

FLORENCE FIRE PROTECTION DISTRICT

BOARD BYLAWS

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CHAPTER 1 INTRODUCTION

Welcome to the Board of Directors (the "Board") of the Florence Fire Protection District (the "District").

The District Board is committed to providing comprehensive and cost-effective fire suppression, fire prevention, emergency rescue, emergency medical, emergency transport (ambulance) and hazardous materials services (collectively, "Emergency Services") directly, or through a third-party provider, to the communities and citizens within the District, and individuals passing through the District. The quality of life is enhanced through Emergency Services, public education, fire prevention, and community involvement.

As provided herein, the Board is expressly authorized to adopt, amend, and enforce bylaws, rules, and regulations not in conflict with the constitution and laws of the State of Colorado for carrying on the business, objects, and affairs of the Board and the District. C.R.S. § 32-1-1001(1)(m). The Board declares that these Bylaws is necessary for carrying on the business, objects, and affairs of the Board and the District, and will serve a public purpose. These Bylaws, and all provisions therein, supersede and replace all versions of any bylaws, rules, or regulations governing the same matter previously adopted by the Board.

These Bylaws shall be liberally construed to carry out the general purposes of the District. No omission or inclusion of material in these Bylaws shall be interpreted as a waiver from any grant of power, duty, or responsibility, or limitation or restriction, or any protection or benefit, imposed or conferred upon the Board or the District by virtue of Colorado Special District Act, C.R.S. § 32-1-101, *et seq.* ("Special District Act") or any other applicable federal, state, or local law, rule, regulation, or ordinance (collectively, "Applicable Law").

CHAPTER 2
BOARD POWER AND AUTHORITY

A. Statutory Power and Authority

The Fire District is governed by a five-member Board of Directors and is administered by a Fire Chief.

The Colorado Special District Act, C.R.S. §32-1-101, *et seq.* (the "Special District Act"), sets forth the specific power and authority of the Board. For and on behalf of the District, the Board, through a majority vote, has the following authority and powers:

- (1) To have perpetual existence;
- (2) To have and use a corporate seal;
- (3) To sue and be sued and to be a party to suits, actions, and proceedings;
- (4) (a) To enter into contracts and agreements affecting the affairs of the District, including contracts with the United States and any of its agencies or instrumentalities. Except in cases in which the District will receive aid from a governmental agency or purchase through the State purchasing program, a notice shall be published for bids on all construction contracts for work or materials, or both, involving an expense of \$60,000 or more of public moneys. The Board may reject any and all bids, and if it appears that the District can perform the work or secure material directly or from another source for less than the lowest bid, the Board may proceed to do so;
- (b) No contract for work or material, including a contract for services, regardless of the amount, shall be entered into between the District and a member of the Board of Directors or between the District and the owner of 25% or more of the territory within the District unless a notice has been published for bids and such member or owner submits the lowest responsible and responsive bid;
- (5) To borrow money and incur indebtedness and evidence the same by certificates, notes, or debentures, and to issue bonds, including revenue bonds, and to invest any moneys of the District in accordance with Part 6 of Article 75 of Title 24, C.R.S.;
- (6) To acquire, dispose of, and encumber real and personal property including, without limitation, rights and interests in property, leases, and easements necessary to the functions or the operation of the District; except that the Board shall not pay more than fair market value and reasonable settlement costs for any interest in real property and shall not pay for any interest in real property that must otherwise be dedicated for public use or the District's use in accordance with any governmental ordinance, regulation, or law;
- (7) To refund any bonded indebtedness as provided in Article 54 or 56 of Title 11, C.R.S.;

(8) To manage, control and supervise all of the business and affairs of the District, as defined in the Special District Act, including all construction, installation, operation, and maintenance of District improvements;

(9) To appoint, hire, and retain agents, employees, engineers, and attorneys;

(10) To furnish services and facilities without the District's boundaries, and to establish fees, rates, tolls, penalties, or charges for such services and facilities;

(11) To accept, on behalf of the District, real or personal property for the District's use and to accept gifts and conveyances made to the District upon such terms and conditions as the Board may approve;

(12) To adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and laws of the State of Colorado for carrying out the business, objects, and affairs of the Board and the District;

(13) To acquire, dispose of, or encumber fire stations, fire protection and firefighting equipment, and any interest therein, including leases and easements;

(14) To have and exercise the power of eminent domain and dominant eminent domain and, in the manner provided by Article 1 of Title 38, C.R.S., to take any property necessary to the exercise of the powers granted, both within and without the District;

(15) To undertake and operate as a part of the duties of the District an ambulance service, an emergency medical service, a rescue unit, including contracting or combining with other entities to provide such services as allowed by law;

(16) To adopt and enforce fire codes, as the Board deems necessary, but no such code shall apply within any municipality or the unincorporated portion of any county unless the governing body of the municipality or county, as the case may be, adopts a resolution stating that such code or specific portions thereof shall be applicable within the District's boundaries;

(17) To fix and from time to time increase or decrease fees and charges as follows, and the Board may pledge such revenue for the payment of any indebtedness of the District:

a) Ambulance or emergency medical services; and extrication, rescue, or safety services provided in furtherance of ambulance or emergency medical services. "Extrication, rescue or safety services" includes, but is not limited to any:

i) Services provided prior to the arrival of the ambulance;

ii) Rescue or extrication of trapped or injured parties; and

iii) Lane safety or blocking provided by District equipment

b) Requested or mandated inspections, including plan reviews;

- c) Hazardous incident responses; and,
- d) Emergency Services provided outside the jurisdiction of the District to the extent allowed by law.

(18) To receive and spend an impact fee or other similar development charge imposed in accordance with Colorado state law;

(19) To receive and spend sales tax upon approval by the voters, pursuant to 32-1-1107, C.R.S.

(20) In areas of the District where a county or municipality has rejected the adoption of a fire code submitted by the District, to compel the owners of premises, whenever necessary for the protection of public safety, to install fire escapes, fire installations, fire proofing, automatic or other fire alarm apparatus, fire extinguishing equipment or other safety devices to the extent allowed by law;

(21) To create and maintain one or more paid firefighters' pension fund(s), under the provisions of Parts 2 and 4 of Article 30.5 of Title 31, C.R.S., subject to the provisions of Article 31 of Title 31, and one or more volunteer firefighter pension fund(s) under Part 11 of Article 30 of Title 31, C.R.S.; and,

(22) To authorize the use of electronic records or signatures and adopt rules, standards, policies, and procedures for use of electronic records or signatures pursuant to article 71.3 of title 24, C.R.S.; and,

(23) To have and exercise all rights and powers necessary or incidental or implied from the specific powers granted to the District by the Special District Act. Such specific powers should not be considered as a limitation on any power necessary or appropriate to carry out the purposes and intent of the Special District Act.

B. No Authority for Individual Board Members

The Board can only act through a majority vote of the Board members. Individual Board members have no power or authority to take any action or make any statement on behalf of the Board or the District. Individual Board members do not have the power or authority to direct District employees to take any action. Individual Board members shall not give directions to the Fire Chief or other District employees, except as specifically authorized by a majority vote of the Board members. In order to foster an effective and efficient line of communication between Chief Staff and the Board, communications between the Board, or individual Board members, and Chief Staff shall be directed to the Fire Chief, unless otherwise determined by a majority vote of the Board members.

Nothing in these Bylaws or any other District rule, policy or procedure is intended to, and shall not be construed as, prohibiting an individual Board member from exercising his/her First Amendment right to state his/her personal opinion on any matter of public concern, as long as the individual Board member does so in a manner that ensures the recipients of the individual Board

member's opinions understand that the Board member is expressing his/her personal opinion and is not authorized to express, and is not expressing, the opinion or position of the Board.

**CHAPTER 3
BOARD MEMBERSHIP**

A. Qualifications – Definition of "Eligible Elector"

To qualify as a Director of the District, an individual must be an eligible "elector" of the District as defined by C.R.S. 32-1-103(5). To be an eligible "elector" of the District, an individual must be a registered voter of Colorado and be:

- (1) A resident of the District; or
- (2) The owner, or the spouse or civil union partner of the owner, of taxable real or personal property located in the District; or
- (3) A person obligated to pay taxes under a contract to purchase taxable property located in the District.

Director qualifications must be met at the time of signing the self-nomination affidavit (or at the time of appointment by the Board, if filling a vacancy), and must be maintained through a Director's term of office in order to remain qualified to serve as a Director. A Director cannot receive compensation as an employee of the District.

B. Director Oaths and Bonds

Each Director must take an oath of faithful performance within 30 days of being elected. The oath must be administered by a qualified official, including any officer of the Board or any individual designated by the Board, a notary public, the county clerk and recorder, or other individuals authorized by law to administer Oaths in Colorado and filed with the Clerk of the Fremont County District Court, the Clerk and Recorder for Fremont County, the county wherein the Director was elected or appointed, and the Division of Local Government ("DOLA").

Each Director also must file a personal surety bond of not less than \$1,000, with the Clerk of the Fremont County District Court. If the Director also serves as the Board Treasurer, a corporate fidelity bond of at least \$5,000 must also be filed with the Fremont County District Court. The District may purchase crime insurance in lieu of the personal surety bonds. The District pays for the bonds or crime insurance and handles the necessary filings on behalf of the Directors and Treasurer.

C. Director Vacancies

A Director position is deemed automatically vacant if any of the following occurs:

- (1) Failure to meet the qualifications of Director;
- (2) Failure to satisfy the oath and bond requirements;
- (3) Written resignation;
- (4) Failure to remain qualified for the office;

- (5) Conviction of a felony;
- (6) Removal from office or voidance of election by court (subject to appeal);
- (7) Failure to attend three consecutive regular Board meetings, unless approval of the absence is entered in the minutes, or the absence is excused by mental or physical disability or illness; or
- (8) Death.

The remaining Directors must appoint a qualified individual to fill the vacancy within 60 days. If the vacancy is not filled within 60 days, the Board of County Commissioners of Fremont County may make the appointment. An individual appointed to fill a vacancy serves as the Director until the next regular Board election (see Chapter 6(A)), at which time the vacancy is filled by election. All appointments must be entered in the minutes of the meeting, and the Board will deliver a notice of appointment to the person appointed.

D. Term Limits

The Colorado Constitution prohibits a Director from serving more than two consecutive terms of office. Term limits apply only to elected four-year terms, not to interim terms that arise by appointment to fill a vacancy or to elected two-year terms created due to a vacancy. The Colorado Constitution allows the voters to remove Director term limits. The voters of the District approved the removal of Director term limits at its November 5, 2002 election.

E. Mandatory Filings and Notices

Directors are responsible for assuring the District delivers certain mandatory filings and notices and takes certain actions. The following schedule provides the primary actions:

ACTION	OFFICE	DEADLINE
A current, accurate map of the District boundaries. <i>§32-1-306, C.R.S.</i>	DOLA, County Assessor, County Clerk and Recorder	January 1.
Notice to Electors (Transparency Notice) <i>§§ 32-1-104(2) and 809</i>	<ol style="list-style-type: none"> 1) Board of County Commissioners, the County Assessor, the County Treasurer, and the County Clerk and Recorder of each county in which the District is located; 2) Governing body of all municipalities in which the District is located; 3) DOLA; 4) District's website (with a link on DOLA's website to the 	January 15.

ACTION	OFFICE	DEADLINE
	District's website) or on the website of the SDA; & 5) Copy available at District's principal business office for public inspection.	
Resolution designating the District's agenda notice posting location. <i>§24-6-402(2)(c), C.R.S.</i>	None	First Board meeting each year.
Post notices of all regular and special meetings of a quorum of the Board <i>§32-1-903(2) and 24-6-402(2)(c)(III), C.R.S.</i>	District website (must also designate one physical public posting location within the District if cannot post on website)	24-hours prior to meetings throughout the year. It is recommended that Notices of Regular Meetings be posted once at the beginning of each year.
Certified copy of adopted budget, Budget Message, and all Resolutions adopting the Budget. <i>§29-1-113(1), C.R.S.</i>	DOLA	No later than <u>January 31</u> (enact Resolution adopting budget by December 15, if certifying mill levy, or December 31, if not levying property taxes).
Report of outstanding non-rated public securities as of the end of the fiscal year. <i>§11-58-105, C.R.S.</i>	DOLA	Within 60 days after the end of the prior fiscal year (usually March 1).
Application for audit exemption (if applicable). <i>§29-1-604, C.R.S.</i>	State Auditor	March 31.
Audit report. <i>§29-1-606, C.R.S.</i>	State Auditor	30 days after report is received, but not later than July 31.
Certificate of Election results. <i>§1-11-103, C.R.S.</i>	DOLA. File with Division of Securities and Board of County Commissioners if debt authorization election	Within 30 days after election day.

ACTION	OFFICE	DEADLINE
Annual Report. §32-1-207(3)(c), C.R.S.	Board of County Commissioners, any municipality in which District is located, Division of Local Government, State Auditor, and County Clerk Government, State Auditor, and County Clerk	Upon request of Board of County Commissioners or Municipality.
Certification of mill levy. §39-5-128(1), C.R.S.	Board of County Commissioners	December 15.
Resolution Appropriating Sums of Money. §29-1-108(2), C.R.S.	None required, but recommend filing with DOLA	Adopt prior to Certification of mill levies (December 15), or prior to December 31 if not levying property taxes.

F. Fiduciary Obligations

By statute and under common law, each Director serves as a fiduciary to the District, as defined below:

The holding of public office or employment is a public trust, created by the confidence the electorate reposes in the integrity of public officers, members of the general assembly, local government officials, and employees. A public officer, member of the general assembly, local government official, or employee shall carry out his duties for the benefit of the people of the state.

* * *

A public officer, member of the general assembly, local government official, or employee whose conduct departs from his fiduciary duty is liable to the people of the state as a trustee of property and shall suffer such other liabilities as a private fiduciary would suffer for abuse of his trust.

C.R.S. §24-18-103(1) and (2).

This fiduciary obligation does not extend to each individual District resident, but rather to the District itself. As a fiduciary, a Director has the duty to exercise the utmost good faith, business sense and good judgment on behalf of the District. Each Director must place the interests of the District above his or her self-interests. A Director is prohibited from taking personal advantage of a situation to benefit him or her or to prejudice the District.

G. Compensation

The Board has decided that District Directors do not receive compensation. Colorado law permits the District to resolve to provide compensation for directors up to \$100 per meeting, with an annual cap of \$2,400. Reimbursement of a Director's actual expenses is not considered compensation. Actual expenses may include mileage and out-of-pocket expenses incurred in service as a Director.

H. Gifts or Donations

1. To the District

The District may receive gifts or donations of money, property, or services made by individuals, governmental agencies, or for-profit or non-profit companies for exclusively public purposes. Pursuant to Section 170(c) of the Internal Revenue Code, such gifts and donations are tax deductible if freely and voluntarily given without promise, expectation, or receipt of consideration of other benefit from the District. Upon the District's acceptance of a gift or donation, the District will thank the donor and provide them with a charitable receipt donation letter for the donor's records, acknowledging and documenting the gift or donation. Donors are responsible for discussing all tax matters related to the gift or donation with their personal accounting and tax professionals, including all matters related to tax deductions.

2. From the District

The Colorado Constitution prohibits the District from making a donation or grant to or in aid of an entity except upon the determination of the Board that the donation or grant satisfies a valid public purpose related to the District's mission and service delivery. The District may support charitable or non-profit community events; however, such contributions must be reasonably tied, directly or indirectly, to the purposes for which the District was organized.

3. To Directors

The Colorado Sunshine Act, (C.R.S. § 24-6-101, *et seq.*) requires holders of "public office" to disclose certain gifts, honoraria, and other benefits they receive in connection with their public service.

A Director subject to the statute who, in connection with his/her public service, receives any gift, honorarium or other benefit listed in the statute must file a quarterly report for any quarter in which he/she receives such gift, honorarium or other benefit. Each report must disclose the gifts received since the last quarterly disclosure period. The reports must be filed with the Colorado Secretary of State and are due on January 15, April 15, July 15, and October 15 of each year.

The following items, gifts, honorarium or other benefits must be disclosed:

- (a) Any money, including but not limited to a loan, pledge, or advance of money or a guarantee of a loan of money, with a value of fifty-three dollars or more;

- (b) Any gift of any item of real or personal property, other than money, with a value of fifty-three dollars or more;
- (c) Any loan of any item of real or personal property, other than money, if the value of the loan is fifty-three dollars or more. For such purpose, the "value of the loan" means the cost saved or avoided by the Director by not borrowing, leasing, or purchasing comparable property from a source available to the general public.
- (d) Any payment for a speech, appearance, or publication;
- (e) Tickets to sporting, recreational, education, or cultural events with a value of fifty-three dollars or more for any single event, or a series of tickets to sporting events of a specific team scheduled during a season with a total value of one hundred dollars or more, or a series of tickets to cultural events of a specific performing company or organization with a total value of one hundred dollars or more;
- (f) Payment or reimbursement for actual and necessary expenditures for travel and lodging for attendance at a convention or other meeting at which the Director is scheduled to participate, unless the payment of or reimbursement for such expenditures is made from public funds, from the funds of an organization declared to be a joint government agency by section 2-3-311, C.R.S. [*i.e.*, the council of state governments, the National Conference of State Legislators, the energy council, and the American Legislative Exchange Council], or from the funds of any association of public officials or public entities whose membership includes the Director's office or the governmental entity in which such office is held;
- (g) Any gift of a meal to a fund-raising event of a political party.

The statute also lists certain items the receipt of which does not require filing a disclosure report:

- (a) A contribution or contribution in kind that has already been reported pursuant to the Fair Campaign Practices Act;
- (b) Any item of perishable or nonpermanent value, including but not limited to meals, unless such item is required to be reported under section (e) or (g) above;
- (c) A non-pecuniary award publicly presented by an organization in recognition of public service;
- (d) Payment of or reimbursement for actual and necessary expenditures for travel and lodging for attendance at a convention or other meeting at which the Director is scheduled to participate, if the payment of or reimbursement for such expenditures is made from public funds, from the funds of an organization declared to be a joint governmental agency, or from the funds of an association

of public officials or public entities whose membership includes the incumbent's or elected candidate's office or the governmental entity in which such office is held;

- (e) Payment of salary from employment, including other government employment, in addition to that earned from being a member of the general assembly or by reason of service in other public office.

The individual providing the gift, honoraria or other benefit must provide the recipient with a written statement of the item's dollar value; this value must be included in the disclosure report.

A Director need not file a disclosure report for any reporting period in which the Director does not receive a gift, honoraria, or other benefit. Any Director who willfully fails to file a report (when required), or who willfully files an incomplete or false report, upon conviction, may be fined between \$1,000 and \$5,000.

I. Bylaws, Rules & Regulations, and Policies

The Board may, but is not required to, adopt bylaws to govern certain aspects of Board membership. The Board has adopted these Board Bylaws.

The Board is authorized to adopt, and has adopted, Rules and Regulations that set forth the Board's policies with respect to the administration, operation, and management of the District.

J. Director Recall

Any Director who has held office for at least six (6) months during his or her current term may be recalled from office by the District's eligible electors following procedures set forth in Part 9 of Title 32. A petition signed by the lesser of 300 eligible electors or 40% of the eligible electors demanding the recall of the Director must be filed in the Fremont County District Court which will appoint a Designated Election Official to oversee the rest of the recall process and the associated election.

CHAPTER 4 BOARD MEETINGS

A. Calling the Meeting

1. Designation of Time and Place

The Board must pass a resolution at the first regular meeting of each year designating the time and place for all regular Board meetings for the year, and designating a public place within the District where notice of the meetings will be posted if notice cannot be accomplished on the District's website.

The Board is authorized to conduct its public meetings either: (a) at a physical location; (b) at a physical location with remote/electronic attendance availability; or (c) electronically. User access information for any Board meeting conducted remotely/electronically should be included on the Board meeting notice and agenda.

2. Notice of Meetings

Written notice of regular and special meetings (including study/work sessions) shall be posted either in the physical location within the District previously identified by the Board, or the online location previously identified by the Board. If the District posts its meeting notices online, then it need not also post meeting notices in the designated physical location, except in exigent or emergency circumstances that prevent the District from posting, or the public from accessing, the notice online. All notices of regular or special meetings (including study/work sessions) must be posted at least twenty-four (24) hours before the public meeting and must include specific agenda information if available.

Additionally, if the District posts its meeting notices online it must comply with the following requirements:

- (a) The notice must be accessible at no charge to the public;
- (b) The District must, to the extent feasible, make the notices searchable by type of meeting, date of meeting, time of meeting, agenda contents, and any other category deemed appropriate by the District, and shall consider linking the notices to any appropriate social media account(s) of the District; and
- (c) The address of the website where notices are posted must be provided to the DOLA.

If the Board intends to make a final determination on any of the following issues at a regular or special meeting, the notice shall specifically state that fact in the notice:

- i. issue or refund general obligation indebtedness;
- ii. consolidation of the District;

- iii. dissolution of the District;
- iv. filing a plan for adjustment of debt under federal bankruptcy law;
- v. entering into a private contract with a Director; or
- vi. not making a scheduled bond payment.

Any Director may call a special meeting of the Board by informing the other Directors of the date, time and place of the special meeting, and the purpose for which it is called, and by posting notice of the special meeting in accordance with this section. A study/work session shall constitute a special meeting at which no Board action shall be taken unless specifically stated on the notice for the special meeting.

3. Meetings and Study/Work Sessions Are Open to the Public

Except for executive sessions, all regular and special meetings, and all study/work sessions, shall be open to the public. Historically, the Colorado Sunshine Act was not believed to apply to chance meetings or social gatherings at which discussion of public business was not the central purpose; however, recent court decisions have called this traditional thinking into question, and the District's legal counsel recommends that any time three or more Board members may meet—even while attending another Board's meeting—it should be considered a public meeting and be properly noticed. The Colorado Sunshine Act requirements also apply to Board study/work sessions. They do not apply to staff meetings where a quorum of the Board is not present. Email communications between three or more directors also constitute a meeting and must satisfy the open meeting requirements of the Colorado Sunshine Act. Accordingly, the District's legal counsel advises against any group emails regarding District or Board business. In 2021 a bill was passed that would allow Board members to exchange emails that do not relate to the merits or substance of public business, including: emails regarding scheduling and availability of Board members; forwarding information to Board members; responding to an inquiry from an individual who is not a member of the public body, and that such emails shall not be considered a "meeting."

All meetings of the Board—whether characterized as study/work sessions, special meetings or otherwise—shall be open to the public, including reporters, attorneys and any other representatives.

4. Requested Notice

The District must keep a list of all individuals requesting notice of meetings and provide reasonable advance notice to those individuals. Once an individual has requested individualized notice, the District must include the individual on the list for two years. What constitutes "reasonable" notice is left to the District's discretion. Inadvertent failure to provide notice to a listed person will not invalidate the meeting or actions taken at the meeting.

5. Emergency Meetings

An emergency meeting may be called in the event of an emergency that requires the immediate action of the Board in order for the District to carry out its statutory duties and provide Emergency

Services to the citizens and property within its jurisdiction. At such emergency meeting, the Board, by affirmative majority vote, may take any action within the express and implied powers of the Board to carry out its statutory duties and necessary to provide the Emergency Services to the citizens and property within the District's jurisdiction; provided however, any action taken at an emergency meeting shall be effective only until the first to occur of: (a) the next regular meeting or (b) the next special meeting of the Board, at which the emergency issue is on the public notice of the meeting. At such subsequent meeting the Board may ratify any emergency action taken. If any emergency action taken is not ratified, then it shall be deemed rescinded.

B. Conduct of Meetings

1. Quorum

All official business of the Board must be transacted at a regular or special meeting at which at least a quorum of three Directors are present, except as otherwise provided in these Bylaws. For this Board 3 members constitutes a quorum.

2. Rules Governing Meetings and Study/Work Sessions

To the extent practicable, the Board follows the latest edition of *Roberts' Rules of Order* as a procedural guide for conducting meetings, with the following amendments:

- i. The reading of the text of minutes, financial statements, or proposed Resolutions into the record is not required;
- ii. The Chairperson may make a Motion and may vote on any Motion; and
- iii. In the absence of the President at a meeting, the following officers shall serve as the Chairperson in descending order:
 - a. Vice-President;
 - b. Secretary.

3. Voting

All Board actions require the affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the affairs of the District and the health and safety of District residents so dictate, reasonable efforts must be made to locate and notify all Directors, at which time those Directors available may undertake whatever action is considered necessary and may instruct District members to carry out said actions. A majority of the Board members must consider the emergency actions taken as soon as practicable and determine whether the actions will be ratified by a majority of the District Board. Voting by proxy is prohibited.

4. Virtual Participation

A Director is permitted to participate in a Board meeting by virtual conference, as long as the Director can be heard by all other Directors and the public attending the meeting, and they can hear the Director, via telephone connection maintained during the entire proceeding.

5. Order of Business

The business of all regular meetings of the Board shall generally include the following items, however, the specific order of the meeting may change due to the needs of the Board, and items may be removed or included as may be determined by the Board in its discretion from time to time:

1. Call to Order
2. Roll Call/Announcement of Quorum
3. Approval of Agenda
4. Approval of Minutes
5. Public Comments/Guest Speakers
6. Secretary's Report
7. Treasurer's Report
8. Chief's Report
9. Old Business
10. Attorney's Report
11. Executive Session (if needed)
12. New Business
13. Announcements
14. Adjournment

The agenda for a special meeting or a study/work session shall be as set forth in the notice of the special meeting or study/work session, or if an agenda is not set forth in the notice, then as determined by the Board at the beginning of the special meeting or study/work session.

6. Notice to Directors

All Directors must be notified of any special meeting or study/work session.

C. Attendance

Directors must attend Board meetings.

A Director who fails to attend three consecutive regular meetings is automatically disqualified to serve as a Director, unless approval of absence is entered in the minutes, or the absence is excused by mental or physical disability or illness. Director absences must be identified in the official meeting minutes and must state whether the absence was excused.

D. Minutes

The Secretary of the Board, or his/her Designee, must keep accurate minutes of all Board meetings. Copies of the minutes must be kept in a suitable binder, or in a visual text format that may be transmitted electronically and must be open to public inspection upon request.

E. Executive Sessions

An executive or "closed" session of the Board may only be called at a regular or special meeting of the Board, not at a study/work session, by an affirmative vote of *two-thirds* of the quorum present. The public is not permitted in an executive session. In order to maintain the confidentiality of the executive session, only those individuals necessary for the topic(s) being discussed during the executive session should be permitted to attend the executive session.

Executive sessions should be noted on the agenda for all meetings whenever possible. Before going into an executive session, the Board must announce, and the minutes reflect, the specific citation(s) to the portion(s) of the Open Meetings Law (C.R.S. § 24-6-402) that allows the Board to meet in an executive session:

- (1) C.R.S. § 24-6-402(4)(a), "Discuss the purchase, acquisition, lease, transfer or sale of any property interest";
- (2) C.R.S. § 24-6-402(4)(b), "Receive advice of Legal Counsel (specific legal question)";
- (3) C.R.S. § 24-6-402(4)(c), "Discuss a matter required to be kept confidential by following State or Federal law, rule or regulation: (must cite specific statute or rule)";
- (4) C.R.S. § 24-6-402(4)(d), "Discuss specialized details of security arrangements or investigations";
- (5) C.R.S. § 24-6-402(4)(e), "Determine the District's position on matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators";
- (6) C.R.S. §24-6-402(4)(f), "Discuss personnel matters":
 - a) Exception: If the employee who is the subject of the executive session has requested an open meeting (if the personnel matter involves more than one employee, all of the employees must request an open meeting);
 - b) Exception: Personnel matters do not include discussions concerning Directors;
 - c) Exception: Personnel matters do not include general personnel policies such as Rules and Regulations, SOP's, etc.
- (7) C.R.S. § 24-6-402(4)(g), "Consider documents protected by the mandatory nondisclosure provisions of the 'Public Records Act'"; and,
- (8) C.R.S. § 24-6-402(4), "Review, approve or amend the minutes of an executive session."

The Board may not take formal action while in executive session. The discussion in an executive session must be limited to the reason(s) for which the executive session was called. All discussions in executive session must be held in strict confidence by every individual attending the executive session and cannot be disclosed to any third person or entity without the affirmative vote of a majority of the Board members, or as required by law.

Each executive session must be electronically recorded, unless the District's legal counsel states on the record that an executive session, or a portion of the executive session, constitutes an attorney-client communication, in which case the portion of the executive session constituting an attorney-client communication shall not be recorded. It is the Board's policy and direction that the electronic recording of an executive session shall be destroyed on the 91st day after the executive session, unless an affirmative majority vote of the Board directs otherwise.

F. Resolutions and Motions

Official Board action may be taken through the adoption of a resolution, or a motion duly made and passed by a majority vote of a quorum of the Board. Except where a resolution is specifically required by a statute, ordinance or other law, a Board motion has the same legal effect as a resolution.

CHAPTER 5 CONFLICT OF INTEREST

A. Disclosure Required

Colorado law requires a Director to disqualify himself/herself from voting on any issue in which he/she has a conflict of interest, unless the Director has first disclosed the conflict of interest to the Board and the Colorado Secretary of State. C.R.S. § 18-8-308. In addition, the Special District Act prohibits a Director who is receiving workers' compensation benefits awarded in the line of duty as a volunteer firefighter or who is a retired firefighter receiving pension payments to vote on issues involving the Director's disability or pension payments.

The Special District Act also requires a Director who owns at least 20% of the undeveloped land within the District to disclose this fact before each meeting. The disclosure must be recorded in the minutes of each meeting. "Undeveloped land" means real property, which has not been subdivided or which has no improvements constructed upon it, excluding real property dedicated for park, recreation or open space purposes. The District may not enter into any contract for work or material, regardless of amount, with a Director or a person owning 25% or more of the territory within the District unless notice for bids is published and the Director or owner is the lowest responsible bidder.

A Director has failed to properly disclose a conflict of interest if he/she votes or exercises any substantial discretionary function in connection with a government contract without having given 72 hours actual advance written notice to the Secretary of State and to the District Board. Legal counsel for the District will assist with drafting and filing the required notice upon request.

B. Acts Constituting a Conflict of Interest

A potential conflict of interest exists when a Director is an executive officer, or owns or controls, directly or indirectly, an interest in a private company that does business with the District. A Director, as a local government official (elected or appointed), and District volunteers, cannot:

- (1) Disclose or use confidential information acquired in the course of his/her official duties in order to further his/her personal financial interests.
- (2) Accept gifts of substantial value or of substantial economic benefit tantamount to a gift of substantial value, which would tend to improperly influence a "reasonable person" in his public position to depart from the faithful and impartial discharge of his/her public duties.
- (3) Engage in a substantial financial transaction for his/her private business purposes with a person whom he/she inspects or supervises in the course of his/her official duties.
- (4) Perform an official act directly and substantially affecting, to its economic benefit, a business or other undertaking in which he/she either has a substantial financial interest or is engaged as counsel, consultant, representative or agent.

- (5) Have a direct or indirect personal interest in any contract made in his/her official capacity or by any body, agency, or board of which he/she is a member or employee.

The following exceptions are not considered to be conflicts of interest:

- (1) A Director holding a minority interest in a corporation contracting with the District is not considered "interested" in such contract;
- (2) Contracts in which the Director has disclosed a personal interest and has not voted thereon; and
- (3) A Director may vote, notwithstanding any other prohibition, if participation is necessary to obtain a quorum or otherwise enable the Board to act, and if the Director complies with the voluntary disclosure procedures.

C. Guides to Ethical Conduct

The Colorado statutes (Parts 1 and 2 of Article 18 of Title 24, C.R.S.) set forth the following "guides" for Director, officer and public employee conduct:

- (1) A local government official or employee should not acquire or hold an interest in any business or undertaking which he has reason to believe may be directly and substantially affected to its economic benefit by official action to be taken by the local government agency over which he has substantial authority.
- (2) A local government official or employee should not, within six (6) months following the termination of his office or employment, obtain employment in which he will take direct advantage, unavailable to others, of matters with which he was directly involved during his term of employment.
- (3) A local government official or employee should not perform an official act directly and substantially affecting a business or other undertaking to its economic detriment when he has a substantial financial interest in a competing firm or undertaking.

D. Effect of Existence of Potential Conflict of Interest

Failing to disclose a potential conflict of interest described in Section B above is a class 2 misdemeanor, except any Director who knowingly has a direct or indirect personal interest in any contract made in the Director's official capacity or by any body, agency, or board of which the Director is a member or employee (Section 5(B) above) is a class 1 misdemeanor. A Director who, within six (6) months following the termination of his/her office or employment, knowingly obtains employment in which he/she will take direct advantage, unavailable to others, of matters with which he/she was directly involved during his term of employment commits a class 1 misdemeanor. Any contract, vote or other official act in which a Director had a potential conflict, not cured by disclosure, may result in the avoidance of the act or the contract being void.

CHAPTER 6 ELECTIONS

A. Time for Holding Elections

Regular special district elections for the position of Director, and for such other issues as the Board may deem appropriate, shall be held on the first Tuesday following the first Monday of May in every odd-numbered year. Special elections may be held on the first Tuesday after the first Monday in February, May, October, or December of any year; except that ballot issue elections (e.g., TABOR elections) may be held only on the date of a State general election, biennial special district regular election (i.e., May of odd-numbered years), or on the first Tuesday in November of odd-numbered years. Under circumstances of impossibility or impracticability, a court may order a special election to be conducted on a different election date.

B. Persons Entitled to Vote at Special District Elections

No person shall be permitted to vote in an election unless that person is an Eligible Elector as defined in C.R.S. § 32-1-103(5)(a), as may be amended from time to time. "**Eligible Elector**" means a person who, at the designated time or event, is registered to vote pursuant to the "Uniform Election Code of 1992", Articles 1 to 13 of Title 1, C.R.S., **AND**:

- (1) Who is a resident of the District; **OR**
- (2) Who, or whose spouse or civil union partner, owns taxable real or personal property within the District's boundaries, regardless of whether that person resides within the District or not.
 - a) Ownership of a mobile home (C.R.S. § 38-12-201.5(2) or § 5-1-301(29)), or a manufactured home (C.R.S. § 42-1-102 (106) (b)) constitutes ownership of real property;
 - b) A person who is obligated to pay taxes under a contract to purchase taxable property within the District's boundaries is a property owner.

C. Conduct of Elections

Detailed specifics on election procedures are complex and not appropriate for the scope of these bylaws, however the rules for the conduct of such elections generally fall under the "Uniform Election Code of 1992", Articles 1 to 13 of Title 1, C.R.S., and the Local Government Election Code (LGEC), Article 13.5 of Title 1, C.R.S.

Elections may be conducted by polling place, independent mail ballot, or, for November elections only, as coordinated elections; except that ballot issue (TABOR) elections may not be conducted by polling place.

For all coordinated elections, the Fremont County Clerk and Recorder shall be the coordinated election official. Should the District desire to participate in a coordinated election, at least 100 days prior to the scheduled coordinated election, the District Board shall take formal action to participate in the coordinated election and shall notify the County Clerk and Recorder of the action in writing. The District will thereafter enter into an Intergovernmental Agreement with the County Clerk and Recorder for the conduct of the election.

Whenever the date of a District election is identical to the date set for another special district election in a special district having boundaries coterminous with the District, the election may be held jointly with the other special district. An election held jointly is not a coordinated election.

Except where the Board has contracted with the Clerk and Recorder to perform all or part of the required duties in conducting an election, the Board shall appoint a Designated Election Official to govern the conduct of all regular and special elections of the District and shall render all interpretations and make all decisions as to controversies or other matters arising in the conduct of the elections. All powers and authority to conduct regular and special elections may be exercised by a Assistant Designated Election Official, if one, in the absence of the Designated Election Official. The Designated Election Official shall not be a Director in any election in which the Director is a candidate.

D. Election Recall of Directors

Any Director elected to the Board who has held office for at least six (6) months during his/her current term may be recalled from office by the District's eligible electors. A petition demanding the recall of any Director named in the petition and signed by the lesser of 300 eligible electors or 40% of the eligible electors shall be filed in the District Court for Fremont County. Any recall shall be governed by the provisions of Part 9 of Article 1 of Title 32, C.R.S.

E. Fair Campaign Practices Act Limitations

The Fair Campaign Practices Act, C.R.S. §1-45-101, et seq. (the "Act"), imposes certain limitations on District Directors, officers and employees with respect to campaign lobbying and contributions.

The Act prohibits the District, and its Directors, officers and employees, from making any contribution to a campaign involving the nomination, retention or election of any person to public office. The Act prohibits the District, and its Directors, officers and employees, from using public moneys received from any source for the purpose of urging electors to vote for or against any State-wide or local ballot issue or referred measure.

The Act does permit the following limited actions:

- (1) A Director or employee of the District may respond to questions regarding a candidate or ballot issue as long as the questions were unsolicited;

- (2) A Director or employee who has policy-making responsibilities may expend not more than fifty dollars (\$50.00) of public moneys in the form of letters, telephone calls, or other activities incidental to expressing his or her opinion on any candidate or ballot issue;
- (3) The District may expend public moneys to present a written factual summary which contains a summary of the arguments for and against any proposal of official concern before the electorate in the District's jurisdiction. The summary cannot contain conclusions or opinions in favor of or against any particular ballot issue. It must simply and fairly summarize the issues for and against;
- (4) An elected official is permitted to express a personal opinion on any issue regardless of whether his or her opinion was solicited. When expressing a personal opinion the elected official must make it clear that the opinion is a personal opinion, not the opinion of the governmental entity, and he or she must not identify himself or herself in a way that would create confusion with respect to whether the opinion is personal or that of the governmental entity to which the elected official was elected; and,
- (5) The District Board may, by majority vote, pass a resolution or take a position of advocacy on any candidate, State-wide or local ballot issue, or referred measure, and the District may report the passage of such resolution through established, customary means, other than paid advertising.

Directors, officers and employees also may expend personal funds, make contributions and use personal time to urge electors to vote for or against any candidate, State-wide or local ballot issue, or referred measure; however, such activity must be performed only during personal time and cannot be done on behalf of or through the District.

CHAPTER 7
SERVICE PLANS/STATEMENT OF PURPOSES

A. Following Statement of Purposes

The District must follow, to the extent possible, its adopted Service Plan. Because the District was formed before a Service Plan was required by State law, it has filed a Statement of Purposes in accordance with State law, which constitutes its Service Plan. Notice of a proposed District activity, published one time in a newspaper of general circulation, restricts certain injunctive actions which may be brought against the District for material departures from the Service Plan, unless such action is brought within 45 days after publication of such notice.

B. Amendment and Modification

The Statement of Purposes may be amended to reflect changed circumstances or conditions of the District. A "material modification" to the Statement of Purposes must be approved by the Board of County Commissioners or City Council. A "material modification," includes but is not limited to:

- (1) any addition to the types of services provided;
- (2) a decrease in the level of services;
- (3) a decrease in the financial ability of the District to discharge indebtedness;
- (4) a decrease in the need for organized service in the area; or
- (5) an inclusion of property into a new county or city, if so determined by the Board of County Commissioners or City Council.

CHAPTER 8 FINANCIAL MATTERS

A. Fees and Charges

Unlike other types of special districts, a Fire Protection District may only impose fees or charges within its jurisdiction for:

- a) Ambulance or emergency medical services; and extrication, rescue, or safety services provided in furtherance of ambulance or emergency medical services. "Extrication, rescue or safety services" includes, but is not limited to any:
 - i) Services provided prior to the arrival of the ambulance;
 - ii) Rescue or extrication of trapped or injured parties; and
 - iii) Lane safety or blocking provided by District equipment
- b) Requested or mandated inspections, including plan reviews; and
- c) Hazardous incident responses

In addition, the District may impose fees, rates, tolls, penalties, or charges for services or facilities furnished outside its boundaries.

All unpaid fees and charges constitute a perpetual lien against the property served. The lien is entitled to priority over other encumbrances such as prior recorded deeds of trust (but not tax liens). A penalty may be assessed against all delinquencies in payment, together with the assessment of interest not to exceed one percent per month. Service may be discontinued against any property whose owner is delinquent in the payment of fees or charges.

In addition, the District may receive and spend an impact fee or other similar development charge imposed pursuant to C.R.S. § 29-20-104.5 to defray the cost of capital facilities needed by the District to serve new development within the its jurisdictional boundaries.

B. The Annual Budget, Mill Levy and Revenue and Spending Limitations

On November 5, 1996 the voters approved a Ballot Issue that removed the revenue and spending limits imposed by TABOR and State statute. As a result, the District may keep and spend all revenue generated by its mill levy and other sources. The District is still subject to the other requirements of TABOR, including maintaining an emergency reserve equal to 3% or more of its fiscal year spending, excluding bonded debt service. Unused reserves apply to the next year's reserves. The Board must fix a rate of levy of taxes ("mill levy") and certify that mill levy to Fairmount County no later than December 15 of each year.

The District must adopt an annual budget before certifying its mill levy each year. The Fire Chief is responsible for preparing the proposed budget. The Fire Chief must prepare and submit the

proposed budget to the Board on or before October 15 of each year. The County Assessor(s) must certify the assessed valuation or real and personal property within the District by August 25 of each year. By December 10 of each year, the assessor(s) must provide the District with any change in the assessed valuations provided by the assessor in August of that year. Upon receipt of the proposed budget, the Board must hold a public meeting to consider the proposed budget. The Budget must be approved by December 15.

C. Appropriations

The District's expenditures must be made in accordance with the District's annual appropriation of funds, as set forth in its approved budget. Any action or expenditure made beyond the appropriated sum is invalid and void.

The amount of appropriated funds may be supplemented or adjusted during the year, through a Supplemental Budget. The same public hearing process required for the annual budget must be conducted before the Board adopts a Supplemental Budget.

CHAPTER 9 AUDITS

The Board is required to have the District's financial statements audited annually. The audit must be made as of the end of each fiscal calendar year, or more frequently if some special reason exists. The audit report must be completed by June 30, and filed with the State Auditor not later than 30 days after the District receives the report.

CHAPTER 10 LIABILITY

A. Federal and State Tort Claims

"Torts" are wrongful actions that cause harm to an individual, entity, or property. There is an extensive body of Federal law covering a wide array of "torts." In general, the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.*, does not protect the District from Federal tort claims. Some examples of Federal tort claims are discrimination claims, deprivation of constitutional or statutory rights (i.e., "Section 1983" cases), antitrust, securities violations, labor and wage actions, and environmental cases.

With certain narrow exceptions, the Governmental Immunity Act bars all State tort claims against the District, and its directors, officers and employees. For those tort claims where liability may be imposed, the liability is limited to \$350,000 per person, and \$990,000 per occurrence. The Governmental Immunity Act may require the District to indemnify its directors, officers and employees/volunteers, under certain circumstances.

B. Contract Claims and Criminal Acts

Contract claims are not barred by the Governmental Immunity Act. Public officials, however, are generally not personally liable for the contracts of the governmental entity. The Governmental Immunity Act offers no protection from criminal actions. Common potential areas of criminal exposure include:

- (1) entering into a prohibited transaction;
- (2) failing to disclose conflicts of interest;
- (3) misuse of official information;
- (4) malfeasance; or
- (5) issuing a false certificate or document.

CHAPTER 11 PUBLIC RECORDS AND HIPAA LIMITATIONS

As a political subdivision of the State, the District must comply with the Colorado Public (Open) Records Act, C.R.S. §24-72-101, *et seq.* (the "Open Records Act"). The Open Records Act requires the District to make available for inspection and copying all public records within its possessions, custody and control. The provisions relating to the inspection and copying of public records are very detailed, and in some instances, complex, and are beyond the scope and purpose of these Bylaws.

The District's obligations under the Open Records Act are further complicated by the obligations and limitations imposed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the Privacy Rule and other regulations promulgated, or which will be promulgated, by the US Department of Health and Human Services. As a result of the emergency medical services it provides, and its transmission of health information in electronic form in connection with transactions covered by HIPAA, the District is a "covered entity" within the meaning of the Privacy Rule and HIPAA, and must comply with detailed requirements for protecting confidential health information that it generates or receives in the course of providing its emergency medical services.

HIPAA and the Privacy Rule also impact the District in another way. Although employers are not covered by HIPAA and the Privacy Rule, the District's health plan is covered by HIPAA and the Privacy Rule. Detailed privacy regulations apply to the District's health plan, and extend to the District to the extent it transmits or receives protected health information in connection with the Plan.

The District's legal counsel works closely with Chief Staff to respond to requests for documents and information to ensure the District complies with the Open Record Act, and, if applicable, HIPAA, the Privacy Rule or other regulations.

CHAPTER 12 CONTRACTS

A. Construction Contracts

1. Publication and Bid Requirements

The Special District Act requires the District to publish notice of bids for "...all construction contracts for work or materials or both involving an expense of \$120,000 or more of public moneys." C.R.S. §32-1-1001(1)(d). The District may reject any and all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may do so. It is entirely appropriate for a District Board to approve a contract without soliciting bids where the contract does not involve a construction project estimated to exceed \$120,000.

2. Bonds and Retainage

The District is not required by State law to require the contractor to provide a bid bond; however, a bid bond protects the District from a contractor withdrawing a low bid. Thus, a bid bond in the amount of five percent of the amount bid is often recommended, depending upon the circumstances. The cost of the bid bond is usually passed back to the District through the costs set forth in the bid.

State law requires every contractor awarded a public contract for more than \$50,000 to execute an adequate labor and materials bond, as well as a performance bond in the amount of at least one-half of the contract amount. State law also requires public construction contracts over \$150,000 to contain certain statutory retainage provisions, typically five percent retainage until completion and final acceptance of the construction project. The retainage must be held until the following final payment procedures are completed.

- (1) Upon completion of the project – usually identified by receipt of a Certificate Of Completion from the engineer or architect – a notice of final payment must be published twice. This notice announces that final payment will be made to the contractor on a designated settlement date, which is more than ten days after the second publication. If no claims are made, payment in full to the contractor may be made on the settlement date; or
- (2) If a claim is properly made by a subcontractor or supplier, then the District must withhold sufficient funds to ensure satisfaction of that claim until the claim is withdrawn, paid, or 90 days have passed. If within 90 days, the claimant has not filed a lawsuit, then the retainage must be remitted to the contractor. If a lawsuit is commenced, the District may be able to deposit the money with the Court to avoid becoming embroiled in the litigation.

3. Appropriations Clause

The District may not contract for a public works project in an amount in excess of the amount "appropriated" by the District for the project. All construction contracts must contain provisions

stating money has been appropriated, and that any change order increase must be accompanied by a further written assurance that appropriations are sufficient. Except as specifically limited by State statute, all contracts are subject to budget and appropriations by the Board.

B. Other Contracts

Except for the construction contracts discussed above, the District is not required to perform a bidding or publication process for any contracts, including but not limited to contracts for the purchase of vehicles, equipment, non-construction materials, real and other personal property, leases, advisory and professional services.

CHAPTER 13 BOUNDARY ISSUES

The Special District Act contains detailed, and at times confusing and inconsistent, provisions regarding the inclusion or exclusion of real property into the District. A comprehensive discussion of these provisions is beyond the scope and purpose of these Bylaws.

In general, there are four procedures by which property can be included into the District:

- (1) The fee owner(s) of 100% of any real property capable of being served by the District may file a petition for inclusion of that property with the Board; or,
- (2) A petition filed by the lesser of 20% or two hundred of the taxpaying electors within the affected area; or,
- (3) The Board of Directors adopting a resolution proposing the inclusion of the affected area; however, no single tract or parcel constituting more than 50% of the total area to be included may be included without the consent of the owner of that parcel; or,
- (4) A "district-to-district" transfer of real property from a fire protection district to the District.

Property may be excluded from the District by any one of the following procedures:

- (1) The fee owner(s) of 100% of the real property petition the District for exclusion of the Property; or,
- (2) A municipality may, under certain circumstances, exclude territory from the District; or,
- (3) A "district-to-district" transfer of real property from the District to another fire protection district.

CHAPTER 14
PERSONNEL/CONFIDENTIAL MATTERS AND RECORDS

A. Limited Board Involvement in Personnel Matters

Consistent with its statutory authority to govern the District's affairs, the Board establishes the rules, policies and procedures relating to the District's employee and volunteers. The Board has delegated to the Fire Chief, and charged the Fire Chief with, the responsibility for implementing the personnel rules, policies and procedures established by the Board, and handling, directly or through the supervision of subordinate supervisors and managers, the day-to-day administration of the District's volunteers and employees, including hiring and appointing, job/position performance evaluation, corrective/disciplinary actions, and all other aspects of the employee/volunteer relationship with the District. The Fire Chief is authorized to adopt Standard Operating Procedures as necessary to implement the rules, policies and procedures established by the Board.

Except with respect to supervision of the Fire Chief, (discussed below), and except for the circumstances expressly identified in the District's personnel manual or employee handbook, or as permitted by law, the Board does not become involved in personnel matters.

The Board is responsible for supervising the Fire Chief, including hiring the Fire Chief, evaluating the Fire Chief's job performance, determining the Fire Chief's compensation and benefits and other terms and conditions of employment, and imposing corrective/disciplinary actions against the Fire Chief.

B. Director Access to the Personnel/Confidential Files of District Members or Patients

A Director's position as a Board member does not, in itself, entitle the Director to access a District member's personnel or confidential files; except that, as the immediate supervisors of the Fire Chief, Directors are authorized to inspect the Fire Chief's personnel and confidential files. C.R.S. §24-72-204(3)(a)(II)(A). In addition, Directors may be entitled to inspect other District member files to the extent necessary to satisfactorily supervise the Fire Chief.

With respect to protected health information ("PHI") of District members, or individuals or District members to whom the District provides medical services, Board members are permitted to receive PHI to the minimum extent necessary to govern the health care operations of the District, including: conducting quality assessment/improvement activities, population-based activities relating to improving health or reducing health care costs, and case management/care coordination; reviewing the competence/qualifications of its medical care personnel, evaluating provider and health plan performance, training health care and non-health care professionals, accreditation, certification, licensing, or credentialing activities; conducting/arranging for medical review, legal, and auditing services, including fraud and abuse detection and compliance programs; business planning/development, such as conducting cost-management and planning analyses related to managing/operating the District; and business management and general administrative activities, including those related to implementing/complying with the HIPAA Privacy Rule and other

Administrative Simplification Rules, customer service, resolution of internal grievances, sale or transfer of assets, creating de-identified health information or a limited data set, and fundraising for the benefit of the District. See, generally, 45 CFR 164.501.

Even where the Board receives PHI as part of the District's health care operations, HIPAA and the Privacy Rule restrict what information the Board can received. The U.S Department of Health and Human Services, which regulates HIPAA and the Privacy Rule, amends its regulations frequently. As a result, a comprehensive discussion of the restrictions placed on disclosures of PHI is beyond the scope and purpose of these Bylaws. The requirements and issues relating to specific disclosures of PHI to the Board should be discussed with Fire Chief and the District's legal counsel at the time any such issues arise.

To the extent practicable under the specific circumstances of a matter, the Fire Chief will use the following disclosure protocols:

1. In executive session, the Fire Chief will inform Directors of the basic facts and circumstances surrounding an emergency incident or a personal matter involving PHI or other confidential information to the extent necessary for the Board to evaluate whether the incident/matter may impact the District's health care operations or other business activities. The Fire Chief, with the assistance of legal counsel, will advise the Board of any restrictions HIPAA and the Privacy Rule place on the disclosure of PHI to the Board.

2. On no less than a monthly basis, the Fire Chief shall, in executive session, provide updates on the status of the incident/matter until it has been resolved.

3. The Fire Chief shall disclose additional PHI or other confidential information as necessary for the Board to evaluate whether the incident/matter may impact the District's health care operations or other business activities, as the incident/matter develops.

CHAPTER 15
AMENDMENT OF BOARD BYLAWS

These Board Bylaws supersedes any prior bylaws or board member manuals adopted by the Board. These Board Bylaws may be altered, amended, or repealed by a majority vote of the Board at a properly noticed regular or special meetings of the Board at which a quorum is present.

**CHAPTER 17
SEVERABILITY**

If any provision of these Bylaws or the application thereof is held invalid, such invalidity shall not affect the provisions or applications of these Bylaws which can be given effect without the invalid provision or application. To this end, the provisions of these Bylaws are deemed severable.

Adopted this 3rd day of December 2024.



Board President

Board Vice-President



Board Treasurer

Board Director



Board Director