

# **MISSOURI PARK DITCH COMPANY POLICIES AND PROCEDURES**

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## **INTRODUCTION**

The Missouri Park Ditch Company Officers and Board of Directors (MPDC Board) have developed this Policies and Procedures document under the authority of Article VIII of the Articles of Incorporation and Article 14 of the By-laws. The Policies and Procedures in this document have been developed to provide further guidance to the MPDC Board and Shareholders in implementing the the Articles of Incorporation and By-laws on a day-to-day basis. This document should be considered a “living document” and can be revised as necessary by the MPDC Board based on input from the Shareholders or changes in operational procedures. Please feel free to contact a MPDC Board member with any ideas or suggestions for additions or revisions to the Policies and Procedures document.

# THE SALE AND TRANSFER OF SHARES OF MISSOURI PARK DITCH WATER

## POLICY:

The sale or transfer of Missouri Park Ditch water shares must be reviewed and approved by the MPDC Board prior to transfer. The approval process will include review of any change in the water use location. In the event of sale or transfer, modification, and relocation of diversion boxes and/or laterals shall not commence prior to approval.

## PROCEDURE:

1. Water Shares that are sold and/or transferred to a new owner and are staying within the same diversion box and remaining with the land where they are currently used must have the sale/transfer approved by the MPDC Board.
2. Water shares that are sold and/or transferred within the same diversion box and are being directed to a different piece of land supplied by that diversion box must be reviewed and approved by the MPDC Board. Prior to approval the MPDC Board will review any proposed modification of lateral ditches and lateral boxes to help ensure water can reach the intended shareholders.
3. Water shares that are sold and/or transferred and relocated along the main ditch to a different diversion box must be reviewed and approved by the MPDC Board. Prior to approval all modifications to those existing diversion boxes affected for the decrease or increase of such shares shall be approved by the MPDC Board to ensure design criteria for that decrease or increase in flow are in compliance with the Bylaws. *See diversion box criteria in the Bylaws.* Prior to approval the MPDC Board will also review any proposed modification of lateral ditches and lateral boxes to help ensure that any increase in water can reach the intended shareholders.

Any expenses involved in the redesign of the diversion boxes, lateral boxes and laterals shall be paid for by the parties involved in the relocation of said water shares. None of these expenses are the responsibility of the MPDC.

## **PROCEDURES FOR TRANSFERRING STOCK CERTIFICATES AND REISSUING LOST STOCK CERTIFICATES**

### **POLICY:**

All stock transfers and stock reissuances are done in accordance with the with the Colorado Revised Statutes (C.R.S.) 7-42-114 and 7-42-115.

### **PROCEDURE FOR TRANSFER OF CERTIFICATE:**

1. Transfer of a certificate must be voted on by the MPDC Board. If the point of water delivery and use is relocated/changed, the new certificate owner must prove to the MPDC Board that there is a viable way to deliver the water shares to his/her property. The new certificate owner will also be made aware, by the MPDC Board, that any relocation/change to the delivery system of their water shares is their financial responsibility. This includes reconfiguration changes to lateral boxes, diversion boxes, or property to be irrigated.
2. The current certificate holder signs off on the back of the certificate.
3. The new certificate holder provides both the certificate with the back signed and a copy of the deeds (e.g., Deed of Trust, Quit Claim Deed, General Warranty Deed) evidencing the chain of title from the current certificate holder to the new certificate holder.
4. The old certificate is then voided and kept by the MPDC in the certificate files.
5. The secretary fills out the new certificate and stub in the certificate journal. Both the Secretary and President sign the new certificate. The new information is then entered into the Shareholders Journal and the Shareholders Information spreadsheet.
6. The new certificate is given to the requesting party.

### **PROCEDURE FOR REISSUING LOST CERTIFICATE:**

1. MPDC Secretary confirms lost certificate was issued to the party claiming to have lost it. This includes Certificate #, Date of Issue and number of shares.
2. If all is in order, the claimant will be emailed or mailed an affidavit that will have certificate # and number of shares to be signed and notarized. See attached generic affidavit that complies with the C.R.S.

3. The claimant will return signed and notarized affidavit to MPDC Secretary
4. MPDC Secretary will place a CRS approved Public Notice in the Mountain Mail for 5 consecutive weeks.
5. The claimant is responsible for paying for the Public Notice.
6. If no one responds to the public notice with an adverse claim, MPDC Secretary will then issue a new Stock certificate 30 days after the final public notice ran in the Mountain Mail.
7. With MPDC Board approval, both Secretary and President sign the new certificate. The new certificate is issued to the claimant.
8. The new information is then entered into the Shareholders Journal and the Shareholders Information spreadsheet.

## **REQUESTS FOR WATER CERTIFICATE INFORMATION**

### **POLICY;**

All requests for water certificate information must be approved by the MPDC Board before they are processed.

### **PROCEDURE:**

1. All requests for water certificate information must be submitted to the MPDC President.
2. The MPDC President will present the request to the MPDC Board for approval/disapproval.
3. Upon approval the President will work with the Secretary to collect the requested information and provide it to the requestor.
4. If the research requested is extensive, a fee for the research will be assessed by the Board and provided to the requestor for payment. The requestor will be notified in advance of the potential that a fee may be assessed.

## **STRUCTURES ADJACENT TO OR CROSSING THE MISSOURI PARK DITCH**

### **POLICY:**

Under Colorado Revised Statutes (C.R.S.) 7-42-108 MPDC is obligated to keep its ditch in good condition, to carefully maintain the embankments thereof and to prevent the water from wasting (C.R.S.) 37-84-107. Under Colorado law a ditch owner has an easement as wide as reasonably necessary for the maintenance, operation, and repair of the ditch. The Chaffee County Right to Ranch and Farm ordinance (Article 3 of the Chaffee County Land Use Code) sets the easement at 15 feet from the edge of each side of the ditch/lateral. Article 3.1.1 section G, Irrigators' Right to Maintain Ditches, states that pursuant to Colorado law and County resolution/ordinance, irrigators have the right to maintain irrigation ditches at any time and without notice to the property owner, through easements that transport water for their use and such irrigation ditches are not to be used for the dumping of refuse. The determination of the need for and nature and method of ditch maintenance is solely up to the ditch owner(s), provided the ditch owner(s) is working within the easement and complying with applicable law. Crossing of ditches (including without limitation roads, driveways, bridges, culverts, utilities, fords, and fences) may unduly interfere with or hinder ditch operations and are therefore subject to the reasonable control and prior consent of ditch owner(s).

According to the Chaffee County "Right to Farm and Ranch Ordinance" "Open irrigation waters are essential to agriculture and have legal easements that must not be obstructed." Any encroachments on the Missouri Park Ditch must be approved by the MPDC Board.

### **PROCEDURES:**

Fences, bridges, retaining walls or landscaping near the Ditch can affect ditch maintenance and operation. If items such as these are planned by property owners adjoining the ditch, property owners must contact the Missouri Park Ditch Company so we can assist in developing ideas that meet the adjacent property owners needs while ensuring that access, operations, and maintenance is not encroached upon.

Any proposed encroachments should be submitted by the property owner to the MPDC Board in writing and must be approved by the MPDC Board in writing. Any expenses involved in review, implementation or operation of the requests must be borne by the property owner.



The Missouri Park Ditch expressly reserves the right to disapprove any request made of it. If in the MPDC Board's judgment approval might interfere with the ditch, or the flow of water in the ditch, impede maintenance work, cause additional expense in maintenance or operation, or in any way be averse to the interests of the ditch, approval will be denied.

# INSURANCE FOR THE OPERATION OF THE MISSOURI PARK DITCH COMPANY

## POLICY:

In accordance with Article 8 of the Bylaws it is the responsibility of the MPDC Board to maintain insurance covering:

- ⑩ Liability Insurance for the MPDC Board of Directors,
- ⑩ General Liability Insurance, and
- ⑩ Accidental Death and Accidental Medical Insurance for volunteers working on the ditch.

We currently have three insurance policies for the protection of the Missouri Park Ditch, our officers, contractors, volunteers, and neighbors. These insurance policies represent the minimum levels of insurance coverage acceptable to the MPDC Board. If purchase of new policies is required, they must, at a minimum, have the same level of coverage as those policies listed below. Before the purchase of new insurance, the actual existing policies should be reviewed to ensure any new policy contains equivalent coverage at a minimum.

## CURRENT INSURANCE POLICIES:

*Below are abbreviated summaries of coverage, policies should be consulted for full details.*

### **United Fire & Casualty Company**

Type of Coverage: Commercial Lines Policy (Commercial General Liability)

#### Coverage:

	<u>Deductible</u>	<u>Limit</u>
Internet Security & Privacy	\$500	\$ 25,000
Online Banking Theft	\$250	\$ 25,000
Limits of Insurance: General		
Aggregate Limit		\$2,000,000
Products-completed operations aggregate limit		\$2,000,000
Personal and advertising injury limit		\$1,000,000
Each occurrence limit		\$1,000,000
Damage to premises rented to you limit		\$ 100,000

Medical expense limit \$ 5,000

**Philadelphia Indemnity Insurance Company**

Type of Coverage: Accidental Death and Accident Medical Benefits

Insured All authorized volunteers of Missouri Park Ditch Company

NOTE: This policy pays benefits for specific losses from accidents only. It does not pay benefits for sickness

Plan of Benefits:

Accidental Death	\$25,000
Accidental Dismemberment	up to \$50,000
Accidental Paralysis	\$50,000
Accident Medical Expense Benefit	max \$100,000

**Great American Insurance Group**

Type of Coverage Wrongful Acts

NOTE: Provides coverage for Missouri Park Ditch Company and insured persons, including the MPDC Board, for loss from wrongful acts against them.

Claims for employment practices wrongful acts not covered

Aggregate limit for all claims \$100,000

## OPERATION & MAINTENANCE

### POLICY:

Operation of the Missouri Park Ditch is currently performed by Shareholders or their assigned representatives. Maintenance of the Missouri Park Ditch is currently performed by Shareholders, their assigned representatives, or contractors under the direction of the MPDC Board.

**Operation.** Operation of the Ditch generally includes the following:

- Headgate Startup, Operation and Shutdown by the Headgate Manager (or other trained personnel). *See the Headgate Manager Section of this Policy & Procedures for further information.*
- Operation of the individual Diversion Boxes by the Box Representative and Shareholders on that Diversion Box. Operation of the Diversion Box includes:
  - Ensuring that the Diversion Box is operating properly
  - Increasing or decreasing the allotted Diversion Box flow in coordination with other Box Representatives and the Headgate Manager during activities such as haying and lateral maintenance/repairs*See Article 1, Section 6 of the By-Laws for further information regarding Box Representative responsibilities.*
- Emergency activities including removal of downed trees in the Ditch; blockages at culverts, fence crossings and bridges, and other obstructions that adversely affect ditch flow. These activities are typically coordinated by the Vice President and draw on resources from the Shareholders.

**Maintenance.** Maintenance of the Ditch generally includes:

- Spring Startup. *See the Startup and Volunteer Section of this Policy & Procedures for more information.*
- Capital Improvement Projects. This class of project is typically a contracted improvement project (e.g., ditch grading, headgate improvements and flow monitoring improvements). Capital Improvement projects are typically managed by the Vice President as approved by the MPDC Board.
- Heavy Maintenance Projects. This class of project is also typically contracted and involves vegetation management along the Ditch and access points, minor ditch grading (e.g., removal of isolated aggradation bars) and similar activities. Heavy Maintenance projects

are typically managed by the Vice President as approved by the MPDC Board.

- Routine Maintenance Projects. This class of project is typically coordinated by the Vice President and is accomplished by volunteers drawn from the Shareholders or assigned representatives. Routine maintenance projects include small scale vegetation management projects, disposal/burning accumulated debris, cleanup after Capital Improvement/Heavy Maintenance projects and routine maintenance projects identified during Spring Startup.

It is the policy of the Missouri Park Ditch Company to be good stewards of the land and surrounding community. This effort includes, but is not limited to:

- Working cooperatively with the Water Commissioner, Non-Shareholder property owners adjacent to the Ditch, and public entities,
- Removing/disposing of woody and other debris generated from operation and maintenance of the Ditch to reduce wildland fire potential and preserve the scenic nature of our community, and
- Providing advance notification to Shareholders and Non-shareholders directly and indirectly affected by the proposed work and, as appropriate, providing progress updates as the work is performed and completed

**Volunteers.** As described elsewhere in the By-Laws and these Policies & Procedures, the Missouri Park Ditch Company is a volunteer-based organization. Shareholders can elect to volunteer their time, provide a substitute person as a volunteer, or pay a nominal \$40 per year, per shareholder to support Startup and maintenance activities (*Please see Article 9, Start-Up Assessments, for further information*).

PROCEDURES:

**Spring Startup.** *Please see the Startup and Volunteer Section of this Policies and Procedures for information related to the Spring Startup of the Ditch.*

**Contracted Capital Improvement and Heavy Maintenance Projects.**

Projects of this class are typically identified by the Vice President, Headgate Manager or MPDC Board Member. The work is commonly accomplished by an external contractor for a defined price.

Contract Type. Firm fixed price bids are sought for well-defined work that can be priced with reasonable certainty by the contractor(s). Not to exceed

contracts are typically sought when the work has well defined limits, but the level of effort required is less certain. In all cases, the Scope of Work (SOW) should include:

- Limits of work
- A performance-based description of the work product
- Contract duration
- Lump Sum or Not to Exceed Price and payment requirements

As a rule of thumb, the more complex the project the more robust the contract.

Contract Documents. A SOW is developed including, but not limited to, a written description of the work, limits of the work, simple drawings describing the work and an estimated cost. Once the SOW is developed and approved by the MPDC Board, bid(s) are sought from competent and qualified contractors.

Selection and Award. The MPDC Board review the bid(s) received and vote on award to the selected contractor. Typically, the Vice President acts as the MPDC Project Manager.

Project Execution. The MPDC Project Manager is responsible for overseeing the work performed, coordinating with the contractor, and providing progress updates to the MPDC Board. Invoices received must be approved by the MPDC Board prior to payment.

***Routine Maintenance Projects.*** This type of work is typically accomplished using internal volunteer forces. Once the project purpose and need has been identified and approved by the MPDC Board, the Vice President will send out an e-mail to the shareholders that describes the work, tentative work dates, and other particulars. The e-mail solicits help and inquires as to which of the tentative workdays the volunteers are available. A date is selected, typically based on the preference of the volunteers and the work date is communicated to all Shareholders.

It is important that the Crew Leaders organizing the work provide the volunteers with meaningful work tasks and the number of volunteers is reduced, as appropriate, as work is substantially completed. The intent is to make the work enjoyable for all who participate. It is equally important that the Vice President and Crew Leaders maintain an accurate record of the individuals that participate in maintenance activities. Such that, those who

do not participate can be assessed the Start-Up Assessments described in Article 9.

**Volunteers.** A combination of Article 3, Section 8 and Article 9, Start-Up Assessments of the By-Laws along with the Start-Up & Volunteers Section and this Section of these Policies & Procedures describe the policies and procedures as they relate to volunteer efforts.

**Maintenance Committee.** At the time of this writing, the Vice President is primarily responsible for maintenance activities carried out on the Ditch. In the future, the MPDC Board envisions the establishment of a Maintenance Committee. This Committee would be overseen by a Shareholder and the title of the position would be Maintenance Foreman. The new Maintenance Foreman position would be filled through the nomination and election process described in Article 2 of the By-Laws.

The Maintenance Committee would be comprised of the Maintenance Foreman and such volunteers that wish to join the Committee. The Maintenance Committee would perform Routine Maintenance projects under the supervision of the Vice President and the remainder of the MPDC Board.

## SPRING START UP & VOLUNTEERS

### POLICY:

Preparing the Ditch for the summer irrigation season includes three consecutive phases.

***Preliminary Activities.*** The Preliminary Activities phase includes the following activities. These activities can occur concurrently or in sequence depending on conditions. Ice buildup in the Ditch, residual snowpack and new snow events all play a part in the timing of primary activities.

Ice Melting. Groundwater that seeps into the ditch and leakage from the headgate over the course of the winter season tend to create ice buildup in the upper reaches of the ditch. Shade and colder temperatures in the vicinity of the headgate tend to shelter the ice from melting.

In mid to late March, after the water call places the Ditch in priority status, the headgate is commonly opened to allow 3 to 5 cfs into the Ditch. This small amount of water aids in forming a low flow channel within the Ditch and begins to accelerate melting the ice buildup. Care needs to be exercised to ensure that ice jams do not form and create the potential for water to back up and overtop the Ditch.

Debris Cleanup. Prior to increasing the flow above that needed to help melt the ice buildup, the full length of the Ditch must be walked to ensure there are no major obstruction (i.e., downed trees, large rocks, bank sloughing) that will impede flow or cause major blockages at the Diversion Boxes, bridge and fence crossings or the Blank's Longspan Structure. In addition to identifying/removing major obstructions the walkthrough provides a good opportunity to remove limbs and leaf piles, cut back encroaching vegetation, inspect pipe and box culverts and generally assess the condition of the Ditch and Diversion Boxes.

***Start Up.*** Once the Ditch is ready to receive water, the flow is increased to about 10 cfs. This volume aids in wetting the ditch bottom and establishing a flow that ultimately reaches the lower portion of the Ditch at U.S. 285. This volume also begins to flush the smaller pockets of debris. Diversion Boxes must be checked and cleaned several times a day during this period to prevent clogging and help establish water flow to the lower reaches of the Ditch. Pipe/box culverts and fence/bridge crossing should also be routinely checked during the Start Up phase.



***Increase to Full Flow.*** The Ditch flow is slowly increased from the Start Up flow of about 10 cfs to the normal decreed flow of 40 cfs. This rate of increase is subject to many factors including water call/runoff development, periods of below freezing temperatures and late snow events. Each increase in flow raises the water level in the Ditch and mobilizes more debris. Similar to the Start Up phase, Diversion Boxes must be checked and cleaned several times a day Immediately following an increase in flow and culverts/crossings should be routinely checked.

***Post Start Up.*** Once the Ditch has reached the normal decreed flow of 40 cfs the Ditch tends to stabilize, and debris problems reduce dramatically. However, late snowstorms early in the season and wind events throughout the season can result in increased debris flows and need to be monitored.

#### PROCEDURES:

***Start Up Responsibilities.*** The following provides responsibilities for the Headgate Manager, Segment Leader, and volunteers.

Headgate Manager. The Headgate Manager is typically responsible for operating the headgate and beginning the Ice Melt. *See Headgate Manager Section of the Policies & Procedures.*

Vice President. The Vice President is responsible for coordinating the Debris Cleanup. The Ditch is commonly broken up into Segments. A Segment Leader is assigned to each Segment and each Shareholder is assigned to one of the Segment Leaders.

Segment Leaders and Segments. The Segment Leader is responsible for coordinating the efforts of the Shareholders assigned to that Segment, recording who participated and generally leading the Debris Cleanup effort. The Debris Cleanup effort includes inspecting the entire segment, cleaning up minor debris and trimming back encroaching vegetation. Debris problems such as large down trees, extensively encroaching vegetation or other major problems should be reported to the Vice President as soon as possible so a specialized team with the proper equipment can resolve the problem.

The Headgate Manager will begin the process of increasing the flow after all Segment Leaders have reported to the Vice President that their Segment is ready to receive water.

The limits of each Segment are as follows:

Segment 1, Headgate to CR 220

Segment 2, CR 220 to US 50

Segment 3, US 50 to CR 140

Segment 4, CR 140 to CR 250

Segment 5, CR 250 to Box 9

Segment 6, Box 9 to Box 11

Segment 7, Box 11 to Box 13

Segment 8, Box 13 to Box 15

Volunteers. Officers, Board Members and Box Representatives commonly make up the pool of individuals (volunteers) that are assigned Segment Leaders. The Vice President and President typically develop the list of Shareholders assigned to each Segment Leader. While it is beneficial to assign Shareholders to a Segment that is in the vicinity of their Diversion Box, it is also beneficial to develop Shareholder assignments that provide opportunities to see parts of the Ditch that the Shareholder may not be familiar with and/or meet other Shareholders that they are not acquainted with.

## HEADGATE MANAGER

### POLICY:

It is the responsibility of the Headgate Manger to:

- ⑩ ensure the effective and efficient operation of the headgate that maximizes the flow of water in the ditch during the irrigation season,
- ⑩ ensure that any maintenance required is reported to the MPDC Board,
- ⑩ maintain a record of the flow of water through the headgate during the irrigation season, and
- ⑩ serve as the MPDC liaison with the District 11 Water Commissioner.

### PROCEDURES:

#### ***Start Up***

1. In mid-March begin monitoring the ice in the ditch from the headgate down to County Road 220.
2. Ensure the Sutron is set up, float is in place, battery is charged/charging, and is ready to begin recording water flow down through the headgate.
3. Once the Vice-President notifies the Headgate Manager that spring ditch cleanup is complete begin opening the headgate to allow water to flow down the ditch. If ice is still present only put sufficient water in the ditch to begin melting the ice and create an open channel.
4. Notify the Water Commissioner that the headgates have been opened and water has been put in the ditch.
5. Notify the Box Representatives that the headgates have been opened and water has been put in the ditch.
6. The flow should be increased incrementally starting at around 5 cfs and increased over several days up to the amount allowed by the current water call South Arkansas River and in coordination with the Water Commissioner. The incremental increase in flow will allow debris that accumulates at each change in flow to be incrementally removed from the boxes and at pinch points and prevent the ditch from overflowing.
7. At each increase in flow notify the Water Commissioner and Box Representatives.
8. As appropriate the Shareholders should notified of the ditch startup and increases/decreases in flow through the headgate.
9. The Headgate Manager is authorized the to develop a team of trained people that can assist him in managing the headgate throughout the irrigation season.

### ***Operation***

1. Monitor the water call on the river and seek to maximize the water passing through the headgate based on the water call, and in coordination with the Water Commissioner.
2. When the flow through the headgate reaches approximately 20 cfs the Headgate Manager will calibrate the Sutron based on the level of water on the staff gauge in the stilling well. The staff gauge on the flume does not provide an accurate measurement of flow in the ditch.
3. Ensure that during the period from startup through at least the end of runoff the headgate is checked every day to monitor the flow and any potential blockage of the headgate is cleared.
4. The Headgate Manager will adjust the flow through the headgate whenever directed by the Water Commissioner.
5. The Water Commissioner and Box Representatives should be notified whenever the flow of water through the headgate is altered.
6. As appropriate the Shareholders should be notified of increases and decreases in flow through the headgate.

### ***Shutdown***

1. Identify the date for shutdown of the headgate, based on current weather forecasts, Shareholder demand, and in coordination with the Box Representatives.
2. Notify the Water Commissioner and Shareholders of the proposed date for shutdown.
3. Shut down the headgate.
4. As appropriate download the current water year flow data from the Sutron data recorder.
5. Winterize the Sutron recorder, including pulling the battery, lifting the float out of the water, draining the stilling well, etc.
6. Report to the the MPDC Board the flow data for the irrigation season.
7. Prepare the data for presentation to the Shareholders at the Annual Meeting.