



CODE OF CONDUCT

A. Preamble. The Middle Rio Grande Conservancy District ("MRGCD") exists to serve those citizens within the benefitted area of the Conservancy District. To maintain the respect, trust and confidence of the public, all Members and Employees must use the powers and resources of their office only to advance the public interest and not to obtain personal benefits or pursue private interests incompatible with the public interest. Members and Employees shall conduct themselves in a manner that justifies the confidence placed in them by the public, at all times maintaining their integrity and discharging ethically their responsibilities in the course of their association with the MRGCD.

B. Purpose. The purpose of this Code of Conduct is to provide general guidelines and a minimum standard of conduct for Members, Employees, and Contractors.

C. Definitions. For purpose of this Code of Conduct, the following words and phrases shall have the following meanings:

"Business" means a person, proprietorship, corporation, partnership, limited partnership, Limited Liability Company, trust, firm, organization or other entity.

"Confidential Information" means information a board of director's member or employee has obtained or may obtain by virtue of his/her status as a Member or Employee and which is not available to the public.

"Contractor" means any person or Business engaging or proposing to engage in a Transaction with the MRGCD.

"Disclosure Statement" means the disclosure statement required by Section D. of this Code of Conduct.

"Employee" means any person employed by the MRGCD.

"Employment" means rendering services to the MRGCD for compensation as an Employee.

"Family Member" means with respect to each Member and Employee, the Member's, Management's or Employee's spouse, children, mother, father, brothers, sisters, grandparents, mother-in-law, father-in-law, sister-in-law, brother-in law, uncle, aunt, first cousin, or anyone residing in a Member's or Employee's household or for when the Member or Employee provides financial support.

"Financial Interest(s)" means an interest in a Business as an owner, partner, shareholder, investor, trustee, beneficiary, lender, officer, director, member, employee or consultant.

"Member" means a director of the Board of Directors of the MRGCD.

"Official Act" means, with respect to a Member or Employee, an official decision, resolution, determination, recommendation, approval, disapproval or other action that involves the exercise of discretionary authority.

"Transaction" means any transaction including, but not limited to, any sale, purchase, or exchange of tangible or intangible property or services, including professional services, or any other business arrangement or contract.

D. Disclosure.

1. Annual Disclosure. On or before January 1 of each year, each Member and Employee shall complete and deliver to the MRGCD a disclosure statement disclosing any conflicts of interest to the best of his/her knowledge, his/her and his/her Family Members' Financial Interest(s) in any Business engaged or, proposing to engage in any Transaction with the MRGCD. The disclosure statement shall be in the form of attached Exhibit A ("Disclosure Statement") and shall contain at least the following information:
 - a) the name of the Business engaging or proposing to engage in a Transaction with the MRGCD;
 - b) the nature of the Member's or Employee's Financial Interest or Family Member's Financial Interest in the Business;
 - c) if the Financial Interest in the Business is equity or profits interest, the percentage owned.

Each new Member and Employee shall complete and deliver to the MRGCD a Disclosure Statement within thirty (30) days of assuming duties as a Member or commencing Employment with the MRGCD.

2. Updated Disclosures. Each Member and Employee shall update his/her Disclosure Statement within forty-five (45) days of the date that, to the best of his/her knowledge:
 - a) he/she or any Family Member acquires a Financial Interest in any Business engaging, or proposing to engage in a Transaction with the MRGCD;
 - b) he/she learns that a Family Member of such Member or Employee, has a Financial Interest in a Business which, is engaging or proposing to engage in a Transaction with MRGCD;
or
 - c) he/she learns that a Business in which such Member, Employee or Family Member has a Financial Interest, is engaging or, proposing to engage in a Transaction with the MRGCD.

3. Special Disclosures. In addition to the disclosures required pursuant to paragraph D.1 and D.2 above, each Member and Employee shall disclose, prior to any Official Act by the Board on such Transaction, his/her and any Family Member's Financial Interest in any Business proposing to engage in a Transaction with the MRGCD. Such disclosure shall be set forth in the minutes of the meeting of Members at which such Transaction is considered.
- E. Gifts. No Member, Employee or Contractor may, directly or indirectly, solicit, give or accept any money or other thing of value that is conditioned upon or given in exchange for (a) inducing MRGCD to enter into a Transaction, (b) performing or promising to perform an Official Act or (c) which may influence the manner in which he/she performs an Official Act or (d) which may create the appearance that it influenced him/her in the performance of an Official Act.
- F. Conflict of Interest Transactions.
1. Prohibited Transactions - Members and Employees.
 - a) Official Act. No Member or Employee shall take any Official Act which may directly or indirectly benefit him/her or a Family Member.
 - b) Confidential Information. No Member or Employee shall utilize Confidential Information to benefit his/her or a Family Member. Members and Employees shall safeguard all confidential information and shall not disclose such Confidential Information, except as otherwise authorized.
 - c) Members Transactions. No Business in which a Member, Employee or Family Member thereof has a Financial Interest shall engage in a Transaction with the MRGCD unless the Member or Employee has disclosed his/her or his/her Family Member's Financial Interest in the Business to the MRGCD in the manner provided in Section D prior to engaging in the Transaction and the Transaction is approved by a disinterested majority of all other Members.
 2. Transactions Involving Third Parties. The MRGCD shall not enter into any Transaction with a Member or Employee for a period of one (1) year after the Member or Management ceases to be a Member or Employee of the MRGCD, except with prior approval of a disinterested majority of all Members.
 3. Other Employment. Members and Employees shall not engage in or accept employment or render services for other persons when that employment or service is incompatible with or may affect the discharge of their official duties or when that employment may tend to impair their independence of judgment or action in the performance of their official duties. The Chief Engineer must approve all outside employment by an Employee prior to his/her accepting outside employment. The Board must approve all outside employment by the Chief Engineer prior to his/her accepting outside employment.

4. Exceptions. Nothing in this Code of Conduct shall be deemed or construed to limit the right of any Member or Employee of the MRGCD to:
 - a) have a Financial Interest in, or do business with, any banking institution in which MRGCD funds are or are to be deposited; or
 - b) accept employment with the MRGCD.
- G. Political Activities. A Member or Employee shall not, through his or her position at the MRGCD:
 1. directly or indirectly coerce, command, advise, solicit or attempt to coerce, command, advise or solicit anyone to pay, lend or contribute money or other thing(s) of value to a party, committee, organization, agency or person for political purposes; or
 2. use MRGCD funds, resources or time for any political candidate or purpose.
- H. Sanctions and Penalties. Violation of any part of this Code of Conduct may subject the violator to disciplinary action up to and including termination of employment in accordance with the provisions of the Personnel Policy Manual, suspension, or debarment as a Contractor and public censure of a Member and to such other penalties as may be provided by law.
- I. Effective Date. This Code of Conduct is effective September 12, 2011.