

KREMMLING SANITATION DISTRICT

Policy on Governance

Adopted: March 9, 2026

1. Purpose. This Governance Policy (the “Policy”) establishes the respective roles, responsibilities, and authority of the Board of Directors (the “Board”) and the District Manager of the Kremmling Sanitation District (“District”) in accordance with generally accepted principles of Policy Governance. This Policy is intended to ensure lawful, ethical, transparent, and effective governance while clearly separating governance from management.
2. Authority. This Policy is adopted pursuant to, and shall be interpreted consistently with the:
 - a. Colorado Special District Act, C.R.S. §§ 32-1-101 *et seq.*
 - b. Colorado Local Government Budget Law, C.R.S. §§ 29-1-101 *et seq.*
 - c. Colorado Open Records Act (“CORA”), C.R.S. §§ 24-72-201 *et seq.*
 - d. Ethics, conflicts of interest, and disclosures, C.R.S. §§ 24-18-101 *et seq.* and C.R.S. § 32-1-902
 - e. Elections and director qualifications, C.R.S. §§ 1-1-101 *et seq.* and C.R.S. § 32-1-801 *et seq.*
3. Role and Authority of The Board of Directors. The Board derives its authority from C.R.S. § 32-1-1001, which vests the board of directors with all powers necessary to manage and conduct the business and affairs of the district.

Acting collectively, the Board shall:

- a. Adopt Policy and Strategy.
 - i. Establish governance, financial, and operational policies.
 - ii. Set the District’s mission, long-range goals, and strategic priorities.
- b. Fiscal Oversight.
 - i. Adopt the annual budget and appropriations.
 - ii. Certify mill levies and fix rates and fees.

Kremmling Sanitation District
Policy on Governance

- iii. Ensure independent audits and financial reporting as required by law.
- c. Employment of the District Manager. Employ, evaluate, and compensate the District Manager.
- d. Employment of the Superintendent. Employ, evaluate, and compensate the Superintendent.

The Board shall not:

- e. Direct or supervise District employees other than the District Manager and Superintendent.
 - f. Engage in day-to-day operational decision-making.
 - g. Exercise individual authority outside of a duly noticed public meeting.
 - h. Take action inconsistent with adopted budgetary appropriations.
4. Role and Responsibility of the District Manager. The District Manager shall be the District's chief executive and administrative officer and shall administer the daily business and affairs of the District. The District Manager is an employee of the Board, pursuant to C.R.S. § 32-1-1001(1)(i).

Within the scope of Board policy and law, the District Manager shall:

- a. Monitor and evaluate the revenues and expenditures of the District and notify the Board when expenditures exceed revenues.
- b. Keep or cause to have kept accurate and timely books, papers, records, and accounts of the District's activities, finances, and operations.
- c. Execute contracts and approve expenditures within limits established by the Board.
- d. Prepare and recommend the annual budget and capital plans.
- e. Evaluate, discipline, and compensate, within budgetary constraints, District employees.
- f. Prepare bid specifications and obtain bids from contractors pursuant to the District's Procurement Policy.

Kremmling Sanitation District
Policy on Governance

- g. Ensure compliance with all laws, regulations, and policies lawfully enacted.
 - h. Act in the name of and on behalf of the District in all correspondence, meetings, and communications with the public and other governmental agencies.
 - i. Represent the District before all courts of law, regulatory panels, and other governmental agencies.
5. Role and Responsibility of the Superintendent. The Superintendent shall be the District's chief of operations and shall oversee the operation of all District facilities and services. The Superintendent is an employee of the Board, pursuant to C.R.S. § 32-1-1001(1)(i).

Within the scope of Board policy and law, the Superintendent shall:

- a. Administer all District operations and services.
 - b. Oversee the operation, maintenance, repair, and replacement of all District facilities and the implementation of all District programs and services.
 - c. Administer and oversee contracts between the District and any contractors and ensure that contracted services are performed in a satisfactory manner.
 - d. Ensure the sound operation of the District's facilities and programs
 - e. Supervise, hire, and train District employees.
6. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement of any law of the State of Colorado.
7. Amendment. The Board may amend this Policy from time to time, only in writing following a duly called meeting.