ACTION MEMORANDUM CHATFIELD WATERSHED AUTHORITY

DATE: January 17, 2022

TO: Chatfield Watershed Authority (CWA) Board of Directors (Board)

FROM: Michael Daugherty, Somach Simmons & Dunn (SSD)

SUBJECT: Amend CWA Bylaws to Allow Sole Source Contracting

PURPOSE / BACKGROUND:

At the November Board meeting, the Board requested SSD to draft a proposed amendment to CWA's bylaws that allow for sole source contracting (rather than a competitive bidding process) for professional contracts for services for $60,000 or less and/or for one year or less. This effort is an attempt to streamline CWA's contracting efforts, particularly for time-sensitive matters.

SUMMARY OF ACTION REQUESTED:

Amend CWA's bylaws to add a new Section 12.4, under Article XII, Miscellaneous, to allow for sole source contracting for contracts for professional services that amount to $60,000 or less or for a duration of one year or less.

A redline version of CWA's bylaws with the proposed amendment included is attached to this memorandum.

If this amendment is adopted, the bylaws would read:

> **12.4 Sole Source Contracting**. The Board may authorize at any regular meeting of the Board or at any special meeting called for that purpose, provided that written notice of the proposed contract shall have been given at least seven (7) days prior to the meeting, contracts for professional services that amount to $60,000 or less or that will last for one-year or less without engaging in a competitive bidding process. This provision is not intended to exclude sole source contracting for other contracts as permitted by applicable state law.

A full redline version of CWA's bylaws with the proposed amendment included is attached to this memorandum for the Board's consideration.

CONSIDERATIONS:

SSD recommends the Board consider whether it would like to make any additional amendments to its bylaws related to contacting for professional services at this time. For example, the Board may wish to explicitly require competitive bidding for contracts that do not qualify for sole source contracting. The Board may also want to address the annual renewal process for professional services contract. SSD also recommends the Board consider any language modifications to the proposed new paragraph 12.4.

PROPOSED MOTION TO BOARD:

Motion to adopt the proposed bylaw amendment as drafted.

BYLAWS OF THE
CHATFIELD WATERSHED AUTHORITY

ARTICLE I
PURPOSE

1.1 **Purpose.** The purpose of the Chatfield Watershed Authority (the "**Authority**") is to provide for and promote a regional, coordinated approach for the provision of water quality improvements and the protection of water quality in the Chatfield Watershed for recreation, fisheries, drinking water supplies, other beneficial uses, and for the public benefit of the Members of the Authority, their inhabitants, and the People of the State of Colorado, as deemed appropriate by the Board of Directors of the Authority, and may include but is not limited to providing for the construction, operation, and maintenance of point and nonpoint source control projects, monitoring of the Chatfield Reservoir, South Platter River below Strontia Springs Reservoir, and Plum Creek and the water flowing into them, recommending water quality standards therefor, and coordinating with state and federal agencies regarding water quality control measures, pursuant to the Amended and Restated Intergovernmental Agreement Establishing the Chatfield Watershed Authority (the "**Establishing Agreement**"), entered into and effective as of the 26th day of April, 2016.

ARTICLE II
OFFICES

2.1 **Principal Office**. The principal office of the Authority shall be located within the State of Colorado at such location as is designated by the Board of Directors from time to time. At the time of execution of these Bylaws, the principal office of the Authority was Douglas County Public Works Engineering Department, 3030 N. Industrial Way, Castle Rock, CO 80109. Written notice of any change in the location of the Authority's principal office shall be provided in advance to all Members of the Authority.

2.2 **Other Offices**. The Authority may have such other offices and places of business within the State of Colorado as the Board may designate from time to time.

ARTICLE III
MEMBERSHIP

3.1 **Member Entities**. The members of the Authority shall consist of the Permanent General Jurisdiction Members; the Water and Sanitation District ("**W&S**") Members; the water providers, metropolitan districts and other municipalities' members (collectively, the "**Other Members**"); as have entered into the Establishing Agreement and as defined below, and such additional parties as may join the Authority from time to time (collectively, "**Members**").

3.2 **Permanent General Jurisdiction Members**. The Authority shall initially have three (3) Permanent General Jurisdiction Members, including Douglas County, Jefferson County and the Town of Castle Rock. The Permanent General Jurisdiction Members shall be the primary funding members of the Authority. Additional parties will be allowed to join the Authority as Permanent General Jurisdiction Members from time to time, as provided in the Establishing Agreement.

3.3 **W&S Members**. The Authority shall initially have six (6) W&S Members. W&S Members shall include: (i) Centennial Water and Sanitation District, (ii) Dominion Water and Sanitation District, (iii) Louviers Water and Sanitation District, (iv) Perry Park Water and Sanitation District, (v) Roxborough Water and Sanitation District, and (vi) Plum Creek Water Reclamation Authority. Additional parties will be allowed to join the Authority as W&S Members from time to time, as provided in the Establishing Agreement.

3.4 **Other Members**. The Authority shall initially have four (4) Other Members. The Other Members shall include: (i) the Castle Pines Metropolitan District, (ii) the City and County of Denver acting through its Board of Water Commissioners, (iii) Town of Larkspur, and (iv) the City of Littleton. Additional parties will be allowed to join the Authority as Other Members from time to time, as provided in the Establishing Agreement.

3.5 **Ex-Officio Participants**. The Ex-Officio Participants shall include the Colorado Agricultural Leadership Foundation, the Colorado Parks and Wildlife Commission (Chatfield State Park), the Colorado Department of Transportation, the Colorado Water Conservation Board, the Ken Caryl Ranch Master Association, the Law Enforcement Foundation, Ponderosa Retreat, Sacred Heart Retreat, Tri-County Health Department, the U.S. Army Corps of Engineers, the Chatfield Reservoir Mitigation Company, Inc., and the Water Quality Control Division of the Colorado Department of Public Health and Environment. Each Ex-Officio Participant may designate a representative of such party and provide written notice of such representative's name and contact information to the Manager of the Authority to be included on communications related to the Authority. Ex-Officio Participants are not members of the Authority and have no voting rights or other obligations with respect to the Authority, including no obligation to pay dues. Ex-Officio Participants are encouraged to participate in the Authority meetings and provide input on the operations of the Authority at any public meetings of the Authority.

ARTICLE IV
BOARD OF DIRECTORS

4.1 **Powers and Duties**. The governing body of the Authority shall be a Board of Directors (the "**Board**"). Subject to any limitations of the Establishing Agreement, Sections 29-1-203 and 29-1-204.2 C.R.S., or these Bylaws, all powers of the Authority shall be exercised by, or under the authority of, and the business and affairs of the Authority shall be controlled by, the Board. The Board shall collectively act as is necessary and as is authorized by law and

by these Bylaws to carry out the provisions of the Establishing Agreement to advance the purpose and goals of the Authority. The Authority shall have all powers, privileges, and duties enumerated in the Establishing Agreement and these Bylaws and granted to entities formed pursuant to Sections 29-1-203 and 29-1-204.2 C.R.S., as they now exist or may be amended from time to time.

In addition to the powers, privileges, and duties enumerated in the Establishing Agreement, these Bylaws, and granted to entities formed pursuant to Sections 29-1-203 and 29-1-204.2 C.R.S., the Authority shall have the following powers:

a. To seek legislative action from the Colorado Legislature affecting the Authority, including but not limited to enabling legislation for watershed authorities in the State of Colorado, and legislation authorizing funding and/or revenue generation to support the services, functions, and facilities of the Authority.

b. To establish advisory committees to gather, research, compare, and evaluate information, and advise the Board regarding matters pertaining to the water quality of the Chatfield Watershed or such other matters pertaining to the purpose and goals of the Authority as deemed necessary or advisable by the Board.

4.2 **Number of Directors**. The Authority's Board shall consist of five (5) representatives of the Members (each a "**Director**"). The Board's membership shall consist of three (3) Directors, one of whom is appointed by each Permanent General Jurisdiction Member; one (1) Director selected by the W&S Members; and one (1) Director selected by the Other Members, as described in this Article IV. In the event new Members are added pursuant to Article II, Section 2 of the Establishing Agreement, the Board will amend these Bylaws to appropriately address composition of the Board.

4.3 **Directors Representing the Permanent General Jurisdiction Members**.

4.3.1 **Directors**. Each Permanent General Jurisdiction Member shall appoint one (1) Director to the Board. The Director for each Permanent General Jurisdiction Member must be an elected official of the appointing Member and be qualified, willing, and able to assume and perform the duties and responsibilities required of the directorship. Each Permanent General Jurisdiction Member shall provide written notice of the name and contact information of its appointed Director to the Manager of the Authority.

4.3.2 **Alternate Directors**. Each Permanent General Jurisdiction Member shall be entitled to appoint one alternate representative to serve on the Board in the absence of the Director (the "**Alternate Director**"). Each Permanent General Jurisdiction Alternate Director shall also be an elected official of such Member. If the selected Alternate Director is not an elected official of such Member, such Alternate Director will not be authorized to vote on behalf of such Member at meetings where the Director is absent.

4.3.3 **Term**. There shall be no restriction on the term of a Director for the Permanent General Jurisdiction Members. Each Permanent General Jurisdiction Member shall appoint such Director and Alternate Director as such jurisdiction sees fit who shall serve until a successor is duly appointed as established by such Members' policies and procedures. Any changes in the Permanent General Jurisdiction Member shall be communicated promptly to the Manager of the Authority.

4.3.4 **Removal**. A Permanent General Jurisdiction Member may, in its sole discretion, remove its appointed Director or Alternate Director from the Board at any time and appoint a successor thereto by providing written notice to the Manager of the Authority.

4.4 Director Representing W&S Members.

4.4.1 **Director**. The W&S Members of the Authority, collectively, shall select one W&S Member to represent all of the W&S Members as a Director on the Board, as provided herein. The Director must be qualified, willing, and able to assume and perform the duties and responsibilities required of the directorships.

4.4.2 **Manner of Selection**. The election of the Director for the W&S Members shall take place in the Fall of each year an election is necessary through a written ballot process as described herein. All W&S Members in good standing with the Authority that have paid all past dues and fees shall be entitled to participate in the election of the W&S Member Director. By the end of September in such year, the Manager shall send out a written notice, electronic mail notice is acceptable, to all W&S Members in good standing requesting the nomination of one Director from such Member's organization. Each W&S Member may, but is not required to, nominate one (1) qualified candidate to serve as Director; no other nominations will be accepted. Each W&S Member shall notify the Manager of its Director nomination on or before October 31st . The Manager shall then have one (1) week to prepare and send out, either via prepaid mail or electronic mail, a ballot for the W&S Members to return for the election of the W&S Member Director. Each W&S Member shall have until November 30th to return the completed ballot to the Manager. A quorum of W&S Members for an election shall consist of a majority of the W&S Members entitled to cast a vote on the matter. If a quorum does not exist on November 30th, the Manager shall solicit additional ballots from the missing W&S Members until a quorum is obtained. Voting by proxy is strictly prohibited. Each W&S Member shall be entitled to cast up to three (3) votes for the nominees; provided, however, the W&S Member is not required to cast all three (3) votes and each vote cast must be for a different candidate (i.e. no cumulative voting is allowed). If only two (2) or fewer nominees are on the ballot, then each W&S Member shall only be entitled to cast one (1) vote in the election. The nominee receiving the most votes shall serve as the Director for the W&S Members. In the event of a tied ranking, a tiebreaking vote or votes, as necessary, shall be conducted. The Manager shall use reasonable efforts to ensure that the W&S Director is known no later than December 15th, if any tiebreaking votes are required. The W&S Member whose candidate received

the most votes shall provide written notice of the name and contact information of the Director to the Manager of the Authority.

4.4.3 **Alternate Directors**. The W&S Member that is select to represent all of the W&S Members shall be entitled to appoint one alternate representative to serve on the Board in the absence of the Director (the "**W&S Alternate Director**"). The W&S Members' Director and Alternate Director may be elected officials or staff of the entity such W&S Member represents.

4.4.4 **Term**. Any Director of the W&S Members shall serve a term of two (2) years from the date of election or until a successor is duly elected. No W&S Member Director shall serve more than two (2) consecutive two-year terms. Fulfilling an incomplete term is not considered part of the term limit.

4.4.5 **Removal**. The W&S Members may, by unanimous approval, remove a Director representing the W&S Members from the Board at any time. If so removed, the W&S Members shall elect a replacement Director to fill the remainder of the removed Director's term pursuant to the procedures of Section 4.4.2 with the timing of such votes adjusted accordingly. Written notice of the removal and election should be provided to the Manager of the Authority and the Manager will assist with the election process.

4.5 **Other Members**.

4.5.1 **Director**. The Other Members of the Authority, collectively, shall select one (1) Other Member to represent all of the Other Members as a Director to serve on the Board, as provided herein. The Director must be qualified, willing, and able to assume and perform the duties and responsibilities required of the directorships.

4.5.2 **Manner of Selection**. The election of the Director for the Other Members shall take place in the Fall of each year an election is necessary through a written ballot process as described herein. All Other Members in good standing with the Authority that have paid all past dues and fees shall be entitled to participate in the election of the Other Member Director. By the end of September in such year, the Manager shall send out a written notice, electronic mail notice is acceptable, to all Other Members in good standing requesting the nomination of one Director from such Member's organization. Each Other Member may, but is not required to, nominate one (1) qualified candidate to serve as Director; no other nominations will be accepted. Each Other Member shall notify the Manager of its Director nomination on or before October 31st. The Manager shall then have one (1) week to prepare and send out, either via prepaid mail or electronic mail, a ballot for the Other Members to return for the election of the Other Member Director. Each Other Member shall have until November 30th to return the completed ballot to the Manager. A quorum of Other Members for an election shall consist of a majority of the Other Members entitled to cast a vote on the matter. If a quorum does not exist on November 30th, the Manager shall solicit additional ballots from the missing Other Members until a quorum is obtained. Voting by proxy is strictly

prohibited. Each Other Member shall be entitled to cast up to three (3) votes for the nominees; provided, however, the Other Member is not required to cast all three (3) votes and each vote cast must be for a different candidate (i.e. no cumulative voting is allowed). If only two (2) or fewer nominees are on the ballot, then each Other Member shall only be entitled to cast one (1) vote in the election. The nominee receiving the most votes shall serve as the Director for the Other Members. In the event of a tied ranking, a tiebreaking vote or votes, as necessary, shall be conducted. The Manager shall use reasonable efforts to ensure that the Other Member Director is known no later than December 15th, if any tiebreaking votes are required. The Other Member whose candidate received the most votes shall provide written notice of the name and contact information of the Director to the Manager of the Authority.

4.5.3 **Alternate Directors**. The Other Member that is selected to represent all of the Other Members shall be entitled to appoint one alternate representative to serve on the Board in the absence of the Director (the "**Other Member Alternate Director**"). The Other Members' Director and Alternate Director may be elected officials or staff of the entity such Other Member represents.

4.5.4 **Term**. Any Director of the Other Members shall serve a term of two (2) years from the date of election or until a successor is duly elected. No Other Member Director shall serve more than two (2) consecutive two-year terms. Fulfilling an incomplete term is not considered part of the term limit.

4.5.5 **Removal**. The Other Members may, by unanimous approval, remove a Director representing the Other Members from the Board at any time. If so removed, the Other Members shall elect a replacement Director to fill the remainder of the removed Director's term pursuant to the procedures of Section 4.5.2 with the timing of such votes adjusted accordingly. Written notice of the removal and election should be provided to the Manager of the Authority and the Manager will assist with the election process.

4.6 **Vacancies and Election of Directors**. A vacancy on the Board may occur by reason of death, disability, resignation, removal or otherwise of any Director. For the Permanent General Jurisdiction Members, vacancies shall be filled pursuant to the procedures set forth in Sections 4.3.1 above. For W&S and Other Members, a vacancy caused by any reason, other than removal pursuant to Section 4.4.5 and 4.5.5 hereof, shall be filled by the appointment of a qualified individual of the Member organization represented by the departing Director. Any Director appointed to fill a vacancy on the Board shall serve the remainder of the departing Director's term.

4.7 **Withdrawal of Members**. In the event a Member organization with a representative on the Board decides to withdraw from the Authority as permitted or required in the Establishing Agreement, then, in the case of a W&S or Other Member, the applicable Members shall hold an election in accordance with the procedures set forth in Sections 4.4.2 and 4.5.2 with the timing of such votes adjusted accordingly. If a Permanent General Jurisdiction

Member withdraws, then the remaining Board of Directors shall amend these Bylaws which vote shall require the unanimous approval of the remaining Directors.

4.8 **Compensation**. The Directors shall not receive any compensation from the Authority for their services to the Authority.

ARTICLE V
OFFICERS

5.1 **Presiding Officers**. At the first Board meeting of each calendar year, or such other date as mutually agreed upon by the Board, the Board shall elect by a Majority Vote (as defined in Section 8.2 below) from the Directors a Chairman and Vice-Chairman who shall be the presiding officers at Chatfield Watershed Authority meetings (the "**Presiding Officer(s)**"). If the Chairman or Vice-Chairman elects not to preside over a meeting or particular matter, a Majority Vote of the Board present shall then elect a temporary chairman who shall be the Presiding Officer for that particular meeting or particular matter only, as the case may be.

5.2 **Term**. The term of office for the Presiding Officers is one (1) year from the date of election; however, there is no limit on the number of terms a Presiding Officer may serve. Each Presiding Officer shall hold office until his successor is duly elected or until his death, incapacity, resignation, or removal.

5.3 **Resignation and Removal**. A Presiding Officer may resign at any time by giving written notice to the Board and the Authority's Manager and it shall be effective as of the date stated in the resignation. Any Presiding Officer may be removed with or without cause at any meeting of the Board by Super Majority Vote (as defined in Section 8.3 below) of the Board, provided that the agenda for such meeting lists officer removal as an agenda item. Resignation or removal shall terminate all authority of the officer.

5.4 **Presiding Officer Vacancies**. If the office of Chairman should become vacant during the term of office, the Vice-Chairman shall assume the duties of Chairman. Should the office of Vice-Chairman become vacant, a special election shall be held as soon as possible following the announcement of the vacancy. Nominations from the floor by members of the Board during the election meeting shall be permissible.

5.5 **Authority and Duties of the Chairman and Vice-Chairman**. It shall be the responsibility of the Chairman to preside at all meetings of the Authority, execute documents of behalf of the Authority, ensure that all orders and resolutions of the Board are carried into effect, make appointments to committees, and be the primary liaison between the Board and the Authority Manager. The Vice-Chairman shall perform the duties of the Chairman during the Chairman's absence. The Presiding Officers of the Authority shall have the authority and exercise the powers and perform the duties as specified herein and as may be additionally specified by the Board, or these Bylaws, and as may be required by law.

5.6 **Authority Manager**. The Authority shall retain a third-party to manage the day-to-day operations of the Authority (the "**Manager**"). The Board shall select the Manager and the Manager shall report to the Board.

5.6.1 **Duties of the Manager**. The Manager shall provide management services for the Authority, including the Board, the Technical Advisory Committee and any other committees formed by the Board. The Manager shall be responsible for coordinating and overseeing the activities of any consultants or contractors engaged by the Authority, including any accountants and legal counsel who shall also report directly to the Board. The Manager shall perform all duties typically performed by the secretary of an organization, including but not limited to, keeping a book of minutes of all meetings of the Board and any committees thereof, ensuring that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, and such other all duties as may from time to time be assigned by the Board or as may be required by these Bylaws or the Board.

5.7 **Authority Accountant**. The Board shall retain a third-party to manage the accounts of the Authority which shall include, but is not limited to, keeping full and accurate accounts of all receipts and disbursements of the Authority, depositing all moneys as may be designated by the Board, disbursing the funds of the Authority as ordered by the Board, preparing and recommending an annual operating budget to the Board by such date as established by the Board each year for the succeeding calendar year, and performing all other duties as may from time to time be assigned by the Board or as may be required by these Bylaws or the Board. The Authority's accountant shall work closely with the Manager.

ARTICLE VI
WRITTEN INSTRUMENTS AND CHECKS

6.1 **Written Instruments**. The Board of Directors may authorize any officer(s) or agent(s) to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances. The Chairman, and Vice-Chairman in the absence of the Chairman, shall have general authority to execute any contract or execute and deliver any instrument in the name of the Authority, provided such item was properly approved by the Board.

6.2 **Checks**. All checks or demands for money and notes of the Authority shall be signed by two (2) Directors or such other person or persons as the Board of Directors may from time to time designate.

ARTICLE VII
MEETINGS

7.1 **Regular Meetings**. Regular meetings of the Board shall be held quarterly or at such other regular intervals and at such time and place as determined by the Board. The Board may provide by resolution the time and place within the State of Colorado for the holding of regular meetings. In the absence of any such meeting designation, meetings shall be held at the principal office of the Authority.

7.2 **Special Meetings**. Special meetings of the Board for any purpose(s) may be called at any time by the Chairman, by resolution of the Board, or by request of any two Board members then in office.

7.3 **Meeting by Telephone**. Members of the Board or any committee thereof may participate in a meeting of the Board or committee by means of telephone conference or similar communications equipment by which all persons participating in the meeting can hear one another at the same time. Such participation shall constitute presence in person at the meeting, no matter where such person is actually located.

7.4 **Notice of Meetings**. Notice to the public of any regular and special meetings of the Board or any meeting of any advisory, policy-making, rulemaking, or formally constituted body of the Authority to which the Authority has delegated a governmental decision-making function shall be posted as required by the Colorado Open Meetings Law. The Board shall, annually at its first regular meeting of the calendar year, designate a public place for the posting of Authority notices in accordance with C.R.S. 24-6-402(2)(c).

Notice of regular Board meetings shall be personally delivered or sent by first class mail, postage prepaid, facsimile, telephone, e-mail, or other electronic communication to each Director at his or her address as shown on the records of the Authority as soon as reasonably practicable prior to each regular meeting. Notice of special Board meetings shall be given to each Director at least forty-eight (48) hours before the meeting. Notice shall be either oral or written. Oral notice shall be given face-to-face or by telephone. Written notice may be given by mail, personal delivery, facsimile, e-mail, or other electronic communication. The notice shall contain (1) the date, time, and place of the meeting; and (2) the agenda for said meeting, or the purpose or purposes for which a special meeting is called. Special meetings of the full Board shall be limited to the purpose or purposes set forth in the notice of said special meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

All Members shall receive electronic copies of all notices, agendas, and appropriate enclosures at the e-mail address of their designated representative provided to the Manager of the Authority.

7.5 **Public Meetings**. All the meetings of the Board, other than executive sessions, shall be open to the public. No vote or other formal action shall be taken in any session which is closed to the general public. The Manager, or such other officer as the Board may from time to time determine, shall maintain a list of persons who, within the previous two (2) years, have requested notification of all meetings or of meetings when certain specified policies will be discussed and shall provide reasonable advance notification of such meetings; provided, however, that unintentional failure to provide such advance notice will not nullify actions taken at an otherwise properly published meeting.

7.5.1 **Executive Session**. The Board, upon the affirmative vote of two-thirds of the quorum present, may hold an executive session for any of the reasons set forth in C.R.S. 24-6-402(4) as are applicable. No formal action may be taken while in executive session. Prior to convening an executive session, the Chairman shall announce the topic(s) to be discussed, including the specific statutory citation(s), and identify the particular matter to be discussed in as much detail as possible without compromising the purpose for which the executive session is authorized.

7.6 **Informal Meetings**. Informal meetings of the Board at which no final decision is made or formal action is taken may be held from time to time and may include study sessions, subcommittee meetings, or any meeting of three or more Board members at which Authority business is to be discussed. Notice of any such meeting shall be given to all Directors at least seventy-two (72) hours in advance of such meeting, unless such informal meeting was set and authorized by the Board at a regular or special meeting. Public notice of the meeting shall be posted in the designated posting place for the Authority at least twenty-four (24) hours prior to such meeting as required by the Colorado Open Meetings Law.

7.7 **Conduct of Meetings**. Unless otherwise agreed to by the Board, Robert's Rules of Order, Revised shall be the parliamentary authority for all meetings of the Board and the rules contained therein shall govern the procedures utilized at such meetings where not inconsistent with the Colorado law. Failure to adhere to Robert's Rules of Order, Revised shall not affect the validity of any Board action.

ARTICLE VIII
VOTING

8.1 **Quorum for the Board**. A quorum must be present at any Board meeting for business transactions to take place and motions to pass. A quorum of the Board shall be a majority of the members of the Board.

8.2 **Weighted Voting**. Douglas County and Jefferson County, acting through its Director shall each be entitled to two (2) votes on any matter coming before the Board. All other Directors shall be entitled to one (1) vote on any matter coming before the Board. Except as otherwise provided herein, and in Section 8.3 below, all actions of the Board for which a vote is required shall be made and decided by a Majority Vote. For purposes of these Bylaws,

"**Majority Vote**" shall mean a majority of the votes shall be cast in favor of the item coming before a quorum of the Board, committee or Members, as applicable. For example, if all five members of the Board are present, then seven (7) votes would be cast and four (4) votes will be needed to pass the item; those votes may come from only the two county members since they are entitled to two votes each. No Board Member shall abstain from voting unless abstention is required by law.

8.3 **Special Voting Requirements**. Any decision of the Board relating to financial matters including, but not limited to, money, expenditures, changes in the fees or dues structure for the Authority, the issuance of debt, the budget or other finances, shall require a Majority Vote and also the affirmative vote of at least three (3) Directors of the Board (a "**Super Majority Vote**").

8.4 **Disclosures**. Each Director shall provide such disclosures, including potential conflict of interest disclosures, as may be required by law, including but not limited to Sections 24-18-101 *et seq.*, C.R.S. and Section 18-8-308, C.R.S. Unless otherwise permitted by law, any Director or Alternate Director who has a personal or private interest in any matter proposed or pending before the Board after disclosure thereof shall recuse him or herself from the meeting and shall refrain from attempting to influence the decision of the other members of the Board on such matter.

ARTICLE IX
COMMITTEES

9.1 **Committees**. The Board may establish by resolution such standing committees or special committees in addition to those specified in this Article as it deems appropriate, with such duties, responsibilities, and members as it may designate. The Board or the Chairman may refer to the proper committee any matter affecting the Authority or any operations needing study, recommendation, or action. The delegation of authority to any committee shall not operate to relieve the Board or any of its members of any legal responsibility.

9.2 **Limitations**. Except in cases where these Bylaws or the Board has by written resolution provided otherwise, the function of any committee is as an advisory body to the Board. No member of any committee, without the prior authorization of the Board or as set forth in these Bylaws, has the authority to purchase, collect funds, implement policy, or bind, or obligate the Authority or the Board in any way or by any means. All such powers are expressly reserved to the Board and the officers of the Authority.

9.3 **Technical Advisory Committee**. The Technical Advisory Committee shall be a standing committee of the Authority which shall report to the Board and shall perform such duties and tasks as the Board shall from time to time direct. To the extent requested by the Board, the Technical Advisory Committee shall consider and report to the Board on all Authority matters of a scientific or technical nature. The Technical Advisory Committee

findings and recommendations on these matters shall be forwarded to the Board for full consideration.

9.3.1 **Membership**. All Members in good standing of the Authority may, but are not required to, appoint one (1) representative to be a member of the Technical Advisory Committee. Directors of the Board shall not serve on the Technical Advisory Committee. The representatives of the Member organizations on the Technical Advisory Committee may be elected officials or staff members of the appointing Member and shall be qualified, willing, and able to assume and perform the duties and responsibilities required of the members of the committee. Each Member shall provide written notice of the name and contact information of its appointed Technical Advisory Committee member to the Manager of the Authority.

9.3.1.1 **Alternate Technical Advisory Committee Members**. Each Member participating on the Technical Advisory Committee shall be entitled to appoint one (1) alternate representative to serve on the committee in the absence of its primary representative.

9.3.1.2 **Term**. There shall be no restriction on the term of a representative on the Technical Advisory Committee. Each participating Member shall appoint such committee members and alternate representative as such entity sees fit who shall serve until a successor is duly appointed as established by such Members' policies and procedures. Any changes in the Technical Advisory Committee membership shall be communicated promptly to the Manager of the Authority.

9.3.2 **Meetings**. The Technical Advisory Committee may hold meetings on a monthly basis at a time and place to be determined by the Technical Advisory Committee. All meetings of the Technical Advisory Committee shall be posted and shall comply with Article VII of these Bylaws.

9.3.3 **Duties**. The Technical Advisory Committee shall have the authority to develop and submit referral comments on behalf of the Authority on various matters including, but not limited to, those associated with the Water Quality Commission Control Regulations. With respect to site applications submitted to the Authority, the Technical Advisory Committee is vested with the authority to review and comment on applications and make recommendations to the Division on behalf of the Authority. With respect to trade applications, the Technical Advisory Committee is vested with the authority to act on behalf of the Authority, including by approving, denying, or conditionally approving trade applications, provided the action is subject to appeal to the Board.

9.3.4 **Referral Approvals and Appeals**. A Technical Advisory Committee recommendation on a site application shall be deemed the recommendation of the

Authority. If any applicant on a referral case, whose case was either denied or approved with conditions, desires to appeal the decision of the Technical Advisory Committee, such party shall make such request for an appeal to the Board within thirty (30) days of the decision. Any person or party who is adversely affected or aggrieved by Technical Advisory Committee action on a trade application may appeal the action by filing a notice of appeal letter, not to exceed three (3) pages in length, with the Board within thirty (30) days of the action. The record on appeal before the Board shall be limited to the record before the Technical Advisory Committee. Provided the appeal is filed at least ten (10) days in advance of the meeting, the Board shall hear the appeal at its next regular quarterly meeting. The Board's determination on appeal shall be the final decision of the Authority.

9.4 Provisions Applicable to All Committees.

9.4.1 Committee Membership. Committee members may include representatives of the Permanent General Jurisdiction Members, W&S Members, Other Members, Ex-Officio Participants, and parties, as determined by the Board. No Director of the Board shall be eligible to serve on the Technical Advisory Committee; however, the Board may appoint a Director or Directors to serve on any other committee or to act as a liaison to any committee, or both, in the Board's discretion. The Board may from time to time appoint to any standing or special committee any individual who is qualified to serve on such committee and who has the requisite expertise and knowledge to supply value thereto, as determined by the Board in its discretion.

9.4.2 Committee Officers. Each committee shall select by Majority Vote one of its members to serve as Chairman and one of its members to serve as Vice Chairman. The Chairman of each committee shall preside at all meetings of such committee and shall discharge the duties of presiding officer. The Vice Chairman of each committee shall have such powers and perform such duties as the members of the committee may from time to time prescribe or as the Chairman may from time to time delegate. At the request of the Chairman, or in the event of the Chairman's absence or inability to act, the Vice Chairman shall serve as acting Chairman. If the Chairman or Vice-Chairman elects not to preside over a meeting or particular matter, a Majority Vote of the committee present shall then elect a temporary chairman who shall be the presiding officer for that particular meeting or particular matter only, as the case may be.

9.4.3 Committee Meetings. A committee may hold regular meetings at a time and place to be determined by the members of such committee. A quorum must be present at any committee meeting for business to take place and motions to pass. A quorum of a committee shall be a majority of the members of such committee. All committees shall act by Majority Vote, unless otherwise prescribed by the Board. Rules governing procedures for meetings of any committee shall be as established by the Board, or in the absence thereof, the rules set forth in these Bylaws shall be followed. All meetings of any committee shall be open to the public.

9.4.4 **Resignation**. A member of any committee may resign at any time by giving written notice to the Chairman of the committee and to the Manager of the Authority. Such resignation shall take effect at the time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

9.4.5 **Vacancies**. Any vacancy occurring on any committee by reason of resignation or otherwise may be filled by action of the Board, unless otherwise provided herein.

9.4.6 **Removal**. At any meeting of the Board duly called and expressly providing for such purpose, any one or more members of any committee may be removed with or without cause by a Super Majority Vote of the Board.

ARTICLE X
FUNDING

10.1 **Funding**. The Authority shall be funded by a dues structure; by fees, rates, and charges for functions, services, or facilities provided by the Authority as determined by the Board from time to time; and by such other funding sources as may be or become available to the Authority.

10.2 **Member Dues**. The Members, including Permanent General Jurisdiction Members, W&S Members, and Other Members shall pay annual dues to the Authority in an amount to be determined annually by the Board. Douglas County, Jefferson County and the Town of Castle Rock shall be the primary funding Members and shall fund the base budget approved for the Authority.

The initial base budget will be $150,000.00, and will be split by the Permanent General Jurisdiction Members based on the land area within the watershed for such jurisdiction as follows:

Jefferson County	16.1%	$24,155.00
Douglas County	41.95%	$62,925.00
Castle Rock	41.95%	$62,925.00

The remaining Members will be charged a membership due set annually by the Board. The initial membership dues for W&S and Other Members shall be $2,000.00 per Member. The Board shall fix the amount of such dues for the ensuing calendar year by no later than July 31 of the then-current calendar year and shall notify all Members thereof. The Members shall have until October 31 of the then-current calendar year to determine to pay annual dues for the following year to the Authority in the amount fixed by the Board, and the Members shall notify the Manager of the Authority of such determination. The Board shall approve a budget for the ensuing calendar year during the months of November or December, but never later than

December 31. The Members shall pay annual dues to the Authority by no later than April 1 of the calendar year for which such dues are required.

10.3 **Fees, Rates, and Charges**. The Board shall fix, maintain, and revise fees, rates, and charges for functions, services, or facilities provided by the Authority, as it deems appropriate from time to time but no more often than annually.

10.4 **Authority to Seek Funds**. To provide for the purposes, powers, and functions of the Authority, the Authority may seek additional funds or funding as may be or become available, including without limitation, moneys from state or federal governments or any political subdivision thereof; grants; legislative appropriations; or legislation authorizing funding of or for the Authority.

10.5 **Bonds**. The Board may authorize issuance of bonds, notes, or other obligations payable solely from the revenues derived from any function, service, system, or facility or the combined functions, services, systems, or facilities of the Authority, or from any other available funds of the Authority, pursuant to the provisions Section 29-1-204.2(7), C.R.S. and applicable law.

ARTICLE XI
PROJECTS

11.1 **Projects**. The Authority may undertake projects to advance the purpose and goals of the Authority. The Board may consider the amount of a Member's financial or in kind contribution to a project as a factor relevant to its prioritization of projects or its determination to undertake a project or both.

11.2 **Process**. The Board shall approve a project, or conditionally approve a project subject to funding, by resolution. The Board may request financial or in kind contributions from its Members for any project; provided, however, that no Member shall be required to make a financial or in kind contribution to the Authority beyond the amount of the Member's annual dues requirement, and any decision to so contribute shall be in the Member's sole discretion. For projects conditionally approved subject to funding, within forty-five (45) days of the Board's conditional approval of the project, Members must determine whether to contribute to such project and notify the Manager of the Authority of the determination.

For projects funded in whole or in part by Member contributions pursuant to this Section 11.2, the Board may approve, and the Authority and all contributing Members shall execute, a project agreement regarding their participation in the project. The project agreement shall obligate only those Members executing the project agreement, and no other Member shall have rights or obligations with regard to the project.

ARTICLE XII
MISCELLANEOUS

12.1 **Amendment**. These Bylaws may be amended or repealed at any regular meeting of the Board or at any special meeting called for that purpose provided that written notice of the proposed amendment or repeal shall have been given at least fourteen (14) days prior to the meeting. Except as provided herein, any such amendment or repeal shall require a Super Majority Vote of the Board at any duly constituted meeting of the Authority.

12.2 **Severability.** The invalidity of any provision of these Bylaws shall not affect the other provisions hereof. In the event any provision of these Bylaws is determined to be invalid, these Bylaws shall be construed in all respects as if such invalid provision were omitted.

12.3 **Headings**. The headings provided throughout these Bylaws are for convenience and reference only and in no way define, limit, or add to the meaning of any provision hereof.

~~**12.3**~~**12.4** **Sole Source Contracting**. The Board may authorize at any regular meeting of the Board or at any special meeting called for that purpose, provided that written notice of the proposed contract shall have been given at least seven (7) days prior to the meeting, contracts for professional services that amount to $60,000 or less or that will last for one year or less without engaging in a competitive bidding process. This provision is not intended to exclude sole source contracting for other contracts as permitted by applicable state law.

I,_____, as Chairman of the Chatfield Watershed Authority, hereby certify that attached hereto are the Bylaws of the Chatfield Watershed Authority, which were duly adopted by the Authority on January 24, 2022, and are of full force and effect as of the date hereof.

Dated: January 24, 2022

_____
Chairman