

**UPPER YAMPA WATER CONSERVANCY DISTRICT ANNUAL RETREAT
OCTOBER 23, 2019 (8:30 AM – 5:00 PM)
CATAMOUNT RANCH & CLUB, LAKE HOUSE
30125 WATERS EDGE TRAIL STEAMBOAT SPRINGS**

- 8:00 am BREAKFAST
- 8:30 am **Welcome and Overview of the Day**
- 8:45 am **Taking Stock** Reflections on major accomplishments and changes affecting the District over the past year
- 9:15 am **What Does Draft Strategic Plan Say, and What Does It Mean for UYWCD?** Discussion and exchange among Staff and Board, including what may change or remain consistent, and other staff input to refine and ‘operationalize’ the plan.
- 11:15 am BREAK
- 11:30 am **2020 Prioritization** For budget/work plan purposes, prioritize opportunities identified in draft strategic plan for 2020 (as opposed to non-discretionary statutory/regulatory responsibilities).
- 12:15 pm LUNCH
- 1:00 pm **Debrief Prioritization Exercise and Address Remaining Questions from AM**
- 2:00 pm **Moving toward closure on draft Strategic Plan** Final questions, revisions, and adoption of draft.
- 2:45 pm BREAK
- 3:00 pm **Fiscal Policy, Accounting Structure, and Pricing** What *decisions* do we need to make, what *data* do we need to do so, and in what *process/sequence/timeline*?
- 4:00 pm **New Administrative Position** Action Item
- 4:30 pm **Governance Update from Special Committee**
- 4:55 pm **Wrap Up and Adjourn.**



UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS RETREAT
October 10, 2018, Catamount Lake House

The retreat started at 8:30 a.m. The Board members present were Bob Woodmansee, Doug Monger, Jim Haskins, Ken Brenner, Ron Murphy, Stephen Colby, and Tom Sharp. General Manager Kevin McBride, District Engineer Andy Rossi, Office Manager Karina Craig, Administrative Assistant Barbara Wilson, Dam Operator Eddie Rogers, and General Counsel Bob Weiss were also present. Ryan Golten facilitated the meeting.

This document is intended to summarize the items discussed at the Retreat. It is not intended to be detailed minutes of the discussion.

The chart below describes the **Next Steps** identified at the end of the day. These are explained in more detail by the notes further below.

Topic	Action	Who leads
<u>Basin Participation/Leadership</u>	Strategic involvement with Round Table and IWMP Involvement (with clear parameters) with Water Fund Strong involvement and/or at table with other efforts Develop outreach message (elements below) Develop Job Description: Ext. Affairs/Public Ed.	Kevin to propose next steps; share w/ Board for discussion as needed
<u>Contract Pricing/Negotiations</u>	Develop non-consumptive price strategy Prep for Tri-state negotiations	Kevin, Tom, Ken
<u>Future Agenda Items</u>	Non-consumptive pricing strategy Outreach message -- address District's role, partnering, and pricing issues Legal counsel needs (long-term) Drought Contingency Plan	Kevin/Ken to put on Board agendas
<u>Work Planning</u>	2 Grant applications: Super mini-grant Stagecoach Firming Phase 2 Fund accounting consultant; designating financial reserves to specific buckets Follow up with survey results (relates to Outreach needs) Division Engineer follow-up (call)	Kevin to draft/propose for Board review or discussion as needed
<u>Office</u>	Letter of Intent Formal lease for November Board Meeting	Done

A. District's Participation/Leadership in Yampa Water Efforts

After introductory remarks and review of the Retreat agenda (see October 2018 Board packet), the Board discussed the District's function and role in the Basin, in light of the many current water-related efforts. Ryan shared the notes from the District's 2016 Retreat to inform today's discussion (see October 2018 Board packet). The 2016 'Strategic Planning' Retreat began by clarifying the

District's *mission, core functions, and principles* underlying the way in which the District pursues those functions. Today's discussion builds on that 2016 discussion.

General input about District's participation in Basin water efforts:

- District should provide **leadership/advocacy** on water rights/quantity issues in the Basin (and on an inter-basin and Compact administration level) through education and partnering.
- Our **consistent message** should be that the District is a good and important partner with interests that are aligned/consistent with environmental values.
- For other Basin efforts, e.g. water quality and watershed protection, District doesn't need to lead but should **be at the table** (staff and/or Board members), to monitor issues and potential impacts for the District or its members, provide input as needed, and ensure we're protecting District assets and reflecting constituent interests.
- Acknowledgement that the District has a limited staff; can't be all things to everyone.
- Partnering and outreach **goals** include: support for Stagecoach firming (through increased visibility, education about benefits, and developing trust/good will), represent Yampa constituents at a broader level, and educate our constituents and partners about water issues to support problem solving in the Basin.
- District's level of participation in external water efforts should not drastically increase, but should be strategically focused and include more leadership in key areas. Overall education and outreach should increase (need for additional staff person).
- Outreach should be focused on developing and improving **partnerships** – i.e., reaching out to current and potential partners about what they'd like to see from the District, addressing areas of concern or conflict, working to identify areas of aligned needs and goals, and clarifying what role the District can play.
- Education could include regular newsletters, blogs, and other written materials.

Elements of Upper Yampa Message:

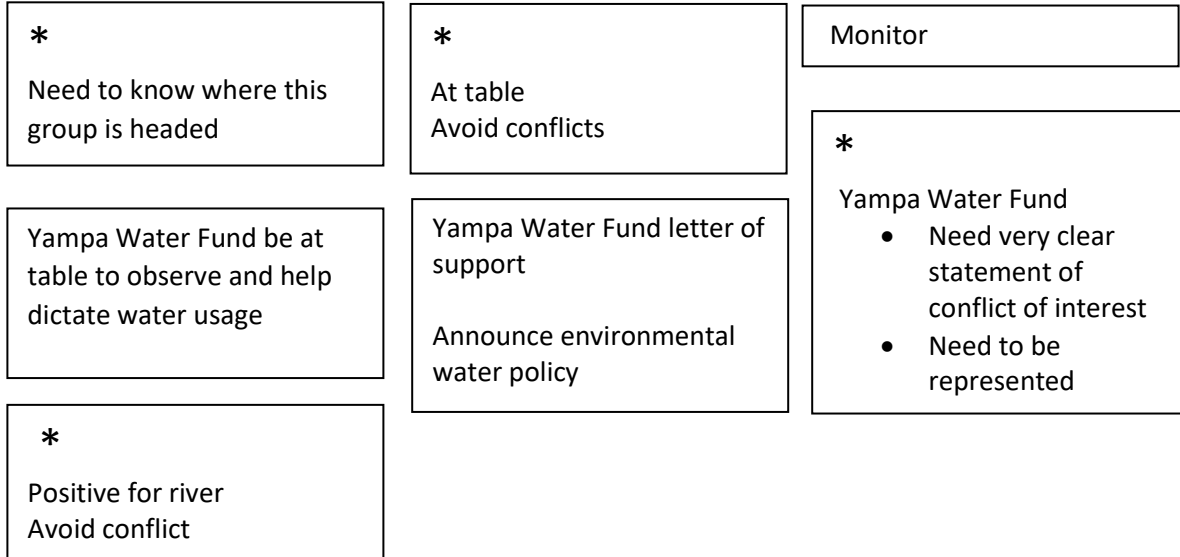
- Convey “business” needs of Upper Yampa; these can be fully consistent with supporting enviro goals, e.g., Water Fund, but need to navigate in light of District's water pricing needs and long-term contracts
- **Fire department** analogy: trusted, good neighbor, associated with water protection. Not everyone needs a detailed understanding.
- Offering expertise – water rights and how they work in our system/Basin
- Focus on clear priorities/projects, e.g.: Ag infrastructure

Guidance for District's participation in specific Basin water efforts:

*(note that * indicates priority in terms of providing leadership, as opposed to simply 'being at the table')*

*Yampa Water Fund

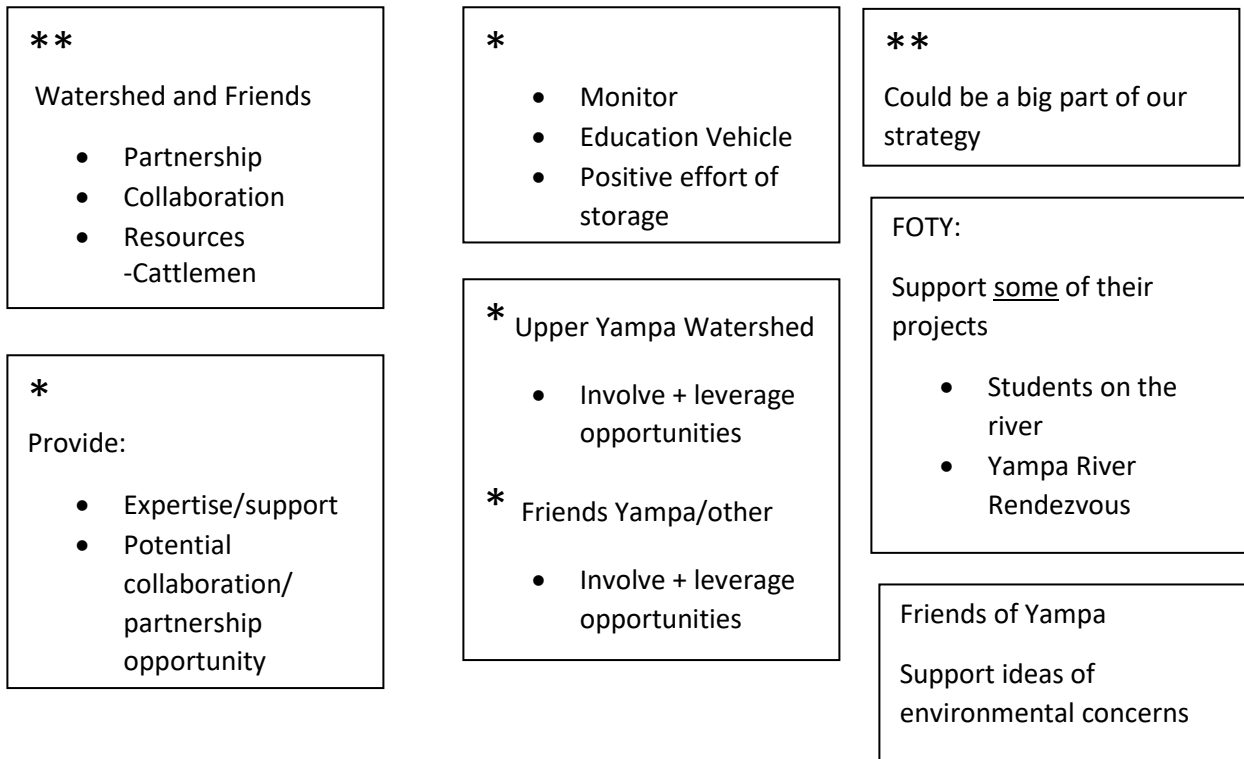
Endowment-Valley Community Foundation
 Purpose: \$ to purchase Environmental Water
 Want to support; careful of role



*Upper Yampa Watershed and Watershed Management Efforts

Friends of Yampa

Hiring for Operations and External Affairs
 Upper Yampa as potential resource/partner



AD HOC Partnering e.g.: Cattlemen’s Education Grant

More of a -0-
Can also assist Cattlemen locally by becoming ally not adversary

Cattleman support as needs to keep water in AG system

Cattlemen letter of support from grant
Support for watershed projections and forget health

Monitor

County Water Quality Monitoring

Continuous participation

Continue \$ support

Water Quality
Obviously

Leadership role to analyze data and provide decision makers accurate understandable info.

County Water Quality
Money + expertise

Involvement

****BRT (+IBCC)**

Upper Yampa Statutory Seat
Opportunity for alliances, relationships

- Equitable Apportionment
- No export to East Slope

Need to be leader/involved for basin wide issues

Heavy involvement

Continue level of effort at current level

BRT
Need to present our opinion of water control

BRT * IWMP
We need a message

- Partnerships/ Collaboration
- Future generations
- Influence of broader environment, ie: Lake Powell

Additional regular participation

****Integrated Water Management Plan
(4 sub-basins)**

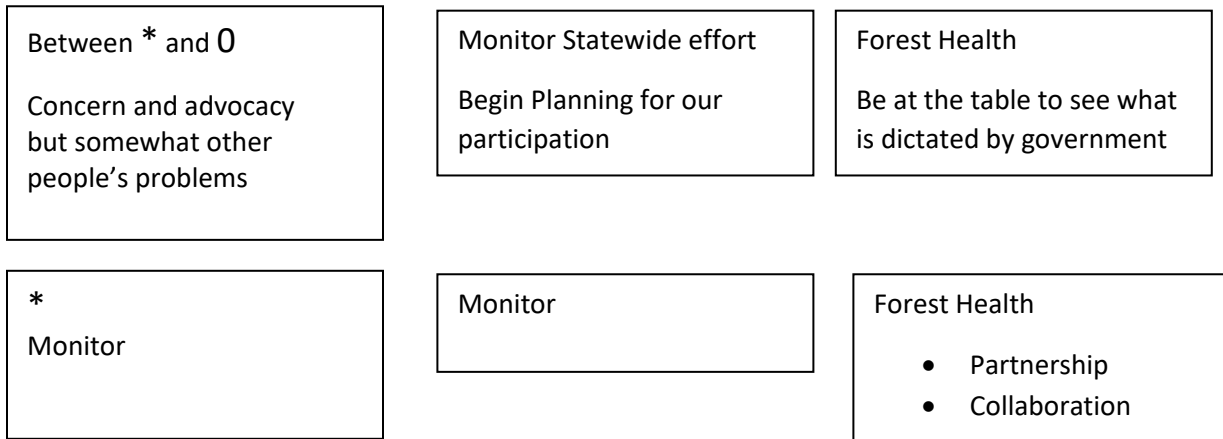
<p>* At the table as potential resource</p>	<p>* Continue current level of participation</p>	<p>Participate in all four sub-basins Active in three</p>
<p>* <ul style="list-style-type: none"> • Monitor for equitable • Grant opportunity with headgates </p>	<p>** IWMP How water will be increased and not by taking from AG</p>	<p>Monitor</p>

***SBS SMP**

Opportunity for partnering
Bring expertise/solutions

<p>SBS SMP <u>Message</u></p> <ul style="list-style-type: none"> • Collaboration • Needs to consider whole river system 	<p>* Provide expertise/support</p>	<p>* At table to help the process since Steamboat is our constituency</p>
<p>Monitor</p>	<p>SBS SMP Be at the table</p>	<p>* Make sure City understand UYWCD operations</p>
<p>Support nursery production Other opportunities? Build trust</p>	<p>SBS SMP- Monitor Leverage opportunities Forest Health- Monitor Leverage opportunities</p>	

***CWC Statewide
Forest Health Initiative**



B. Contract Negotiations: Pricing Strategy and Policy Priorities

1) **Contract Negotiations.** Tom Sharp shared the background and current status of contract negotiations related to each reservoir: Yamcolo (negotiating with Yampa Irrigators Assn and individual irrigators) and Stagecoach (Tri-State, municipalities, master augmentation plan contracts, and one-year CO Water Trust contracts). We are working to determine and negotiate prices in light of firming expenses, future needs, and policies concerning environmental water, traditional Ag users, and M&I users.

Board discussed principles to emphasize to constituents and partners in our messaging regarding pricing changes and new contracts:

- For business reasons, District is re-pricing after 30 years of baseline pricing and abatement
- Reducing the degree to which we are subsidizing certain contracts
- Firming up municipal water
- Continuing to prioritize Ag use
- Committed to being a good partner and neighbor in light of business needs
- Seeking sustainable pricing structure that also supports the environment

2) **Non-Consumptive Water Policy.** The District will be working on developing this prior to June 2019. Board members emphasized the following principles:

Financial/business considerations:

- Since District needs to pay for it, for business purposes it is justifiable to simply charge what it costs.

- An environmental water policy can be consistent with subsidizing Ag. Consider subsidizing enviro water at under (or up to) 50% of full price.
- Consider allowing policy to be nuanced depending on time period – e.g., long-term vs. preferred pricing. Also, consider making it full price if purpose is outside of the District.
- Consider making the pricing revenue-neutral.

Public relations and messaging

- This is a tool for building public support and opportunity to be seen as leaders in the Basin.
- Conversely, there will be negative reactions to charging full price for environmental water.
- Need to explain that environmental water would not be firm.
- Would be hard to justify if we charge less for enviro water than what Ag users pay.
- A non-consumptive policy should benefit our taxpayers and ensure (justifiable) revenue.

Strategy considerations

- Could environmental water contracts be partially funded by State or feds through the DCP?
- Tri-State as potential partner if delivery of Tri-State water is for environmental scenarios.
- Note some enviro water would also be municipal water. It may depend on what happens when it goes through town: if non-consumptive until wastewater plant, may make more sense to subsidize because it provides benefits to users in lower part of the District.
- Need to consider that District is not only market; don't want to encourage buy+dry.

C. Organizational Planning

- 1) **Work Plan and Annual Review.** Kevin presented his draft work plan. Only significant addition was to suggest that the District add a new Outreach/Education/External Affairs staff person. The Board directed Kevin to develop a job description for Board review. This should also include working with staff and Board to develop a consistent **message** to share with stakeholders and constituents, and **tools/strategies** for sharing the message. See also 'Next Steps' at top of this meeting summary.
- 2) **Office Space.** The Board agreed to proceed with a letter of intent and sign the lease subject to ratification. Ken and Doug will work on moving things forward with the remodel (tenant finish, to be reimbursed). We'll review the lease at the November Board meeting.



UPPER YAMPA WATER CONSERVANCY DISTRICT STRATEGIC PLAN

Mission

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

DRAFT Vision

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

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

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

Policy Statements

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

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

District Goals

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

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

Objectives

- 1) Develop District understanding and policies to address Big River issues.
- 2) Prevent out-of-District transfers of water that could have adverse impacts for the District as a whole and its constituents.

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

Objectives

- 1) Ensure sufficient funds to maintain and/or improve our infrastructure.
- 2) Initiate or support efforts to address algae and other water quality issues in Stagecoach Reservoir.
- 3) Ensure integrity and safety of dams.
- 4) Ensure safe work environment for dam operators, employees and visitors.
- 5) Develop long-term capital plan for maintaining Stillwater Ditch if District remains the owner.
- 6) Maintain Stagecoach Reservoir as a public recreation facility.

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

Objectives

- 1) Develop short- and long-term financial planning to support District goals.
- 2) Clarify District's business model, including whether and how tax revenues will be used with respect to contract pricing.

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

Objectives

- 1) Formalize and consider expanding District's grant program.
- 2) Promote District's existing augmentation plans on Yampa and Elk Rivers.
- 3) Explore potential expansion or creation of augmentation plans that aid in protecting the beneficial uses of junior priority water rights not currently within boundaries of the existing augmentation plans.
- 4) Protect productive agricultural water uses in the District.
- 5) Effectively communicate with local municipalities regarding long-term water supplies.
- 6) Enter into appropriate and financially prudent water allotment contracts for District water from Stagecoach Reservoir and/or Yamcolo Reservoir for environmental and recreational beneficial uses.
- 7) Increase flexibility of District's water rights portfolio in order to provide water for environmental and recreational purposes.
- 8) Clarify District policy and role regarding the use of District water to support non-consumptive water uses.

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

Objectives

- 1) Ensure representation of District interests in local and state matters, including on the IBCC, Basin Roundtable, CWCB and Colorado River District.

- 2) Increase District collaboration with Roundtable members to advocate for Upper Yampa Basin interests.

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

Objectives

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

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

Objectives

- 1) Support water quality efforts in the District, and, where relevant, respond to concerns that arise, consistent with District's mission.
- 2) Anticipate potential future role and responsibilities for the District to support water quality in the District.
- 3) Support efforts in the District to improve watershed management and forest health.
- 4) Explore mechanisms to support use of District water rights for environmental purposes, e.g., in-stream flows.

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

Objectives

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

Goal 9 Robust District water rights portfolio.

Objectives

- 1) Maintain and, where appropriate, perfect District's water rights.
- 2) Enhance District involvement/advocacy on water administration matters.

- 3) Evaluate potential and conditional water rights.
- 4) Explore small tributary storage projects within the Upper Yampa Basin.
- 5) Pursue water projects that utilize/perfect Districts water rights and provide water supply for consumptive and non-consumptive purposes.
- 6) Explore increasing flexibility of use for District's stored water rights.

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

Objectives

- 1) Begin succession planning where appropriate.
- 2) Regularly review and update Board goals and objectives.
- 3) Clarify District governance structure that promotes interaction, transparency, trust, and *esprit de corp* between Board, General Manager, and staff.
- 4) Improve District organizational structure to maximize effectiveness, collaboration and teamwork.
- 5) Encourage opportunities for professional development.
- 6) Ensure District continues to be represented by competent legal staff.
- 7) Demonstrate commitment to and capacity for public service and engagement with constituents.
- 8) Create an Upper Yampa Basin records and archive repository to catalogue and preserve historic water resources records.





MEMORANDUM

TO: Upper Yampa WCD Board of Directors
FROM: Kevin McBride, GM
DATE: October 18, 2019
RE: Documents for Strategic Planning Retreat

In your packet for the retreat you have the draft strategic plan developed by the 360 committee. Along with that you will find a “supplemental chart for 2020 internal work planning”. The group has suggested that the Board and staff discuss what work is currently taking place that addresses the proposed goals and objectives, and what actions may take place in the future to meet them. The 360-committee prepared, along with Ryan’s help, a first cut of “tasks” which you have previously seen.

To facilitate a discussion at the retreat staff worked briefly on reviewing and commenting on that supplemental chart. It has been edited for simplicity for this meeting. We expect to discuss all the ideas, comments, thoughts and tasks during development of the final strategic plan. On this draft the, history, current work & current plans column gives some background information. The potential new tasks should be considered “for example” items at this time. The next column is a first cut at key departments involved, and the last column will be connected, as a work plan, to the budget in the future. **The Board will need to adopt the goals objectives and priorities for them prior to staff accomplishing that connection.**

Looking forward to your thoughts at the retreat.

UYWCD Strategic Plan - Supplemental Chart for 2020 Internal Work Planning

Objective	History, Current Work & Current Plans	Potential New Tasks	Department	Budget	
1. Upper Yampa Basin water resources and local water uses are protected from transbasin diversions and Compact administration that would adversely impact those water resources and uses.					
1.1	Develop District understanding and policies to address Big River issues	feasibility study ● Engage in CRD “Risk Study” e.g. options for administering a “Compact Call” ● Engage in Basin Roundtable Big River Subcommittee ● Monitor IBCC negotiations ● Monitor CWCB and State Water Plan activities (e.g. compact compliance study) ● Monitor Legislative Activities ● Hold Board work sessions for Board education, communication with stakeholders, and to develop Board positions. ● Training/orientation for Holly on Big River Issues		● External affairs ● Legal ● Board	
1.2	Prevent out-of-District transfers of water that could have adverse impacts for the District and its constituents	● Legal Staff monitor resumes ● Legal staff reviews District water contracts ● Staff Monitors and engages in activities in 1.1	● Lobby legislature	● External affairs ● Legal ● Board	
2. District’s infrastructure is safe and maintained, or improved as needed, to serve the needs of the District.					
2.1	Ensure sufficient funds to maintain and/or improve our infrastructure	● Budget for O&M activities ● Budget for capital activities (includes periodic capital activities) ● Approve facilities reserves in Budget ● Budget and implement maintenance and improvement plan		● Facilities ● Finance ● Board	

2.2	Initiate or support efforts to address algae and other water quality issues in Stagecoach Reservoir	fiscal agent for water quality grant) <ul style="list-style-type: none"> ●Baseline long term water quality monitoring effort through Routt County Department of Health ●Water quality monitoring as part of 401 water quality certification ●CPW monitoring efforts at Stagecoach State Park ●Initial USGS Limnology study 	<ul style="list-style-type: none"> ●Define UYWCD role in water quality efforts going forward 	<ul style="list-style-type: none"> ●Planning? ●Facilities ●Board 	
2.3	Ensure integrity and safety of dams	<ul style="list-style-type: none"> ●Continue all FERC-required emergency action plan updates, reporting, and exercises. (includes, e.g., emergency preparedness operations with local entities) ●Continue annual inspections by FERC and State Dam Safety ●Continue Part 12 reviews of Potential Failure Modes and other requirements of FERC ●Continue CDWR Dam Safety Inspections ●Continue with all regulatory agency dam safety requirements. 		<ul style="list-style-type: none"> ●Facilities 	
2.4	Ensure safe work environment for dam operators, employees and visitors	<ul style="list-style-type: none"> ●Full OSHA review of UYWCD facilities completed in 2014 by CSU Health and Safety Consultation Program ●Implementation of recommendation from 2014 safety review (safety procedures, equipment, documentation) ●10 – year recurring OSHA review of UYWCD 		<ul style="list-style-type: none"> ●Facilities ●Legal 	
2.5	Maintain Stagecoach as a public recreation facility	<ul style="list-style-type: none"> ●Participate with CPW in updating Stagecoach master plan ●Ask CPW for update of annual activities 	<ul style="list-style-type: none"> ●Initiate discussions for potential renegotiation of Stagecoach lease with CPW 	<ul style="list-style-type: none"> ●Facilities 	

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

3.1	Develop short- and long-term financial planning to support District goals	<ul style="list-style-type: none"> ● Develop annual budget by department ● Provide accurate accounting and financial reporting ● Contract negotiations ● Annual Audit ● Assess possible improvements to accounting procedures ● Formalize and document financial policies ● Assess future decrease in tax revenues based on changes in energy industry 	<ul style="list-style-type: none"> ● Develop Long-term financial planning methodology (e.g 5, 10, 20yr, determine assumptions) 	<ul style="list-style-type: none"> ● Finance ● Board ● All Departments 	
3.2	Clarify District's business model, including the propriety, tenure, and extent of use of tax revenue with respect to contract pricing	<ul style="list-style-type: none"> ● Restructure budget to identify facilities' direct and indirect operating costs. ● Migrated accounting system to match new budget structure ● Developed cost-based water pricing model 	<ul style="list-style-type: none"> ● Clarify 'Enterprise Fund'-related expectations of the Board 	<ul style="list-style-type: none"> ● Finance ● Board 	

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

4.1	Formalize and consider expanding District's grant program	<ul style="list-style-type: none"> ● Diversion Infrastructure Improvement Project Proposal ● Develop and implement UYWCD grant program procedures 		<ul style="list-style-type: none"> ● Public 	
4.2	Promote District's existing augmentation plans on Yampa and Elk Rivers	<ul style="list-style-type: none"> ● Market augmentation plans ● Website redesign 		<ul style="list-style-type: none"> ● Public 	
4.3	Explore potential expansion or creation of augmentation plans that aid in protecting the beneficial uses of junior priority water rights not currently within boundaries of the existing augmentation plans		<ul style="list-style-type: none"> ● Hold internal discussions to clarify potential future needs; engage DWR in discussions as needed 	<ul style="list-style-type: none"> ● Planning 	
4.4	Protect productive agricultural water uses in the District	<ul style="list-style-type: none"> ● Diversion Infrastructure Improvement Project ● Collaboration with existing agencies and interest groups ● See Objective 1.1 		<ul style="list-style-type: none"> ● Public ● Legal ● External Affairs 	

4.5	Effectively communicate with local municipalities regarding long-term water supplies	<ul style="list-style-type: none"> ●Basin modeling in coordination with Basin Roundtable (see 6.1) 		<ul style="list-style-type: none"> ●Public ●Planning 	
4.6	Enter into appropriate and financially prudent water allotment contracts for District water from Stagecoach Reservoir and/or Yamcolo Reservoir for environmental and recreational beneficial uses	<ul style="list-style-type: none"> ●Colorado Water Trust engagement ●Water Fund engagement ●Other Stakeholder engagement ●ERC BOD discussions (e.g. Grosscup memo, Sharp memo) 		<ul style="list-style-type: none"> ●Legal ●Board 	
4.7	Increase flexibility of District's water rights portfolio in order to provide water for environmental and recreational purposes	<ul style="list-style-type: none"> ●Explore potential legal mechanisms for env/rec water releases 	<ul style="list-style-type: none"> ●Clarify District policy for support of instream flows (see 4.8 below) 	<ul style="list-style-type: none"> ●Legal 	
4.8	Clarify District policy and role regarding the use of District water to support non-consumptive water uses	<ul style="list-style-type: none"> ●See 4.6 and 4.7 		<ul style="list-style-type: none"> ●Legal 	

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

5.1	Ensure representation of District interests in local and state matters, including on the IBCC, Basin Roundtable, CWCB and Colorado River District	<ul style="list-style-type: none"> ●Develop relationships with relevant elected state and county officials ●See 1.1 		<ul style="list-style-type: none"> ●External Affairs 	
5.2	Increase District collaboration with Roundtable partners to advocate for Upper Yampa Basin interests	<ul style="list-style-type: none"> ●Continuous involvement in BRT since inception ●Collaboration with existing agencies and interest groups ●See 1.1 		<ul style="list-style-type: none"> ●External Affairs 	

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

6.1	Maintain and improve District's CDSS hydrology/water rights administration model	<ul style="list-style-type: none"> ●Maintain CDSS model (Update CDSS model with new Water Plan Technical Update) 		<ul style="list-style-type: none"> ●Planning 	
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6.2	Increase District's understanding of relevant potential effects of climate change, population growth, and demographics for District planning	<ul style="list-style-type: none"> •Compare paleo study with climate change hydrology 		<ul style="list-style-type: none"> •Planning 	
6.3	Increase engagement with constituents and Upper Yampa Basin water interests in planning for long-term Yampa Basin water supply and use	<ul style="list-style-type: none"> •Annual event •Collaboration with existing agencies and interest groups 		<ul style="list-style-type: none"> •Public 	
6.4	Expand Board's understanding of relevant issues and trends for District decision-making		<ul style="list-style-type: none"> •Clarification from Board 	<ul style="list-style-type: none"> •Board 	

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

7.1	Support water quality efforts in the District, and, where relevant, respond to concerns that arise, consistent with District's mission	<ul style="list-style-type: none"> •See 2.2 		<ul style="list-style-type: none"> •Planning? •Facilities •Board 	
7.2	Anticipate potential future role and responsibilities for the District to support water quality in the District	<ul style="list-style-type: none"> •Collaboration with existing agencies and interest groups 	<ul style="list-style-type: none"> •Clarification from Board 	<ul style="list-style-type: none"> •Planning? •External Affairs •Board 	
7.3	Support efforts in the District to improve watershed management and forest health	<ul style="list-style-type: none"> •Collaboration with existing agencies and interest groups 	<ul style="list-style-type: none"> •Clarification from Board 	<ul style="list-style-type: none"> •Planning? •External Affairs •Board 	
7.4	Explore mechanisms to support use of District water rights for environmental purposes, e.g., in-stream flows	<ul style="list-style-type: none"> •See 4.6 and 4.7 		<ul style="list-style-type: none"> •Board 	

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

8.1	Increase public understanding of the District's role and activities	<ul style="list-style-type: none"> •Annual event •Develop social media presence •Promote and support education programs concerning water resources in the District •Increase email communication to interested parties 		<ul style="list-style-type: none"> •Public 	
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8.2	Improve Board collaboration, participation and representation with other organizations doing water-related work in the Upper Yampa Basin	<ul style="list-style-type: none"> ●Annual event ●Collaboration with existing agencies and interest groups 		●Public	
8.3	Improve two-way exchange among constituents, stakeholders, Board and staff regarding District priorities and activities	<ul style="list-style-type: none"> ●Annual event ●Develop social media presence ●Market and engage public input during District events 		●Public	
8.4	Increase local awareness of local water issues and resources	●See 8.1		●Public	

9. Robust District water rights portfolio.

9.1	Maintain and, where appropriate, perfect District's water rights	<ul style="list-style-type: none"> ●Legal department to anticipate and prepare tasks for upcoming due diligence, based on court decrees and Master Plan ●Keep Board apprised of legal issues and relevant budget needs 		●Legal	
9.2	Enhance District involvement/advocacy on water administration matters	<ul style="list-style-type: none"> ●Water accounting for YamColo and Stagecoach ●Coordination with Division Engineer's Office on dam releases 		●Facilities	
9.3	Evaluate potential and conditional water rights	<ul style="list-style-type: none"> ●Water Rights Master Plan ●Diligence cases 		●Legal	
9.4	Explore small tributary storage projects within Upper Yampa Basin	<ul style="list-style-type: none"> ●Diligence cases ●Dam feasibility studies 		●Planning	
9.5	Pursue water projects that utilize/perfect District water rights and that provide water supply for consumptive and non-consumptive purposes	<ul style="list-style-type: none"> ●Diligence cases ●Dam feasibility studies 		●Planning	
9.6	Support in-stream flow rights to help firm the District's portfolio.	●See 4.6 and 4.7		●Board	
9.7	Explore increasing flexibility of use for District's stored water rights	●See 4.6 and 4.7		●Board	

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

10.1	Begin succession planning where appropriate		necessary to maintain and/or improve water infrastructure, including developing/annually updating 5-year capital improvement plan		
10.2	Regularly review and update Board goals and objectives				
10.3	Clarify District governance structure that promotes interaction, transparency, trust, and <i>esprit de corp</i> among Board, GM and staff		<ul style="list-style-type: none"> ●Review, refine, adopt and implement Governance recommendations from 360 Committee, and assess any needed staffing or budgeting changes 		
10.4	Improve District organizational structure to maximize effectiveness, collaboration and teamwork		<ul style="list-style-type: none"> ●Assess and implement any needed changes to existing positions, including exploring opportunities for redundancy among staff responsibilities and updating job descriptions as needed ●Assess need for updated written policies and 		
10.5	Encourage opportunities for professional development				
10.6	Ensure District continues to be represented by competent legal staff				

10.7	Demonstrate commitment to and capacity for public service and engagement with constituents		<ul style="list-style-type: none"> ●Implement 'low-hanging fruit' from 360 Assessment in 2019 ●Convene informal conversations or focus groups to review other Assessment themes and brainstorm strategies to address issues ●Refine job description and work plan, e.g., for new 		
10.8	Create an Upper Yampa Basin records and archive repository		<ul style="list-style-type: none"> ●Coordinate with CSU to explore possibilities of cataloguing and preserving historic water resources records. 		

NEW POSITION





BOARD COMMUNICATION FORM

From: __ Kevin McBride _____

Date: __ 10/18/2019 _____

Item: __ EC meeting _____

X _____ DIRECTION
_____ INFORMATION
_____ MOTION
_____ RESOLUTION

I. Request/Issue and Background Information:

Reorganization of Administrative and Finance staff. Hire new position.

As you know Barbara Wilson has recently resigned as the UYWCD's administrative assistant. She was initially half time but worked somewhat more than that and accomplished a significant amount, particularly during the office managers surgery and the office move. This position needs replacement.

Additional board meetings over the past year and the scheduling and preparatory work for them, revising financial processes, future business planning, IT needs, office software administration, and a minimum redundancy in administration and finance roles requires this FTE request. Also work proposed by the strategic plan may add additional workload for staff.

II. Summary and Alternatives:

Various hiring alternatives exist from replacing half time administrative aid position currently in the budget to hiring a full-time business manager. The CRD's organization chart is attached as a comparison. The new position would be similar to the 'Administrative Chief' but would be required to work with much less support staff (this may depend on the outcome of the strategic plan) and would also serve some of the functions of the executive assistant.

III. Staff Recommendation:

Hire a full-time business manager in charge of the administration and finance departments. This will replace the administrative assistant we are losing, provide for full time office management including IT services, add business planning capacity, and free up time of the accountant for special work associated with financial planning and project support.

IV. Legal Issues:

N/A



V. Consistency with Board Goals and Policies:

TBD

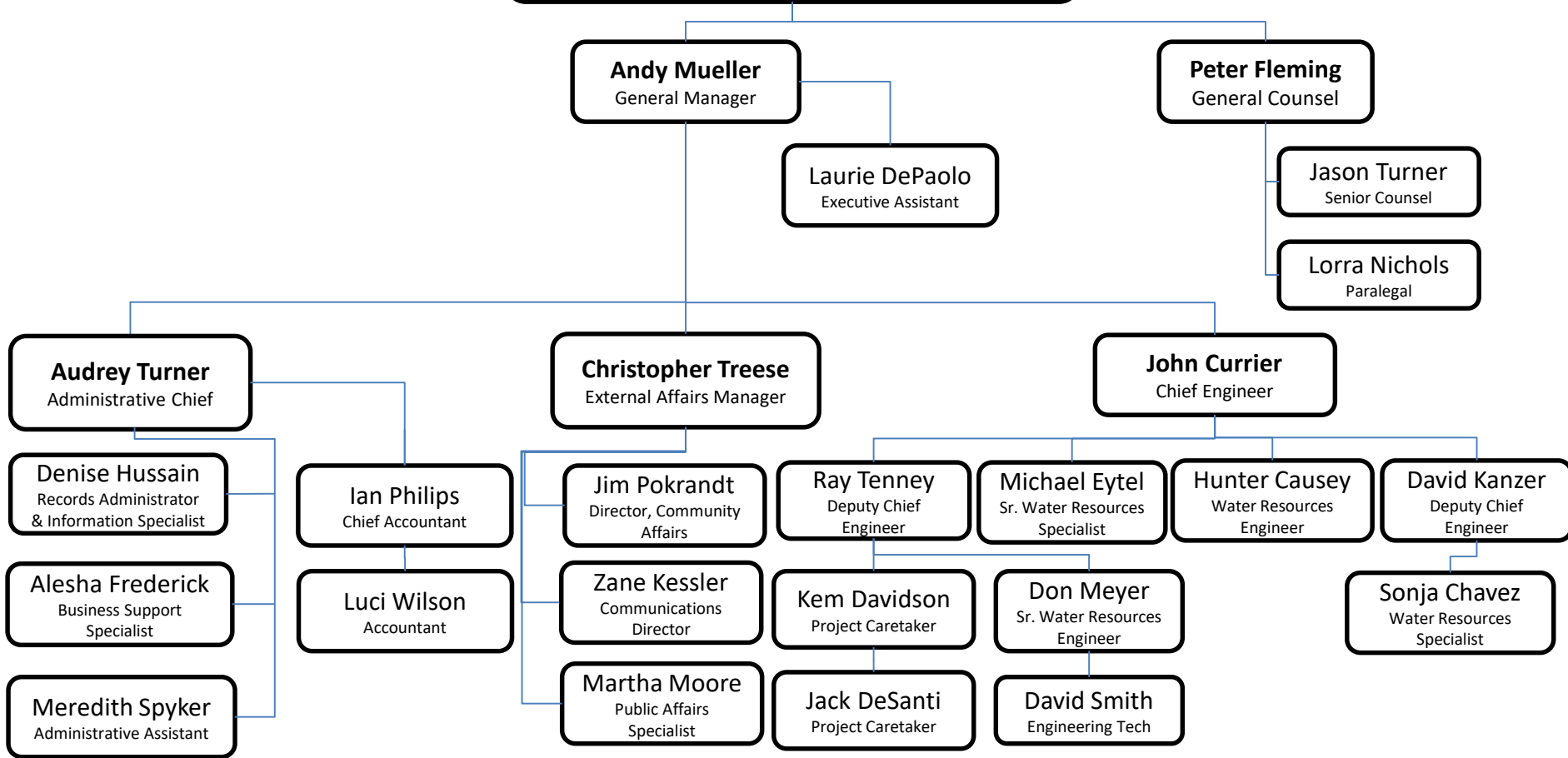
VI. Fiscal Impact

Replacing the current half time position would have no impact. A new position would need to be defined with help from the Employer's Council but total compensation including benefits would be in the range of the low six figures.

Attachments:

CRD organization chart and two modified CRD job descriptions for discussion

CRWCD BOARD OF DIRECTORS



POSITION TITLE:**Administrative Chief****POSITION SUMMARY**

Serves as the manager of the administrative and financial department and liaison to the Department Heads for administrative and personnel matters. Supervises the Chief Accountant, responsible for records Administration , Business Support , Administrative Assistance which may include staffing recommendations, Responsible for all Human Resources functions as well as Property Management (including the condo association, inventory, and fleet vehicles). Manages all Information Technology resources and works with consultant to ensure all organizational IT needs are met. Develops, maintains, and administers personnel management programs encompassing all functional areas of personnel including employment, salary administration, benefits, training, EEO, retirement, paid time off, service awards programs and planning of staffing requirements. Interprets, evaluates, modifies and updates existing office policies/programs; makes recommendation to management for implementing changes. Ensures compliance with government wage and benefits regulations. Ensures that all employees have the certifications and equipment (i.e., asset property management) necessary to perform their positions.

TYPICAL BACKGROUND / EXPERIENCE / REQUIREMENTS

Candidates require Bachelors degree (M.S. preferred) in business administration, finance, public administration or other related field and 5+ more years' management or supervisory experience in functional areas. Skills required include strong working knowledge of public administration, office management, exceptional interpersonal skills, effective organizational skills and strong information management and computer efficiency skills.

POSITION: Administrative Chief

FLSA: Exempt

POSITION SUMMARY: Serves as the business manager of the administrative and finance department and liaison to the Department Heads for administrative matters. Supervises the Chief Accountant, responsible for records Administration, Business Support , Administrative Assistance which may include staffing recommendations, Responsible for all Human Resources functions as well as Property Management (including the condo association, inventory, and fleet vehicles). Manages all Information Technology resources and works with consultant to ensure all organizational IT needs are met. Develops, maintains, and administers personnel management programs encompassing all functional areas of personnel including employment, salary administration, benefits, training, EEO, retirement, paid time off, service awards programs and planning of staffing requirements. Interprets, evaluates, modifies and updates existing policies/programs; makes recommendation to management for implementing changes. Ensures compliance with government wage and benefits regulations. Ensures that all employees have the certifications and equipment (i.e., asset property management) necessary to perform their positions.

ESSENTIAL FUNCTIONS:

1. Assists in the Development of Districts business plan
2. Direct the management of insurance, defined benefit, and defined contribution plans such as pension, cafeteria and 457 plans.
3. Oversee the financial administration of Payroll and Employee Benefit programs, including payroll tax requirements.
4. Represent District on Employee Healthcare Plan executive committee.
5. Review and update company appraisal and compensation policies. Analyze District plans and policies to ensure legal compliance, competitive positioning and best utilization of benefit budgets.
6. Direct annual employee performance review and compensation adjustments.
7. Establish regular District staff, support staff and department head meetings.
8. Oversee the completion of the five-year salary survey, document position job descriptions and assist in the development of position range information. Direct development and technique applications of job analysis, job descriptions, job evaluations, and competitive position pricing.
9. Direct the management and control of property and equipment management, including fleet management and administration, computers and network infrastructure. Analyze property and liability insurance requirements on an annual basis.
10. Oversees Records Management components such as Contract Administration, Laserfiche upgrades and improvements.
11. Supervises and completes annual employee objectives and performance evaluations for Chief Accountant, and other support positions
12. Supervise other office administrative support staff.

OTHER RESPONSIBILITIES:

1. Performs other work-related duties as assigned by General Manager, Deputy Manager and General Counsel.

TYPICAL EDUCATION, EXPERIENCE AND SKILL REQUIRED

Candidates require Bachelors degree (M.S. preferred) in business administration, finance, public administration or other related field and 5+ more years' management or supervisory experience in functional areas. Skills required include strong working knowledge of public administration, office management, exceptional interpersonal skills, effective organizational skills and strong information management and computer efficiency skills.

POSITION TITLE:**Chief Accountant****POSITION SUMMARY**

Following Generally Accepted Accounting Principles and Procedures and in compliance with Federal and State laws and regulations, the Chief Accountant (CA) is the person primarily responsible for maintaining the organization's accounting and financial records. The CA approves or processes payroll, accounts payable, accounts receivable, plus, prepares and maintains general ledgers, financial statements, budgets and all accounting records. The CA performs monthly bank reconciliations and prepares associated Treasurer's Reports. This position prepares regular, periodic and special financial statements and financial/accounting reports. The CA prepares annual and projected budgets. The CA serves as liaison to the banks, investment firms, investment committee, the Board of Directors, the Treasurer, auditors and coordinates the completion of year-end audits. The CA maintains general and fixed asset depreciation schedules. This position relies on experience and judgment to accomplish goals. The CA must perform a variety of complicated tasks. The CA must have a wide degree of creativity and latitude is expected.

TYPICAL BACKGROUND / EXPERIENCE / REQUIREMENTS

Requires degree in accounting with five plus years related experience in a senior accountant position. Ability to work with governmental accounting procedures. Possesses solid working knowledge of and ability to use computerized accounting packages and spreadsheet software. CPA recommended.

POSITION: Chief Accountant

FLCA: Exempt

POSITION SUMMARY: Following Generally Accepted Accounting Principles and Procedures, the Chief Accountant (CA) is responsible for maintaining the organization's accounting and financial records. The CA processes payroll, accounts payable, accounts receivable, plus, prepares and maintains general ledgers, financial statements, budgets and all accounting records. The CA performs monthly bank reconciliations and prepares associated Treasurer's Reports. This position prepares regular, periodic and special financial statements and financial/accounting reports. The CA prepares annual and projected budgets. The CA serves as liaison to the banks, investment firms, investment committee, the Board of Directors, the Treasurer, auditors and assist with the completion of year-end audits. The CA maintains general and fixed asset depreciation schedules. This position relies on experience and judgment to accomplish goals. The CA must perform a variety of complicated tasks. The CA works under the direction of the administrative chief

ESSENTIAL FUNCTIONS

1. Maintains General Ledger System / Accounts Receivable / Accounts Payable
2. Performs monthly, quarterly and annual Payroll functions
3. Prepares, coordinates and maintains annual budgets
4. Maintains Asset depreciation schedules/records
5. Prepares regular and special financial reports for Board & management
6. Coordinates preparation of monthly Treasurer review and reports
7. Ensures daily incoming and out-going accounting mail log
8. Provides special project financial tracking support (e.g., Recovery Program, Highline, etc.)
9. Prepares, coordinates, maintains cash flow projections
10. Coordinates all property management investment issues (e.g., bill back, asset depreciation, etc.).
11. Provides direction on financial and administrative accounting policies and procedures; updates Accounting Guidelines and Procedures Manual; monitors and ensures compliance with accounting policies.
12. Oversees the development and design of accounting system and enhancements
13. Provides assistance to independent auditors, coordination of year-end closing and audit
14. Assists in Cash and Investment Management, supports bank and broker relations, etc.
15. Participates in regular Financial Planning meetings.
16. Prepares and submits all reimbursements and/or advancements of contract agreements.
17. Initiates and monitors all Water marketing billing.
18. Conducts internal auditing and special review projects for compliance in accordance with generally accepted accounting principles. Implements and applies internal accounting controls.

OTHER RESPONSIBILITIES:1. Performs other work-related duties as assigned by supervisor

TYPICAL EDUCATION, EXPERIENCE AND SKILL REQUIRED

Requires degree in accounting with five plus years related experience in a senior accountant position. Ability to work with governmental accounting procedures. Possesses solid working knowledge of and ability to use computerized accounting packages and spreadsheet software.





BOARD COMMUNICATION FORM

Board Retreat-October 23, 2019

From: Bob Weiss, Legal Counsel

Date: October 16, 2019

Item: Board Governance and Bylaw Amendments

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: I have been discussing with the 360 Committee potential Bylaw amendments as part of the Committee's broader review of District operations and internal governance. I was asked to summarize potential Bylaw amendments under discussion to keep the Board informed and to give Board members as time allows the opportunity to weigh-in on some of these concepts at the Retreat next Wednesday. Depending on the Board's position with respect to these proposals, formal amendments could be prepared and considered for adoption at the November or December meetings of the Board.

II. Summary and Alternatives: These general areas have been discussed:

(a) Agenda. The existing Bylaws do not specify how the Agenda for meetings will be set. There seems to be a consensus that agendas should be set at each meeting for the next meeting by the Board as an agenda item. Once set by the Board, the Agenda could be changed by the Board President or General Manager. New items could be added at the request of two Board members. In advance of each meeting the Bylaws would provide for review of the upcoming meeting by the Board President and the General Manager. Lastly, the Board should review Section 8 of the Bylaws which establishes the order items are considered at Board meetings, and which is not strictly followed, to determine whether it should be amended. Section 8 currently reads as follows:

- (1) Establishment of Quorum and Call to Order;
- (2) Approval of Agenda for Meeting;
- (3) Reading and approval, or approval as submitted, of the minutes of the previous meeting;
- (4) Public Input and Comment;
- (5) Report of General Manager, including financial report;
- (6) Approval of Disbursements
- (7) Report of Executive Committee;
- (8) Report of General Counsel;
- (9) Report of Executive or Special Committees;
- (10) Consideration/Action on District Projects;



- (11) Other Unfinished Business, New Business;
- (12) Board Member Reports;
- (13) Determination of Future Meetings; and
- (14) Adjournment

- (b) District staff. The current Bylaws are clear that the "General Manager shall have charge of and authority over the office of the District and of all employees thereof except for the District's attorneys." While nothing in this language precludes Board members from communication with District staff, including requests for information, such communication should not include unilateral requests by individual Board members to District staff to take or not take specific action in the context of their employment. The current Bylaw language may be sufficient but the Committee would like the Board to consider whether anything further is needed in the Bylaws.
- (c) Hiring and termination of District employees. The District has taken the position that the General Manager is responsible for hiring, termination and discipline of employees. This is consistent with the Bylaw provision cited above. However, the Water Conservancy Act states in § 37-45-117 that the **Board** may also employ a chief engineer who may be an individual, partnership, or corporation; an attorney, and such other engineers, attorneys, and other agents and assistants as may be necessary. It is conceivable that this language could be interpreted to require Board approval for hiring. Therefore, for clarity it might be advisable to state specifically in the Bylaws that the authority to hire, terminate and discipline employees is vested in the General Manager and to the extent necessary, such authority is delegated by the Board to the General Manager. Lastly, the Board should discuss whether disciplinary action or termination of the employment of an employee is appealable to the Board, and the Bylaws and personnel rules of the District should be harmonized to reflect the Board position.
- (d) Conflict of Interest. The Bylaws contain a section on conflicts which generally require Directors to maintain confidential matters confidential, disclose conflicts and to comply with the Colorado Code of Ethics law which is codified at C.R.S. § 24-18-101 et seq. The Committee has recently asked whether it would be appropriate for Directors on annual basis to file a conflicts disclosure.

III. Staff Recommendation: Staff recommends that the Board consider the proposed Bylaw amendments and adopt them as the Board deems appropriate.

IV. Legal Issues: Legal issues are identified in Section II above.

V. Consistency with Board Goals and Policies: The Board should consider whether the proposed Bylaw amendments are consistent with Board Goals and Policies.

VI. Fiscal Impact: None of the proposed Bylaw amendments appear to have a significant financial impact.

Attachments: none