

AGENDA

**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD GOVERNANCE COMMITTEE MEETING
THURSDAY, AUGUST 17, 2023 (3:00 PM)
UPPER YAMPA WATER CONSERVANCY DISTRICT CONFERENCE ROOM
2220 CURVE PLAZA, SUITE 201, STEAMBOAT SPRINGS, CO**

THE UPPER YAMPA WATER CONSERVANCY DISTRICT REQUESTS THAT UNVACCINATED PEOPLE ATTENDING THE BOARD GOVERNANCE COMMITTEE MEETING AT THE UYWCD CONFERENCE ROOM WEAR A MASK.

A Board Governance Committee meeting packet is available for public review on our website at <https://upperyampawater.com/agendas-and-meeting-documents/> at least 24 hours before the meeting. Amendments to the Agenda and new documents that are generated or submitted after the original posting of the meeting materials will be posted under "Additional Documents" on the website for the relevant meeting.

QUESTIONS ON AGENDA AND/OR BOARD MATERIALS: Members of the public or Board of Directors with questions on the agenda or meeting materials, including the consent agenda, are welcome to contact the General Manager at the District offices prior to the meeting. You may reach the General Manager at: arossi@upperyampawater.com or (970) 871-1035 Ext. 2.

MEETING PROCEDURE: Comments from the Public are welcome at two different times during the course of the meeting: 1) Comments no longer than three (3) minutes on items **not** scheduled on the Agenda will be heard under Public Input and Comment; and 2) Comments no longer than three (3) minutes on all scheduled public hearing items will be heard following the presentation. Please wait until you are recognized by the Chairman. With the exception of subjects brought up during Public Input and Comment, on which no action will be taken or a decision made, the Committee may take action on, and may make a decision regarding, ANY item referred to in this agenda, including, without limitation, any item referenced for "review", "update", "report", or "discussion" whether or not listed as an "Action Item."

- (1) **3:00 PM** Establishment of Quorum and Call to Order
- (2) **3:00 PM** Approval of Agenda for Meeting
- (3) **3:05 PM** Public Input and Comment
The Committee will make no decision nor take action, except to direct the General Manager. Those addressing the Committee are requested to identify themselves by name, organization, if any, and address. Comments shall not exceed three (3) minutes.
- (4) **3:10 PM** Background
 - a. Reminder of May 2023 Board Direction to Committee
- (5) **4:00 PM** Review, Revise and Approve CBI's Scope of Work
 - a. Deliverables
 - b. Timing and Overall Approach
- (6) **4:50 PM** Next Steps
- (7) **5:00 PM** Adjournment.

PUBLIC INPUT AND COMMENT

The Board will make no decision nor take action, except to direct the General Manager. Those addressing the Board are requested to identify themselves by name, organization, if any, and address. Comments shall not exceed three (3) minutes.

BACKGROUND



REVIEW, REVISE & APPROVE CBI'S SCOPE OF WORK



SCOPE OF WORK

Facilitation Support for Board Governance (Aug 2023–Jan 2024)

In 2019-20 CBI facilitated a process with the Board of Directors, and its Special Committee on Mission-Vision and Board Governance Planning, to adopt a Strategic Plan and Board Governance Manual. The Board Governance Committee continued to meet in 2021 and 2022 to help the Board track implementation of the Strategic Plan and continue to strengthen its engagement with staff and external partners. In May 2023 the Board authorized up to \$10,000 to engage CBI to facilitate efforts of the Board Governance Committee, as well as review the roles and responsibilities of the Executive Committee.

CBI will develop the following in consultation with staff and the Board, for ultimate consideration by the full Board of Directors:

- 1) An annual cycle that meshes the schedules for Board elections, budget development and annual reviews with strategic planning and Board governance activities. This includes activities such as Board self-evaluations, new Board member onboarding, Governance Manual review/updates, and Strategic Plan progress reports and updates among others;
- 2) Meeting and discussion protocols for the Board to foster a culture of camaraderie and positive engagement with external partners and staff; and
- 3) A Board/staff process to regularly evaluate and prioritize external partnerships and activities, as well as identify the resources available to support involvement in these partnerships.
- 4) A Charter and bylaw amendment to permanently establish the Board Governance Committee and differentiate its roles/responsibilities from those of the Executive Committee.

To accomplish this, CBI will:

- Work with the Governance Committee and Board to develop and finalize a Charter that clarifies the Committee's scope and mandate;
- Work with Board officers and the General Manager to review the roles and responsibilities of the Executive Committee and ensure they are differentiated from the Board Governance Committee's;
- Meet regularly with the Governance Committee to identify key issues, develop and evaluate ideas, research relevant models and best practices from elsewhere, and present proposals to the Board;
- Meet with staff to help identify key opportunities and challenges, discuss Committee proposals, and address questions or concerns, in order to ensure the Committee is able to effectively consider the experience, perspectives and expertise of staff;
- Help address actual or potential conflicts, structural issues and/or differences of opinion related to the topics above as they arise, to support the effective functioning of the District and the well-being and positive relationships of Board members and staff.

8/11/23



CBI's principal point of contact will be Nicole Seltzer, Chair of the Board's Governance and Strategic Planning Committee.

**BYLAWS OF THE
UPPER YAMPA WATER CONSERVANCY DISTRICT
(Effective November 17, 2021)**

PREAMBLE

For the purpose of providing for the orderly conduct and carrying on of the business, objects and affairs of the UPPER YAMPA WATER CONSERVANCY DISTRICT, the Board of Directors of said District hereby makes, publishes and declares these Bylaws.

ARTICLE I - DEFINITIONS

When used herein, the following words, terms and phrases shall have the following meaning, to-wit:

1. The term "Water Conservancy Act" or "Act" shall mean the act as set forth in C.R.S. §37-45-101 et seq., as amended.
2. The term "District" shall mean the UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservancy district.
3. The term "Open Meetings Law" shall mean C.R.S. § 24-6-401 et seq., as it may be amended from time to time.
4. The term "Open Records Act" shall mean C.R.S. § 24-72-201 et seq., as it may be amended from time to time.
5. The term "Decree" shall be the decree entered in Civil Action No. 3825 creating the District dated March 8, 1966, as the same may be amended from time to time.

ARTICLE II - BOARD OF DIRECTORS

SECTION 1 - Number, Qualifications, Power, Duties.

The number of Directors shall be nine (9). They shall be appointed and have the qualifications as provided in the Act. There shall be 3 separate divisions within the District, as described in the Decree, and 3 directors shall be appointed from each such division for 4-year terms. Such appointments shall be staggered, with one director from each district being appointed each year except every fourth year when no director terms expire. The powers and duties of the Directors are specifically provided for in the Water Conservancy Act, and the provisions of the Act concerning such matters are hereby made a part of these Bylaws. The following provisions are supplementary to said provisions.

SECTION 2 - Vacancies on the Board of Directors.

Vacancies in the Board of Directors shall be filled as provided in the Act.

SECTION 3 - Powers, Approval of Certain Matters by Board of Directors.

The Board of Directors shall have all of the powers granted it by the Water Conservancy Act and other provisions of Colorado and federal law applicable to the District; and said Board shall have such ancillary and incidental powers as may be proper, necessary or convenient for the full effectuation of the purposes, powers and objectives of the District. Except as set forth in Article VI, Section 3, all plats, deeds, other instruments encumbering the real property of the District, any contract or instrument authorizing or evidencing debt of the District, intergovernmental agreements, any document accepting the terms of any grant, loan, license, permit or other governmental authorization, any settlement of litigation to which the District is a party, applications for water rights and statements of opposition to water rights filings, any sale, lease, or other disposition of the use of water by term contracts or contracts for the perpetual use of such water and any instrument required by these Bylaws or law to be approved by the Board of Directors, shall be approved or ratified by the Board of Directors.

SECTION 4 - Compensation.

The compensation to be paid to the District's Directors shall be \$200.00 per meeting attended, in addition to their actual traveling and transportation expenses when away from their respective places of residence on District business. "Attending a meeting" to qualify for such \$200 compensation means preparation for, travel for, attendance at, or participation in: (1) in-person or video/teleconference or other electronic meetings of the Board and Board Committees, regardless of whether the Director is a member of the Committee; and (2) the following if the Director is representing the District on a matter related to the District's business: meetings of or discussions with state, county, local, and federal officials and District constituents; educational and policy presentations and seminars; meetings or negotiations with District staff or third parties; and judicial or administrative hearings or proceedings. Notwithstanding the foregoing, the maximum annual compensation (excluding travel and transportation expenses) which may be paid to any Director shall be \$2,400.00 pursuant to the Act.

SECTION 5 - Performance of Duties.

A Director of the District shall perform all duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner which the Director reasonably believes to be in the best interests of District, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing the Director's duties, the Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in subparagraphs (a), (b) or (c) of this Section 5. The Director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs

the Director's duties shall not have any liability by reason of being or having been a Director of the District. Those programs and groups upon whose information, opinions, reports, and statements a Director is entitled to rely are:

- (a) One or more officers or employees of the District whom the Director reasonably believes to be reliable and competent in the matters presented;
- (b) Counsel, public accountants, or other persons as to matters which the Director reasonably believes to be within such persons' professional knowledge or expertise; and
- (c) A committee of the Board upon which the Director does not serve, duly designated in accordance with the provisions of the Bylaws, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

ARTICLE III - MEETINGS OF THE BOARD OF DIRECTORS

SECTION 1 - Regular Meetings.

Meetings of the Board of Directors shall be held no less often than required by the Act. The scheduled time, date, and place of such regular meetings shall be established by the Board of Directors at the last meeting of each year for the following year and shall not be varied except with the majority vote of the Directors.

SECTION 2 - Special Meetings.

A special meeting of the Board of Directors shall be held upon call of the President, Vice President or General Manager or three (3) or more Directors.

SECTION 3 - Place of Meetings and Remote Access to Meetings.

(a) 2220 Curve Plaza, Suite 201, Steamboat Springs, Routt County, Colorado, is hereby designated as the place where the principal office of the District shall be maintained. All regular meetings of the Board of Directors shall be held at the Mountain Valley Bank community room adjacent to the principal office of the District, unless a different location is determined by the President of the Board or the General Manager, and except as otherwise herein provided. Special meetings may be held at any location proper and appropriate pursuant to the Act.

(b) If the General Manager in consultation with the Board President or Vice President determines in his discretion that emergency circumstances exist where it is not in the best interest of the Board, District Employees or the public to be physically present at the designated meeting location, a regular meeting of the Board of Directors may be held entirely by video/teleconference or other electronic means. Special meetings of Board and meetings of any Committee may be held entirely by video/teleconference or other electronic means without a finding of emergency circumstances.

(c) In all meetings held entirely by video/teleconference or other electronic means (a) the meeting location shall be deemed to be the District's physical office, (b) all voting shall be by roll call and (c) the General Manager shall make and give reasonable notice of arrangements for the public to monitor the entirety of the meeting (except for executive session items) and comment on agenda items in the normal fashion.

SECTION 4 - Notice of Meetings.

(a) Not less than three (3) and not more than fifteen (15) days prior to the date of any regular meeting, and no less than twenty-four (24) hours prior to a special meeting, the General Manager shall notify all Directors of the time, date, and place of such meeting, and (if a special meeting), the purpose for which it is called. Such notice may be by writing delivered in person, by FAX machine, by telephone, or by the US mails, or may be by email communication. In addition, the District shall post written notice of the meeting on the District's public website with specific agenda information if available and in the designated posting place of the District no less than 24 hours prior to holding of the meeting, except that posting in the designated posting place shall not be required if the General Manager of the District determines in his or her discretion that emergency circumstances exist where it is not in the best interest of the District employees or the public that the meeting notice be physically posted. All meeting notices shall be directed to Directors at the address, FAX number, and/or email address which he or she has provided to the General Manager. It is the Directors' responsibility to provide and revise their address, FAX number, and email address to the General Manager of the District as and when changed.

(b) Where possible, notices of all meetings shall include or be accompanied by an agenda stating the specific items of business expected to be considered. If a consent agenda is to be utilized at the meeting, a copy of the consent agenda shall be included with the notice.

(c) Notice of all regular and special meetings also shall comply with the Open Meetings Law.

SECTION 5 - Quorum.

A quorum of the Board of Directors shall consist of a majority of the members thereof. Less than a quorum shall have power and authority to adjourn any regular or special meeting at which less than a quorum shall be present or to continue their meeting and to fix the time and place of the holding of the continued meeting. Once a quorum is established, a quorum shall be deemed to be present for the remainder of the meeting and any adjournment of that meeting notwithstanding the absence or recusal of any Board member initially counted to establish a quorum. Whether or not a meeting is noticed and held as a video/teleconference or other electronic means meeting, a Director participating in a regular or special meeting by video/teleconference or other electronic means shall be counted in determining the existence of a quorum, provided that such participation is through equipment in which all other Directors may hear the Director participating by video/teleconference or other electronic means at the same time.

SECTION 6 - Voting.

Directors must be physically present or must participate by video/teleconference or other electronic means in order to vote at any regular or special board meeting. Voting by proxy shall not be allowed.

SECTION 7 - Actions at Meetings.

The Board shall not act at any regular meeting on any matter which has not been described by general reference in the notice (agenda) for that meeting except for new items brought up by the Manager or any Director under New Business on the agenda, or unless the President determines that such matter should be acted upon because of necessity for prompt or immediate action thereon, or unless the Board first votes to modify the agenda. A consent agenda, consisting of a list of routine action items to be considered collectively by the Board, may be utilized at any regular or special meeting. Items shall be removed from the consent agenda and addressed separately at the request of any Director.

SECTION 8 - Order of Business.

The business of all regular and special meetings of the Board shall be transacted in the order set forth in the agenda for such meeting approved by the Board. Meeting agendas shall also include a section for New Business, which shall be limited to items not on the agenda that require emergency action that have come up during the meeting but after approval of the agenda by the Board.

SECTION 9 - Meeting Procedures.

Regular and special Board meetings shall be conducted generally in conformance with Robert's Rules of Order, Newly Revised, 10th Edition. Meeting procedures may be modified by the President as necessary to ensure the fair and efficient conduct of Board meetings.

Each and every action of the Board necessary for the governance and management of the affairs of District, for the execution of the powers vested in District, and for carrying into effect the provisions of the Water Conservancy Act, shall be taken by the passage of motions or resolutions.

Within a reasonable time after passage, all resolutions, motions and minutes of Board meetings shall be recorded in a book kept for that purpose and shall be attested by the Secretary/Treasurer. Minutes of regular sessions shall be available for public review as soon as practicable following acceptance of the minutes by adoption of a motion therefor by the Board. Minutes of executive sessions shall be kept separate from minutes of regular sessions as described in Article III, Section 9 of these Bylaws and shall not be open to the public except as required by law. Proposed minutes shall be sent to all Directors at least 3 days prior to the next meeting of the Board of Directors.

One or more members of the Board or of any committee designated by the Board may participate in a meeting of the Board or committee by video/teleconference or other electronic means by which all persons participating in the meeting, including the public, can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

If the directors of the Board become deadlocked with respect to resolution of any matter which by Colorado law or these Bylaws may be decided by a simple majority vote of directors, so that an equal number of director votes are cast in favor of and in opposition to a proposition, then no decision shall be deemed to have been made and such matter shall automatically be tabled to the next regular or special meeting of the Board.

At each Board meeting the tentative agenda for the next Board meeting shall be reviewed and approved by the Board. The General Manager shall finalize the tentative agenda and prepare for each meeting in consultation with the Board President and shall include any item on the final agenda distributed in advance of the meeting specifically requested by the Board President or by at least two (2) Directors.

SECTION 10 - No Informal Action by Directors/Executive Sessions.

All official business of the Board shall be conducted at regular or special meetings. Executive sessions may be called at regular or special meetings, and conducted according to the following guidelines:

(a) Calling the Executive Session. The topic for discussion in the executive session shall be announced in a motion, and the specific statute that authorizes the executive session shall be cited. The matter to be discussed shall be described in as much detail as possible without compromising the purpose of being in executive session. An affirmative vote of two-thirds of the quorum present shall be required to go into executive session.

(b) Conducting the Executive Session. No adoption of any proposed policy, position, resolution, rule, regulation, or formal action shall take place in an executive session. The discussion in executive session shall be limited to the reasons for which the executive session was called. A recording of the executive session shall be made, except no record is necessary to be kept for any portions of the discussion which the District's attorney reasonably believes constitute attorney-client privileged communications. The District's attorney shall state on the record when any portion of the executive session is not recorded as an attorney-client privileged communication or shall sign a statement appearing in the minutes of the meeting to the same effect.

(c) After Executive Session. The record of any executive session shall be retained by the District for ninety (90) days and then destroyed or erased. Minutes or recordings of the executive session shall not be released to the general public for review under any circumstances, except as required by law.

SECTION 11 - Adjournment and Continuance of Meetings.

When a regular or special meeting is for any reason continued to another time and place, notice need not be given of the continued meeting if the time, date and place of such meeting are announced at the meeting at which the continuance is taken, except as required by law. At the continued meeting, any business may be transacted which could have been transacted at the original meeting.

SECTION 12 - Emergency Meetings.

Emergency meetings of the Board of Directors may be called by the President or Vice President or General Manager in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety and welfare of the persons or property of the users, customers, or electors of the District, without notice if notice is not practicable. If possible, notice of such emergency meeting may be given to the Board by e-mail, telephone or whatever other means are reasonable to meet the circumstances of the emergency. At such emergency meeting, any action within the power of the Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided, however, that any action taken at an emergency meeting shall be effective only until the first to occur of (a) the next regular meeting, or (b) the next special meeting of the Board at which the emergency issue is on the public notice of the meeting. At such subsequent meeting, the Board may ratify any emergency action taken. If any emergency action taken is not ratified, then it shall be deemed rescinded as of the date of such subsequent meeting.

ARTICLE IV - OFFICERS

SECTION 1 - Designation.

The officers of the District shall be a President, Vice-President, and Secretary/Treasurer, and such other officers as may be authorized from time to time by Board resolution. The officers shall serve in their capacities for the District in the conduct of all of its affairs.

SECTION 2 - Qualification and Election of Officers.

The President and Vice-President shall be members of the Board of Directors. The Board of Directors shall elect a President and Vice-President at the first regular Board meeting of each year. The General Manager shall be appointed by the Board of Directors from time to time, to serve at the pleasure of the Board. The General Manager shall also be the ex officio Secretary/Treasurer of the District, but shall not be a member of the Board of Directors.

SECTION 3 - Term of Office of Officers.

The President and Vice-President shall serve for a term of one (1) year, and shall hold their offices until their successors shall have been elected. On or after the 2020 calendar year, the term of consecutive service by the President of the Board in such President position shall not exceed

two (2) consecutive years, unless in any year the incumbent President is the only candidate for such position. A Director may again be elected to serve as President after a break in service of at least 2 years. The Vice-President and Secretary/Treasurer are not subject to any term limitations.

ARTICLE V - DUTIES OF OFFICERS

SECTION 1 - President.

The President shall be the Chairman of the Board of Directors and shall preside at all meetings of the Board. Except as otherwise provided herein or by Board action, the General Counsel for the District shall approve as to form and the President shall sign all documents required to be approved by the Board of Directors under Article II, Section 3 hereof.

SECTION 2 - Vice-President.

The Vice-President shall act, in all things, and shall possess all of the powers and be subject to all of the duties of the President in the event of the latter's absence from any meeting of the Board of Directors, or his/her inability to act.

SECTION 3 - Secretary/Treasurer.

(a) The Secretary/Treasurer shall be the secretary of the Board of Directors and all special and standing committees of the Board of Directors. The Secretary/Treasurer, or a designee working under his/her direction and control, shall keep a record of all meetings of the Board of Directors and all special and standing committees of the Board of Directors, except that the meeting minutes may initially be prepared by a recording secretary so designated by the Board of Directors from time to time.

(b) The Secretary/Treasurer shall have custody of the Seal of the District and shall attest the signatures of the President or Vice-President upon all instruments and other documents signed by such officer.

SECTION 4 - Assistant Secretary/Treasurer.

The Board may designate an Assistant Secretary/Treasurer, subject to confirmation by the Board of Directors, who shall discharge the duties of the Secretary/Treasurer in his/her absence or inability to act.

SECTION 5 - General Manager.

(a) The General Manager shall be an employee of the District. The General Manager of the District shall receive an annual salary as determined annually by the Board of Directors, and shall also receive such benefits as are provided to any other employees of the District, and such additional benefits not offered generally to the other employees the District as the Board of Directors may authorize, including (but not limited to) payment by the District of the cost of

health/hospitalization/dental insurance premiums for the General Manager and his spouse. The General Manager shall have charge of and is delegated authority over the office of the District and of all employees thereof except for the District's attorneys, including the authority to hire, discipline and remove employees of the District. Except for the purposes of inquiry, the Board and its members shall deal with the subordinate employees of the General Manager through the General Manager, and neither the Board nor its members shall give orders to subordinate employees of the General Manager.

(b) The General Manager shall have authority to make contracts for goods and services and to approve purchase orders and expenditures for the administrative operations of the District, subject to the Board's budgeting and appropriating funds for such expenditures. The General Manager shall have authority to authorize expenditures in excess of budgeted line items provided that expenditures in excess of general categories of expenditures shown on the summary page of the adopted budget of the District shall not be exceeded without prior Board authorization.

(c) Notwithstanding anything to the contrary set forth in Article II, Section 3, the General Manager shall have the authority, without approval by the Board of Directors, to enter in to contracts for inclusion in area-wide augmentation plans decreed to the District for all applications which may be approved without the requirement that notice be given to persons who filed statements of opposition, other than the State and division engineers, in the water cases in which such plan of augmentation was decreed.

(d) The General Manager as Treasurer shall be the custodian of the funds of the District and shall deposit those funds in a bank, or banks, as authorized by the Board. The General Manager shall at all times keep an accurate and correct record of the funds of the District, including the amounts and sources of all receipts and amounts and purposes of all disbursements. The General Manager shall cause an audit of the books of the District to be made on behalf of the Board annually in compliance with Colorado governmental audit law or at such other times as the Board may direct by motion or resolution.

(e) The General Manager shall sign all warrants, checks or other instruments disbursing funds of the District in amounts less than \$10,000 and all checks for District employees' compensation from the District's "payroll" account. All warrants, checks or other instruments disbursing the funds of the District in amounts equal to or exceeding \$10,000 shall additionally require the signature of a member of the Executive Committee. At each regular meeting of the Board of Directors, the General Manager shall provide a listing of the check number, payee, and amount of each check issued on District funds for the period of time since the last listing for the last regular meeting, including all such checks in the month prior to the month of the regular meeting for ratification by the Board.

(f) The General Manager shall give notices of regular and special meetings of the Board of Directors and of all special and standing committees of the Board of Directors as required by these Bylaws, by the Act or by the Open Meetings Law, and the District shall retain such notices or appropriate evidences thereof as part of the District's permanent records.

(g) In addition to the powers and duties stated herein, the General Manager shall do and perform any and all acts required by the Board of Directors.

(h) The General Manager shall no less frequently than every two months deliver in writing to the Directors a financial report which includes a current income statement, income comparison to budget, and list of disbursements, and identifying any recommended changes to policies and/or accounting procedures, instances of non-compliance, and similar matters.

(i) The General Manager, as Treasurer, shall work with the District's auditor to ensure that accounting transactions comply with final audit requirements.

(j) In the fall and in accordance with Colorado law, the General Manager, as Treasurer, shall prepare the draft of a proposed budget for the District for the ensuing year, and shall prepare upon request of the Board updates to the 5-year long-term capital plan of the District.

(k) The General Manager, as Treasurer, shall assist with implementing changes adopted by the Government Accounting Standards Board and recommend revisions to accounting procedures and policies in order to maintain compliance.

(l) Before entering upon his duties as Treasurer, the General Manager shall give a good and sufficient surety bond in such sum as the Board shall, from time to time, fix by motion or resolution, conditioned upon and for the honest and faithful discharge of his/her duties, and the full and complete accounting by him/her for all funds and properties of the District which shall come into his/her hands, which bond, and the surety or sureties thereon, before becoming effective, shall be approved by the President of the District. The cost of such bond shall be a District expense.

ARTICLE VI - COMMITTEES

SECTION 1 - Executive Committee.

An Executive Committee is hereby created in order to more efficiently and economically carry out and effectuate the express powers of the District set forth in the Water Conservancy Act, including operation of the District as an Enterprise.

SECTION 2 - Executive Committee Membership and Selection.

The Executive Committee shall consist of five (5) persons, all of whom shall be members of the Board of Directors selected in the following manner:

(a) The President shall be a member and chairman of the Executive Committee. The Vice President shall also be members of the Executive Committee.

(b) The remaining members of the Executive Committee shall be selected by the vote of the Board of Directors on an annual basis.

Appointment and selection of members of the Executive Committee shall be made at the first regular meeting of the Board of Directors in each year.

SECTION 3 - Powers and Duties of Executive Committee.

Except as otherwise limited by law, the Executive Committee shall have the following powers and duties, to-wit:

(a) To act on behalf of the Board as directed by the Board of Directors at any regular or special meeting of the Board of Directors.

(b) Between regular meetings of the Board of Directors, the Executive Committee shall have power and authority to make contracts and agreements for the development and implementation of the District's policies, provided that no one such contract shall involve the expenditure or disbursement of more than \$50,000.

(c) To direct the General Manager and General Counsel for the District to perform such duties and functions as are deemed necessary for the carrying on of the business and affairs of the District, until the next regular or special meeting of the Board of Directors.

(d) To authorize, subject to Board of Directors, ratification, statements of opposition in water cases and settlement of litigation.

(e) To act on behalf of the Board in an emergency.

SECTION 4 - Creation of Special Committees.

Special committees may be created upon motion or resolution adopted at any meeting of the Board of Directors. The number of members of such committees shall be provided in the motion or resolution creating the committee. The Directors who shall serve thereon shall be selected by vote of the Board of Directors, or, in default of such selection, shall be determined and appointed by the President. Authority of any such committee to act on behalf of or bind the Board shall only be delegated by Board motion or resolution. Any such committees can be dissolved by the Board. The President shall be an ex-officio member of all such committees and shall vote on committee actions only if necessary to break a tie vote of the other committee members or if there is a quorum only because of the President's attendance. The General Manager shall be an ex-officio member of each special committee, but shall have no vote thereon.

SECTION 5 - Meeting of Committees.

All Board members shall receive notice of committee meetings and information required by the Open Meetings Law. Locations and notices of such committee meetings shall conform with the requirements of Article III, Section 4. All directors are entitled to attend committee meetings, but only committee members may vote.

SECTION 6 - Conduct of Committee Meetings.

The provisions and requirements of Article III concerning quorum, voting, actions and procedures at Board meetings shall apply to committee meetings, subject to the provisions of this Article. The ex-officio member of such committees shall not be counted in determining the existence of a quorum.

ARTICLE VII - FINANCIAL ADMINISTRATION

SECTION 1 - Fiscal Year.

The fiscal year of the District shall commence on January 1 of each year and end on December 31.

SECTION 2 - Preparation of Budget.

On or before October 15th of each year, the General Manager shall prepare and submit to the Board of Directors a proposed budget for the ensuing fiscal year. Such proposed budget shall be based on policy and direction established by the Board at a regular meeting prior to preparation by the General Manager and shall be accompanied by a statement which shall describe the important features of the budget plan and by a general summary wherein shall be set forth the aggregate features of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year, as contrasted with the corresponding figures for the last completed fiscal year and the current fiscal year. It shall be supported by explanatory schedules or statements classifying the expenditures contained therein by services, subjects and funds. The anticipated income of the District shall be classified according to the nature of receipts.

SECTION 3 - Adoption of Budget.

On the day set for consideration of such proposed budget, the Board shall review the proposed budget and revise, alter, increase or decrease the items as it deems necessary in view of the needs of the District and the probable income of the District. The Board shall then adopt a budget setting forth the expenditures to be made in the ensuing fiscal year. The Board shall provide for sufficient revenues to finance expenditures in the budget with special consideration given to the proposed property tax levy.

SECTION 4 - Levy and Collection of Taxes.

On or before December 15th of each year, unless an election for an increased operating tax levy is held, the Board shall certify to the Board of County Commissioners of the Counties of Routt and Moffat the mill levy established for the ensuing fiscal year, in order that, at the time and in the manner required by law for the levying of taxes, such Commissioners will levy such tax upon the assessed valuation of all taxable property within the District.

SECTION 5 - Filing of Budget.

On or before January 30th of each year, the Board shall cause a certified copy of such budget to be filed with the Division of Local Government in the State Department of Local Affairs.

SECTION 6 - Appropriating Resolution.

At the time of adoption of the budget, the Board shall enact a resolution establishing the District's mill levy and shall also enact a resolution making appropriations for the ensuing fiscal year. The amounts appropriated thereunder shall not exceed the amounts fixed therefor in the adopted budget. The income of the District, as estimated in the budget and as provided for in the tax levy resolution and other revenue and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution. The Board may make an appropriation to and for a contingent fund to be used in cases of emergency or other unforeseen contingencies.

SECTION 7 - No Contract to Exceed Appropriation.

The Board shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purposes, for which provision is not made in appropriation resolution, including any legally authorized amendment thereto, in excess of the amounts of such appropriation for that fiscal year. Any contract, verbal or written, contrary to this Section shall be void ab initio, and no District funds shall be expended in payment of such contracts, except as provided in Sections 8 and 9 below.

SECTION 8 - Contingencies.

In cases of emergency caused by a natural disaster, public enemy, or other contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board may authorize the expenditure of funds in excess of the budget by resolution duly adopted by at least five Directors. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the minutes of such meeting. If so enacted, a copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government in the State Department of Local Affairs and shall be published in compliance with statutory requirements.

SECTION 9 - Payment of Contingencies.

If there is unexpended or uncommitted money in funds other than those to which the emergency relates, the Board shall transfer such available money to the fund from which the emergency expenditure is to be paid. To the extent that transferable funds are insufficient to meet the emergency appropriation, the Board may borrow money through (a) the issuance of tax anticipation warrants, to the extent that the mill levy authority of the District is available as provided by law, or (b) the issuance of bond anticipation notes payable from future bond proceeds or operating revenue, or (c) any other lawful and approved method.

SECTION 10 - Annual Audit.

The Board shall cause an annual audit to be made at the end of each fiscal year of all financial affairs of the District through December 31st of such fiscal year by an auditor approved by the Board. In all events, the audit report must be submitted to the Board within six months of the close of such fiscal year. Such audit shall be conducted in accordance with generally accepted auditing standards by a registered or certified public accountant, who has not maintained the books, records and accounts of District during the fiscal year. The auditor shall prepare, and certify as to its accuracy, an audit report, including a financial statement and balance sheet based on such audit, an unqualified opinion or qualified opinion with explanations, and a full disclosure of any violation of State law pursuant to statutory requirements. A copy of the audit report shall be maintained by the District as a public record for public inspection at all reasonable times. A copy of the audit report shall be forwarded to the State Auditor or other appropriate State official pursuant to statutory requirements.

ARTICLE VIII - GENERAL COUNSEL

The Board may retain an attorney licensed to practice law in the State of Colorado to act as General Legal Counsel for the District, including its Enterprise. Such General Counsel shall report to and be responsible to the Board and its committees and shall conduct legal affairs on behalf of the District subject to requirements of laws and rules governing the attorney-client relationship and with the assistance of such special legal counsel as the Board may authorize.

ARTICLE IX - PUBLIC RECORDS

SECTION 1 - General Procedures.

The Secretary/Treasurer, as custodian of the District's records, shall make the District's nonconfidential records available for inspection by the public during normal District office hours and provide copies of such documents to the public without the need for formal requests pursuant to the Open Records Act. The Secretary/Treasurer shall determine whether such records are confidential and therefore not available to the public by reference to the provisions of the Open Records Act concerning denial of inspection of public records and, as he/she deems appropriate, after conferring with the District's General Counsel. The Secretary/Treasurer also shall implement the procedures of the Open Records Act when requests for records are made by the public pursuant to that statute.

SECTION 2 - Requests for Board Meeting Information.

The Secretary/Treasurer shall provide copies of all nonconfidential documents which are provided to the Directors in connection with regular and special Board meetings to members of the public who request the same and agree to pay the costs thereof determined in accordance with the Open Records Act. In providing copies of documents to members of the public pursuant to this Section, the Secretary/Treasurer shall charge the amount allowed by statute.

ARTICLE X - CONFLICTS

SECTION 1 - Protection of Privileges.

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.

SECTION 2 - Code of Ethics.

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., as it may be amended from time to time.

SECTION 3 - Disclosure of Conflicts.

District directors, officers and staff shall comply with C.R.S. § 18-8-308 concerning disclosure of conflicts of interest.

ARTICLE XI - SEAL

The Seal of the District shall consist of two concentric circles within the word "SEAL" and the name of the District within said circle.

ARTICLE XII - INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

The District shall defend, hold harmless and indemnify any Director, officer, agent, or employee, whether elective or appointive, against any tort or liability, claim or demand, without limitation, arising out of any alleged act error or omission occurring during the performance of official duty, as more fully defined by law or by an indemnification resolution. The provisions of this Section shall be supplemental and subject to and, to the extent of any inconsistency therewith, shall be modified by the provisions of the Colorado Governmental Immunity Act, 24-10-101, et seq., C.R.S.

ARTICLE XIII - BIDDING AND CONTRACTING PROCEDURES

Except in cases in which the District will receive aid from a government agency, a notice shall be published for bids on all construction contracts for work or material, or both, involving an expense of \$25,000 or more of District funds. The Board may reject any and all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may proceed to do so in accordance with law. All other constitutional and statutory requirements relating to sole source contracts performance bonds, retainage, and similar matters shall also be complied with.

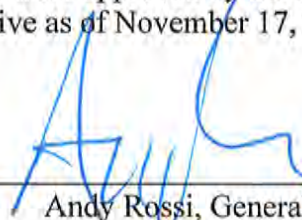
ARTICLE XIV - AMENDMENTS

These Bylaws may be amended by the affirmative vote of a majority of the entire Board of Directors. A copy of any amendments to these Bylaws proposed to be made shall be mailed by the General Manager to each member of the Board of Directors not less than ten (10) days prior to the meeting of the Board at which such amendment is to be considered.

CERTIFICATE OF SECRETARY

I hereby certify that the foregoing Bylaws were approved by the Board of Directors of the Upper Yampa Water Conservancy District effective as of November 17, 2021.

By



Andy Rossi, General Manager
and Secretary/Treasurer

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Board Governance Manual

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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

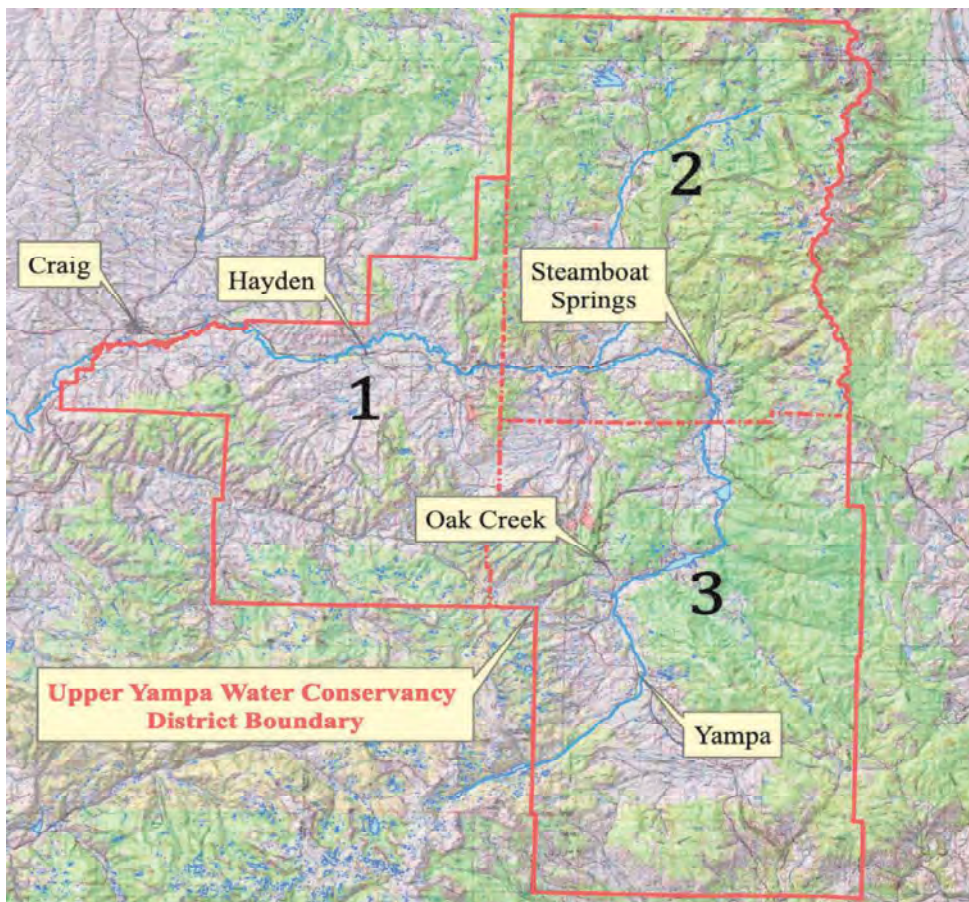
The Upper Yampa Water Conservancy District Board of Directors (herein ‘Board’) has developed and adopted, and will maintain, this Board Governance Manual as a resource to support the District’s mission, guide the Board, and encourage public confidence in the integrity of the District and its fair and effective operation. This Manual is shaped by the Board’s commitment to the following:

1. **Leadership** in the Upper Yampa Basin and regionally in the conservation and development of water resources.

2. **Partnership** with other agencies, stakeholders, and customers to conserve and develop water resources.
3. **Stewardship** of taxpayer dollars and the region’s precious water resources.

District Background

The Upper Yampa Water Conservancy District was formed in 1966 and instituted a mill levy under the Water Conservancy Act of the State of Colorado, in order to plan and develop water conservation projects in the Upper Yampa Basin. The District encompasses Routt County and a portion of Moffatt County and is divided into three divisions: Division 1 (Hayden area), Division 2 (Steamboat Springs area), and Division 3 (Oak Creek/Yampa area). The nine members of the Board of Directors, three representing each Division, are appointed by the District Judge to serve staggered four-year terms. Three Directors (one from each Division) are appointed each year, with the exception of every fourth year when no appointments are made. Directors must reside and own real property in the Division they desire to represent. There are no limits on the number of terms Directors may serve.



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; some of which is delivered via the Stillwater Ditch, a District-owned and operated irrigation ditch that crosses the Five Pines Mesa. 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. The District also owns and operates an 800 kW hydroelectric power plant at Stagecoach Dam. In addition to safely maintaining and operating District-owned facilities, the District promotes healthy reservoirs, streams, and watersheds within the District. In 2012, the District partnered with the Colorado Water Trust to coordinate the first environmental water release out of Stagecoach Reservoir. The District continues to maintain partnerships with cooperative entities to deliver environmental water releases in response to low flow conditions. As part of its maintenance and operation, the District also closely adjusts and monitors the temperature and oxygen content of its releases to ensure a healthy habitat for trout and other aquatic life downstream, a contribution to both the environment and recreational opportunities on the Yampa River. In collaboration with various agencies, the District supports water quality efforts and participates in working groups to address issues that may affect water quantity in the future. The District monitors issues throughout the Colorado River Basin in an effort to protect the water resources of the Upper Yampa Basin and plan for potential water shortages.

The District is committed to an Upper Yampa River Basin with safe, secure water storage and supply that benefits all uses in the Basin.

Relevant Legal Authority

The District is a governmental entity organized under the Colorado Water Conservancy Act found in Title 37, Article 45 of the Colorado Revised statutes. The Act contains the State law governing the creation, powers and authority, governance, operation, and financing of the District. The 1966 Decree forming the District describes the Boundaries and Divisions within the District, the Board structure, and the certain projects then expected to be undertaken by the District. The District is also subject to other legal requirements of state and federal law including the Colorado Open Meetings law, the Open Records Act, the Local Government Budget Law, the Colorado Governmental Immunity Act, the Code of Ethics, and current Electronic Meetings Rules. The District has adopted Bylaws, policy resolutions, Employee Handbook, and this Board Governance Manual.

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 Directors (herein ‘Directors’) who are fair, ethical, and accountable. Directors 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 and strategic direction that guide the District to meet its mission. The Board gives clear direction to the General Manager through motions, resolutions and other directives at Board meetings. This includes the need for visionary planning and adapting to unforeseen events. The Board exercises this authority only collectively as a Board, rather than as individuals. Directors recognize and respect the distinction between their policy-setting and oversight role, and the day-to-day implementation of policy by staff. The Board's role is to be 'nose in, fingers out,' meaning the Board is kept regularly informed of major District activities, pursuant to the Board's overall strategic plan and policy priorities, with the opportunity to provide feedback or raise questions at any time, and to discuss issues at Board meetings. The Board does not direct the day-to-day activities of the staff.

The Board's responsibilities are set forth in the District Bylaws and include the following:

- Promote the best interests of the District's constituents and stakeholders by establishing policies that support the current vision and mission of the District and ensuring implementation of those policies. Policies include the governing principles, strategic plans, and course of action for the organization. The District's policies are to be reviewed by the Board at least once every 5 years. The use of regular surveys of the District's constituents as part of policy reviews is encouraged.
- Establish policies that ensure fiscal stability and the effective use of funds. Each fiscal year the Board adopts a budget covering the anticipated revenues and expenditures of the District and reviews budget reports throughout the year. In addition, the Board hires an independent auditor to ensure District finances comply with standard governmental accounting rules. From time to time, the Board also reviews and/or adopts amendments to the District's cash reserve, investment, and other policies as necessary.
- 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 at least annually.
- Perform annual Board Performance review.
- Engage legal counsel as needed to effectively represent the needs and interests of the District.
- Approves certain contracts and projects, appropriates water rights, and takes such other actions as set forth in the Bylaws.

For the 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.

Chapter 2 – Board Interactions with General Manager, Counsel and Staff

The Board is committed to supporting a healthy, responsive and well-functioning organization. This requires collaborative, open and well-defined relationships with the Board’s General Manager, counsel, and staff.

The Board’s Relationship with the General Manager

A strong collaborative relationship between the District Board and the General Manager is essential to a highly functioning Board and District. 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, budget, and governing documents of the District. 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.

Directors will focus on maintaining a shared sense of purpose, open communication, honesty, trust and mutual support of each another, Counsel, and staff. The Board must be able to support the decisions of the General Manager, provide the General Manager with clear direction, and grant him/her the authority to manage and lead the District. Both parties will endeavor to publicly support and be responsive to one another. They are expected to raise questions or concerns with one another in a direct, timely manner through open, honest and respectful communications, with regard to both the District’s internal and external operations.

The General Manager is responsible for ensuring Directors have the information they need to make Board-level decisions and that all Directors are provided the same information. Directors 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.

In addition to the above, the following guidelines are intended to help define the relationship between the Board and the General Manager:

- 1) Individual Directors are encouraged to discuss District-related matters with the General Manager at any time, including to provide feedback, input, and/or suggestions concerning District policy and operations. If at any time the General Manager or a Director believes an issue may require broader policy clarification and/or decision making by the Board, he or she brings the issue to the full Board for input or guidance.
- 2) The General Manager prepares an annual budget and work plan for approval by the Board of Directors. The General Manager’s annual work plan directly references and advances the District’s strategic plan.
- 3) The Board reviews and, as needed, updates the District’s strategic plan on an annual basis, prior to the General Manager’s development of the budget and work plan for the following year.

- 4) The Board reviews and, as needed, updates the District’s Board Governance Manual on an annual basis.
- 5) The Board, assisted by the General Counsel, provides the General Manager with a written evaluation at least annually that is standardized, transparent, and tied to his/her job description and annual work plan. The review process is intended to be a collaborative, constructive process that is designed to enhance performance and provide guidance to the General Manager on Board priorities.
- 6) The General Manager updates the Board bimonthly on the status and implementation of his/her work plan, to foster open communication regarding District activities, accomplishments, and any areas of concern. Any specific concerns and/or feedback should be raised during the General Manager’s reports at these meetings, rather than being delayed until his/her annual review, consistent with the provisions of Chapter 5 below.
- 7) Directors are encouraged to engage on water matters with District stakeholders and others. Important issues or information from these discussions should be shared with the General Manager.
- 8) The General Manager provides all Directors with the same information regarding District business.
- 9) When a Director is going to be out of town or unavailable for a Board meeting or other function involving the Board, he/she notifies District staff in a timely manner.
- 10) The General Manager advises the Board of Directors when he/she is out of the office for an extended period of time and designates the individual who shall be acting General Manager during that time.
- 11) If a Director or General Manager has concerns that these guidelines are not being properly followed, he or she will raise the issue with the full Board and/or in accordance with the conflict resolution procedure in Chapter 5, as appropriate.
- 12) Except for matters reserved to the Board in the Bylaws or as legally required, within budgeted authority and in accordance with Board direction, the General Manager is the executive officer of the District and authorized to act on behalf of the District.

The Board’s Relationship with Counsel

- 1) **General counsel.** In general, any Director may contact the District’s General Counsel with District-related inquiries. If the matter involves a request for significant legal work, it is approved by the Board as a whole. Exceptions include Directors collaborating with Counsel on longer-term District projects, in which cases approval by the Board is presumed, provided the Board initially authorized the project and is kept up to date. The Board President may also communicate with Counsel for purposes of Board meetings as needed; the General Manager is generally kept abreast of these communications. On an annual basis the Board shall approve an engagement letter with its General Counsel.
- 2) **Special counsel.** The District will from time to time employ special counsel. Unless otherwise determined by the Board, the protocol for Board member interaction with Special counsel is the same as with General Counsel.

Interactions with Staff (Apart from General Manager)

District staff serves the District as a whole. The Board adheres to the following guidelines in interacting with staff serving under the supervision of the General Manger:

- 1) Directors do 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, Board action.
- 2) Directors may make reasonable inquiries to staff regarding District-related matters. Requests for staff research are directed to the General Manager. Responses involving District policy are generally shared with the full Board.
- 3) Directors do not attempt to pressure or influence staff discussions, recommendations, workloads, schedules, or priorities.
- 4) If Directors have questions or information they would like addressed by staff at Board meetings, they strive to share this reasonably in advance with the General Manager, so that staff can provide the desired information in the regular Board meeting packet and verbally at the meeting as requested.
- 5) Soliciting political support from staff is prohibited. District staff may, as private citizens, support political candidates, but all such activities must be done away from the workplace and may not be conducted while on the job.
- 6) Any issues or conflicts are addressed in accordance with the issue or conflict resolution procedure in Chapter 5.

Chapter 3 – Board Governance

The District Bylaws establish the orderly conduct of District business where not otherwise provided by State law. The provisions below are non-binding guidelines, except where explicitly stated in the Bylaws.

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.

Role of Board President

A collaborative relationship between the President and General Manager is essential to a highly functioning Board. The primary role of the Board President is to preside over meetings, consult with the General Manager regarding Board meetings, and sign certain District documents and checks. The President is expected to meet with the General Manager before Board meetings, to frame and clarify topics, and after Board meetings, to ensure clear and timely follow up regarding Board-related activities and tasks.

Board Meeting Schedule and Location

The regular meeting schedule is approved by the Board at the November Board meeting for the upcoming year. In general, every other Board meeting will include topics, materials, and/or policy issues with a need for more lengthy, informal, and participatory discussions, which will

often inform future decision-making. These ‘work session’ style meetings are still considered Board meetings with accompanying agendas, minutes and relevant action items.

Currently, most (but not all) regular Board meetings are held in the third week of each month commencing at 12:00 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 11:30 am. Remote access is provided for District Board meetings when possible. The Board may hold a day long Board retreat in October in lieu of the October Board meeting. Special meetings may be called from time to time in accordance with the Bylaws.

Board Meeting Agenda Development

Board meeting agendas are generally set at the end of each meeting for the next Board meeting. Once set, they may be subsequently modified by the General Manager and Board President, or at the request of two Directors, provided any changes are made well before Board packets are distributed and posted, except in the case of urgent matters. Where possible, the General Manager and Board President come to agreement on the agenda topics and briefing materials required, in order to help ensure Board meetings are organized and productive.

Board Meeting Structure

In general, Board meetings will follow the following agenda:

- Establishment of Quorum and Call to Order
- Approval of Agenda for Meeting
- Public Input and Comment
- Consent Agenda (minutes, financial report, disbursements, and other consent items)
- Report of General Manager
- Strategic Plan Report(s)
- Committee Reports
- Report of General Counsel
- District Engineer Report
- Consideration/Action on District Projects
- Board Member Reports
- Discussion of Pending Legislation
- New Business (as defined in District Bylaws)
- Determination of Next Meeting Agenda
- Adjournment

As specified in the Bylaws, the ‘Board of Directors Reports’ section of each meeting agenda is for members of the Board to provide brief reports on matters of interest to the Board, including all meetings attended in their capacity as Directors. If the report is lengthy, or a Director wishes to raise an issue for Board consideration, the report is put in writing in the form of a Board Communication Form for staff to include in the Board meeting packet.

Bimonthly meeting agendas also include an update from the General Manager on the implementation of his/her work plan and any issues that may have arisen.

Board Meeting Protocol

The following describes the Board’s expectations for how its meetings are conducted.

- 1) Directors treat members of the public with courtesy and respect.
- 2) Board meeting minutes are distributed to Directors in advance of the next meeting and generally approved with corrections, if any, at the next regular Board meeting.
- 3) Information relevant to the Board’s decision making and oversight should be shared efficiently by staff, but without unnecessary bureaucracy. In general, Board agenda items are accompanied by a Board Communication Form that explains the issue and what action, if any, is being sought. The Board is kept apprised of issues relevant to Board policy or decision-making and on the progress of District activities. Relevant updates, information, and policy options are provided in writing prior to Board meetings. Board Communication Forms may be supplemented with discussion and questions as needed.
- 4) As set forth above, the President and/or Vice President is expected to meet with the General Manager prior to Board meetings to review and prepare for the upcoming meeting, as well as after the meeting to ensure clear and timely follow up.
- 5) At the direction of the General Manager, department heads or appropriate departmental managers will generally be present at Board meetings.
- 6) Committees are used where beneficial to discuss, vet and frame complex issues for broader Board consideration. No less frequently than annually, the purpose, membership, and authority of Committees is confirmed by the Board. Unless specifically delegated decision authority by the Board, Committees make recommendations to the Board.
- 7) When appropriate the Board adopts policies by resolution and ensures a clear methodology for tracking policy resolutions.

Electronic Communications

Written and electronic documentation and communication regarding District business and/or operations is legally considered to be in the public domain. This excludes information protected by attorney-client or other privilege. Further, telephonic meetings, emails and texts that discuss public business and involve more than two members of the Board may constitute a ‘meeting’ under Colorado law and in such cases must be open to the public. Where appropriate, Directors’ ideas or proposals for consideration by the full Board are be sent to the General Manager (or, as relevant, the General Counsel) for inclusion in the Board packet prior to the next Board meeting. Board members understand that rules involving electronic communications are subject to change, and that their actions must be consistent with state law and the District Bylaws.

On-Boarding and Orientation of Directors

New Directors should receive copies of this Board Governance Manual, District Bylaws, Employee Handbook, current strategic plan, annual budget, and other relevant policy and governance materials.

Further, to effectively oversee the functions of the District, new Directors should receive a tour of District’s facilities and infrastructure within their first six months. All Directors are encouraged participate in this tour on a regular basis.

Chapter 4 – Board Interactions with the Public

As a public body, it is important for the District Board to establish a working environment that encourages public participation and trust. During their service, Directors may have a range of interactions with the public including written communication (i.e., letters, email, etc.), social media, phone calls, face-to-face, social functions, and regular and special Board meetings. The District Board will collect community survey data regarding water resources management topics at regular intervals.

Engaging the Public in General

The Board respects the role of constituents in the governance of the District and encourages their participation. The Board values public comments, both in writing and during Board meetings, and will seek input from stakeholders where appropriate in District decision making. Directors will encourage constituents to attend Board meetings where they have input, comments or concerns to share, whether in person or writing.

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. To engage the public, public comment is generally accepted on all agenda items, with time set aside for general public comment on items not on the agenda. This is clearly indicated on meeting agendas. In addition, the Board will often invite a stakeholder group to attend lunch before Board meetings.

Generally, Directors 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. Directors 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 Outside of Board Meetings

Directors are always encouraged to attend meetings and events related to relevant water matters in an informal capacity. Primarily this helps create a more informed Board and enables Directors to share relevant issues and information with the rest of the District Board and staff at District Board meetings (during ‘Board Member Reports’). Additionally, Directors’ participation in other Basin water efforts can be helpful in raising the visibility and public understanding of the mission and activities of the District.

Board members strive to represent the positions and perspectives of the District in an accurate and well-coordinated manner. To do so, Directors adhere to the following guidelines:

- 1) When Directors attend other meetings or events as Directors of the District, they are encouraged to be collaborative and participatory, with the primary goal of listening, asking questions and contributing ideas, and reporting back to the District about relevant efforts and topics.
- 2) Directors attending another meeting or event will clearly delineate between their personal views and opinions and official District policy.
- 3) Directors do not represent policy positions of the District unless adopted by the Board.
- 4) Directors communicate and coordinate closely with District staff prior to communicating District policy positions, to ensure messaging is clear and consistent.
- 5) When a Director participates in a non-District meeting that is attended by District staff and/or by another Director, they coordinate regarding their respective roles, including the responsibility for reporting back to the Board as appropriate.
- 6) The General Manager may invite Directors to accompany him/her to external meetings where useful in discussing official District business. (In some cases the General Manager may decide it would be useful to have two Directors attend such meetings.)
- 7) Directors may be called upon by the full Board and/or General Manager to represent the District in a formal capacity or otherwise. The Board may determine annually which Directors officially represent the Board in other water groups or initiatives.
- 8) To the extent a Director may communicate with constituents or stakeholders regarding Board perspectives on non-confidential matters, he/she will strive to offer a balanced perspective with adequate disclaimers about his/her own role. When expressing personal opinions and comments that may be contrary to adopted District policy, Directors will clarify that these statements do not reflect the official position of the Board or District.
- 9) When addressing the media or utilizing social media or other forms of communications to express positions contrary to official Board policy, Board members will explicitly state that their views reflect personal opinions rather than Board policy.
- 10) When three or more Directors are authorized by the Board to attend a meeting, the meeting is properly noticed as a public meeting of the District.
- 11) Once the Board of Directors has taken an official position on an issue, official District correspondence regarding that issue will normally reflect the Board's adopted position, except as otherwise directed by the Board.

Chapter 5 – Resolution of Issues or Concerns

The Board recognizes that concerns, misunderstandings, and differences of opinion are inevitable for any organization. While in some cases the Board may simply agree to disagree, the Board is committed to addressing concerns that impair the healthy functioning of the District or Board. The Board strives to address these concerns directly, respectfully, with curiosity, and as transparently as possible, whether they concern Board members, the General Manager, or the District as a whole. Concerns are addressed in a timely, open and responsive manner to promote mutual understanding and healthy functioning of the District.

This Chapter describes options for resolving concerns, misunderstandings, and differences of opinion. They are not intended to apply to disciplinary matters addressed in the District’s Employee Handbook. The Board and the General Manger (in the case of matters within the purview of the General Manager) are free to modify the procedures described or to disregard them as they deem appropriate under the circumstances. These procedures are not mandatory and are not the exclusive means of addressing such matters.

Concerns Involving Board Members

It is not uncommon for miscommunication, misunderstandings or conflicts to surface among Board members or between a Board member(s) and the General Manager. Board members will address such issues in a timely and direct manner, taking the following steps as appropriate (generally but not always in the following sequence, as needed).

- 1) Attempt to address any personal conflicts or concerns in a direct and timely manner with the other party or parties, striving for mutual understanding, curiosity, and appreciation for the different viewpoints involved.
- 2) Bring the concern to the Board President, who will facilitate the Board’s determination of how to proceed with the concern. The Board and/or party involved may ask that the complaint be summarized in writing to support productive discussions, particularly if the complaint is of a more serious nature. The Board may choose to address the matter at a regular or special Board meeting, suggest mediation between the parties, and/or refer the issue to the appropriate parties. If the Board President is one of the people involved, the Vice President will serve in the role of the President. If the concern involves the General Manager, the Board may choose to address the issue in his/her annual review, consistent with the language in Chapter 2.
- 3) If the Board decides to address the concern at a Board meeting, the Board President in consultation with the General Counsel will ensure the concern is described and handled fairly and in accordance with District policy. This includes ensuring that the parties involved understand the concern and have an opportunity to share their perspectives. The President will facilitate the decision making of the Board. If the President is one of the people involved, the Vice President will serve in the role of President. The Board may review its past decisions if new information comes to light or for other reasons.
- 4) If the Board decides the issue should be addressed through mediation, the Board President and/or Vice President will work with District Counsel to engage a neutral third party at the cost of the District to facilitate direct discussions between the parties to resolve the issue.
 - a. The mediator must be: a) a person that the parties agree to; or b) in the absence of agreement, a person appointed by the Board. The third party may be a Board member or impartial individual whose aim is to help the parties resolve the issue.
 - b. While the parties may agree to keep discussions confidential to the extent authorized by law, the result will be shared with the Board at whatever level of

detail the parties agree is appropriate, to keep the Board apprised, avert surprises, and promote transparency.

If the mediation process does not result in the dispute being resolved, the parties may seek to resolve the dispute by the Board or other means.

- 5) The Board may decide to refer the concern to appropriate authorities as needed.

Concerns Involving the General Manager

The above procedures apply to complaints or concerns regarding the General Manager from the public, Board members, staff, or Counsel.

Issues or Concerns Involving Staff Operations and Actions

Any concerns of a Director regarding the behavior or work of a District employee other than the General Manager are directed to the General Manager privately to ensure the concern is addressed. The GM will confer with District Counsel and keep him/her fully apprised of the handling of the issue. Directors do not reprimand employees directly nor do they communicate their concerns about individual staff members to anyone other than the General Manager or as otherwise permitted by law or the governing documents of the District. The General Manager addresses and tries to resolve the issue, consistent, where relevant, with the District's Employee Handbook. The General Manager keeps the Board apprised on the resolution of such issues in an appropriate and timely manner and in accordance with the Bylaws and other policies.

The District's Employee Handbook provides guidance as detailed in the **Job Related Problems** section.

Issues Involving the District in General

The Board recognizes there will be occasions in which members of the public or stakeholder of the District have concerns about District operations or policy and raise such concerns with the General Manager and/or members of the Board. The District is committed to handling these concerns or complaints responsively and openly. When such concerns are presented to a Board member, the Director will promptly raise the issue directly with the General Manager. When such concerns or complaints are presented to the General Manager, he/she will provide the Board with a written or verbal report of the concern and the District's response, if any. The Board is also kept informed of significant or, politically sensitive, urgent and/ or repetitive telephone or electronic communication inquiries.

Liability Concerns

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

Chapter 6 – District Liability and Insurance Issues

As a Colorado governmental entity, the District, its Board and officers and employees enjoy limited protection from liability under the Colorado Governmental Immunity Act. In addition,

the District maintains insurance, which includes coverage for general and automobile liability and public official liability coverage.

Disclaimer

This Manual is intended to provide guidance and establish best practices for Directors concerning their responsibilities as Directors and their interactions among themselves and with the public, staff, and constituents of the District in the conduct of District business and operations. This Manual does not establish binding requirements or legally enforceable rights. Nothing in this Manual is intended to supersede any applicable provision of the District's Bylaws, Rules and Regulations, adopted Policies, Employee Handbook or other applicable law, regulation, or document of the District.

CERTIFICATE OF SECRETARY

I hereby certify that the foregoing Board Governance Manual was approved by the Board of Directors of the Upper Yampa Water Conservancy District at a regular meeting of the Board on September 15, 2021.

By 

Andy Rossi, General Manager
and Secretary/Treasurer

NEXT STEPS

