

AGENDA

**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
THURSDAY, JANUARY 18, 2024 (10:00 AM)
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO
ONLINE MEETING:**

[HTTPS://US06WEB.ZOOM.US/J/89549788745?PWD=SfMcUK2FoNk6G0rt3AL0EWPCbJJC3F.1](https://us06web.zoom.us/j/89549788745?pwd=SfMcUK2FoNk6G0rt3AL0EWPCbJJC3F.1)

THE UPPER YAMPA WATER CONSERVANCY DISTRICT REQUESTS THAT UNVACCINATED PEOPLE ATTENDING THE BOARD OF DIRECTORS MEETING AT THE MOUNTAIN VALLEY BANK COMMUNITY ROOM WEAR A MASK.

INSTRUCTIONS ON HOW TO JOIN A ZOOM MEETING FOLLOW THE AGENDA

A Board of Directors meeting packet is available for public review on our website at <https://upperyampawater.com/agendas-and-meeting-documents/> by the Friday 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 President. With the exception of subjects brought up during Public Input and Comment, on which no action will be taken or a decision made, the Board 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) **10:00 AM** Establishment of Quorum and Call to Order
- (2) **10:00 AM** Approval of Agenda for Meeting **Action item**
- (3) **10:05 AM** Executive Session:
 - a. Executive session under CRS § 24-6-402(4)(f)(l) concerning personnel matters except if the employee who is the subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting. This executive session concerns **General Manager Andy Rossi** who has not requested an open meeting. This session will be recorded, and a copy of the recording maintained for not less than 90 days.
- (4) **11:00 PM** Board Actions in Regard to Executive Session

11:00 AM LUNCH BREAK

- (5) **11:30 PM** 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.
- (6) **11:40 PM** Board Member Reports
- a. Board of Directors' Disbursements
 - b. Individual Director Reports
 - c. Governance Committee Update **Action Item**
- (7) **12:20 PM** Consent Agenda **Action item**
- a. Approval of the Minutes for November 15, 2023, Board Meeting and December 4, 2023, Special Board Meeting and Acceptance of the November 29, 2023, Board Governance/Strategic Planning Committee Meeting Minutes
 - b. Financials
 - i. Approval of Disbursements
 - ii. Budget Comparison
- (8) **12:30 PM Update from UCRC Colorado Commissioner Becky Mitchell**
- (9) **1:30 PM** Report of General Manager
- a. Colorado River District Update – Risk Study Phase 4
 - b. General Manager's Report
 - c. Board of Directors Appointments and Review of UYWCD Bylaws Regarding Election of Officers
 - d. Election of Officers, Determination of Committees, and Selection of industry Meeting(s) UYWCD participants **Action item**
 - e. Resolution to Approve Posting Place **Action item**
 - f. Augmentation Plan Updates
 - g. 2024 UYWCD New Water Contract Pricing **Action item**
 - h. Financial Matters
 - i. Audit Schedule
- (10) **3:15 PM** District Engineer Report
- a. Update on Reservoir Water Status
- (11) **3:30 PM** Public Information Updates
- a. Grant Disbursements
- (12) **3:40 PM** Report of General Counsel
- (13) **3:45 PM** Pending Water Cases
- a. Water Resumes
 - b. Status of Other Water Cases
- (14) **4:00 PM** New Business (Limited to emergency matters that came up During the course of the meeting) **Action item**
- (15) **4:05 PM** Executive Sessions:
- a. Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and _____ (insert description) . Mere presence or participation of an attorney at an executive session is not sufficient to satisfy the requirements of CRS § 24-6-402(4)(b). Executive sessions to discuss legal matters are not recorded.
 - b. Executive session under CRS § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators with respect to _____ (insert brief description). This session will be recorded, and a copy of the recording maintained for not less than 90 days.
- (16) **4:30 PM** Board Actions in Regard to Executive Session
- (17) **4:35 PM** Determination of Next Meeting(s) Agenda(s)
- (18) **4:45 PM** Adjournment.

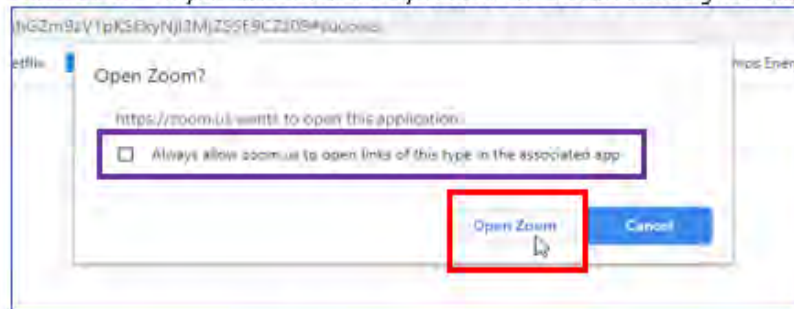
How to join a Zoom meeting

Join via "Join Zoom Meeting" link:

To join a Zoom meeting, click on the meeting link that has been sent to you by the host:

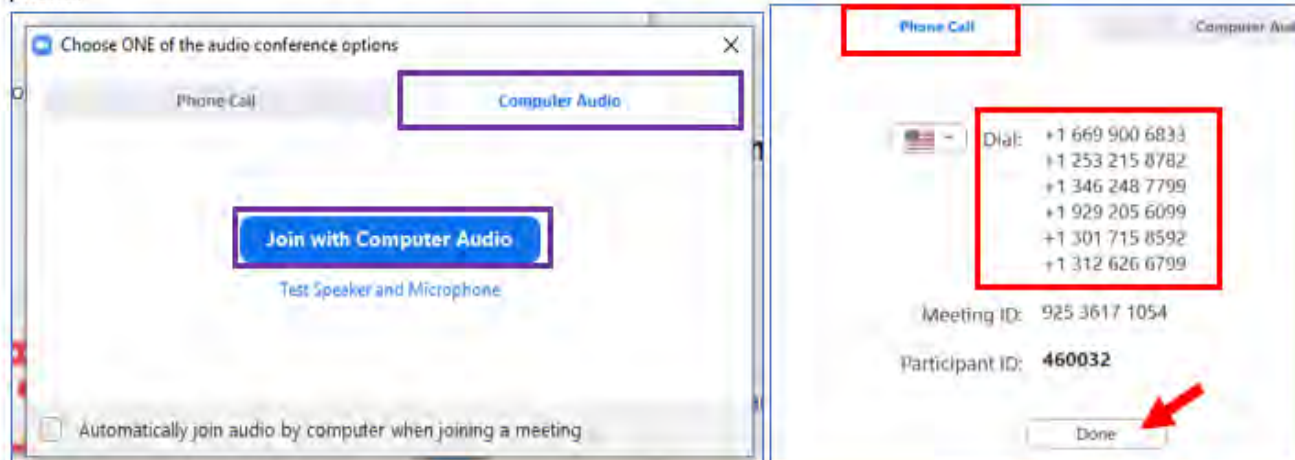


If you have not used Zoom before, you may receive this dialogue box to open Zoom. First, click on "always allow zoom.us..." so you will automatically connect for future meetings. Then, click on "Open Zoom" and follow the prompts.



Once you are connected to Zoom, you will need to choose your audio conference option. To join via your computer, click on "Computer Audio" and then "Join with Computer Audio".

To use your cell phone or landline, click on "Phone Call" and then choose a number from the list. Once you dial the number, you will be asked for the Meeting ID and Participant ID to enter the meeting. Click on "Done" once you are connected to the Zoom meeting. Or, you can use the "One tap mobile" option, see below, to connect via your cell phone.



Join via cell phone with "One tap mobile":

If you will be joining a Zoom meeting via your cell phone, click one of the "One tap mobile" links. Then click on "Call +1...". You will hear a request to "enter your Meeting ID followed by pound (#)". You **do not** need to enter the ID as the link will do this automatically for you.

You will be asked if you are a participant and to "Please press pound (#) to continue". You **must** press the pound key (#). Then you will be asked to "Enter your Participant ID followed by pound (#) or just press pound (#) to continue". If you **do not** enter anything, you will be automatically connected to the meeting.



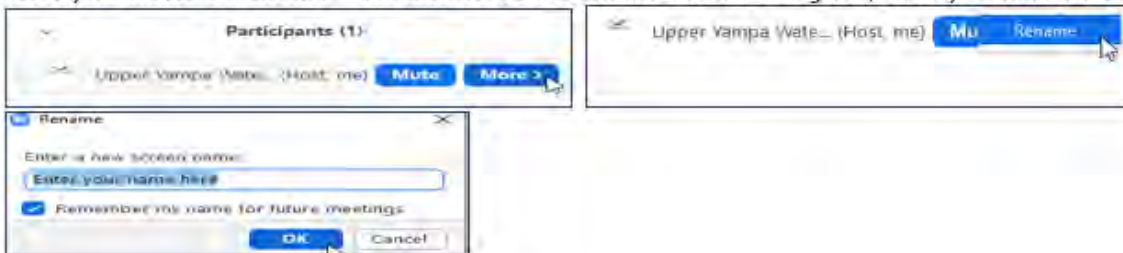
Join via "Dial by your location":

If you will be joining a Zoom meeting via your cell phone or landline, you can choose any of the numbers below to access the meeting. Once you dial the number you will be asked to "Enter your Meeting ID followed by pound (#)". Then, you will be asked to "press pound (#) if you are a participant". Finally, you will be asked to "Enter your Participant ID followed by pound (#) or just press pound (#) to continue". If you **do not** enter anything, you will be automatically connected to the meeting.



Be sure you are identified properly:

Once in Zoom, be sure that you are identified properly. If you need to change, in "Participants" click on your ID and hover your mouse on "More >" and then click on "Rename". In the dialog box, enter your name and click "OK".



Contact Deb Bastian for any questions

- Email: dbastian@upperyampawater.com
- Phone: 970-819-0189

EXECUTIVE SESSION – 4F

Executive session under CRS § 24-6-402(4)(f)(I) concerning personnel matters except if the employee who is the subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting. This executive session concerns General Manager Andy Rossi who has not requested an open meeting. This session will be recorded, and a copy of the recording maintained for not less than 90 days.

UYWCD Staff 2024 Salary Ranges	Range Minimum	Range Midpoint (50%)	Range Maximum
Ditch Rider	\$41,600	\$52,000	\$62,400
Facilities Operator	\$72,800	\$91,000	\$109,200
Community Programs Specialist	\$59,600	\$74,500	\$89,400
Dam Operator	\$72,800	\$91,000	\$109,200
Finance Manager	\$88,000	\$110,000	\$132,000
Business Manager	\$88,000	\$110,000	\$132,000
External Affairs Manager	\$88,000	\$110,000	\$132,000
District Engineer	\$123,077	\$160,000	\$196,923
General Manager	\$146,154	\$190,000	\$233,846

BOARD ACTIONS IN REGARD TO EXECUTIVE SESSION



Lunch Break

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.



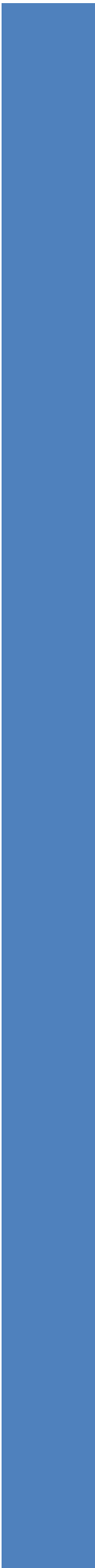
2023 Director Meeting Attendance Compensation																				
Director/ Meeting date	1/18/23	2/15/23	3/15/23	Q1 Total (Jan-Mar)	Amount Paid	Date Paid	4/12/23	5/17/23	6/21/23	Q2 Total (Apr-June)	Amount Paid	Date Paid	7/12/23	8/17/23	8/30/23	9/20/22	Q3 Total (July-Sept)	Amount Paid	Date Paid for Q3	
	BOD	Ex Comm	BOD				Ex Comm	BOD	Ex Comm				BOD	BG/SP Comm	BG/SP Comm	BOD				
Ken Brenner	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	200	200	200	200	\$800.00	\$800.00	10/11/2023	
Doug Monger	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	200	0	200	200	\$600.00	\$600.00	10/11/2023	
Jim Haskins	0	0	200	\$200.00	\$ 200.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	200	200	200	200	\$800.00	\$800.00	10/11/2023	
John Redmond	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	0	0	0	200	\$200.00	\$200.00	10/11/2023	
Ron Murphy-resigned 09.2023	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	0	0	0	0	0			
Katie Berning	0	0	0	0			0	0	0	0			0	0	0	0	0			
Lyn Halliday	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	200	0	0	200	\$400.00	\$400.00	10/11/2023	
Thomas Sharp	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	200	0	0	0	\$200.00	\$200.00	10/11/2023	
Webster Jones	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	200	0	200	200	\$600.00	\$600.00	10/11/2023	
Nicole Seltzer	200	0	200	\$400.00	\$ 400.00	4/13/2023	0	200	0	\$200.00	\$200.00	6/23/2023	0	200	0	200	\$400.00	\$400.00	10/11/2023	
Total	1600	0	1800	\$3,400.00	\$3,400.00		0	1800	0	\$1,800.00	\$1,800.00		1200	600	800	1400	\$4,000.00	\$4,000.00		

Director/ Meeting date	3rd Quarter Reimb requests for UYW Rep. meeting attendance	Q3 Total for Reimb Amount Paid	Reimb. Amount Paid	Date Paid	10/12/23	10/23/23	11/15/22	11/29/23	12/4/23	Q4 Total (Oct-Dec)	Amount Paid	Date Paid
					BOD Retreat	BG/SP Comm	BOD	BG/SP Comm	Special BOD Mtg			
Ken Brenner	400	\$400.00	\$400.00	8/31/2023	200	200	200	0	0	\$600.00	\$600.00	12/21/2023
Doug Monger	0	\$0.00	\$0.00		200	200	200	0	200	\$800.00	\$800.00	12/21/2023
Jim Haskins	0	\$0.00	\$0.00		200	200	200	200	200	\$1,000.00	\$1,000.00	12/21/2023
John Redmond	0	\$0.00	\$0.00		200	0	0	0	200	\$400.00	\$400.00	12/21/2023
Ron Murphy-resigned 09.2023	0	0	0		0	0	0	0	0	0		
Katie Berning	0	0	0		0	0	200	200	200	\$600.00	\$600.00	12/21/2023
Lyn Halliday	0	\$0.00	\$0.00		200	0	200	0	200	\$600.00	\$600.00	12/21/2023
Thomas Sharp	0	\$0.00	\$0.00		200	0	200	0	200	\$600.00	\$600.00	12/21/2023
Webster Jones	0	\$0.00	\$0.00		200	200	200	200	200	\$1,000.00	\$1,000.00	12/21/2023
Nicole Seltzer	0	\$0.00	\$0.00		200	200	200	200	0	\$800.00	\$800.00	12/21/2023
Total	400	\$400.00	\$400.00		1600	1000	1600	800	1400	\$6,400.00	\$6,400.00	

	Budget amount	Accrued to date	Budget amount remaining	Paid to date	12 mtgs/year = \$2400
Ken Brenner	\$ 2,400.00	\$2,400.00	\$ -	\$ 2,400.00	
Doug Monger	\$ 2,400.00	\$2,000.00	\$ 400.00	\$ 2,000.00	
Jim Haskins	\$ 2,400.00	\$2,200.00	\$ 200.00	\$ 2,200.00	
John Redmond	\$ 2,400.00	\$1,200.00	\$ 1,200.00	\$ 1,200.00	
Ron Murphy & Katie Berning	\$ 2,400.00	\$1,200.00	\$ 1,200.00	\$ 1,200.00	
Lyn Halliday	\$ 2,400.00	\$1,600.00	\$ 800.00	\$ 1,600.00	
Thomas Sharp	\$ 2,400.00	\$1,400.00	\$ 1,000.00	\$ 1,400.00	
Webster Jones	\$ 2,400.00	\$2,200.00	\$ 200.00	\$ 2,200.00	
Nicole Seltzer	\$ 2,400.00	\$1,800.00	\$ 600.00	\$ 1,800.00	
Total	\$21,600.00	\$16,000.00	\$ 5,600.00	\$ 16,000.00	

2024	Director Meeting Attendance Compensation																								
Director/ Meeting date	1/18/24	2/21/24	3/20/24	Q1 Total (Jan-Mar)	Amount Paid	Date Paid	4/17/24	5/15/24	6/19/24	Q2 Total (Apr-June)	Amount Paid	Date Paid	7/18/24	8/21/24	9/18/24	Q3 Total (July-Sept)	Amount Paid	Date Paid for Q3	10/23/24	11/20/24	12/18/24	Q4 Total (Oct-Dec)	Amount Paid	Date Paid	
	BOD	Ex Comm	BOD				Ex Comm	BOD	Ex Comm				BOD Retreat	Ex Comm	BOD				BOD	BOD	Ex Comm				
Ken Brenner				\$0.00						\$0.00															
Doug Monger				\$0.00						\$0.00															
Jim Haskins				\$0.00						\$0.00															
John Redmond				\$0.00						\$0.00															
Lyn Halliday				\$0.00						\$0.00															
Thomas Sharp				\$0.00						\$0.00															
Webster Jones				\$0.00						\$0.00															
Nicole Seltzer				\$0.00						\$0.00															
Katie Berning				\$0.00						\$0.00															
Total	0	0	0	\$0.00	\$0.00		0	0	0	\$0.00	\$0.00		0	0	0	\$0.00	\$0.00		0	0	0	\$0.00	\$0.00		

	Budget amount	Accrued to date	Budget amount remaining	Paid to date	12 mtgs/year = \$2400
Ken Brenner	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Doug Monger	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Jim Haskins	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
John Redmond	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Lyn Halliday	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Thomas Sharp	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Webster Jones	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Nicole Seltzer	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
Katie Berning	\$ 2,400.00	\$0.00	\$ 2,400.00	\$ -	
	\$ 21,600.00	\$0.00	\$ 21,600.00	\$ -	\$0.00
		\$0.00			







BOARD COMMUNICATION FORM

From: Board Governance Committee

Date: 1/10/24

Item: Committee Recommendations

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

In May 2023, the Board approved hiring CBI, Inc. (Ryan Golten) to assess:

- 1) Formation of a potential standing Special Committee on Strategic Planning & Governance (including to oversee an annual cycle of Strategic Planning and Board Governance activities), and clarifying its relationship to the Executive Committee
- 2) Improving Engagement with the Public at Board Meetings (aka Board meeting decorum and camaraderie)
- 3) Clarifying Expectations for Board Member Participation in External Activities

The Board Governance Committee including Board members Jim Haskins, Webster Jones, Ken Brenner, Katie Berning and Nicole Seltzer met four times in 2023 to guide CBI's work. Based upon interviews with all Board members and staff (see November 2023 meeting minutes) and discussions amongst committee members, the committee is putting forth its recommendations for Board consideration.

II. Board Governance Committee Recommendations:

The committee's recommendations for Board consideration include the following:

- a) The Board Governance Committee be approved as a Special Committee for 2024 with duties as outlined in the Committee Charter
- b) Edits to the Board Governance Manual as shown in redline on pages 8-12 of the manual
- c) Adoption of a Board Member Reimbursement Policy, for which two options are presented.



III. Legal Issues:

UYWCD Bylaws Article 6, Section 4:

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.

IV. Consistency with Board Goals and Policies:

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

UYWCD SP Goal 10: Ensure robust staff, legal, and administrative resources to enhance District's viability and capacity to effectively serve its constituents.

Attachments:

Attachment 1: Board Governance Committee Charter

Attachment 2: Board Governance Manual edits

Attachment 3: Board Reimbursement Policy options

Special Committee on Strategic Planning and Board Governance DRAFT Charter

Purpose

The Strategic Planning/Board Governance Committee is formed under Article VI of the District's Bylaws to assist the Board with tracking and supporting implementation of the District's strategic plan, integrating strategic planning with the annual process of budget development, and to assist in coordinating Board Governance processes, including developing and forwarding for Board consideration proposals for facilitating the process for Board members' self-evaluations and the General Manager's annual review. The Special Committee is proposed as a one-year pilot and may be dissolved after a year or at any later point in time by decision of the Board. This summary of duties defines the scope, members and work products of this Special Committee.

Composition

The Committee shall be comprised of not less than three members, who will be selected in accordance with Article VI of the District Bylaws, in addition to the President and General Manager, who shall both be ex officio members. The Committee will appoint a Chair in a manner consistent with the Bylaws.

Scope

The Special Committee has the specific duties set forth below. Unlike the Executive Committee, the Special Committee is not empowered to make decisions on behalf of the Board, but only to frame topics or develop proposals for Board consideration. *The Special Committee may be dissolved after a year or at any later point in time by decision of the Board in accordance with its Bylaws.*

Annual Cycle of Strategic Planning and Board Governance Activities

The Committee will develop and work to institutionalize an annual cycle that staff and Board will follow, after approval by the Board, for activities related to strategic planning, board governance and participation in external partnerships, consistent with the District's Bylaws, statutory obligations, and the Board Governance Manual. This includes:

1. Creating a proposal to the Board for an annual cycle, schedule and process for Strategic Plan development/updates, progress reporting, and General Manager performance reviews. The primary goal is to ensure that the Board and General Manager's strategic planning is integrated with, and directly supports and feeds into, the annual, statutorily mandated budget cycle, as well as developing a process for the Board to consider to provide input on the General Manager's work planning for the subsequent year.
2. Creating a proposal for an annual cycle, schedule and process for Board self-evaluations, new Board member on-boarding, and review/updates regarding the Board Governance Manual and relevant best practices. If questions arise from within or outside the District

regarding Board Governance, the Committee may propose to the Board a process for addressing these issues in accordance with the values and procedures articulated in the Board Governance Manual.

3. Overseeing the development of a Board External-Engagement Reimbursement Policy and recommending such Policy to the Board for consideration.
4. Pursuant to the Board Governance Manual (Chapter 4), developing proposals for the Board to consider for engaging as a Board with community partners.

Collaborative Decision-Making

The Special Committee will seek consensus in developing recommendations for the Board. It will prioritize proposals likely to garner some degree of support from all Board members. In doing so, the Special Committee will be mindful of diversity of Board opinions articulated at past Board retreats and meetings on these topics. In the absence of a consensus recommendation, the Committee may propose more than one option for Board consideration, articulating pros/cons or tradeoffs of each.

Dissolution of the Committee

The Special Committee is proposed as a one-year pilot and may be dissolved after a year or at any later point in time by decision of the Board in accordance with its Bylaws.



Board Governance Manual

Table of Contents

<i>Upper Yampa Water Conservancy District Mission</i>	1
<i>Preamble</i>	1
<i>District Background</i>	2
<i>Relevant Legal Authority</i>	3
<i>Chapter 1 – Role and Authority</i>	3
<i>Chapter 2 – Board Interactions with General Manager, Counsel and Staff</i>	5
<i>Chapter 3 – Board Governance</i>	7
<i>Chapter 4 – Board Interactions with the Public</i>	10
<i>Chapter 5 – Resolution of Issues or Concerns</i>	<u>1211</u>
<i>Chapter 6 – District Liability and Insurance Issues</i>	<u>1413</u>

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

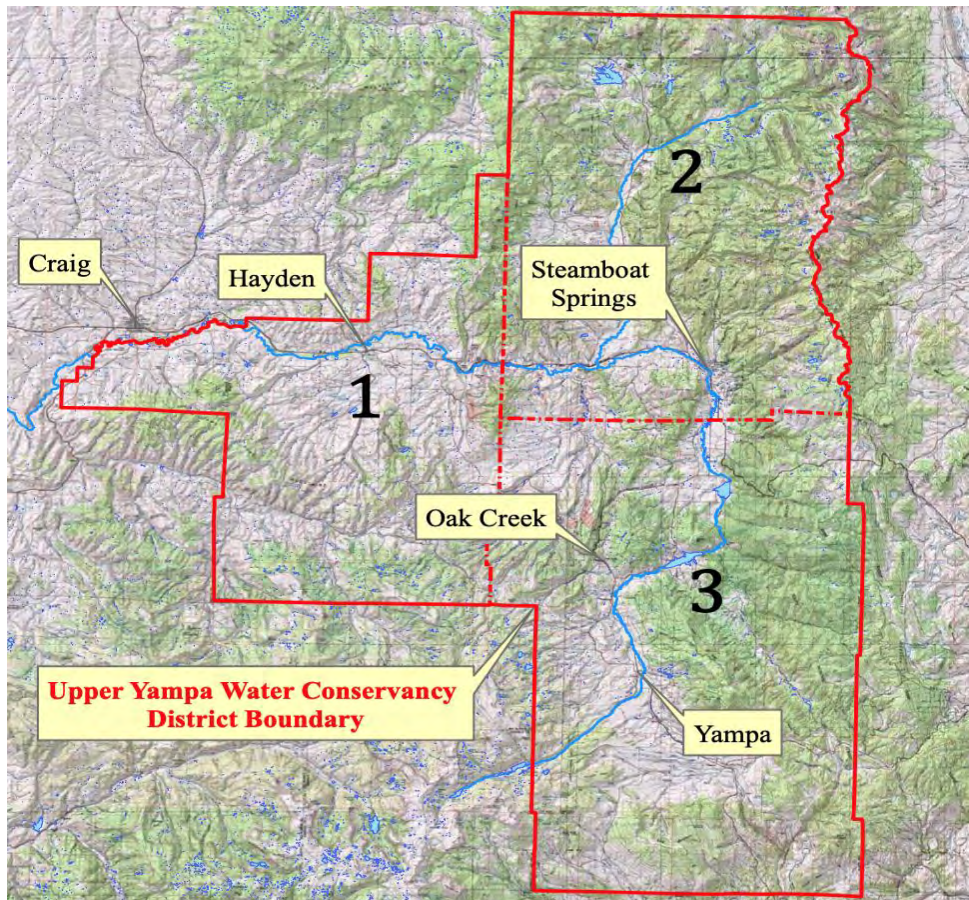
The Upper Yampa Water Conservancy District Board of Directors (herein ‘Board’) has developed and adopted, and will maintain, this Board Governance Manual as a resource to support the District’s mission, guide the Board, and encourage public confidence in the integrity of the District and its fair and 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 Manger 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

[When agenda topics involve engagement with external parties, the General Manager or Board may propose to adjust the agenda to move those topics toward the top of the agenda, in consideration of the parties’ time.](#)

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. While Directors will not always agree with constituents, concerns and/or questions directed by Directors to meeting attendees will be professional, courteous and not personalized. Directors will hold one another accountable to these expectations; if concerns arise, Directors are expected to call for a 'Point of Order' to help reset the conversation and ensure it remains respectful.
- 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 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

The Board encourages all 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. When an external body asks a representative of the District to provide input on a document or policy, Directors may respond as individuals in the absence of formal Board action. They will make best efforts to inform the rest of the Board of opportunities to comment in a timely manner.
- 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. In addition, it should not be assumed that staff will be available to support such participation and/or related coordination with the Board. Such requests should go through the General Manager and otherwise be undertaken Directors themselves.
- 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.
- 7)8) If the District is requested by an outside organization to provide an official designee, the General Manager will bring this request to the full Board.
- 8)9) 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)~~10) _____ 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)~~11) _____ 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)~~12) _____ 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 Manager (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

UYWCD Policy for Reimbursement of Board Members

Supporting Board Participation in External Water-Related Partnerships and Activities

I. Background

As explained in Chapter 4 of the UYWCD Board Governance Manual, the UYWCD encourages its board members to participate in relevant external partnerships and activities, both for professional growth and learning, and to extend the reach of the UYWCD's participation and bring back useful learnings to the organization. In limited cases, the UYWCD Board of Directors may be asked to appoint members or staff to represent the UYWCD in an official representative capacity in these external efforts. In either case, Directors may be reimbursed for actual, necessary, and reasonable expenses incurred in the performance of duties performed at the request of the UYWCD Board.

The reimbursement of these expenses to Directors will be in addition to the allowable compensation detailed in Section 4 of the UYWCD Bylaws (effective November 17, 2021).

II. Authorized Activities

- A. Each member of the Board shall be reimbursed for travel, lodging, meal, and other expenses actually and reasonably incurred in the performance of service rendered at the request of the Board, other than attending meetings of the Board or committees of the Board. All activities for which expense reimbursement is sought must be approved in advance by the Board, except as otherwise provided below and on **Attachment A**.
- B. The activities listed in Attachment A shall be considered official duties performed at the request of the Board of Directors, and expenses necessarily and reasonably incurred in connection with them are eligible for reimbursement, provided that reimbursement is not being provided by others and the other applicable provisions of this policy are met.
- C. Examples of expenses which the District will **not** reimburse include:
 - 1. Air Transportation
 - 2. The personal portion of any trip
 - 3. Family expenses, including those of partners, spouses or children when accompanying a Director on a District-related trip
 - 4. Entertainment expenses, including theater, movies, sporting events
 - 5. Non-mileage personal car expenses, including repairs, traffic citations, insurance or gas
 - 6. Purchase of alcoholic beverages
 - 7. Personal losses incurred while on District business
- D. Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred.

III. Cost Control Guidelines

- A. Travel
 - 1. **General:** Travel reimbursement expenses will not exceed the government or group rate for ground transportation and rental cars where such rate is available. Shuttles, taxis, and car services are reimbursable in lieu of car rental. Board members wishing to

upgrade rental car class for personal convenience, or to combine personal with business travel thereby resulting in an increased fare, must pay the increased cost over the rates set forth in this policy.

2. **Automobile:** Mileage is reimbursed at the rate contained in the most recent edition of IRS Publication 463. Tolls and parking are reimbursed at cost. For out-of-area travel by vehicle, mileage plus related en route out-of-pocket expenses shall be reimbursed at the IRS rate or the corresponding airfare, whichever is lower.
3. **Car Rental:** Cars should be rented at the most economical rate provided car rental is less expensive than other surface transportation options.
4. **Taxi/Ride Share/Shuttle:** Taxi, ride share, or shuttle fares may be reimbursed, including a 15 percent gratuity per fare, when the cost of such fares is equal to or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time-efficiency.

B. Lodging

1. Lodging will be reimbursed when travel on District business reasonably requires an overnight stay.
 - a. **Conferences:** If lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor if such rates are available at the time the reservation is made. Board members wishing to upgrade rooms and/or hotels or to incur additional guest charges will not be reimbursed for the cost difference.
 - b. **Other:** Directors must request government rates when available. Rates equal to or less than the government rates are considered reasonable for reimbursement. In the event that government rates are not available at a particular time or in a particular area, rates that do not exceed the lodging allowance for the destination city published by the General Services Administration (GSA), exclusive of taxes and mandatory charges, are considered reasonable.

C. Meals

1. Meal expenses, including tips, will be reimbursed up to the maximum total daily per diem amounts established for the destination city by the General Services Administration (GSA).

D. Lodging and Meals During Days of Travel

1. Reimbursement for lodging and meal expenses will only be provided for days of travel if such travel days are reasonably necessary to attend the meeting or activity. Travel days are considered reasonably necessary if attendance at the meeting or activity would require travel outside the hours of 7:00 a.m. to 8:00 p.m. on the actual beginning or ending days of the activity. Unless specifically approved by the Board in advance, a Director will not be eligible for reimbursement of lodging or meal expenses incurred more than any one travel day before the beginning, nor more than any one travel day after the end of the activity attended, respectively.
2. For purposes of computing meal expense reimbursement, such days before and/or after the day(s) of the activity are considered "First and Last Day of Travel" in accordance with GSA daily per diem allowances.

IV. Expense Reimbursement Requests

- A. All expense reimbursement requests must be submitted to the UYWCD Business Manager along with receipts documenting each expense.
- B. The UYWCD Business Manager will compile requested expense reimbursements and provide the necessary expense reimbursement form to the Director for approval and filing.
- C. Directors must file their expense reports within 45 days after the expenses are incurred. All expenses are subject to verification.

V. Reports to Board of Directors

Each Director requesting reimbursement of expenses shall, at the following District Board meeting, briefly report on meetings and other events attended at District expense. If more than one Director attended a meeting or event, a joint report may be made. Written reports may be submitted for inclusion in the Board packet in lieu of verbal reports during the Board meeting. All written reports must be submitted to the UYWCD Business Manager at least seven business days in advance of the Board meeting to ensure they will be available to the public as part of the Board meeting packet.

VI. Reporting of Expenses and Reimbursement

All UYWCD expenditures are public records subject to State of Colorado disclosure law(s). In addition, the UYWCD will compile a report showing the amount of expenses reimbursed to each Director during the preceding months and make this report available during Regular Meetings of the UYWCD Board of Directors.

Attachment A: Option 1

to UYWCD Policy for Reimbursement of Board Members

- I. The following activities shall be considered service rendered at the request of the Board of Directors and **shall not require specific pre-approval** by the Board to be eligible for reimbursement of expenses:
 - a. Attendance at training programs that Board members may be legally required to take.
 - b. Attendance at community/public outreach events held by or supported by UYWCD staff.
 - c. Attendance by a Director formally authorized by a vote of the full UYWCD Board of Directors to represent the UYWCD at the following organizations' meetings:
 - i. Yampa-White-Green Round Table
 - ii. Colorado Water Congress State Legislative Affairs Committee
 - d. Attendance at meetings, events or functions, including meetings of civic, business, and nonprofit organizations as well as meetings of local, regional, statewide or federal public officials, public agencies or regulatory or judicial entities, by the Board President and/or Board Vice President as may be required by their roles as Board officers, and/or by Board member(s) who may be designated in writing (email will suffice) by the Board President or Vice President to attend such a meeting, on topics related to the water industry or water policy that could impact the UYWCD.
 - e. Attendance at orientation, educational activities, and briefings for Board member(s) organized by UYWCD staff (e.g., Staff-organized Board Member training or site visits to regional water or UYWCD-owned facilities, special briefings with the General Manager or staff to prepare Board Member(s) for other meetings, etc.).
- II. Attendance at meetings, conferences, seminars, educational events, regional and committee meetings and trainings (must be located in Colorado) of agencies and organizations and their committees on topics related to the water industry, water policy, or other issues that could impact the UYWCD shall be considered **optional** for Directors and **shall not require specific pre-approval** by the Board to be eligible for reimbursement as follows:
 - a. Reimbursement of expenses for travel, lodging, and meals up to a maximum annual amount of \$2,000 per Director.
 - b. Reimbursement of expenses for conference/event registration fees up to a maximum annual amount of \$1,500 per Director.
 - c. If there is an instance in which meeting fees/expenses exceed the amounts above, Directors can make a special request to Board.

Attachment A: Option 2 (highlighted text shows differences)

to UYWCD Policy for Reimbursement of Board Members

- I. The following activities shall be considered service rendered at the request of the Board of Directors and **shall not require specific pre-approval** by the Board to be eligible for reimbursement of expenses:
 - a. Attendance at training programs that Board members may be legally required to take.
 - b. Attendance at community/public outreach events held by or supported by UYWCD staff.
 - c. Attendance by a Director formally authorized by a vote of the full UYWCD Board of Directors to represent the UYWCD at the following organizations' meetings:
 - i. Yampa-White-Green Round Table
 - ii. Colorado Water Congress State Legislative Affairs Committee
 - d. Attendance at meetings, events or functions, including meetings of civic, business, and nonprofit organizations as well as meetings of local, regional, statewide or federal public officials, public agencies or regulatory or judicial entities, by the Board President and/or Board Vice President as may be required by their roles as Board officers, and/or by Board member(s) who may be designated in writing (email will suffice) by the Board President or Vice President to attend such a meeting, on topics related to the water industry or water policy that could impact the UYWCD.
 - e. Attendance at orientation, educational activities, and briefings for Board member(s) organized by UYWCD staff (e.g., Staff-organized Board Member training or site visits to regional water or UYWCD-owned facilities, special briefings with the General Manager or staff to prepare Board Member(s) for other meetings, etc.).
- II. Attendance at meetings, conferences, seminars, educational events, regional and committee meetings and trainings (must be located in Colorado) of agencies and organizations and their committees on topics related to the water industry, water policy, or other issues that could impact the UYWCD shall be considered optional for Directors and shall not require specific pre-approval by the Board to be eligible for reimbursement as follows:
 - a. Reimbursement of expenses for travel, meals and registration fees covered for two multi-day conferences per year, not to exceed \$4,000 cumulative total.
 - b. Reimbursement of travel expenses for attending other water-related meetings, events, or conferences, up to a maximum annual amount of \$2,000 per Director.



RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS MEETING WEDNESDAY, NOVEMBER 15, 2023 (12:00 PM) MOUNTAIN VALLEY BANK COMMUNITY ROOM 2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO ONLINE MEETING:

<https://us06web.zoom.us/j/85459548474?pwd=U0xjMTRneHBjeDdOaXEvYnBqU09hQT09>

MINUTES

Chairman Doug Monger called the meeting to order and declared a quorum present. In addition to Chairman Monger, the Board Members present were Ken Brenner, Jim Haskins, Katie Berning, Lyn Halliday, Tom Sharp, Webster Jones and Nicole Seltzer. General Manager Andy Rossi, District Engineer Emily Lowell, Public Information and External Affairs Manager Holly Kirkpatrick, Business Manager Deb Bastian, Finance Manager Karina Craig and General Counsel Bob Weiss were also present. Special Counsel Scott Grosscup was present over Zoom for a portion of the meeting. Members of the public present for some portion of the meeting included Erin Light, Brian Romig and Mendi Figueroa, Colorado Division of Water Resources; Jonathan Bowler, Little Snake Conservation District; Dave Torgler, Town of Oak Creek Administrator.

This meeting was held in person and by videoconference utilizing Zoom. The meeting agenda included instructions to the public describing the process to participate in the meeting and comment on agenda items.

The following agenda was proposed:

AGENDA

- (1) **12:00 PM** Establishment of Quorum and Call to Order
- (2) **12:00 PM** Approval of Agenda for Meeting **Action item**
- (3) **12:05 PM** 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.
- (4) **12:10 PM** Board Member Reports
 - a. Introduction of new Board Member
 - b. Ken Brenner – Little Snake Basin Proposal **Action item**
 - c. Doug Monger – CRD
 - d. Nicole Seltzer – Board Governance Committee Update
 - e. Board Member Disbursements Summary
- (5) **12:25 PM** Consent Agenda **Action item**
 - a. Approval of the Minutes for September 20, 2023, Board Meeting, October 12, 2023 Board Retreat and October 23, 2023, Board Governance/Strategic Planning Committee Meeting
 - b. Financials
 - i. Approval of Disbursements
 - ii. Budget Comparison

RECORD OF PROCEEDINGS

- iii. Local Government Budget Amendment Review
- (6) **12:30 PM** Report of General Manager
- a. General Manager Report
 - b. Bear River Wildfire Ready Action Plan Funding Agreement **Action Item**
 - c. Augmentation Plan Updates
 - d. Update on Holiday Party
 - e. Notice of Expiring Director Terms
 - f. Town of Oak Creek Sheriff Reservoir Project Update and Grant Revision Request **Action item**
 - g. UYWCD 2024 Budget **Action item**
 - h. Colorado River Matters Discussion
- (7) **3:00 PM** District Engineer Report
- a. Update on Reservoir Water Status
 - b. Update on Capital Projects
- (8) **3:15 PM** Public Information Updates
- a. Update on Grant Disbursements
 - b. Community Grant Program Procedures
- (9) **3:25 PM** Report of General Counsel
- a. General Manager Review Procedure **Action item**
- (10) **3:35 PM** Pending Water Cases
- a. Water Resumes
 - b. Status of Other Water Cases
- (11) **3:55 PM** New Business (Limited to emergency matters that came up During the course of the meeting) **Action item**
- (12) **4:00 PM** Executive Sessions:
- a. Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and _____ (insert description). Mere presence or participation of an attorney at an executive session is not sufficient to satisfy the requirements of CRS § 24-6-402(4)(b). Executive sessions to discuss legal matters are not recorded.
 - b. Executive session under CRS § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators with respect to _____ (insert brief description). This session will be recorded, and a copy of the recording maintained for not less than 90 days.
- (13) **4:45 PM** Board Actions in Regard to Executive Session
- (14) **4:50 PM** Determination of Next Meeting(s) Agenda(s)
- (15) **5:00 PM** Adjournment.

Chairman Monger established a quorum and called the meeting to order at 12:02 PM.

Meeting Agenda. Director Haskins moved to approve the agenda. Director Halliday seconded the motion which was unanimously approved.

Public Input and Comment. Chairman Monger invited members of the public to comment on items not otherwise scheduled on the agenda. There was no comment.

Board Member Reports.

Introduction of new Board Member. Chairman Monger introduced Katie Berning as the new Division 1 Director replacing Ron Murphy who resigned from the Board in September.

RECORD OF PROCEEDINGS

Ken Brenner – Little Snake Basin Proposal. Director Brenner and Jonathan Bowler provided the Board with information and an overview on the Headwaters of the Colorado (HoC) Initiative and the request for a Letter of Support for the WaterSMART Cooperative Watershed Management Program Phase I. In addition, Director Brenner requested support to serve on the HoC Steering Committee. The Board discussed.

Director Sharp moved to authorize the General Manager to draft a letter of support to for the HoC with the conditions that the District does not commit to any future funding, there will be no use of staff time and the District does not request the creation of an Upper Yampa Water Conservancy seat on the Steering Committee. Director Jones seconded the motion which was unanimously approved.

Director Brenner also reported on the C9 Summit Conference held on November 14, 2023. He reported that changes will likely be proposed for the interactions between the IBCC, CWCB and the basin roundtable groups.

Doug Monger – CRD. Director Monger provided an update on the direction the River District provided to General Manager Andy Mueller regarding the Drought Task Force.

Nicole Seltzer – Board Governance Committee Update. Director Seltzer provided the Board with an update on the progress of the Board Governance Committee and that the committee plans to bring decisions to the Board for review and approval.

Lyn Halliday – Water Quality Analysis. Director Halliday provided the Board with an update on the water quality analysis process and noted that Leonard Rice Engineers (LRE) has been selected to conduct the analysis.

Board Member Disbursement Summary. The Board reviewed the current disbursement of payments to Board Directors.

Consent Agenda. General Manager Rossi informed the Board of a typographical error on Page 3 of 6 of the Cash Disbursement Report. The description in the Memo column should be “Water Quality Analysis, passthrough” in lieu of “Water Rights Analysis, passthrough”. The Board reviewed and discussed the consent agenda. Director Monger moved to approve the minutes of the September 20, 2023, Board Meeting, the October 12, 2023, Board Retreat and to accept the October 23, 2023, Board Governance/Strategic Planning Committee. Director Brenner seconded the motion which was unanimously approved. Director Brenner moved to approve the cash disbursements as corrected. Director Sharp seconded the motion which was unanimously approved. Director Brenner moved to approve the budget comparison as presented. Director Jones seconded the motion which was unanimously approved.

Report of General Manager.

General Manager Report. General Manager Andy Rossi provided the Board with a report summarizing the current and ongoing activities of the District.

Bear River Wildfire Ready Action Plan (WRAP) Funding Agreement. General Manager Andy Rossi provided the Board with an update on the Bear River WRAP project and Colorado Strategic Wildfire Action Program (COSWAP). Director Brenner moved to authorize the UYWCD General Manager to sign the Bear River WRAP funding agreement. Director Halliday seconded the motion which was unanimously approved.

Augmentation Plan Updates. The Board reviewed the current augmentation plans contract summary document.

RECORD OF PROCEEDINGS

Update on Holiday Party. General Manager Rossi provided the Board with the holiday party update.

Notice of Expiring Director Terms. General Manager Rossi informed the Board that Director Haskins, Brenner and Halliday terms expire on March 8, 2024. Staff will publish a public notice of Application for Appointment of Directors to the District in January 2024. Directors interested in continuing to serve on the Board of Directors will need to file an application.

Town of Oak Creek Sheriff Reservoir Project Update and Grant Revision Request. Oak Creek Town Administrator Dave Torgler provided an update on the Sheriff Reservoir project and that the Town of Oak Creek is requesting an additional extension of the project completion date as per section 4B of the original funding contract. The Board discussed. Director Brenner moved to approve the revision of the original UYWCD-Town of Oak Creek Grant Funding Contract, sections 1.B., 4.A., and 4.B. through the end of 2024. Director Haskins seconded the motion which was unanimously approved.

UYWCD 2024 Budget. General Manager Rossi and Finance Manager Karina Craig provided the Board with an overview and update on the 2024 budget process. The Board discussed the special legislative session being convened by Governor Polis regarding the increase in property tax revenue. General Manager Rossi informed the Board of a typographical error in the ADM (administration) detail budget Draft, September 20, 2023, column. A corrected ADM budget was provided to the Board as additional documents.

Director Berning disclosed that she works for the Yampa River Fund and will abstain from voting on the proposed contribution to the Yampa River Fund Endowment for calendar year 2024. Director Sharp moved to approve the authorization of a one-time contribution to the Yampa River Fund Endowment in calendar year 2024 in the amount of \$150,000 subject to execution of a grant contract in a form acceptable to the General Manager and District legal counsel. Director Brenner seconded the motion. The vote passed with the abstention of Director Berning.

Chairman Monger moved to approve his signature on Resolution 2023-4 to Appropriate Sums of Money, Resolution 2023-5 to Set Mill Levies and Resolution 2023-6 to Adopt Budget and Salary Range Schedule as presented and subject to potential adjustments on final property assessments provided. Director Jones seconded the motion which was unanimously approved.

Colorado River Matters Discussion. General Manager Rossi provided the Board with information on the recently revised draft Supplemental Environmental Impact Statement (SEIS) from the Department of Interior's Bureau of Reclamation and the proposed short list ideas from the Colorado River Drought Task Force regarding the post 2026 guidelines process. The Board discussed. Staff was directed to provide the Board with the latest short list after the Task Force's meeting to be held November 16, 2023. The Board will review and determine if further action will be taken.

District Engineer Report.

Update on Reservoir Water Status. District Engineer Emily Lowell provided an update on the reservoir water status.

Update on Capital Projects. District Engineer Emily Lowell provided the Board with a summary of the facility improvement and maintenance projects during 2023.

RECORD OF PROCEEDINGS

Public Information Updates.

Update on Grant Disbursements. Public Information and External Affairs Manger Holly Kirkpatrick provided a written update to the Board on grant disbursements.

Community Grant Program Procedures. Public Information and External Affairs Manger Holly Kirkpatrick provided a review and overview of the Community Grant Funding program that was formalized in 2022.

Report of General Counsel. Chairman Monger provided an overview of the annual performance review process for the General Manager. The Board reviewed the draft evaluation survey. Director Brenner moved to approve the General Manager evaluation form as presented and requested staff to send the review form to the Board and the General Manager on November 27, 2023. Director Jones seconded the motion which was unanimously approved.

Pending Water Cases.

Water Resumes. Special Counsel Grosscup commented that there were no water court applications filed in the month of September of concern to the District. In October, the application for Moffat County's umbrella augmentation plan was filed. Director Sharp moved to authorize Special Counsel Scott Grosscup to file an opposition in support of Moffat County's application for an umbrella augmentation plan to allow the District to assist Moffat County as necessary and to protect the District's augmentation plan interests in the future. Director Brenner seconded the motion which was unanimously approved.

Status of Other Water Cases. Special Counsel Grosscup provided a review and update of Water Court **Case No. 20CW3019 and 20CW3020** (diligence application filed by Public Service Company of Colorado for 52.5 cfs decreed to the Wessels Canal Hinman Park Reservoir and the Saddle Mountain Pump Station), **Case No. 22CW3102** (Opposition to water measurement rules), and **Water Horse Resources**. The Special Council further noted that there are 4 cases set for trial between the District and Tri-State (**Case No. 21CW3046**-Tri-State's diligence application for the Crag Station Ditch and Pipeline, **Case No. 22CW3002**-Yamcolo Reservoir Second Filling, **Case No. 22CW3108**-Little Morrison Diversion and **Case No. 22CW3018**-Pleasant Valley Reservoir Rights at Yamcolo Reservoir and that he has had conversations with Tri-State attorney's regarding settlement options.

Executive Session. At 3:34 PM Chairman Monger moved, Director Brenner seconded, and it was unanimously agreed to go into Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and cases involving Tri-State Generation. Mere presence or participation of an attorney at an executive session is not sufficient to satisfy the requirements of CRS § 24-6-402(4)(b). Executive sessions to discuss legal matters are not recorded.

The Executive Session ended at 3:59 PM. Immediately after the conclusion of the executive session and the resumption of the public meeting, the Chairman announced that if any person who participated in the executive session believed that any substantial discussion of any matters not included in the motion to go into executive session occurred in the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, that such person state their concern for the record. No one stated concerns.

Board Action Regarding Executive Session. Director Brenner moved to direct Special Counsel Grosscup, General Counsel Weiss and General Manager Rossi to work with Directors Sharp and Jones to make an offer to enter mediation with Tri-State on the 4 pending cases and to split the cost of mediation 50/50. Director Haskins seconded the motion which was unanimously approved.

RECORD OF PROCEEDINGS

New Business. There was no new business.

Determination of Next Meeting Agenda. The agenda for the January 18, 2024, Board Meeting was reviewed.

The meeting adjourned at 4:03 PM.

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

Andy Rossi, District Secretary/Manager

Date: _____

STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned Robert G. Weiss, legal counsel for the District, hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that the portion of the executive session that was not recorded and which related to cases involving Tri-State Generation constituted a privileged attorney-client communication under CRS Section 24-6-402(4)(b).

Robert G. Weiss, Counsel

Date: _____

RECORD OF PROCEEDINGS

**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD GOVERNANCE/STRATEGIC PLANNING COMMITTEE MEETING
WEDNESDAY, NOVEMBER 29, 2023 (10:45 AM)
UPPER YAMPA WATER CONSERVANCY DISTRICT CONFERENCE ROOM
2220 CURVE PLAZA, SUITE 201, STEAMBOAT SPRINGS, CO
ONLINE MEETING:**

<HTTPS://US06WEB.ZOOM.US/J/86864673981?PWD=QPX2WwMO6GZKXAVG9JIPEEYIYQx>
[PVA.1](#)

MINUTES

Chairman Nicole Seltzer called the meeting to order and declared a quorum present. In addition to Chairman Seltzer, the Committee Members present were Jim Haskins, Ken Brenner and Webb Jones. Board Members present were Katie Berning. General Manager Andy Rossi and Business Manager Deb Bastian were also present. Members of the public present for some portion of the meeting included Ryan Golten, Consensus Building Institute.

This meeting was held in person and by videoconference utilizing Zoom. The meeting agenda included instructions to the public describing the process to participate in the meeting and comment on agenda items.

The following agenda was proposed:

AGENDA

- (1) **10:45 AM** Establishment of Quorum and Call to Order
- (2) **10:45 AM** Approval of Agenda for Meeting **Action item**
- (3) **10:50 AM** 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) **10:55 AM** Welcome and What's Been Done Since October 23 Committee Meeting
 - a. Proposed updates to Committee Charter and Board Governance Manual
 - b. Check-in on reimbursement policy and Community Grant Program (follow-up items)
- (5) **11:00 AM** Discuss Proposed Governance Updates/Actions
 - a. Charter for Proposed Strategic Planning and Governance Committee
 - b. Review Board Governance Manual – proposed updates to Chapter 3 (Board Meeting Protocol) and Chapter 4 (Board Interactions with the Public)
- (6) **12:05 PM** Confirm Governance Topics/Proposals (and Timing) for January 2024 Board meeting
 - a. Review/discuss Charter and proposed Board Governance Manual updates
 - b. High-level debrief of Board self-evaluations – themes, key topics, and next steps
 - c. Overall next steps
- (7) **12:30 PM** Wrap Up and Action Items
- (8) **12:45 PM** Adjournment

RECORD OF PROCEEDINGS

Chairman Seltzer established a quorum and called the meeting to order at 10:48 AM.

Meeting Agenda. Director Haskins moved to approve the agenda. Director Jones seconded the motion which was unanimously approved.

Public Input and Comment. Chairman Seltzer invited members of the public to comment on items not otherwise scheduled on the agenda. There was no comment.

Framing of Discussion. Ryan Golten reviewed the purpose and context for this meeting. She reviewed the proposed changes since the last Committee meeting to the draft Committee Charter and Board Governance Manual, based on input from the Committee and Board members. Andy Rossi reviewed the proposed Board Reimbursement policy. He explained that Bob Weiss is being kept apprised of this Committee's work and will be present for the discussion about proposed changes at the January Board meeting.

Discussion. Below is a summary of the Committee's input and suggested next steps.

1. **Draft Charter -- Strategic Planning/Board Governance Special Committee**

- a. Tom Sharp proposed some edits to the draft Charter, all of which the Committee agreed with and incorporated into its proposed draft, which will be shared with the full Board. These generally underscored that the Committee will make process-related recommendations to the Board; it will not have independent decision-making authority. The Committee had no other comments or proposed revisions for the draft Charter.

2. **Board Governance Manual updates**

- a. The Committee reviewed the proposed changes presented in the Committee packet and made proposed revisions related to the topics below. These proposed edits will remain in tracked changes for the Board's consideration in January.

Chapter 3 (Board Governance)

- i. Board Meeting Structure (p.8). The Committee suggests adding "*When agenda topics involve engagement with external parties, the General Manager or Board may propose to adjust the agenda to move those topics toward the top of the agenda, in consideration of the parties' time.*"
- ii. Board Meeting Protocol (p.9) – Committee members liked the proposed language from the October meeting about calling for a 'Point of Order' to help ensure interactions with members of the public remain respectful and professional at Board meetings.

Chapter 4 (Board Interactions with the Public)

- iii. Representing the District Outside of Meetings (p.11). There was extensive conversation about clarifying how Board members should handle instances in which they may be asked for their individual and/or the District's input on external water matters or policy, when Directors are involved in external water meetings. Generally, the Committee believes the Governance Manual is clear that Directors may provide their own opinions, but that unless the District has formally adopted a policy, Directors must refrain from providing input from the District as a whole. They proposed to add, to item 3 on p.11: *When an external body asks a representative of the District to provide input on a document or policy, Directors may respond as individuals in the absence of formal Board action. They will make best efforts to inform the rest of the Board of opportunities to comment in a timely manner.*

RECORD OF PROCEEDINGS

iv. The Committee agreed with the other minor changes proposed to the Manual in the Committee packet based on the October meeting discussion. These will be brought to the full Board for consideration.

3. Board Reimbursement Policy

- a. As directed by the Committee in October, Andy prepared a draft policy for the Committee's review based on the Alameda Water District example discussed in October. The purpose was to clarify the policy for reimbursing Directors for expenses for participating in non-District water-related meetings, conferences and events.
- b. The Committee was generally in agreement with the policy but had an extensive discussion related to Appendix A, II. *Note that expenses clarified in this provision would be in addition to those in which a Board member is an official representative from the District (e.g., Yampa River Fund, Basin Roundtable, State Affairs Committee), which would be separately budgeted.* The change suggested by one Committee member was to:
 - i. Develop an alternative to what is currently in II to allow Directors to:
 1. Reimburse reasonable expenses, including registration fees, for up to two conferences, up to a maximum of \$4,000/year.
 2. In addition, reimburse additional expenses for water-related meetings up to \$2,000/year. This alternative proposal above was not decided upon. Its contours were originally suggested by Ken Brenner and clarified by him in a subsequent phone call with Ryan.

The Committee also suggested changing the time period for submitting receipts from 30 to 45 days.

- c. **General principles.** As discussed in the meeting, the principles underlying this policy include the following:
 - i. Board members feeling supported to be engaged in external water efforts in ways that benefit the District
 - ii. Clarity for the Board regarding what is reimbursable
 - iii. Ease of budgeting
 - iv. Not putting the General Manager in a gatekeeper role
 - v. Ensuring current and future Directors are protected from any accusations of misusing public funds
 - vi. Ensuring the same level of opportunity to Board members and supporting the varying interests of Board members to participate in external water efforts
 - vii. Avoiding having to create a list of pre-approved events, which can be unnecessarily difficult and/or contentious
 - viii. Acknowledging this is the Board's budget, for its own activities, and requires the Board's annual approval or decision-making.

Next steps and determination of future meetings. Ryan will share the draft documents above with Deb and Andy to circulate and post. Nicole may suggest holding a final virtual Committee meeting prior to January regarding the Reimbursement Policy to see whether the Committee 1) can agree on a final proposal for the Board or 2) would like to propose two options for the Board to consider.

RECORD OF PROCEEDINGS

The Committee may meet again virtually before bringing its Governance proposals to the full Board for consideration and discussion. If it does, materials for the meeting will be shared and posted ahead of time.

The meeting was adjourned at 1:07 PM.

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

Andy Rossi, District Secretary/Manager

Date: _____

DRAFT

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT SPECIAL BOARD OF DIRECTORS MEETING MONDAY, DECEMBER 4, 2023 (1:00 PM)

VIRTUAL ONLY

ONLINE MEETING:

[HTTPS://US06WEB.ZOOM.US/J/83982047434?PWD=OASkQBDLNOUT8NOMHbUKTHF5ALCLOL.1](https://us06web.zoom.us/j/83982047434?pwd=OASkQBDLNOUT8NOMHbUKTHF5ALCLOL.1)

MINUTES

Vice President Jones called the meeting to order and declared a quorum present. In addition to Director Jones, the Board Members present were John Redmond, Doug Monger, Ken Brenner, Jim Haskins, Katie Berning, Lyn Halliday and Tom Sharp. General Manager Andy Rossi, District Engineer Emily Lowell, Public Information and External Affairs Manager Holly Kirkpatrick and General Counsel Bob Weiss were also present. Members of the public present for some portion of the meeting included Erin Light, Colorado Division of Water Resources.

This meeting was held by videoconference utilizing Zoom. The meeting agenda included instructions to the public describing the process to participate in the meeting and comment on agenda items.

The following agenda was proposed:

- (1) **1:00 PM** Establishment of Quorum and Call to Order
- (2) **1:00 PM** Approval of Agenda for Meeting **Action item**
- (3) **1:05 PM** 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.
- (4) **1:10 PM** Discuss Final Proposed Recommendations from the CO River Drought Task Force and Approve Letter of Public Comment. **Action item**
- (5) **2:00 PM** Adjournment.

Vice President Jones established a quorum and called the meeting to order at 1:05 PM.

Meeting Agenda. Director Sharp moved to approve the agenda. Director Berning seconded the motion which was unanimously approved.

Public Input and Comment. Vice President Jones invited members of the public to comment on items not otherwise scheduled on the agenda. Erin Light, Division Engineer, Colorado Division of Water Resources, noted that she will make comments as needed during the discussion.

Discuss Final Proposed Recommendations from the CO River Drought Task Force and Approve Letter of Public Comment. The Board reviewed the Short List of Concepts for Further Consideration document and discussed. The Board directed staff to work with Director Sharp to draft a comment letter, including specific

RECORD OF PROCEEDINGS

issues of concern, as discussed by the Board, for submittal to the Colorado Drought Task Force by December 7, 2023.

The meeting adjourned at 2:01 PM.

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

Andy Rossi, District Secretary/Manager

Date: _____

DRAFT

CONSENT AGENDA

**FINANCIALS:
APPROVAL OF DISBURSEMENTS &
BUDGET COMPARISON**





BOARD COMMUNICATION FORM

From: Karina Craig, Finance Manager.

Date: January 18, 2024

Item: Financial Reports: November 30, 2023, Cash Disbursement Report and Budget Comparison Report.

<input type="checkbox"/>	DIRECTION
<input checked="" type="checkbox"/>	INFORMATION
<input type="checkbox"/>	MOTION
<input type="checkbox"/>	RESOLUTION

I. Request/Issue and Background Information:

The **Cash Disbursement Report** contains disbursements from the Upper Yampa Water Conservancy District (the District) of reconciled monthly statements. These include disbursements incurred with check, credit card, and electronic payments through November 30, 2023. Disbursements include operating and capital expenditures totaling \$496,770.67.

The **Budget Comparison Report** includes transactions accrued up to November 30, 2023.

Additional transactions for the 2023 fiscal year are expected to be incorporated in early 2024.

II. Summary:

Overall, revenues and expenditures are expected to be 22.4% above and 13.7% below budget, respectively. The current year Annual Net income is projected to be \$1,477,314. The projected 2023 Ending Fund Balance is \$21,835,272.

III. Staff Recommendation: Accept reports.

IV. Legal Issues: None

V. Consistency with Board Goals and Policies: UYWCD By-Laws and SP Goal 3.

Attachments:

Attachment 1: Cash Disbursement Report.

Attachment 2: Budget Comparison Report.

Upper Yampa Water Conservancy District
Cash Disbursement Report
November 30, 2023

Date	Name	Memo	Amount
09/01/2023	MVB Mountain Valley Bank	Monthly lease	6,885.01
09/14/2023	Clyncke Bros. Hay Company LLC	Grant, Lindsey Ditch headgate.	2,923.56
09/14/2023	Clyncke Bros. Hay Company LLC	Grant, Leighton Ditch headgate.	2,421.96
09/28/2023	DHM Design Corporation	Professional services, Stagecoach Wetlands	9,944.71
09/28/2023	USGS	23REJFACO 120. Stagecoach Streamgaging Stations, bill 3 of 4.	6,146.00
09/28/2023	Weiss & Van Scoyk LLC	Legal services, August 2023. Stagecoach and General Matters, price-inclusible.	4,593.00
09/28/2023	LRE Water	Proj. 1612UYW06, Operations dashboard, services through 08-25-2023.	3,001.25
09/28/2023	LRE Water	Proj. 21047UYCD03, WRF Hydro Analysis, services through 08-25-2023.	2,050.00
09/28/2023	Timber Line Electric & Control	Stagecoach Electronic Upgrades	620.00
09/28/2023	LRE Water	Proj. 21047UYCD06-23, YC Reservoir accounting, services through 08-25-2023.	462.50
09/28/2023	Weiss & Van Scoyk LLC	Legal services, August 2023. Augmentation Contracts, price-exclusible.	338.00
09/28/2023	John Nelson	Reimbursement, Yamcolo maintenance, Brush Hog.	179.67
09/28/2023	ICMA-401a	Monthly retirement contribution	5,138.73
09/28/2023	ICMA-457	Monthly retirement contribution	5,009.89
09/28/2023	Ed's Excavating of Steamboat, Inc	Yamcolo improvements, butterfly valve.	500.00
09/28/2023	ACE Hardware	Facilities maintenance	79.11
10/01/2023	Family Support Registry	Monthly remittance	716.00
10/02/2023	MVB Mountain Valley Bank	Monthly lease	6,885.01
10/02/2023	Conoco Universal WEX	Gasoline, September 2023.	1,127.56
10/05/2023	CMNM Colorado Mountain News Media	Public notice for application of BOD seat Division 1	38.36
10/05/2023	CMNM Colorado Mountain News Media	Public notice of Budget, Craig Daily Press.	25.55
10/05/2023	CMNM Colorado Mountain News Media	Public notice of Budget, Steamboat Pilot.	25.55
10/11/2023	USGS	Water quality monitoring at Yampa River, above and below Little Morrison Creek.	26,708.00
10/11/2023	DeZURIK Inc.	Yamcolo butterfly valve	25,235.00

Subtotal

111,054.42

Upper Yampa Water Conservancy District
Cash Disbursement Report
November 30, 2023

Date	Name	Memo	Amount
10/11/2023	LRE Water	Proj. 21047UYCD01-23, Water rights analysis, services through 08-25-2023.	14,805.00
10/11/2023	CEBT	Medical, dental, vision, life, STD, LTD November 2023 coverage.	14,116.10
10/11/2023	Balcomb & Green, P.C.	Miscellaneous Matters, Diligence & Protest cases, Legal legal services	4,811.48
10/11/2023	Chaos Ink	Water festival supplies	4,405.00
10/11/2023	Benjamin Saheb	Drone purchase for UYWCD photography and video	1,500.00
10/11/2023	Stand Creative Studio	Monthly digital marketing Services	1,450.00
10/11/2023	Stand Creative Studio	Monthly digital marketing Services	1,450.00
10/11/2023	Airgas USA, LLC	Supplies for UYWCD Youth Water Festival	584.94
10/11/2023	Lyn Halliday	8-17 and 9-20-23 meeting fees.	400.00
10/11/2023	Chaos Ink	Water festival supplies	242.00
10/11/2023	ACS Advanced Copier Solutions, Inc.	Monthly copier fees, September 2023.	37.75
10/11/2023	Airgas USA, LLC	Supplies for UYWCD Youth Water Festival	8.68
10/11/2023	Yampa Valley Community Foundation	Catering Yampa Youth Water Festival	1,170.00
10/11/2023	Down by the River Pursuits DBA Aces High	Services at Youth Water Festival	1,100.00
10/11/2023	Jim Haskins	7-12, 8-17, 8-30 and 9-20-23 meeting fees.	800.00
10/11/2023	Web Jones	7-12, 8-30 and 9-20-23 meeting fees.	600.00
10/11/2023	Nicole Seltzer	8-17 and 9-20-23 meeting fees.	400.00
10/11/2023	John Redmond	09-20-23 BOD Mtg	200.00
10/11/2023	ACE Hardware	Facilities maintenance	38.68
10/11/2023	Flat Tops Ranch Supply	Stillwater Ditch maintenance	2.13
10/11/2023	Douglas Monger	7-12, 8-30 and 9-20-23 meeting fees	600.00
10/16/2023	NDS Northwest Data Services	Monthly MSP fee, October 2023 IT services.	1,662.00
10/16/2023	NDS Northwest Data Services	Laptop	1,434.28
10/19/2023	Colorado Department of Revenue	Quarterly tax liability payment	8,233.00

Subtotal

60,051.04

Upper Yampa Water Conservancy District
Cash Disbursement Report
November 30, 2023

Date	Name	Memo	Amount
10/26/2023	Colorado Judicial Branch	CO Court e-filing fees	60.71
10/30/2023	Intuit	Monthly payroll	48,352.20
10/30/2023	Intuit	Mileage reimbursements	921.59
10/30/2023	Intuit	Phone expenses	600.00
10/30/2023	Internal Revenue Service	Monthly federal liability payment	18,205.48
10/30/2023	ICMA-401a	Monthly retirement contribution	5,084.28
10/30/2023	ICMA-457	Monthly retirement contributions	4,982.66
11/01/2023	MVB Mountain Valley Bank	Monthly lease	6,885.01
11/01/2023	Family Support Registry	Monthly remittance	716.00
11/10/2023	SavATree	Ditch maintenance	18,060.00
11/10/2023	AECOM	Yamcolo generator/control house modifications	5,791.00
11/10/2023	LRE Water	Proj. 21047UYCD03, Water rights analysis, services through 09-25-2023.	5,535.00
11/10/2023	CBI - Consensus Building Institute	Contracted professional services	4,068.75
11/10/2023	Environmental Solutions	Water Quality Analysis	4,000.00
11/10/2023	AECOM	Penstock inspection, services from 08-05-23 to 10-06-23.	1,530.85
11/10/2023	Meraki Mountain Media LLC	Yampa Youth Water Festival, photography services	750.00
11/10/2023	All Natural of Yampa Valley Inc	Office cleaning, September 2023.	300.00
11/10/2023	Blizzard Broadcasting, LLC	Radio advertising, water user meeting.	300.00
11/10/2023	All Natural of Yampa Valley Inc	Office cleaning, October 2023.	300.00
11/10/2023	Element Print and Design	Signage, Yampa Youth Water Festival.	230.69
11/10/2023	River Restoration	Union Ditch headgate design	89.56
11/10/2023	RC Routt County Fairgrounds	Yampa Youth Water Festival, rental of facilities.	535.00
11/10/2023	ACE Hardware	Facilities maintenance	106.65
11/13/2023	Conoco Universal WEX	Gasoline, October 2023.	1,248.65

Subtotal

128,654.08

Upper Yampa Water Conservancy District
Cash Disbursement Report
November 30, 2023

Date	Name	Memo	Amount
11/15/2023	NDS Northwest Data Services	Docking station and cable	412.78
11/16/2023	Yampa Valley Kitchen, LLC	UYWCD Holiday dinner	5,686.66
11/16/2023	NDS Northwest Data Services	Monthly MSP fee, Novembe 2023 IT services.	1,662.00
11/17/2023	CO CSDPL Property and Liab Pool	Property and Liability policy 01-01-24 to 12-31-24	31,161.00
11/17/2023	CEBT	Medical, dental, vision, life, STD, LTD December 2023 coverage.	14,116.10
11/17/2023	LRE Water	Proj. 2104UYCD01-23, Water rights analysis, services through 09-25-2023.	13,453.75
11/17/2023	LRE Water	Proj. 1612UYW06, Operations dashboard, services through 09-25-2023.	12,958.00
11/17/2023	DHM Design Corporation	Stagecoach Wetlands mitigation	11,906.37
11/17/2023	UC San Diego	Soil Moisture Study, June through September 2023 services.	11,546.16
11/17/2023	Landmark Consultants Inc	Stillwater Ditch Survey	11,542.50
11/17/2023	CO CSDPL Property and Liab Pool	Workers Compensation Insurance policy, 2024.	10,801.00
11/17/2023	CBI - Consensus Building Institute	Contracted professional services	4,681.25
11/17/2023	AECOM	Control house and butterfly valve construction support	4,027.00
11/17/2023	DHM Design Corporation	Stagecoach Wetlands mitigation	2,149.60
11/17/2023	Stand Creative Studio	Monthly digital marketing Services	1,450.00
11/17/2023	Landmark Consultants Inc	Yamcolo surveying services	1,430.00
11/17/2023	Weiss & Van Scoyk LLC	Legal services, September and October 2023. Augmentation Contracts, price-exclusible.	1,092.00
11/17/2023	Grainger	Heat lamps	203.56
11/17/2023	Airgas USA, LLC	Supplies for UYWCD Youth Water Festival	46.65
11/17/2023	CBI - Consensus Building Institute	Yampa Dashboard	43.75
11/17/2023	ACS Advanced Copier Solutions, Inc.	Monthly copier fees, October 2023.	10.20
11/17/2023	MDS Marine Diving Solutions, LLC	Yamcolo, Butterfly Valve replacement project.	0.35
11/17/2023	CO DWRR CDiv Water Resources - WAFP	Satellite Monitoring, Morrison Creek, 10-01-2023 to 09-30-2024	5,831.00
11/17/2023	RC RCWP Routt County Weed Program	Weed mitigation	652.00

Subtotal

146,863.68

Upper Yampa Water Conservancy District
Cash Disbursement Report
November 30, 2023

Date	Name	Memo	Amount
11/17/2023	Flat Tops Ranch Supply	Stillwater Ditch maintenance	15.00
11/22/2023	Colorado Judicial Branch	CO Court e-filing fees, Division 1 Board seat.	36.00
11/29/2023	Intuit	Monthly payroll	49,137.64
11/29/2023	Intuit	Phone expenses	600.00
11/29/2023	Intuit	Mileage reimbursements	358.81
Subtotal			50,147.45
Total			496,770.67

UPPER YAMPA WATER CONSERVANCY DISTRICT - 2023 BUDGET COMPARISON REPORT, AS OF NOVEMBER 30, 2023

modified accrual basis

	2021 ACTUALS	2022 ACTUALS	2023 BUDGET	2023 ACTUALS	2023 PROJECTIONS
	audited	audited	Approved November 16, 2022	November 30, 2023	November 30, 2023
Fund Opening Balance including Encumbered Funds	17,536,141	18,778,813	20,357,959	20,357,959	20,357,959
Encumbered Funds	5,875,302	6,133,474	6,584,923	6,584,923	6,584,923
Emergency Facilities Reserve	4,606,931	4,814,243	5,184,940	5,184,940	5,184,940
Capital Maintenance Reserve	772,752	807,526	869,706	869,706	869,706
Stagecoach Wetlands Mitigation Reserve	419,734	419,734	419,734	419,734	419,734
Tabor Reserve	75,885	91,971	110,543	110,543	110,543
Capital Projects Development Fund	11,660,839	12,645,339	13,773,036	13,773,036	13,773,036
Revenues					
Facilities					
Stagecoach Reservoir					
Power Sales	58,824	81,734	193,000	83,016	83,016
Water Sales	228,487	377,941	212,127	383,926	383,926
Yamcolo Reservoir					
Water Sales	139,374	134,625	188,053	170,443	170,443
Stillwater Ditch & Reservoir Company	10,582	10,336	9,514	13,612	13,612
Elk River Augmentation Water Sales	1,668	4,496	777	4,133	4,133
Property taxes	2,719,734	2,927,507	2,697,307	2,868,793	2,882,300
Interest earned	15,204	327,635	505,927	979,484	1,084,121
Other income		1,160		5,824	5,824
Pass through income	63,728	30,128		31,171	31,171
	revenues	3,237,601	3,895,563	4,540,403	4,658,546
Expenditures					
Operating					
Facilities					
Stagecoach Reservoir	435,389	572,061	652,573	489,692	623,233
Yamcolo Reservoir	131,307	115,168	166,549	132,345	158,482
Stillwater Ditch & Reservoir Company	30,100	44,401	76,640	75,529	83,884
Elk River Augmentation Plan			2,128	1,935	2,125
Administration	294,343	305,137	376,595	327,545	372,017
Board of Directors	52,669	66,299	106,461	78,874	91,631
External Affairs	102,876	116,362	141,277	114,760	135,444
Finance	105,482	116,033	154,488	118,393	134,289
Legal	107,172	119,044	160,114	131,823	160,018
Planning	83,816	223,887	337,133	212,746	287,035
Grants, Scholarships & Public Information	202,455	311,017	409,875	198,238	244,586
Treasurer fees	82,564	88,346	80,919	86,482	86,890
Pass through expenses	56,629	32,172		31,345	31,345
Subtotal Operating	1,684,802	2,109,928	2,664,752	1,999,706	2,410,978
Capital					
Stagecoach Reservoir	198,921	83,876	521,500	358,766	371,750
Yamcolo Reservoir	56,411	105,019	248,250	326,155	348,255
Stillwater Ditch & Reservoir Company	54,795	17,596	250,250	21,828	50,250
Subtotal Capital	310,127	206,490	1,020,000	706,749	770,255
	expenditures	1,994,929	2,316,418	2,706,455	3,181,233
	net income (loss)	1,242,672	1,579,145	1,833,947	1,477,314
Ending Fund Balance	18,778,813	20,357,959	20,479,912	22,191,906	21,835,272



BOARD COMMUNICATION FORM

From: Karina Craig, Finance Manager.
Andy Rossi, General Manager

Date: January 18, 2024

Item: Final 2024 Upper Yampa Water Conservancy District Budget

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Issue and Background Information:

As a local government levying property tax in the State of Colorado, the Upper Yampa Water Conservancy District (UYWCD) must comply with Colorado Revised Statutes (C.R.S.) that govern annual budget content, format, submittal to its governing body, publication, adoption and filing with the Colorado Department of Local Affairs (DOLA). Salient statutory deadlines in the annual budget calendar are:

- October 15, submittal of proposed budget to the governing body, C.R.S. 29-1-105.
- October 15, publication of “Notice of Budget”, C.R.S. 29-1-106(1).
- December 15, budget adoption and certification of mill levy to county commissioners, C.R.S. 29-1-108(2) and (3), C.R.S. 39-5-128(1).
- January 31 of the new budget Fiscal Year (FY), filing of the adopted budget with DOLA, C.R.S. 29-1-113(1).

II. Summary:

A. Legislation Changes and Tax Revenues

As part of the budgeting process, the UYWCD develops tax revenue estimates as a multi-step process that extends beyond a single year. The process of Valuation and Taxation of Real Property follows a two-year cycle. Real Property is revalued per statute every odd year.

2023 was a general reassessment year. Recent Real Property market value changes were captured in the August 25, 2023 Preliminary Certified valuations and affect 2024 and 2025 FY budget revenues.



In addition to changes in Real Property market values, ongoing developments in legislation modifying Real Property Assessment Rates affect UYWCD's budgeting of tax revenues. Recent developments from proposed and/or approved legislation influencing levy forecasting can be summarized as follows:

- In 2022, the Colorado Senate (the Senate) passed SB22-238 establishing Real Property Assessment Rate reductions, first applicable to 2024 collections.
- In 2023, the Senate proposed further reductions to Real Property Assessment Rates for a ten-year period starting with 2024 collections. The proposed SB23-303 was subject to voters' approval of Proposition HH.
- Proposition HH was rejected by voters on November 7, 2023. Therefore, SB22-238 assessment rates remained in effect for 2024 FY revenues.
- Later that month, the Governor called for a 2023 Special Session of the Colorado General Assembly. Property tax relief SB23-B001 was passed, effective November 20, 2023. It:
 - Reduced the Residential Assessment Rate (RAR) from 6.75% to 6.70% for the Property Tax Year (PTY) 2023 (2024 collections) only;
 - Increased the actual value deduction for residential property from \$15,000 to \$55,000.
 - Temporarily adjusted statutory deadlines for Final Certification of Valuations and for Certification of Mill Levies from December 10, 2023 and December 15, 2023 to December 31, 2023 and January 10, 2024, respectively.
- Lastly and also stemming from Special Session, HB23B-1003 established a Property Tax Task Force, charged with developing recommendations for a future property tax structure.

B. UYWCD 2024 Budget, Tax Revenues and Mill Levy Certification

UYWCD staff have been following closely market value fluctuations and legislative changes, proposed and effective. The most recent available estimated Real Property Assessed Values (AV) were incorporated at every step of the 2024 FY budgeting process, as follows:

- On July 12, 2023 UYWCD General Counsel and staff provided the BOD a Property Tax Update. SB 23-108, SB 23-303 and HB 23-1311 were reviewed and discussed. 2023 Preliminary Uncertified Valuations and related 2024 Revenues under SB 23-108 and SB 23-303 were provided.
- On September 20, 2023 and October 12, 2023 UYWCD 2024 DRAFT Proposed Budgets were presented to the BOD in compliance with statutory requirements and DOLA best practice recommendations. AV and revenues were based on SB22-238 RARs (legislation current at the time) and August 2023 Preliminary Certified Valuations.



- On November 15, 2023 the UYWCD 2024 Final Proposed Budget was presented to the BOD.
 - Preliminary 2024 Property Tax Revenues were estimated from SB22-238 UYWCD Preliminary Valuations submitted by Moffat and Routt County Assessors to DOLA in September 2023; less than 0.01% variation from the 2024 DRAFT Proposed Budget presented on October 12, 2023.
 - The UYWCD 2024 Final Proposed Budget and related 2024 District activities were reviewed, discussed, and adopted by the UYWCD BOD in compliance with statutory requirements.
- By December 22, 2023 and ahead of the January 3, 2024 temporary statutory deadline, Moffat and Routt County Assessors released their Amended Certification of Values.
- Amended Certified Values incorporated RARs and residential property value deductions established by SB23-B001. 2024 Tax Revenues resulting from the new legislation were within 1.3% of Tax Revenues in the UYWCD 2024 Final Proposed Budget approved on November 15, 2023. The 1.3% variation was within the small adjustment range observed annually between preliminary (November) and amended (December) AVs.
- On January 4, 2024, UYWCD Certified its 1.82 Mill Levy, as adopted by the BOD on November 15, 2023 and in compliance with current year statutory deadlines.

The UYWCD 2024 FY Adopted Budget with Amended Certification of Values and Certified Mill Levies (Adopted Budget) is attached, for reference. The Adopted Budget will be submitted to DOLA in compliance with C.R.S. 29-1-113(1).

III. Staff Recommendation:

Refer to the attached UYWCD 2024 Adopted Budget as needed.

IV. Legal Issues:

Compliance with Budget statutory requirements per Colorado Revised Statutes (C.R.S. 29-1-105, C.R.S. 29-1-106 (1), C.R.S. 29-1-108 (2) and (3), C.R.S. 39-5-128(1) and C.R.S. 29-1-113(1).

V. Consistency with Board Goals and Policies:

UYWCD By-Laws and Strategic Plan Objective 3.

Attachments:

Attachment 1: UYWCD 2024 Adopted Budget.

UPPER YAMPA WATER CONSERVANCY DISTRICT - 2024 BUDGET

November 15, 2023, modified accrual basis

	2022 ACTUALS	2023 BUDGET	2024 BUDGET	STAGECOACH	YAMCOLO	STILLWATER DITCH	ELK RIVER AUGMENTATION PLAN	GENERAL FUND	OPERATING	CAPITAL
	Audited	Approved November 16, 2022	Approved November 15, 2023							
Fund Opening Balance including Encumbered Funds	18,778,813	20,357,959	20,479,912	6,146,203	571,917	80,183		13,681,609		
Restricted Funds	511,705	530,277	549,165	419,734				129,431		
Stagecoach Wetlands Mitigation Reserve	419,734	419,734	419,734	419,734						
Tabor Reserve	91,971	110,543	129,431					129,431		
Committed Funds	18,267,108	19,827,682	19,930,747	5,726,469	571,917	80,183		13,552,178		
Emergency Facilities Reserve	4,814,243	5,184,940	5,462,334	5,090,194	336,496	35,644				
Capital Maintenance Reserve	807,526	869,706	916,235	636,275	235,421	44,539				
Capital Projects Development Fund	12,645,339	13,773,036	13,552,178					13,552,178		
Revenues										
Facilities										
Stagecoach Reservoir										
Power Sales	81,734	193,000	175,000	175,000					175,000	
Water Sales	377,941	212,127	235,480	235,480					235,480	
Yamcolo Reservoir										
Water Sales	134,625	188,053	195,457		195,457				195,457	
Stillwater Ditch & Reservoir Company										
Water Sales	10,336	9,514	9,956			9,956			9,956	
Elk River Augmentation Water Sales	4,496	777	3,730				3,730		3,730	
Property taxes	2,927,507	2,697,307	3,921,761	1,430,559	256,766	649,057	2,766	1,582,613	1,917,016	2,004,745
Interest earned	327,635	505,927	916,344					916,344	916,344	
Other income	1,160		2,733					2,733	2,733	
Pass through income	30,128									
Subtotal Operating	610,293	603,471	622,357	410,480	195,457	9,956	3,730	2,733	622,357	
Total revenues	3,895,563	3,806,705	5,460,462	1,841,040	452,224	659,014	6,496	2,501,689	3,455,716	2,004,745
Expenditures										
Operating										
Facilities										
Stagecoach Reservoir	572,061	652,573	788,407	788,407					788,407	
Yamcolo Reservoir	115,168	166,549	186,693		186,693				186,693	
Stillwater Ditch & Reservoir Company	44,401	76,640	100,233			100,233			100,233	
Elk River Augmentation Plan		2,128	3,361				3,361		3,361	
Administration	305,137	376,595	363,023	137,840	39,933	10,891	581	173,779	363,023	
Board of Directors	66,299	106,461	125,228	47,549	13,775	3,757	200	59,947	125,228	
External Affairs	116,362	141,277	171,402	65,081	18,854	5,142	274	82,050	171,402	
Finance	116,033	154,488	162,504	61,703	17,875	4,875	260	77,791	162,504	
Legal	119,044	160,114	311,749	118,371	34,292	9,352	499	149,234	311,749	
Planning	223,887	337,133	340,852	129,421	37,494	10,226	545	163,166	340,852	
Grants, Scholarships & Public Information	311,017	409,875	484,612	184,007	53,307	14,538	775	231,984	484,612	
Treasurer fees	88,346	80,919	117,653					117,653	117,653	
Pass through expenses	32,172									
Yampa River Fund			150,000						150,000	
Wildfire Mitigation			150,000						150,000	
Subtotal Operating	2,109,928	2,664,752	3,455,716	1,532,380	402,224	159,014	6,496	1,055,604	3,455,716	
Capital										
Stagecoach Reservoir	83,876	521,500	308,660	308,660						308,660
Yamcolo Reservoir	105,019	248,250	50,000		50,000					50,000
Stillwater Ditch & Reservoir Company	17,596	250,250	500,000			500,000				500,000
Subtotal Capital	206,490	1,020,000	858,660	308,660	50,000	500,000				858,660
expenditures	2,316,418	3,684,752	4,314,376	1,841,040	452,224	659,014	6,496	1,055,604	3,455,716	858,660
net income (loss)	1,579,145	121,953	1,146,085					1,446,085		1,146,085
Ending Fund Balance	20,357,959	20,479,912	21,625,998	6,146,203	571,917	80,183		14,827,695		

Doug Monger, President

Andy Rossi, Secretary

2,154,813,758		
1.820	0.890	0.930
3,921,761	1,917,016	2,004,745
	49%	51%



UYWCD Presentation

Colorado River Updates

Rebecca Mitchell

Colorado River Commissioner



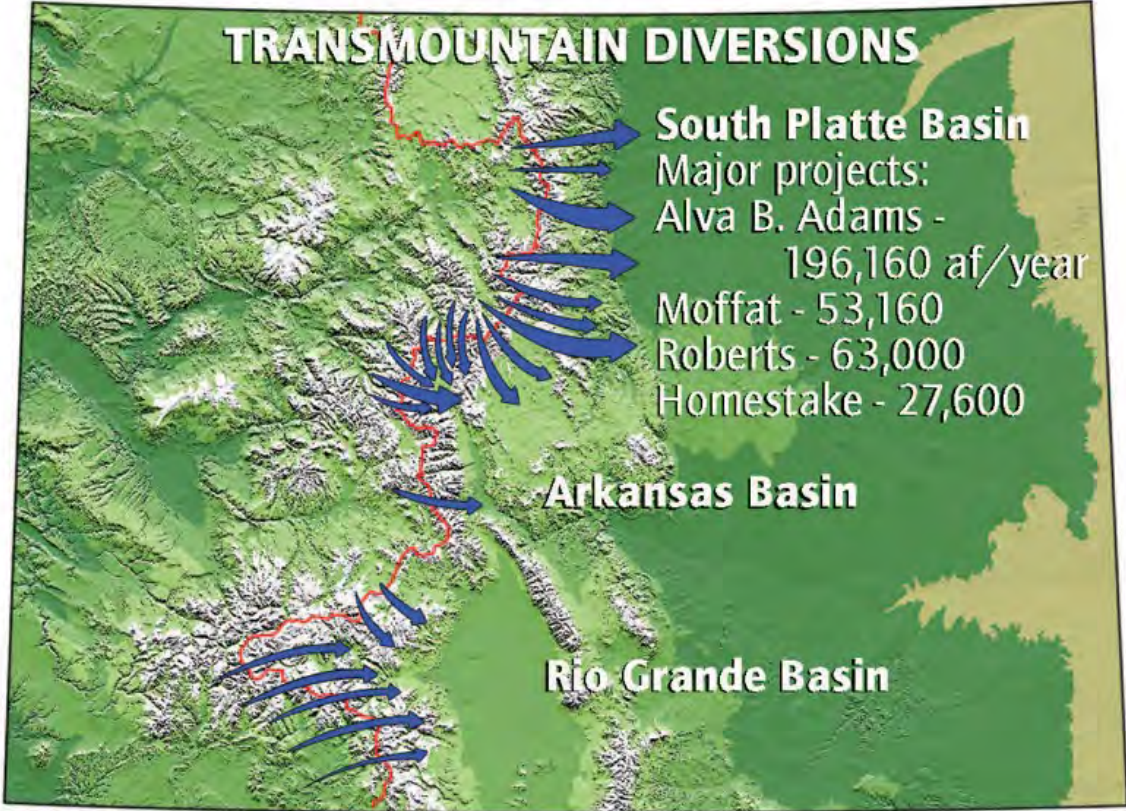
COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

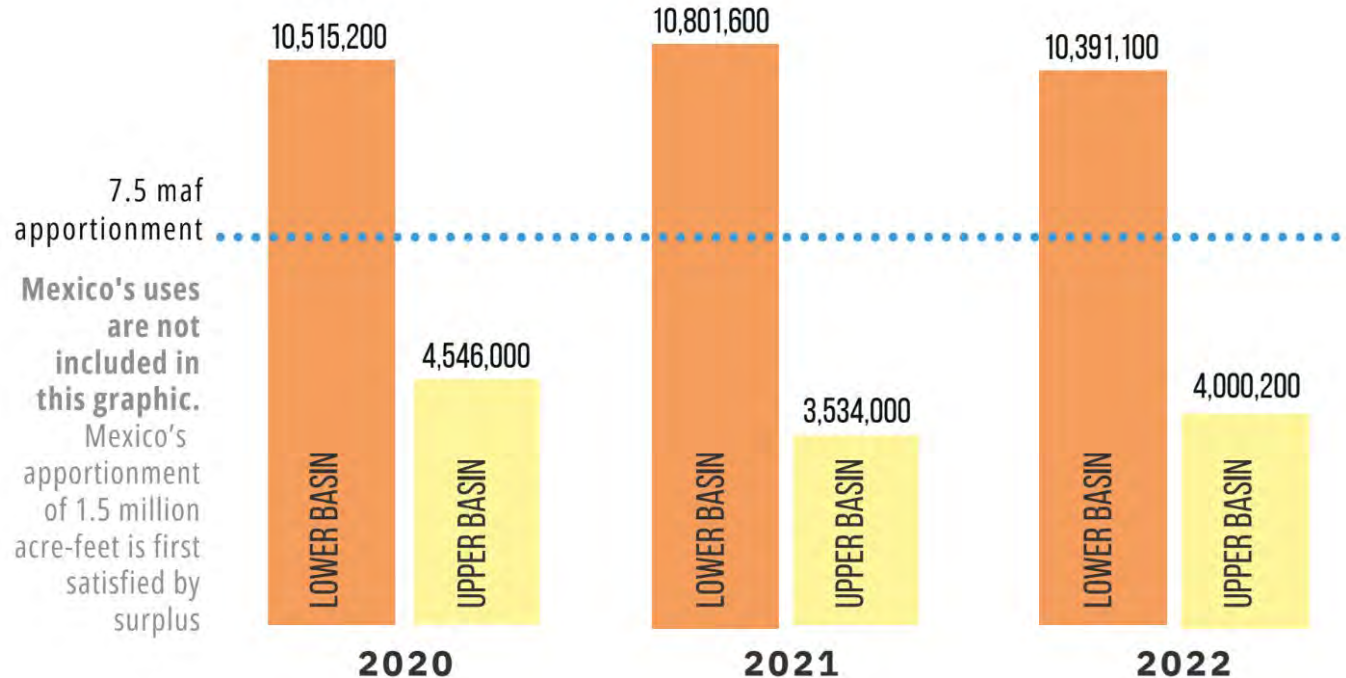


Colorado's River





Colorado River Uses



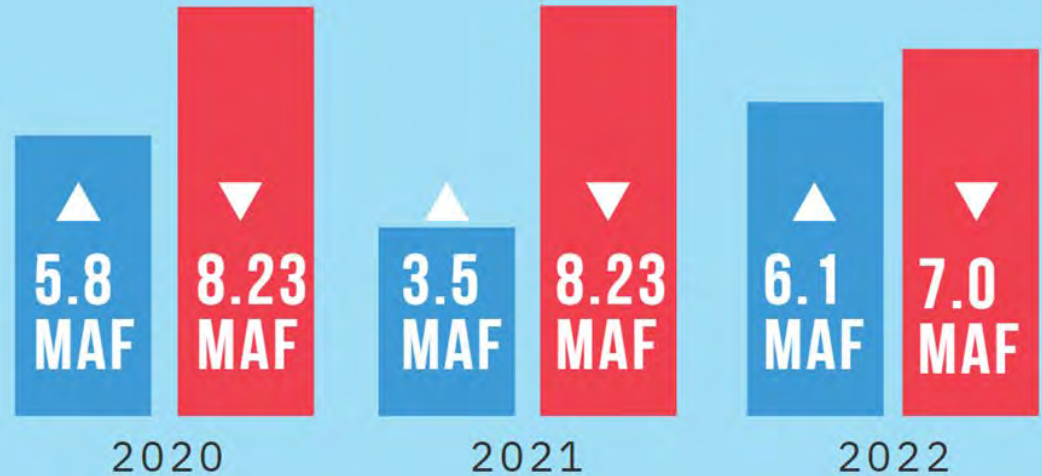


Mass Balance Problem

**WATER THAT FLOWED
INTO LAKE POWELL**



**WATER RELEASED FROM
LAKE POWELL INTO
LAKE MEAD**





Upper Basin 5 Point Plan

- June 2022: Reclamation called for 2 to 4 million acre-feet in conservation
- Upper Basin developed 5 Point Plan:
 - System Conservation Pilot Program (SCPP)
 - Demand Management Feasibility Investigation
 - Drought Response Operations Agreement (DROA)
 - BIL funding for measurement & monitoring infrastructure
 - Continue strict administration according to priority



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Principles for Post-2026 Negotiations

- Acknowledging that climate change is real.
- Recognizing that water users in the Lower Basin are not more important than water users in the Upper Basin.
- Preventing overuse in the Lower Basin.
- Defending against attempts at Compact curtailment in the Upper Division States.



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Principles for Post-2026 Negotiations

- Operating Lake Powell and Lake Mead to respond to hydrology and available water supplies.
- Preserving federal reserved water rights for Tribal Nations.
- Complying with federal environmental law.
- Advancing coordination between the United States and Mexico.



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

COMMISSIONER'S CORNER

Regular Colorado River Updates



Stay Informed

- Commissioner's Corner
- State staff
 - DNR_ColoradoRiver@state.co.us
 - Amy.Ostdiek@state.co.us



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Thank You!



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources