulting from or related to the recreational use of Bolts Lake. The District and Authority will notify Minturn of any such claim or demand, when and if made, and Minturn shall defend against or participate in the defense against such claims and the District and Authority shall cooperate fully in the defense of such claims.

(g) Minturn must obtain and maintain appropriate insurance coverage related to the recreational use of Bolts Lake and name the District and Authority as additional insureds. If necessary, to obtain such insurance, the District and Authority shall grant at no charge a recreational use lease to Minturn for Bolts Lake in a form mutually agreeable to the District, Authority and Minturn.

(h) The District and Authority may prohibit any and all recreation use of Bolts Lake if they determine in their sole discretion, following notice to Minturn, that such recreation use (i) interferes with or in any manner restricts the use of Bolts Lake as a water storage facility for its decreed uses; and/or (ii) increases the cost of operating Bolts Lake. In the event the District and Authority have made the decision to prohibit any or all recreation use of Bolts Lake pursuant to this provision, the District and Authority shall provide written notice to Minturn specifically describing the recreational use at issue and the reasons for prohibiting such recreational use. Minturn shall have 60 days from receipt of such notice to cure the cause of such recreation use prohibition identified by the District and Authority, or such other amount of time as the parties mutually agree in writing is reasonably necessary to cure the cause of such recreation use prohibition: provided; however, that the District and Authority shall have sole discretion to determine whether to allow more than 60 days to achieve a cure. If Minturn is not able to achieve a cure to the satisfaction of the District and Authority within 60 days of receiving notice from the District and Authority, then the recreation use that is being prohibited shall cease in whole or part if required by the District and Authority.

(i) The District and Authority shall determine, in their sole discretion, the specific areas of Bolts Lake that will be open to public access and the Permitted Recreational Uses, including the locations of any access, parking areas, trails, and the dock.

12. Minturn Eagle River Diversion.

(a) The District and Authority have appropriated a 2 cubic foot per second (c.f.s.) conditional water right for the Minturn Eagle River Diversion pending in Case No. 21CW3030. Water from the Minturn Eagle River Diversion is anticipated to be utilized to provide physical water service to Battle North, by either Minturn or the District and Authority.

(b) Minturn would also like to utilize the Minturn Eagle River Diversion as a location to divert water to the Minturn municipal water system as augmented by the Supplemental Augmentation Supply and the Option Water for use in Minturn's municipal service area.

(c) The District and Authority agree to amend the pending application in Case No. 21CW3030 to increase the flow rate of the Minturn Eagle River Diversion to a rate of 6.0 c.f.s. and convey an undivided interest in an amount of 4.0 c.f.s. to Minturn. The District and Authority also agree to include Minturn's contract supplies from the Colorado River Water Conservation District as augmentation sources for the Minturn Eagle River Diversion in the amended application in Case No. 21CW3030.

(d) The District and Authority agree to convey an undivided interest in the Minturn Eagle River Diversion to Minturn in an amount of 4.0 c.f.s. within 60 days of entry of a full and final judgment and decree in Case No. 21CW3030. In the event that Minturn serves as the physical water provider to Battle North, the District and Authority will convey an additional 2.0 c.f.s. of the Minturn Eagle River Diversion to Minturn.

(e) Following the construction of the Minturn Eagle River Diversion, in the event that the District and Authority have not obtained a final judgment and decree in Case No. 21CW3030, Minturn may seek a substitute water supply plan in order to supply Minturn with the Supplemental Augmentation Supply while a final decree is pending in Case No. 21CW3030.

13. District/Authority and Minturn Water Rights Decreed at Same Locations. Minturn has numerous decreed diversion points on Cross Creek at the same diversion points claimed by the District and Authority in Case No. 21CW3030. The parties agree to work together to eliminate duplicative points of diversion decreed to their respective water rights where appropriate. Each party will be responsible for developing its own physical infrastructure unless there is an agreement between the parties otherwise.

14. Settlement of Opposition.

(a) Minturn agrees that it will Stipulate to entry of a decree in the District and Authority's Case Nos. 21CW3029 and 21CW3030 within 30 days after the amended applications are filed in the cases. Such stipulations shall include the terms set forth on **Exhibit E**.

(b) Minturn has filed an Application for Water Right, Approval of Plan for Augmentation and Appropriative Rights of Exchange in Case No. 21CW3180. Minturn agrees to stay Case No. 21CW3180 upon execution of this Agreement, and to withdraw such application within 30 days of entry of full and final judgments and decrees in Case Nos. 21CW3030.

15. Cross Creek Diversions.

(a) The District/Authority acknowledge that Minturn's decreed water rights on Cross Creek are senior to the District/Authority's Cross Creek water rights pending in Case Nos. 21CW3029 and 21CW3030. Accordingly, if Minturn places a valid call for its senior water rights on Cross Creek, the District and Authority will be subject to that call.

(b) The District and Authority shall coordinate Bolts Lake operations, including operation of exchanges, with Minturn to ensure that flows at the USGS Gage at Cross Creek Near Minturn (Gage No. 09065100) do not drop below the Colorado Water Conservation Board instream flows decreed in Case No. 78W3795 as a result of diversion into Bolts Lake from Cross Creek.

(c) The District and Authority shall not seek diligence in Water Court on the conditional water rights acquired from Battle North (originally decreed in Case No. 06CW264) at such time as full and final judgments and decrees are entered in Case Nos. 21CW3029 and 21CW3030 and Bolts Lake is constructed and operational.

16. Environmental Considerations. (a) The parties will work together on matters involving environmental protections in the Bolts Lake area. The District and Authority will provide Minturn with electronic copies of all non-confidential, non-privileged and non-draft records, reports, documents or other information (the "Documentation") provided to the District and Authority by Battle North or the District and Authority's consultants directly related to the Reservoir Project, including Documentation that will be or has been submitted to the Environmental Protection Agency and/or the Colorado Department of Public Health and Environment (together, the "Agencies"). The District and Authority will make best efforts to timely provide the Documentation.

(b) The District and Authority will regularly update Minturn regarding the status and progress of the obligations outlined in Article 6.9 of the Battle North Agreement (Remediation of the OTP Area; Post-Acquisition Obligations). In the event that the District and Authority determine that Battle North is in material breach of its obligations under Section 6.9 of the Battle North Agreement, then the District and Authority agree to timely pursue all reasonable efforts to secure Battle North's performance of its obligations under Article 6.9 of the Battle North Agreement. To the extent the efforts require prior approval of the District and Authority's respective boards of directors, the efforts will be subject to obtaining such approval. The forgoing notwithstanding, neither the District nor the Authority shall have any duty to perform any of Battle North's obligations under the Battle North Agreement.

17. Water Service to Battle North. The parties acknowledge that additional negotiations are required between Minturn and Battle North prior to finalizing any development plans and approvals. However, the parties prefer that Minturn be the physical water provider to whatever development is approved within Minturn's water service area, if appropriate arrangements can be reached between Minturn and Battle North. If Minturn is the physical water provider to Battle North, the District and Authority consent to the Battle North Augmentation Options being assigned by Battle North to Minturn.

18. Dowd Junction Water Service Options.

(a) The District and Authority are open to exploring water service options to a future development at Dowd Junction via an interconnect line to the District and Authority's water system. In the event that an interconnect line is mutually agreed to, Minturn or a future developer would be solely responsible for all costs associated with

infrastructure necessary to provide such service and for all applicable water rights dedication fees, impact fees, and monthly water service fees to the District and Authority. However, the parties acknowledge that water quality considerations of a smaller system exclusively to Dowd Junction may make an interconnect infeasible.

(b) The District and Authority will include in the amendment of the pending augmentation plan in Case No. 21CW3030 a Dowd Junction well or wells and surface diversion points, to be augmented by the augmentation sources listed in Case No. 21CW3030. If Minturn develops a well, wells or a surface diversion at Dowd Junction that are covered by the augmentation plan in Case No. 21CW3030, the augmentation supply would come from the exercise of the Minturn Option provided herein. Development of a well, wells or surface at Dowd Junction shall be at Minturn's sole expense.

19. Mutual Cooperation. The parties wish to provide mutual assurances on future cooperation in water cases to maximize water supplies for the region. The parties mutually agree that they will not object to movement of diversion points less than 1,500 feet from decreed diversion points; the parties mutually agree they will work together on nearby or coincident diversion structures. The parties shall not claim in any future judicial action that any party to this Agreement has abandoned any portion of any of its water rights. The District and Authority further agree that they will not object to a future downstream change in point of diversion for any of Minturn's water rights, provided that only a change in point of diversion is sought and the District and Authority do not divert water in the impacted reach.

20. Remedies. (a) The terms of this Agreement shall be specifically enforceable; provided, however, nothing contained herein

shall obligate the District or the Authority to construct Bolts Lake. If Minturn fails to record the Release by March 16, 2022, the District and Authority may pursue condemnation of Minturn's interests in the Bolts Lake property and may delay prosecution of Case Nos. 21CW3029 and 21CW3030 until either such time as Minturn has recorded the Release, or the District and Authority elect to notify Minturn that this Agreement is null and void and of no further effect.

(b) Prior to enforcing in Court any remedy for breach of this Agreement, the party asserting that such a breach has occurred shall give the other party written notice thereof including a description of the alleged breach and citation to the relevant provisions in this Agreement. The party against whom a breach is asserted shall have fourteen (14) days after such notice is sent in which to cure the breach.

21. Recording. This Agreement and all exhibits attached to this Agreement shall be recorded in the records of Eagle County, Colorado.

22. No Waiver. Nothing contained herein shall constitute a waiver by Minturn, the District or the Authority as against any third party of their respective rights of immunity under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq., or a waiver of any rights these parties may have under the Colorado Recreational Use Act, C.R.S. § 33-44-101 et seq.

23. Assignment

(a) The District and Authority may assign its interests and obligations under this Agreement to each other or to a successor consolidated district or authority.

(b) The terms of this Agreement shall be binding on the parties' successors and assigns.

24. Counterparts. This Agreement may be executed in counterparts.

25. Governing Law and Venue. This Agreement shall be construed under the laws of the State of Colorado. In the event of a dispute involving this Agreement, such dispute shall be heard in the District Court for the State of Colorado in Eagle County.

26. Notice. Any notice or communication required pursuant to this Agreement shall be in writing and may be given either personally, or by email with a printed copy sent via First Class U.S. Mail. If given by email and U.S. Mail, notice shall be deemed to have been given and received on the date that the email was sent. If personally delivered, notice shall be deemed to have been given and received on the date delivered to the party to whom it is addressed. Any party may, by giving written notice, designate any other address or person in substitution of or in addition to the names and addresses contained herein. Such notice and communication shall be given to the parties at the addresses set forth below:

If to Town: Town of Minturn
 Town Manager
 302 Pine Street
 P.O. Box 309
 Minturn, CO 81645
 manager@minturn.org

With Copy To: Michael Sawyer, Esq.
Karp Neu Hanlon
P.O. Drawer 2030
Glenwood Springs, CO 81602
mjs@mountainlawfirm.com

With Copy To: Meghan Winokur, Esq.
Holland & Hart
600 Main Street #104
Aspen, CO 81611
mwinokur@hollandhart.com

If to District/Authority:

Eagle River Water and Sanitation District
Upper Eagle Regional Water Authority
General Manager and Director of Engineering & Water
Resources
846 Forest Road,
Vail, CO 81657
lbrooks@erwsd.org
jcowles@erwsd.org

With Copy To: Kathryn Winn, Esq.
Collins, Cole, Flynn, Winn & Ulmer
165 South Union Blvd., Suite 785
Lakewood, CO 80228
kwinn@cogovlaw.com

With Copy To: Kristin Moseley, Esq

Somach Simmons Dunn
2033 11th Street, Suite 5
Boulder, CO 80302
kmoseley@somachlaw.com

27. Construction. The parties represent that they have been represented by legal counsel in the drafting of this Agreement and that the parties have each had the full opportunity to participate in the drafting and review of the document. The parties agree that this Agreement shall not be interpreted or construed in favor of, or against, any party based upon such party being characterized as the “drafting party.”

Executed as of the date first set forth above.

**EAGLE RIVER WATER &
SANITATION DISTRICT**

**UPPER EAGLE REGIONAL
WATER AUTHORITY**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

TOWN OF MINTURN

By: _____
Name: _____

STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this _____
day of _____, 2022, by _____ as _____
of the Town of Minturn.

Witness my hand and official seal.

My commission expires _____.

Notary Public

DRAFT



Town of Minturn
301 Boulder St #309
Minturn, CO 81645
970-827-5645
council@minturn.org
www.minturn.org

Potential Intergovernmental Agreement (“Agreement”) between the Town of Minturn, Eagle River Water & Sanitation District (“District”) and Upper Eagle Regional Water Authority (“Authority”)

Frequently Asked Questions

Question	Answer
<i>Why does Minturn want augmentation water?</i>	Minturn has both senior and junior water rights. Augmentation is necessary for Minturn to use its junior water rights during dry periods when there is a “call” on the river. In drought conditions or years where there is less run-off, Minturn must use its junior water rights to provide sufficient water under certain conditions. Without augmentation water, Minturn can be denied the use of its junior water rights. Minturn’s senior water rights are insufficient to supply the Town in certain situations, even if there is no future development.
<i>Why does Minturn want water security?</i>	Minturn wants to ensure that it will be able to provide water to residents into an uncertain and likely drier future.
<i>Does the District & Authority deal help Minturn even if there is no more development in town?</i>	Yes, Minturn has had to rely on its junior water rights in the past and in order to use these, Minturn currently leases augmentation water from the Colorado River District. The augmentation water provided to Minturn by the District will permit Minturn the option to drop these contracts and eventually save as much as \$50,000to \$70,000/a year.
<i>Can the Town still sue Battle Mountain for selling Minturn’s Bolts Lake easement to the District & Authority?</i>	Yes. In lawsuits for breach of contract, the parties are required to “mitigate” (minimize) their damages. In entering into this Agreement with the District and Authority, Minturn would be mitigating its damages as required by the courts. Minturn will still be able to sue Battle Mountain for, among other issues, the difference in value between Minturn’s Bolts Lake easement and the value of the benefit received from this Agreement with the District and Authority.
<i>What is the difference between permanent and leased augmentation water?</i>	Permanent augmentation water is just that, permanent. The District and Authority are not usually willing to commit to permanent augmentation water contracts, but they are willing to make that commitment to Minturn if we do this deal. Until

this deal, Minturn has been unable to obtain permanent augmentation water. We currently spend \$108,500/year to lease augmentation water through long term leases with the Colorado River District. These leases are not automatically renewable and in a severe drought situation in the future, we could be denied the right to renew the leases.

Is the 55-acre feet of “option” augmentation water permanent?

Yes, it is permanent if purchased in the next 30 years.

Does the Agreement require Minturn residents to pay for water rights for future development?

No. The Agreement provides for cost savings and water security regardless of future development.

Will Minturn Residents have the right to use Bolts Lake for recreation?

Yes, summertime recreation will be allowed including activities such as paddle-boarding, swimming, kayaking, fishing and other non-motorized activities. The Town will be responsible for developing and managing the recreation facilities. The recreation use will be secondary to the use of the reservoir as an augmentation facility.

Why are we negotiating with the District & Authority before we know the value of the Bolts Lake easement we are giving up?

The Bolts Lake easement appraisal was requested months ago and with the pending deadline of February 9th, negotiations had to occur prior to receiving the appraisal for the value of the easement.

Isn't it better for Minturn to keep its Bolts Lake easement and use that to solve its water issues?

No, in all probability, Minturn will lose its Bolts Lake easement in a condemnation proceeding by the District and Authority if we do not do this deal. Minturn would then only be entitled to the cash value of the easement as determined by the court.

Will the District & Authority IGA result in a decrease in Minturn's water bills?

Minturn residents will pay less than they would otherwise. Unfortunately, with infrastructure improvements on the horizon, water bills will still be increasing in the future, but not to the extent they would without the deal.

How does this deal impact Minturn's ability to develop Dowd Junction?

The deal provides that the District and Authority may supply Dowd Junction with water if technically feasible. Additionally, the Agreement will allow a water right to be decreed at Dowd Junction as a secondary alternative for Minturn water service to Dowd should a pipeline not be feasible.

Why is the District and Authority in such a hurry?

Because of their prior Agreement with Battle North, the District must have an answer from Minturn before February 9th.

Jay Brunvand
 Clerk/Treasurer
 301 Pine St #309 ♦ 302 Pine St
 Minturn, CO 81645
 970-827-5645 x1
treasurer@minturn.org
www.minturn.org



Town Council
 Mayor – Earle Bidez
 Mayor Pro Tem – Terry Armistead
 Council Members:
 George Brodin
 Lynn Feiger
 Eric Gotthelf
 Gusty Kanakis
 Tom Sullivan

Below reflects proposed topics to be scheduled at future Town Council meetings and is informational only. Dates and topics are subject to change.

REGULAR TOWN COUNCIL MEETINGS
February 2, 2022
Ord ___ - Series 2022 An Ordinance Approving an Intergovernmental Agreement between the Town of Minturn, Eagle River Water & Sanitation District and Upper Eagle Regional Water Authority.
Quarterly Update Review
Ord 2 – Series 2022 – An Ordinance amending Chapter 16 of the Minturn Municipal Code – Child Care Homes.
February 16, 2022
March 2, 2022
Water Tank Bid Update
DATE TO BE DETERMINED
30’ River Setback Policy Review & Eagle River Park (MMC Sec. 16-2-50(b)) – waiting on Planning Commission review
2021-23 Strategic Plan Amendment – Building Code Updates
Potential legislation regarding Mobile homes
Car Idling