

Upper Yampa District – DRAFT Board Governance Principles

My observation is that the District Board is mostly a policy Board, with some aspects of a 'working' Board. The Committee's discussion last week suggested that it may make sense to allow for both types of involvement but with clear written parameters. The Committee's suggestion was to start a list of Board governance principles to inform potential recommendations. Bob Weiss may have a role in helping translate these into the existing bylaws or policies as needed. A preliminary list of DRAFT principles is below as a straw-person/starting point, based on the initial August 13 conversation.

1) **'Nose in, fingers out.'** The Board guides District policy and sets goals and objectives for the District. The Board should be regularly updated on the District's progress, and notified of relevant issues or challenges, so it can provide collective guidance and make policy decisions. Board members are not involved in day-to-day District management.

2) **Policy and goal setting.** The Board's primary role is to set goals and objectives and to oversee the District's annual budget and work plan to achieve them. The Board will adopt a 5-10 year strategic plan with goals, objectives and tasks. The tasks should be updated on an annual basis in coordination with adopting a budget and work plan for the next year. The objectives should be reviewed every couple of years on a rotating basis.

2) **Efficient sharing of information without unnecessary bureaucracy.** In its oversight role the Board should be kept apprised of issues relevant to Board policy or decision-making, and on the progress of District projects and actions. The Board would like staff updates to be primarily in the form of Board Communication Forms. The Board understands this requires a commitment of staff time, and that will take time and discussion to determine what and how much information they should include. (For instance, brief pros/cons to inform policy decisions). BCFs can be supplemented with discussion when Board members have questions.

3) **Open communication between Board and staff.** The Board would like to foster an environment of openness, clarity, teamwork and transparency. In part this is accomplished through updates by staff and discussions at Board meetings (see #2 above). In addition, if Board members have questions about District issues or business, they should feel welcome to approach the relevant District staff at or between meetings while keeping the General Manager in the loop. Under no circumstances should these communications involve policy guidance without full Board direction. Staff responses to Board inquiries should generally be shared with all Board members.

4) **Board meetings should allow for decision-making as well as in-depth discussions.** Monthly Board meetings should continue to alternate between work sessions and regular meetings for this purpose.

5) **Board involvement in District activities (internal/external).** While the role of many Directors will be limited to policy-setting, there should be room for Directors to serve as volunteer advisors to staff and/or external ambassadors where relevant and useful to achieving the District's mission. Directors' primary role in attending meetings on behalf of the District is to listen and convey information back to the District. Their representation of the District should be done in close coordination with staff to ensure that messages are consistent and staff knows what is being represented externally. Where the District is represented in an official capacity or otherwise relevant, Directors should provide written updates to the District regarding these external efforts. If Directors are not conveying an official policy of the District but a non-confidential issue under Board consideration, they will strive to provide a concise, balanced, and appropriately nuanced sense of the issue(s).

6) **Appropriate communications with staff.** The community is small, and Board members and staff will inevitably have conversations about District business. However, under no circumstances may Board members provide policy guidance to staff outside of Board meetings, at which policy direction is set by the Board as a whole.

7) **Collaborative, informed agenda setting.** Board meeting agendas should follow the agenda format set out in the District's bylaws. A preliminary agenda for the following month's Board meeting should be included in each meeting packet, with time on each agenda for the Board to review the following month's draft agenda. The GM and Board president will refine and agree on a final agenda based on Board input. In general, agenda topics should track the District's work plan. Updates on topics that don't require monthly discussion should be shared periodically or on a rotating schedule.

8) **Public engagement with Board.** Board meetings should always allow for public comment on specific topics and in general. This should be clearly indicated on meeting agendas.

9) **Conflicts of interest.** [Need written procedure for this. Borrow from River District, from District Personnel policy, or elsewhere?]

10) **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). May want to include a 3rd party Ombuds or Mediator (housed under the General Counsel) if the issue involves the 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.

UPPER YAMPA WATER CONSERVANCY DISTRICT STRATEGIC PLAN

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.

[Placeholder for possible Vision Statement]

An Upper Yampa Basin with safe, secure water storage [or supply] for its customers that benefits all uses in the Basin.

The Board of Directors believes the Districts' mission is reflected in the following statements. Some reflect the District's responsibilities and core mission, while others reflect values and opportunities for the District in carrying out its mission. The statements and goals below are not currently listed in order of priority.

The District's mission and goals are also informed by the legislative declaration of the Colorado Water Conservancy Act (the "Act") under which the District was created, in Colo. Rev. Stat. Ann. §37-45-102, as well as relevant recent federal and state mandates, statutes, policies, and regulations.

Policy Statements

1. The Upper Yampa River Basin and the healthy functioning of its reservoirs, rivers and streams are essential to the District's agricultural, environmental, municipal, commercial, industrial, domestic and recreational cultures, and thus its economic future.
2. Climate change must be considered in planning.
3. Irrigation, municipal, commercial, domestic and industrial uses, and opportunities to support water-based environmental and recreational values, are important matters for the District and the public it serves.
4. The District is committed to maintaining the structural and functional integrity and protecting the water rights of the District's Yamcolo and Stagecoach reservoirs.
5. Collaboration in watershed management is important to advancing the District's mission.
6. Ranching and irrigated agriculture provide critical economic, socio-cultural values, aesthetic, and environmental contributions to the community.
7. Prudent industrial uses, such as energy development and production, may require direct flow and storage water and can support the economic welfare of the District.

8. A long-term municipal water supply is critical to a vibrant, diverse, and resilient economy within the District.
9. Water-based outdoor recreational activities are likewise critical to a thriving and resilient economy within the District.
10. Local land use policies and practices that ensure the District's ability to manage and develop the water resources within its boundaries are crucial to safeguarding the Upper Yampa Basin's water resources.
11. Science-based water quality programs are important to maintaining the chemical, physical, biological, and aesthetic integrity of the reservoirs, rivers, and streams within the District.
12. The District will participate in local and statewide deliberative processes to address climate, environmental, social, political, legal, and economic challenges as they affect water resources.
13. The District opposes any new transfers of stream flow or storage water from the Upper Yampa River Basin and its tributaries to other basins.
14. Future water works may be important to the District's future, and the District should evaluate them where appropriate.
15. As a taxpayer-supported public entity, the District values a two-way exchange of ideas and information with our community and constituents regarding the District's programs and priorities.

District Goals

The goals below collectively represent the District's vision for the future, consistent with the policy statements above. These goals supplement the evolving regulatory compliance activities that form the core of much of the District's work.

Goal 1 Upper Yampa Basin water resources and local water uses are protected from trans-basin diversions and Colorado River administration that would adversely impact those uses.

Objectives

- 1) Prevent out-of-District transfers of water that could have adverse impacts for the District and its constituents
- 2) Increase District understanding of, and potential role in, addressing Big River issues, such as the Drought Contingency Plan and demand management/water banking.

Goal 2 District's infrastructure is safe and maintained, or improved as needed, to serve the needs of the District.

Objectives

- 1) Ensure sufficient funds to maintain and/or improve our infrastructure
- 2) Initiate or support efforts to address algae and other water quality issues in Stagecoach Reservoir
- 3) Participate in local emergency preparedness operations with local entities
- 4) Develop, post and implement written procedures for District dam operators to follow when operating or entering parts of the infrastructure
- 5) Develop long-term capital plan for maintaining Stillwater Ditch if District remains the owner
- 6) Maintain Stagecoach Reservoir as a public recreation facility

Goal 3 District is financially sustainable and able to meet its stated goals.

Objectives

- 1) Develop short- and long-term financial planning to support District goals.
- 2) Clarify District's business model, including the propriety, tenure, and extent of use of tax revenue with respect to contract pricing

Goal 4 All in-Basin beneficial vested water uses in the District are protected, consistent with the policy statements above.

Objectives

- 1) Formalize and consider expanding District's grant program
- 2) Promote District's existing augmentation plans on Yampa and Elk Rivers
- 3) Explore potential expansion or creation of augmentation plans that aid in protecting the beneficial uses of junior priority water rights properties not currently within boundaries of the existing augmentation plans
- 4) Avoid or mitigate a Compact call while ensuring that agriculture in the District is not the sole source of water for doing so
- 5) Effectively communicate with local municipalities regarding long-term water supplies
- 6) Support and enter into appropriate and financially prudent short-term water allotment contracts for District water from Stagecoach Reservoir and/or Yamcolo Reservoir for environmental and recreational beneficial uses
- 7) Explore tools to enhance water delivery flexibility (Big River)
- 8) Increase tools to support physical and legal availability of environmental and recreational water
- 9) Clarify District policy and role regarding the use of District water to support non-consumptive water uses

Goal 5 Upper Yampa Basin water interests are represented at the local, regional and statewide levels on relevant policy, legislative, administrative, regulatory and judicial matters.

Objectives

- 1) Ensure representation of District interests in local and state matters, including on the IBCC, Basin Roundtable, CWCB and Colorado River District
- 2) Increase District collaboration with Roundtable members to advocate for Upper Yampa Basin interests, consistent with the policy statements above

Goal 6 Adequate water supplies within the District in light of changing climate conditions, population shifts, and other changes.

Objectives

- 1) Maintain and improve District's CDSS hydrology/water rights administration model
- 2) Increase District's understanding of relevant potential effects of climate change, population growth, and demographics for District planning
- 3) Increase engagement with District constituents and other Upper Yampa Basin water interests in planning for long-term Yampa Basin water supply and use
- 4) Increase science-based tools for internal planning

Goal 7 Healthy reservoirs, streams and watersheds within the District in support of the policy statements above.

Objectives

- 1) Support water quality efforts in the District, and, where relevant, respond to concerns that arise, consistent with District's mission
- 2) Anticipate potential future role and responsibilities for the District to support water quality in the District
- 3) Explore opportunities to support efforts or partner with others on watershed management and forest health

Goal 8 District constituencies understand water issues in the Upper Yampa Basin and the role of the District in addressing them.

Objectives

- 1) Increase public understanding of the District's role and activities
- 2) Improve Board collaboration, participation and representation with other organizations doing water-related work in the Upper Yampa Basin
- 3) Improve two-way exchange with constituents and stakeholders regarding District priorities and activities, including staff and Board
- 4) Increase local awareness of local water issues and resources

- 5) Build engagement of staff and Board, as experts and key stakeholders, to help understand issues and define the District's role

Goal 9 Robust District water rights portfolio.

Objectives

- 1) Maintain and, where appropriate, perfect District's water rights
- 2) Enhance District involvement/advocacy on water administration matters
- 3) Evaluate potential and conditional water rights
- 4) Explore small tributary storage projects within the Upper Yampa Basin
- 5) Pursue water projects that utilize/perfect Districts water rights and provide water supply for consumptive and non-consumptive purposes.
- 6) Support in-stream flow rights for City of Steamboat Springs, in part to help firm the District's portfolio.
- 7) Explore increasing flexibility of use for District's stored water rights.

Goal 10 Robust staff, legal and administrative resources to ensure District's viability and ability to effectively serve its constituents.

Objectives

- 1) Begin succession planning where appropriate
- 2) Clarify Board goals and objectives, and the respective roles of Board and staff in achieving them
- 3) Clarify District governance structure that promotes interaction, transparency, trust, and *esprit de corp* between Board, General Manager, and staff
- 4) Improve District organizational structure to maximize effectiveness, collaboration and teamwork
- 5) Encourage opportunities for professional development
- 6) Ensure legal departments reflects needs of the District
- 7) Create an Upper Yampa Basin records and archive repository to catalogue and preserve historic water resources records

Goal 11 Collaborative, public-service relationship with customers, constituents and stakeholders

Objectives

- 1) Increase two-way outreach and collaboration with customers, constituents and stakeholders

