

Goals/Governance Board Committee – Meeting Agenda

Upper Yampa Water Conservancy District

Thursday, January 23 @ 12pm – 2:30pm, UYWCD District Office

Purpose of the meeting:

- Refine draft Board Governance Handbook

Welcome and preliminaries (12-12:15)

- Confirm goal for today; any outstanding business

Discuss Governance items and recommendations (12:15-2:15)

- Review draft Handbook in light of issues identified in past discussions
- Determine next steps for refining Handbook and sharing with full Board for discussion and review

Wrap Up and Actions Items (2:15-2:30)

- Next steps and action items

01/23/2020

Table of Contents:

- 1) 01/09/2020 Committee Meeting Minutes
- 2) Director Handbook 1/17/2020 Revisions
- 3) Code of Conduct
- 4) Proposed Governance Language 12/11/19
- 5) UYWCD Assessment Interview Themes 2/19/19

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS BOARD GOVERNANCE COMMITTEE MEETING
JANUARY 9, 2020 1:30 pm
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO

MINUTES

Board Governance Committee members present were Directors Ken Brenner, Bob Woodmansee, and Web Jones. General Manager Kevin McBride, Communications & Marketing Manager Holly Kirkpatrick and Ryan Golten, Consensus Building Institute (facilitator) were also present.

The following agenda was proposed:

Purpose of the meeting:

- Finalize draft strategic plan
- Refine governance recommendations for Board consideration

Welcome and preliminaries (1:30-1:45)

- Approve previous meeting minutes
- Agenda review, confirm today's plan, any outstanding business

Refine/adopt Strategic Plan (1:45-3:00)

- Discuss final edits to draft strategic plan

Discuss Governance items and recommendations (3:00-4:15)

- Review first draft of board governance manual

Wrap Up and Action Items (4:15-4:30)

- Next steps and timeframes

Preliminaries. Ryan Golten, facilitator, reviewed the purpose and agenda for the meeting.

Plan for refining/adopting final Strategic Plan. The Committee did a final review and edit of the entire document. It discussed recent suggestions from the December Board meeting and received from the public, which were reflected by staff in the new draft. Based on the few public comments received, staff proposed edits to phrasing and tone but not much substance. The final suggested edits from today's Committee meeting will be reflected in a red-lined draft that the Board will review, finalize and hopefully adopt at the January 15 Board meeting. It now includes language that the Plan should be considered a living document. The Committee advises it be reviewed regularly, possibly with brief annual reviews and more thorough re-evaluation every few or several years.

RECORD OF PROCEEDINGS

Board Governance and Board Policy Handbook. The Committee feels this handbook or manual will be a useful tool to clarify roles and responsibilities for Board members and between Board and staff and Board, prepare new Board members, provide guidance for Board meetings, and share with the public what to expect from this Board.

Regarding the draft in today's packet, Bob Weiss did an initial substantive review and edit of the Board handbook template provided by the Committee at the December Committee meeting, with instructions for his initial edits. Based on the guidance below, the Committee asked Ryan to review and update the current draft and email a red-lined and clean draft to Committee members on Friday 1/17, along with the 2019 '360 Assessment' and 'Draft Guiding Principles/Procedures,' for the Committee to review and be prepared to discuss at the next Committee meeting. These past drafts will not be printed, but Ryan or Holly will identify where Board members can find these in their Committee binders.

- Shorten redundancies and extraneous verbiage where possible
- Shorten agenda-setting portions to be more clear and concise
- Omit self-evident language that doesn't provide actual guidance
- Keep Chapters generally as they are, but omit/reduce Chapter 2 (Board Member interaction) and Chapter 5.
 - Consider whether a separate Code of Conduct is needed
 - The document should be aspirational guidance document – avoid the word 'shall,' so as not to confuse this document as creating legal responsibilities.
 - Omit as much as possible that's already in the bylaws, except to provide overall descriptions of roles and refer to the bylaws.

Wrap Up and Actions Items. Staff will include the Strategic Plan updates in the packet for the January 15 Board meeting. The governance Committee will meet Thursday January 19 at 12-2:30 in the District offices.

Determination of future meetings. Committee will meet January 23, 2020, 12:00 pm – 2:00 pm, at the District Office, 2220 Curve Plaza Ste. 201, Steamboat Springs, CO.

I certify that the foregoing constitutes a true and correct summary of the proceedings at the above referenced meeting.

Kevin McBride, District Secretary/Manager

Date: _____



Table of Contents

Preamble

Chapter 1 – Role and Authority

Chapter 2 – Board Member Interaction

Chapter 3 – Staff Interaction

Chapter 4 - Governance

Chapter 5 – Public Interaction

Chapter 6 – Director’s Code of Conduct

Upper Yampa Water Conservancy District Mission

To lead water resource management within the District’s boundaries by responsibly conserving, protecting, developing, providing and enhancing the water resources of the Upper Yampa River Basin for the benefit of the Basin.

Preamble

The Upper Yampa Water Conservancy District Board of Directors has developed and adopted, and will maintain, a Board of Director’s Handbook to support the District’s mission, guide the Board, and encourage public confidence in the integrity of the District and its fair and effective operation. Contained in the Handbook are pertinent District information, controlling legislation, relevant rules and regulations, Court Decree creating the District, and bylaws and local policies enacted by the Board. The Handbook will serve as a resource for directors, staff and the public in determining the manner in which District business is to be conducted.

District Background

The District was formed on the basis that properties within the District would benefit through conservation, development, and stabilization of water supplies for domestic irrigation, power, manufacturing, and other beneficial uses. This led to the construction of Yamcolo Reservoir, located in the Flattops near the headwaters of the Yampa River, in 1980 and Stagecoach Reservoir, located southeast of Steamboat, in 1989. Yamcolo offers 9,621 acre feet of storage, which primarily provides water to agricultural operations in South Routt County. With up to 36,439 acre feet of storage, Stagecoach serves a multitude of water users, including municipalities, industrial use such as energy production, agricultural operations, and recreation including snowmaking. In addition to serving the contractees of Yamcolo and Stagecoach Reservoirs, the District also operates an 800 kW hydroelectric power plant at Stagecoach Dam.

Both Yamcolo and Stagecoach Reservoirs offer a variety of recreational opportunities. While recreation is managed by the National Forest service at Yamcolo and Colorado Parks and Wildlife at Stagecoach, the District owns the facilities including campgrounds, boat ramps, beaches, and walking paths. The District also owns 642 acres of land dedicated to big game habitat and 124 acres of wetlands in addition to an 80-acre Wetland Aquatic Habitat Refuge west of Stagecoach. The District donates approximately \$9,000 annually to Colorado Parks and Wildlife for fish stocking and subsidizes the recreation facilities at Stagecoach. The District also installed a \$275,000 multi-outlet intake structure to provide optimum reservoir release temperatures for trout and multiple fish habitat structures downstream of the dam.

The District is committed to an Upper Yampa River Basin with safe, secure water storage and supply that benefits all uses in the Basin. Persons and entities who contract for allotments of water from the District, residents and property owners within the District are entitled to Board members who are fair, ethical, and accountable. Board members will constantly seek to reflect the following qualities in the discharge of their duties:

Chapter 1 – Role and Authority

Board values

District constituents, and persons and entities who contract for allotments of water from the District, are entitled to Board members who are fair, ethical, and accountable. Board members strive to constantly seek to reflect the following qualities in discharging their duties:

- Strive to be independent, impartial, and fair in their judgment and actions;
- Use their public office for the public good, not for personal gain; and
- Conduct public deliberations and processes openly, where not legally confidential, in an atmosphere of respect, civility and transparency.

Role of the Board

The primary role of the Board is to establish policies that guide the District to meet its mission. Board members recognize and respect the distinction between their policy setting role and the

day-to-day implementation of policy by staff. The Board exercises authority collectively as a Board, and individual Board members do seek to not establish policy on their own, whether through private communication with staff or otherwise.

The Board has three major responsibilities:

- 1) Promote the best interests of the District's constituents and stakeholders by establishing policies that support the vision and mission of the District and by ensuring the implementation of those policies. Policies include the governing principles, strategic plans, and course of action for the organization. Policy-making is the process of visionary planning and should reflect the broadest possible principles and provide parameters within which staff can operate. Policy-making sets the overall direction for the District.
- 2) Establish policies that ensure fiscal stability and the effective use of funds. In order to achieve this, each fiscal year the Board adopts a budget covering the anticipated revenues and expenditures of the District and reviews budget reports throughout the year. Additionally, from time to time, the Board reviews and/or adopts amendments to the District's cash reserve, investment, and other policies as necessary.[Any edits needed?]
- 3) Hire a General Manager to manage the day-to-day operations of the District. The Board holds the General Manager accountable for the effective operational management of the District and evaluates the General Manager on an annual basis.

Authority

The Upper Yampa Water Conservancy District was formed in 1966 to provide legal authority to plan and construct water conservation projects in the Yampa Valley. The petition for organization was filed on December 21, 1965 under the Water Conservancy Act of the State of Colorado. In March of 1966, the district boundaries were established to encompass portions of Routt and Moffatt Counties. The District is divided into three divisions: Division 1 (Hayden area), Division 2 (Steamboat Springs area), and Division 3 (Oak Creek/Yampa area). Upon formation, it was proposed that the Board of Directors be comprised of three directors from each division. The nine members of the Board of Directors are appointed by the Colorado Water Division Six Water Judge to serve staggered four-year terms. The Board is vested with authority to employ and set terms and conditions for employment of the General Manager of the District, but the General Manager has management authority over subordinate employees.

In order for a Board of Directors to function in an effective manner, it is important that each member understand his/her respective role and the relationship they have to other members of the Board and to the General Manager. This also requires an understanding of the level of performance required to carry out the duties of a Board Member. The officers of the Board of Directors include the President and Vice-President. The General Manager serves ex officio as Secretary/Treasurer of the District. Officers of the District are elected annually by the Board.

Chapter – Board Interaction with Staff

Effective and efficient functioning of the District relies on collaborative efforts between the Board of Directors and those individuals employed to execute the District's day-to-day operations.

The Board's Relationship with the General Manager.

A positive relationship between the District Board and its General Manager is important to the Board. The General Manager is the primary agent of the Board and is the one to whom the Board delegates authority to manage and administer the District's daily operations in accordance with approved policies. The General Manager has two roles: chief executive officer and top advisor to the Board. As the most visible employee, the General Manager represents the District to its stakeholders and constituents.

Much of the District's success will depend upon a positive relationship between the Board and its General Manager. The leadership nature of both parties also means that this relationship will likely create some inherent tensions; a strong Board and a strong General Manager will not always agree on every issue. However, both will focus on maintaining a shared sense of purpose, open communication, honesty, trust and mutual support. While the General Manager is hired to carry out Board policy directives, the Board also looks to him/her for guidance and leadership. Further, the Board must be able to support the decisions of the General Manager and grant him/her the authority to manage and lead the District. Both parties should endeavor to publicly support each other.

The General Manager is responsible for ensuring Board members have the information they need to make Board-level decisions and that all Board members are provided the same information. Board members expect the General Manager to make a recommendation on issues before the Board, except those that are strictly reserved to the Board or legal matters within the responsibility of the District's legal counsel.

The following guidelines are intended to help define the relationship between the Board and the General Manager:

- 1) The General Manager prepares an annual budget and work plan for approval by the Board of Directors..[Let's make sure folks are generally on same page about what's meant by the GM's 'workplan' and see if any clarification necessary. Does Board have a role in reviewing the 'tasks' chart that staff prepares/modifies to implement the Board's strategic plan? Distinguish from GM's work plan?]
- 2) The Board of Directors provides the General Manager with an annual written evaluation that is standardized, transparent and tied to his/ job description and work plan.
- 3) While the Board sets District policy, the General Manager's role is to manage day-to-day operations in accordance with those policies.
- 4) Individual Board members may discuss District-related matters with the General Manger at any time. While Board members may not individually direct policy or management decisions with the General Manager, they are encouraged to provide feedback, input, and/or suggestions to the General Manger concerning District operations in carrying out the strategic and policy direction of the Board. If at any time the General Manager or a

Board member believes an issue may implicate broader District policy and/or decision-making, he or she may bring the issue to the full Board for input or guidance.

- 5) If a Board member has concern about staff actions, or how staff are implementing Board policy, or if the General Manager has concerns that a Board member is attempting to direct staff on a policy matter, the party should attempt to discuss the matter directly with the other to try to resolve the matter. If the issue is not resolved or seems to either party to implicate a broader policy issue, the issues should be brought to the full Board for discussion.
- 6) Board members should be provided the same information, where practical, including staff reports, committee agendas, customer inquiries, background information, etc.
- 7) The Board should inform the General Manager of any specific information they want to receive from outside agencies, organizations and other sources.
- 8) Board members should not meet with officials from agencies or jurisdictions about District business without the knowledge or participation of the General Manager.
- 9) Board members shall not attend internal staff meetings or meetings between District staff and third parties without prior notice to the General Manager.
- 10) The General Manager shall advise the Board of Directors when he/she is out of the office for an extended period of time and shall designate the individual who shall be acting General Manager during that time.
- 11) When a Board member is going to be out of town or unavailable for a Board meeting or other function involving the Board, he/she will notify District staff in a timely manner.

Interactions with Staff (Apart from the General Manager)

District staff serves the entire Board of Directors as a whole. Consequently, the Board should adhere to the following guidelines in its interaction with the staff:

- 1) A Board member shall not direct staff to initiate any action, change a course of action, or prepare any report without the approval of the General Manager and, if necessary, a majority of the Board, but Board members may make inquiries to staff about District operations and other matters.
- 2) Board members shall not attempt to pressure or influence staff discussions, recommendations, workloads, schedules, or priorities.
- 3) When preparing for Board meetings, Board members should direct questions ahead of time to the General Manager so that staff can provide the desired information at the Board meeting.
- 4) Any concerns by a member of the Board regarding the behavior or work of a District employee should be directed to the General Manager privately to ensure that the concern is addressed. Board members shall not reprimand employees directly nor should they communicate their concerns about individual staff members to anyone other than the General Manager.
- 5) While Board member may reach out directly to staff with questions, requests for research involving staff time must be directed to the General Manager, or the District's legal counsel regarding legal matters. The GM's responses to Board member research?

requests will be distributed to all Board Members. [Parameters to guide this? Does this include answers to other Qs? What if it's a minor question vs more significant?]

- 6) [Discuss expectations for Board member requests of legal counsel – from individuals vs full Board? Any other guidelines for Board and legal counsel?]
- 7) Soliciting political support from staff (e.g., financial contributions, display of posters or lawn signs, name on support list, etc.) is prohibited. District staff may, as private citizens with constitutional rights, support political candidates, but all such activities must be done away from the workplace and may not be conducted while on the job.

Chapter – Governance

The District Bylaws establish the orderly conduct of District business where not otherwise provided by State law. The following provisions are non-binding, except where explicitly stated in the Bylaws, but provide additional guidance regarding Board governance.

Board Meeting Agendas

Board meeting agendas are generally set at each meeting for the next Board meeting as an agenda item. Once set, they may be modified by the General Manager and/or the Board President. New items may also be added at the request of two Board members.

Meeting Schedule and Location

The regular monthly meeting schedule is approved by the Board at the November Board meeting for the upcoming year. Currently, most (but not all) regular Board meetings are held on the second Wednesday of each month commencing at 1:30 pm in the upstairs conference room known as the Mountain Valley Bank Community Meeting Room, 2220 Curve Plaza, Suite 201, Steamboat Springs, Routt County, Colorado. Lunch is normally served before the meeting starting at 1PM. The Board may hold a day long Board retreat in October in lieu of the October Board meeting. Special meetings are called from time to time in accordance with the Bylaws.

Board Meeting Protocol

- 1) The Board should treat members of the public with courtesy and respect.
- 2) The minutes of the Board meetings should be distributed to Board members in advance of the next meeting and normally approved with corrections, if any, at the next regular Board meeting.
- 3) Provision for Board communication forms? Board member reports? Written vs. verbal reports? Possibly include: The Board of Directors 'Report portion of the Agenda shall be utilized for members of the Board to provide brief reports on matters of interest to the Board including meetings attended in their capacity as Board members.
The General Manager meets with the President and/or Vice President prior to the Board meetings to review and prepare for the upcoming meeting.[Let's discuss.]
- 4) At the direction of the General Manager, department heads or appropriate departmental managers will generally be present at every meeting.[Let's discuss.]
- 5) Methodology for tracking Board policy/resolutions?

Chapter 5 – Public Interaction

As a public body, it is important for the District Board of Directors to establish a working environment that encourages public participation and trust. During their service, Board members will have a wide range of interactions with the public including written communication (i.e., letters, email, etc.), social media, phone calls, face-to-face, social functions, regular and special Board meetings, etc. The following guidelines represent Board member “best practices” for interacting with the public.

Engaging the Public in General

- The Board respects the role of constituents in the governance of the District and encourages their participation.
- The Board seeks input from key stakeholders where appropriate in District decision-making.
- The Board is aware that all written and electronic documentation and communication [specify with whom/regarding what] is legally considered in the public domain. This excludes information protected by attorney-client privilege.

Concerns or Complaints

- 1) Concerns or inquiries that are directed to Board members regarding District employees or operations will be initially referred to the General Manager. Board members should strive to approach such issues without judgment and in a spirit of collaborative problem solving.
- 2) The General Manager or his/her designee will provide the Board with a written or verbal report of constituent concerns or inquiries that cannot be handled as a routine manner, and/or that are significant or politically sensitive.
Information that may expose the District to liability will be shared with the Board at a noticed, executive session meeting of the Board of Directors as allowed by applicable law.

Public Input During Board Meetings

The Board President maintains an orderly progression of the business before the Board, and to the extent possible regulates the amount and type of input from the public and from members of the Board and staff. Normally public comment is accepted on all agenda items and time is set aside for general public comment on items not on the agenda. Generally, Board members will not respond to public comments during the public input portion of the agenda except to refer matters to the General Manager for follow-up. Board members may ask clarifying questions to ensure that staff provides an appropriate response. Occasionally, a prompt response may be offered by the President or the General Manager when an obvious answer or resolution is available. The Board will not enter into a debate or make decisions in response to public comments that are not on the agenda for consideration.

Representing the District Externally

In order to ensure that they are properly representing the position of the District on policy matters, Board members should adhere to the following guidelines:

- 1) Board members should use their title only when conducting official District business, for information purposes, or as an indication of background and expertise.
- 2) Once the Board of Directors has taken a position on an issue, all official District correspondence regarding that issue will reflect the Board's adopted position.
- 3) The Board may authorize the Chair of the Board to send letters stating the District's official position on policy issues including proposed legislation.
- 4) No Board member should represent official positions of the District at meetings of any outside agency or organization without prior Board authorization. If a designated Board member and/or alternate cannot attend an assigned meeting, a duly appointed substitute may attend on their behalf.
- 5) If a member of the Board appears before or otherwise participates in a meeting of another governmental agency or organization, non-profit entity to give a statement on an issue affecting the District, the Board member shall support the majority position and opinion of the Board.
- 6) Personal opinions and comments that may be contrary to adopted policy may be expressed only if the Board member clarifies that these statements do not reflect the official position of the Board or the District.
- 7) Board members should exercise caution when utilizing the news media, social media or other forms of communications to specifically express views which are in opposition to adopted Board policy.
- 8) When two or more Board members are authorized by the Board to attend a meeting, the meeting is properly noticed as a public meeting of the District.

Upper Yampa Water Conservancy District

Board of Directors – Guiding Principles/Procedures

This working document is intended to provide guidance to the Board and General Manager regarding roles, expectations, and communication norms for the Board of Directors in implanting the District's Strategic Plan. It is not intended to cover matters addressed by the Bylaws. In case of any question or conflict between the documents, the Bylaws shall govern.

Guiding Principles

- ✓ The Board as a whole sets policy for the District. If a Director or General Manager has concerns about policy direction coming from an individual Director, it should be clarified with the Board.
- ✓ The Board strives for an atmosphere of collaboration and transparency among the Board, with staff, and with the public. Board members will strive to listen well, ask questions, and share input in concise, non-personalized ways.
- ✓ Board members are welcome to share input, opinions or questions with the General Manager or staff, but do not direct the day-to-day actions of the District.
- ✓ The Board will approach any concerns regarding the actions of staff or other Board members without judgement or assumptions.
- ✓ Board member shall be treated equally in terms of oversight and decision-making.

Board Meeting Principles and Procedures

- ✓ Information should be shared efficiently without unnecessary bureaucracy. The Board should be kept apprised of issues relevant to Board policy or decision-making, and on the progress of District activities. Relevant updates, information, and policy options should be provided in written form, prior to Board meetings. Board Communication Forms may be supplemented with discussion and questions as needed.
- ✓ Board meetings shall alternate between regular meetings and work sessions, to allow for efficient decision-making on targeted topics, as well as broader policy discussions on thornier issues.
- ✓ To engage the public, Board meetings should always allow for public comment on specific topics not on the agenda and at the beginning of meetings. This should be clearly indicated on meeting agendas. In addition, a particular stakeholder group should be invited to attend lunch before each meeting.
- ✓ Subcommittees should be used where possible to discuss, vet and frame complex issues for broader Board consideration.
- ✓ In terms of the agenda, action items should be covered at the beginning of meetings, in order of importance. The Engineer's report should be early in the agenda.
- ✓ To encourage Board decision-making, split/minority votes are acceptable if the Board is unable to reach a consensus outcome that all Board members can accept.

Board Roles

- ✓ **Board decisions.** The Board as a whole sets the policy and strategic direction of the District. When matters arise on which Board members disagree, the Board will first seek consensus, then vote as needed, to clarify the positions of the full Board.
- ✓ **Ambassadors.** When Board members represent the District externally, their primary role is to listen and report back to the District about relevant efforts and issues. Where communicating District positions externally, Directors shall closely communicate with District staff regarding messaging. To the extent they are representing less formal District input on non-confidential matters, Directors shall strive to offer balanced perspectives of Board perspectives with adequate disclaimers about their own role.
- ✓ **Strategic Planning.** The Board shall periodically adopt a strategic plan to guide the work of the District. The General Manager will use this plan to develop an annual workplan and budget to implement the District's goals and objectives.
- ✓ **Personnel oversight/responsibility.** Board members shall provide an annual review of the General Manager through a process that is standardized, transparent, and tied to objective markers, i.e., his/her annual workplan and job description. The Board should also provide ongoing feedback to the General Manager regarding any issues or concerns as they arise.

On-boarding of new Board members

- ✓ New Board members should receive copies of relevant governance documents and historical materials, including: [District Bylaws, relevant statutes, Board Principles, Strategic Plan, Current Work Plan....].
- ✓ To effectively oversee the functions of the District, new Board members shall receive a tour of District's facilities and infrastructure within their first six months. (All Board members should participate in this tour every 2-3 years.)

Conflict Resolution

- ✓ [Need something in place for resolving conflicts among staff and/or Board to supplement and/or refine the District's Personnel policy (p.22). Could be a 3rd party Ombuds or Mediator, potentially housed under the General Counsel, if the issue involves GM and/or Board members and direct communication does not resolve the issue. It may also be useful to have the Ombuds or Mediator available to the GM to help resolve internal staff issues as needed.]

Chapter 6 – Director’s Code of Conduct

In order to promote the public’s trust in Board policies and to ensure the most effective and efficient delivery of District services, members of the Board shall abide by the following Director’s Code of Conduct:

1. Board members shall refrain from abusive conduct, personal charges, or verbal attacks upon the character or motives of other members of the Board, committees, staff, or the public.
2. Board members duties shall be performed in accordance with the processes and rules of order established by the Board.
3. Communication between Board members, including electronic, verbal and written, shall comply with CORA.
4. Board members shall inform themselves on public issues, listen attentively to public discussions before the body, and focus on the business at hand.
5. Board decisions shall be based upon the merits and substance of the matter at hand.
6. Board members shall represent the official policies and positions of the Board when acting in their official capacity. When presenting their personal opinions or positions publicly, members shall explicitly state they do not represent the Board or the District.
7. Board members shall respect and preserve the confidentiality of information provided to them concerning the confidential matters of the District. They must neither disclose confidential information without proper legal authorization nor use such information to advance or adversely affect the personal, financial, or private interests of themselves or others.
8. It is the responsibility of Board members to publicly share substantive information that is relevant to a matter under consideration that they have received from sources outside of the public decision-making process with all other Board members and the public prior to taking action on the matter.
9. Appropriate District staff should be given the opportunity to participate when Board members meet with officials from other agencies and jurisdictions to ensure proper staff support as needed and to keep the General Manager informed.
10. Board members shall not attend internal staff meetings or meetings between District staff and third parties without prior notice to the General Manager.
11. Board members shall disclose to the appropriate authorities and/or to the Board any behavior or activity involving the District that may qualify as corruption, abuse, fraud, bribery or other violation of the law.

12. Board members, by virtue of their public office, shall not take advantage of services or opportunities for personal gain that are not available to the public in general. They shall not accept gifts, favors or promises of future benefits that might compromise their independence of judgment or action or give the appearance of being compromised. Likewise, Board members shall not appear on behalf of, or advocate for, the private interests of a third-party before the Board.

Conflict of Interest

District directors, officers and staff shall comply with the Colorado Code of Ethics law which is codified at C.R.S. § 24-18-101 et seq., and C.R.S. § 18-8-308 concerning disclosure of conflicts of interest as amended from time to time. At times Directors may be associated with other entities which have interests which are adverse to the interests of the District. Such Directors shall not disclose or use confidential information received as a District director contrary to the District's interests without approval of the Board. If a District director acts or intends to act for another entity on a matter in which there are or reasonably are expected to be adverse interests between that entity and the District, he/she shall recuse himself/herself from participating in the District's confidential discussions of that matter and decline to receive confidential District information about that matter. Such director also shall not vote on Board actions affecting the matter. In such a situation, the director shall promptly notify the District's General Counsel, or General Manager of his/her decision or intention to act on behalf of the adverse or potentially adverse entity, and General Counsel, and the General Manager thereafter shall not provide confidential information to such director about the matter.

Handling of Legal Matters

The Board appoints the District's general and special counsel to provide a wide range of professional legal services, assistance, and legal advice to the Board of Directors, General Manager and all District departments.

1. The following guidelines shall be employed by Board members when dealing with legal and/or other confidential matters:

a. All written materials and verbal information provided to Board members on matters that are confidential and/or privileged under State law shall be kept in complete confidence to ensure that the District's position is not compromised. No disclosure or mention of any information in these materials may be made to anyone other than Board members, the General Manager or the District's legal counsel.

1-17-2020

b. Paper copies of confidential materials provided in preparation for and during Executive Sessions or at other times shall be returned to staff at the conclusion of the Executive Session. Electronic copies shall be kept confidential and not printed out or forwarded in a manner that risks inadvertent release to persons not entitled to such materials or waiver of the attorney-client privilege.

c. Board members may not request confidential written information from staff that is not to all Board members.

UYWCD Assessment: Summary of Themes

CBI conducted nearly 30 confidential stakeholder interviews in early February 2019, consistent with the 360 Assessment proposal approved by the Upper Yampa Water Conservancy District Board at its January 23rd meeting. The themes below reflect key or consistent topics from the interviews. They are not intended to be comprehensive, nor were any of the topics below expressed uniformly. *Options for addressing and/or exploring the issues below will be discussed at, and following, the Board's February 20th Work Session.*

District Strengths

- Resources – water, infrastructure/storage, financial resources
- Significant opportunities/ability to be strong player because of these resources
- Position as a unique and significant water institution in the Valley
- Important representation of Basin needs at State level through deep knowledge and strong advocacy; strong representation of the District within the Basin
- Knowledgeable Board members who are well connected/involved in the community
- Professional, skilled, extremely competent admin/field staff
- Thoughtful, committed constituents with a strong stake in District and its success
- Recognition of accomplishments in past 10 years, operationally and organizationally
- Strong relationship/partnership with CO Parks and Wildlife at Stagecoach
- Appreciation of recent efforts toward increased transparency/engagement – e.g., making Board packets available, conducting this Assessment and follow-up
- Willingness to offer expertise at events; skilled presentation of issues
- Transitioning to a more public-facing office in town
- Participation in Basin water technical efforts in a detailed technical manner
- Augmentation plans
- Mini-grant program with user-friendly process*
- Provision of releases to support late-season flows*
- Participation/partnership in other water efforts – e.g., UY watershed, IWMP*
- Website with useful info*
- Some recreation opportunities – e.g., Stagecoach State Park as a little-known asset*
- Appreciation of the District's broad mission and complex, challenging role

*Also described as an area for improvement or expansion (see below).

Areas for Improvement

Approach to Working with District Stakeholders

- Strong interest in seeing the District develop a more 'public service' or 'customer service' oriented approach. Many commented that that the District projects a sense of existing for its own sake. Stakeholders would like to see the District expressing more interest in working with constituents and customers to try to meet their and

Basin-wide needs. Many commented they would like to see the District supporting District needs with tax revenue, e.g., preserving agriculture in South Routt County by keeping prices low.

- Overall encouragement to listen more, with less ‘talking at’ people, in various settings. This style can come across as defensive, overbearing, and/or off-putting. In the context of Board meetings, it can also be intimidating.
- Sense that the District as a whole often projects a reluctant, defensive, and/or antagonistic attitude with respect to customer issues, negotiations, or other efforts. This can lead to an erosion of trust, frustration, and/or unnecessary project delays.
- Desire to see contract negotiations as less combative or positional – including more communication regarding the specific needs the District is balancing, and more sense of appreciation of specific pressures facing South Routt producers. Contract holders share an interest in the District being financially stable and understand the need to raise prices. They don’t want to feel the District is profiting at their expense.
- The District was described as ‘lacking empathy’ and as seeming to ‘undervalue relationships,’ both with landowners and partners.
- Repeated encouragement to find ways to make price structure work for District’s Ag producers, together with win-win solutions that benefit the river and rec interests.

Transparency, Inclusion, and Communications

- Strong desire for more transparency from the District, as taxpayers and interested stakeholders – from posting meeting packets and summaries (which many described as recently improving), to sharing District information and activities. Interviewees reported finding it challenging to get involved with the District, in part because meeting information/materials are not always shared or accessible.
- Upper Yampa has ‘low visibility.’ This is seen as a missed opportunity to educate water users, highlight the role and activities of the District, and demonstrate accountability to taxpayers. Combined with the possibility of new storage project, a lack of visibility can also create concerns or mistrust. Otherwise it can appear as lack of organization and/or as though communicating with constituents is a low priority. Many constituents and partners felt they should understand the District’s goals and/or activities but do not feel adequately informed.
- Website updates should include clear District priorities, activities, partners, etc. This information should be actively shared with constituents/partners in other forums.
- Overall, there was strong encouragement for more transparency, communication and collaboration with stakeholders.

Input on District Activities and Priorities

Some of the points below may also be considered ‘areas for improvement.’

Clarifying District Objectives and Priorities / Developing a Strategic Plan

- Clarify to what extent District goals include providing value to District-wide water users in addition to core function of storing/delivering water to customers.
- Strong support, including in lower Basin, for the District’s emphasis on developing new storage. The ability to retime releases will take pressure off Ag in late season.

- Strong encouragement for the District to develop a Strategic Plan that translates into the District's pricing and business model.
- Encouragement to engage entities such as the Upper Gunnison Water Conservancy District for useful models for supplying and delivering water to customers while seeking to creatively meet other Basin water needs (and building trust in doing so), as well as the Colorado River District.
- Consider engaging local experts as a focus group in the strategic planning process.

Strengthening Involvement in and Support for Basin Water Needs

- Support for enlarging the grant program in near term to help meet urgent needs for improved Ag diversion structures and metering devices.
- Desire to see the District pursue a more proactive, solution-oriented approach to Basin water challenges in ways it is uniquely situated to do and that protect Ag. Examples included: expanding matching grants to support other water efforts; exploring options to offset prices by allowing unused contract water to augment late-season flows; pursuing creative arrangements with other buckets of water to meet Basin water needs and take pressures off Ag; proactively working with partners on late-season releases where consistent with District priorities and protective of agriculture. Looking for win-wins.
- Idea of the District as a 'steward' of water it releases – e.g., helping to ensure cold water makes its way downstream, continue to mimic natural hydrograph.
- Encouragement to develop non-consumptive pricing policy in ways that keep the District whole – e.g., tie pricing to length of contract terms.
- Finding additional ways to bring the District's water expertise to the broad community the District serves.
- Recognition that District will be important player in efforts such as IWMP, Water Fund, DCP/demand management and new storage to address growing water pressures.
- Emphasis that all of the above will be important to developing education and support for a new storage project, which would require significant local support.

Stagecoach Firming (and/or Other Potential Storage)

- Emphasis on 'going overboard' in communicating about this, given sensitivities around storage. Many mentioned not having heard anything directly from Upper Yampa about Stagecoach Firming or Morrison Creek Reservoir.
- Widespread acknowledgement of potential importance and value of new storage for the Valley for meeting multiple needs.
- Interest in more transparency and openness around potential project goals. Suggestion that doing so can lead to opportunities and partnerships, in addition to building trust with constituents.
- Concern that the District is not making the case it could and should be for storage in a way that doesn't focus on wet water but on other benefits to Ag, river health, and recreation components.
- District should not gloss over the downsides – e.g., hydrograph impacts, wildlife pressures/sensitive areas, local impacts. Need to have the hard conversations.

- Need creative thinking and collaboration with others to find legitimate, broadly supportive uses, including innovative ways to meet non-consumptive uses.

Input on New District Staff Position

Note: While the Assessment asked about an 'Outreach' position in particular, stakeholders had varied suggestions about useful functions and roles for new staff, as discussed below.

Preliminary Comments: Be Strategic and Provide Sufficient Direction

- Widespread input that, if new staff is hired, this should be after the District has clearly articulated policy priorities to guide and inform their actions.

Function/Roles/Responsibilities/Skillset

- Some excitement about the prospect of District staff whose focus is to improve relationships, develop partnerships, make the District's work more visible, and implement joint projects – e.g., matching grants, Upper Watershed plan, help translate studies into action.
- Functions could include increased communication/education about District activities and functions – e.g., reservoir operations, effects and benefits of releases, potential benefits of new storage, river hydrology – through website updates, newsletter articles, presentations at other entities' meetings.
- Emphasis that, to be effective on the above, this position would need authority and ability to speak/act on behalf of the District and should not simply be a 'friendly face' at water meetings.
- Apart from the educational role, some concern that the functions above should be the General Manager's, and that this position should be answerable to the Board.
- Some input that a GM position should be sufficient to accomplish these functions for an organization of the District's size.
- Alternative suggestions included someone to help the District translate its policy priorities into business planning and/or manage the business end of the District's water by understanding current and potential needs of District constituents.
- Useful to bring new skills to the District in areas of communication, collaboration, and negotiation – not just 'public relations' but creative thinking, communication, and listening skills, to help achieve positive, concrete outcomes.

Internal Governance and Operations

The comments below are based on input from external parties and Board members.

Board composition, role(s) and expectations, and meetings

- Strong interest in balancing Board members' institutional knowledge with more diversity. Ideas for structural changes include: term limits, publicizing Board application/selection process, elections rather than judicial appointments.
- Sense that Board meetings can be dominated by a few strong voices. Encouragement to make Board meetings more inclusive of diverse perspectives.
- Interest in having Board members serve as ambassadors to the different Basin water efforts, possibly even making this a condition of Board service.

- Being aware of perceived conflicts of interest, in light of the small community and the many hats that Board members can wear.
- Desire to see Board members model and encourage a ‘public service’-minded, proactive approach to helping meet needs of customers and constituents through actively listening to constituents, being transparent and open about District needs, and looking for creative approaches/solutions.
- Need to clarify the District’s governance model, including respective roles and expectations of Board members, President and/or Executive Committee, and District Manager; communications and decision-making protocols; and addressing areas of conflict or concern as they arise. This should also include clarifying the role of Board members in activities such as external affairs or negotiations.
- Sense from external stakeholders that District leadership receives conflicting messages or directives from Board members, leading to confusion with staff and stakeholders. Important to have a strategic plan and clear Board direction.
- Exploring ways to focus (and shorten) Board meetings – e.g., use of subcommittees; shorter, more streamlined reports, use of succinct policy briefings prior to meetings.
- Need clear process for bringing policy proposals to Board for consideration, including on annual basis.
- Interest in hearing more from staff at Board meetings.

Internal/Staff Operational Issues

Internal issues to be further discussed with the staff and Board at an internal level.

- Would like to see staff increasingly empowered by District leadership on substantive matters, internally and externally.
- Observation that staff, at times, do not seem to receive clear direction and communication from leadership.
- Observation that stressed communications and/or lack of clarity at the District leadership and Board level lead to strained internal communications.
- Sense that many of the areas for improvement discussed above have applicability to the internal environment/operations – and that for District to be successful moving forward, these will need to be addressed as well.