<table>
<thead>
<tr>
<th>ESTIMATED TIME</th>
<th>AGENDA ITEM</th>
<th>PUBLIC HEARING or ACTION ITEM</th>
<th>STAFF PRESENOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agenda</td>
<td></td>
<td>Tab A</td>
<td></td>
</tr>
<tr>
<td>7:00</td>
<td>Call to order</td>
<td></td>
<td>Mayor Richel</td>
</tr>
<tr>
<td></td>
<td>Roll call</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7:05</td>
<td>Public Comments</td>
<td>Persons desiring to make public comment on items not on the agenda shall activate the “raise hand” function in the meeting program. For persons who will participate in the meeting by telephone, they should send an email by 5:00 p.m. on the day of the meeting to <a href="mailto:sheila@townofsilt.org">sheila@townofsilt.org</a> indicating their desire to make public comment. For those attending in person, a “Sign in Sheet” is available in the Council Chambers. Each speaker will limit comments to no more than three (3) minutes, with a total time of 30 minutes allotted to public comments, pursuant to Section 2.28.020 of the Silt Municipal Code</td>
<td></td>
</tr>
</tbody>
</table>
| 7:20 5 min     | Consent agenda – | 1. Minutes of the April 11, 2022 Board of Trustees meeting  
2. Volunteer of the Year Award presentation to Nevaeh Williams | Action Item | Tab B Mayor Richel |
| 7:25           | Agenda Changes |                               |               |
| 7:25 5 min     | Second reading of **Ordinance No. 8, Series 2022, AN ORDINANCE OF THE TOWN OF SILT, COLORADO, GRANTING A GAS AND ELECTRIC FRANCHISE TO PUBLIC SERVICE COMPANY OF COLORADO** | Public Hearing | Tab C Administrator Layman & Attorney Denkinger |
| 7:30 5 min     | March 2022 Financial Report |                               | Info Item | Tab D Treasurer Tucker |
| 7:35           | Swearing in and seating of newly elected Mayor and Trustees |                               |               |
| 7:40 5 min     | Nomination of Mayor Pro-tem |                               |               |
2. **Resolution No. 11, Series 2022, A RESOLUTION OF THE BOARD OF TRUSTEES APPOINTING MICHAEL SAWYER AS THE MUNICIPAL ATTORNEY OF THE TOWN OF SILT, COLORADO** | Action Item | Tab E Mayor Richel |
<table>
<thead>
<tr>
<th>Time</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:45</td>
<td>First reading of <strong>Ordinance No. 7, Series 2022, AN ORDINANCE OF THE TOWN OF SILT, COLORADO MAKING CHANGES TO SECTION 17.42.055 (SITE PLAN REVIEW), SECTION 17.78.040 (SPECIAL USE PERMIT), CREATING AND DESCRIBING AN OPEN SPACE “OS” ZONE DISTRICT AS PART OF SECTIONS 17.12.010 AND 17.12.020 AND SECTION 16.16.020 (PUBLIC HEARING NOTICES) IN THE SILT MUNICIPAL CODE, TOWN OF SILT, COLORADO</strong></td>
</tr>
<tr>
<td>8:00</td>
<td>Resolution No. 9, Series 2022, A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF SILT, COLORADO, APPROVING THE AMENDED FINAL PLAT OF STONEY RIDGE PUD RECORDED AS RECEPTION NO. 628670 FOR LOTS 68A, 68B, 69A 83A, 83B, 84A, 84B, 85A AND 85B, ALL IN PHASE 2 OF THE STONEY RIDGE PUD FINAL PLAT IN THE TOWN OF SILT, COLORADO (continuance to May 9, 2022 requested by staff)</td>
</tr>
<tr>
<td>8:05</td>
<td>Adoption of the Parks, Recreation and Culture Master Plan</td>
</tr>
<tr>
<td>8:15</td>
<td>Administrator and Staff Comments</td>
</tr>
<tr>
<td>8:20</td>
<td>Updates from Board / Board Comments</td>
</tr>
<tr>
<td>8:30</td>
<td>Adjournment</td>
</tr>
</tbody>
</table>

The next regularly scheduled meeting of the Silt Board of Trustees is Monday, May 9, 2022. Items on the agenda are approximate and intended as a guide for the Board of Trustees. “Estimated Time” is subject to change, as is the order of the agenda. For deadlines and information required to schedule an item on the agenda, please contact the Silt Town Clerk at 876-2353.
The Silt Board of Trustees held their regularly scheduled meeting on Monday, April 11, 2022. Mayor Richel called the meeting to order at 7:06 p.m.

Roll call

Present
Mayor Keith Richel
Mayor Pro-tem Kyle Knott
Trustee Justin Brintnall
Trustee Samuel Flores
Trustee Derek Hanrahan
Trustee Andreia Poston
Trustee Jerry Seifert

Also present were Town Administrator Jeff Layman, Town Clerk Sheila McIntyre, Public Works Director Trey Fonner, Town Treasurer Amie Tucker, Chief of Police Mike Kite, Community Development Manager Nicole Centeno, Town Attorney Michael Sawyer, Town Attorney Joely Denkinger, Planner Mark Chain and members of the public.

Pledge of Allegiance and Moment of Silence

Public Comments – There were no public comments.

Consent Agenda

1. Minutes of the March 14, 2022 Board of Trustees meeting
3. Approval of the 2022 Intergovernmental Agreement between the Town of Silt and Garfield County for Mosquito Control

Mayor Pro-tem Knott made a motion to approve the consent agenda as presented. Trustee Seifert seconded the motion, and the motion carried unanimously.

Conflicts of Interest – There were no conflicts of interest.

Agenda Changes – Staff requested moving the executive session up to take place after the Silt River Preserve discussion.
August 20, 2022 Heyday Update – Peggy Swank

Peggy Swank and Chris Classen were present to provide a 2022 Heyday update and asked that the Town consider being a co-sponsor again this year. Ms. Swank added that people really enjoyed being back in Veteran’s Park last year and that the Committee plans on utilizing the park again this year.

First reading of Ordinance No. 8, Series 2022, AN ORDINANCE OF THE TOWN OF SILT, COLORADO, GRANTING A GAS AND ELECTRIC FRANCHISE TO PUBLIC SERVICE COMPANY OF COLORADO

Attorney Denkinger and Xcel Area Manager Brad McCloud were present to go over the franchise agreement and answer questions. Mr. McCloud thanked staff for all of their work adding that it was a pleasure working with everyone. There was brief discussion regarding third-parties using the existing poles. Mr. McCloud explained if that were to happen the interested party would need to have an agreement with Xcel and a permit through the Town.

The public hearing opened at 7:47 p.m. There were no public comments and the hearing closed at 7:48 p.m.

Mayor Pro-tem Knott made a motion to approve first reading of Ordinance No. 8, Series 2022, AN ORDINANCE OF THE TOWN OF SILT, COLORADO, GRANTING A GAS AND ELECTRIC FRANCHISE TO PUBLIC SERVICE COMPANY OF COLORADO. Trustee Hanrahan seconded the motion, and the motion carried unanimously.

Liquor Delivery Permit Discussion

Attorney Denkinger explained the new type of liquor permit that allows for the takeout and delivery of alcohol under a permit through the State for on-premise license holders. Town code does not address this nor does the State require the town to adopt a permitting process. Staff is asking for direction from the Board on how they would like to address these new laws since the State does not require municipalities to have any type of permit in place. Attorney Denkinger offered three options: (1) take no action, (2) create a local permit or (3) enforce the state permit rules without creating a local permit.

After discussion there was a consensus to move forward with option #3, striking section (a) of the suggested code language. Staff will bring back an ordinance amending the liquor code at a future meeting.

Silt River Preserve Master Plan – Dave Erickson and Bud Tymczyszyn

Director Fonner stated that the Town, Aspen Valley Land Trust and several stakeholders came together in 2021 to create a master plan for the Silt River Preserve. The goal of the plan was to provide a vision for the property that will help guide management, fundraising and project implementation efforts.

Dave Erickson and Bud Tymczyszyn were present to go over the plan and maps and explain what is taking place now and what is on the schedule in the very near future.
Trustee Seifert made a motion to adopt the Silt River Preserve Master Plan. Trustee Poston seconded the motion, and the motion carried unanimously.

Sale of Property Located at 1007 Highway 6 & 24 Discussion – (Added discussion)

Attorney Sawyer stated that a draft contract has been received on the Town owned parcel located at 1007 Highway 6 & 24, next to the Kum & Go. He added that the Town had acquired the property for the purpose of economic development and that there are questions by staff based on the current proposal that he would like the Board to discuss. Present tonight were Joe Carpenter, Realtor on behalf of the Town, Dave Murdock, developer for North Point and Brad Lasater, Broker for the end national tenant and developer.

Mr. Carpenter went over the history of the lot that the Town purchased some time ago as well as the offer that has been made to the Town, adding that what the tenant is offering is a use by right according to code. Mr. Murdock stated that they would like to have a signed contract before disclosing who the end user would be. He added that he can say right now that it is not a marijuana business but that it is a national tenant.

Attorney Sawyer added that some of the questions by staff would pertain to how soon construction would need to take place so that the land doesn’t sit vacant for any length of time. Mr. Murdock went over their process in which they would purchase the land, negotiate a lease with the end user and then build a building and lease it back to them. He also explained how the lease would need to be approved by corporate first which could take up to three months. Mr. Murdock stated that once a lease is approved and construction begins, the building would be turned over to the tenant within 4-5 months with the store opening by fall. When asked about sales projections Mr. Murdock stated that based on discussions he has had with this tenant, initial projected sales could be in the neighborhood of $1.3-1.5M annually. Mr. Murdock confirmed that he would have to have a fully negotiated lease with the tenant before he closed on the property and Mr. Lasater added that the proposed use is 100% retail that is compliant with current zoning.

When asked about construction, Mr. Murdock stated that it would be modular construction, adding that the closing date could be moved up if the environmental study comes back clean.

Greater Roaring Fork Valley Housing Coalition Discussion

Administrator Layman went over this effort to have communities participate in a new non-profit housing initiative that is aimed to address regional housing needs. This Roaring Fork group has extended an invitation to the Colorado River Valley as they have received and would like to share the $450M in ARPA funds that have been made available to them by the State to fund affordable, senior and employee housing projects.

Administrator Layman explained the two distinct objectives in that the Roaring Fork Valley wants to develop housing closer to the jobs they have and the Colorado River Valley wants to develop jobs closer to the housing they have and to develop housing that will attract commerce and industry to our region. He added that he believes it is important to stay involved in the effort to see how it progresses and will report back when he has more information.
Senior Programs Contribution Refund Distribution Discussion

Treasurer Tucker went over the four options that staff is proposing for the distribution of the refund from Senior Programs: RSVP, Lift Up, River Center or food and/or gas vouchers to local businesses.

There was a consensus to go with the vouchers that would benefit not only our seniors but our businesses as well.

Mayor Pro-tem Knott made a motion to use the Senior Programs Contribution Refund Distribution to purchase 75 - $20 voucher/gift certificates. Trustee Brintnall seconded the motion, and the motion carried unanimously.

February 2022 Financial Report

Treasurer Tucker went over the February 2022 financial report.

2022 Events and Recreation Update

Community Development Manager Centeno provided an update on the recreation and events planned for this year.

Administrator & Staff Reports

Administrator Layman went over his staff report and answered questions. Mayor Richel commented about the letter submitted by a citizen who received a quote on what it would cost to replace the wood on the gazebo. Staff stated that the gazebo needs more than just wood replaced. Administrator Layman stated that this topic has been taken to the Parks, Recreation and Culture Master Plan subcommittee and that it is not going to be torn down immediately and that there are plans to replace it with something better.

Staff was asked about the status of the boat ramp and Director Fonner stated that the work on it was started today. It was also asked about the trees being taken down and it was suggested to offer them to people who burn their own wood. Staff was also asked who owns the fence along the Lyon residential subdivision along Highway 6 as it is in need of repair, and it was stated that the fence belongs to the homeowners.

Updates from Board / Board comments

Trustee Poston commented about the duty of the Board to assist the citizens as well as support staff adding that they should all be able to come to the Board regarding their needs. Trustee Seifert commented about comments made on Facebook regarding speeders in town, mostly on 16th Street, 7th Street and Grand Avenue. He added that there is a problem with people speeding and running stop signs, especially in the Flying Eagle Park area.
Mayor Pro-tem Knott agreed that people need to slow down adding that it would be nice to have additional police presence during micro soccer. He also commented about a mound of rocks on the path up 16th Street. There was also discussion regarding the rock that needs to come down above 16th Street and the potholes on Grand Avenue. Mayor Richel addressed posts on Facebook where someone had posted that the Board expects citizens to come to meetings or watch them live. Mayor Richel stated that that is how the Board communicates with the public by having two meetings each month. He asked that people please come down and talk to them, watch it live, call in, email or contact them by regular mail so that it can be on the official record. Facebook is not the official record of the Town.

### Executive Session

Mayor Richel made a motion to go into executive session to discuss the purchase, acquisition, lease, transfer, or sale of any real, personal or other property interest under CRS Section 24-6-402(4)(a) – Sale of property located at 1007 Highway 6. Mayor Pro-tem Knott seconded the motion, and the motion carried unanimously. The Board adjourned to executive session at 9:39 p.m.

At the end of executive session, Mayor Richel made the following statement: “The time is now 10:33 p.m., and the executive session has concluded. No formal action was taken in the executive session. The participants in the executive session were: Keith Richel, Kyle Knott, Jerry Seifert, Andreia Poston, Justin Brintnall, Sam Flores, Derek Hanrahan, Jeff Layman, Sheila McIntyre, Amie Tucker, Trey Fonner and Michael Sawyer. For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I would ask that you state your concerns for the record”. No objections were stated.

Trustee Brintnall made a motion to direct the Town Attorney to prepare a counter proposal with the proposed terms discussed in executive session and approve a contract subject to the buyer accepting the executed counter proposal for the property located at 1007 Highway 6. Mayor Pro-tem Knott seconded the motion, and the motion carried with Trustee Poston voting nay.

### Adjournment

Mayor Pro-tem Knott made a motion to adjourn. Trustee Seifert seconded the motion, and the motion carried unanimously. Mayor Richel adjourned the meeting 10:35 p.m.

Respectfully submitted, Approved by the Board of Trustees

____________________________  ____________________________
Sheila M. McIntyre, CMC  Keith B. Richel
Town Clerk  Mayor
Certificate of Recognition

Volunteer Appreciation

Awarded To:

Nevaeh Williams

In recognition of your outstanding contributions and dedication to the community

The Town of Silt is grateful for you and your commitment to Town Events and Team Sports;
We couldn’t have done it without YOU!!!

________________________________________
Mayor, Keith Richel

________________________________________
Town Administrator, Jeff Layman
DATE: April 11, 2022

TO: Board of Trustees of the Town of Silt

FROM: Karp Neu Hanlon PC, Attorneys for the Town of Silt

RE: First Reading of Ordinance Adopting Xcel Franchise Agreement

For your consideration on first reading at the April 11 Board of Trustees meeting is an ordinance granting a gas and electric franchise within the Town of Silt to Public Service Company of Colorado (Xcel Energy). The terms of the franchise are contained in the Franchise Agreement attached to the ordinance as Exhibit A.

Xcel currently provides gas and electricity service to the Town under a franchise agreement adopted by ordinance in 1997. The current franchise agreement expires on April 29, 2022. The Town has negotiated an updated agreement with Xcel over the past several months based on direction from the Board of Trustees.

The term of the new agreement is 15 years. Subject to approval by the Board, it would take effect on April 30, 2022, and terminate on April 29, 2037. The grant of franchise gives Xcel the non-exclusive right to (1) use the Town streets, Town public utility easements, and other Town property to provide gas and electric service to the Town and its residents and to (2) install, maintain, and operate Xcel facilities in and through the Town reasonably necessary for the provision of utility service in the Town. Xcel will pay the town a 3% franchise fee, which is 3% of all gross revenues of the sale of gas and electricity to customers within the Town. The franchise agreement gives Xcel the right to provide street lighting and traffic signal lighting services in the Town at the Town’s direction. The agreement also requires Xcel to allocate and maintain an undergrounding fund (1% annually of gross electric revenues) for the purpose of moving certain existing electric distribution lines underground in specified circumstances.

The Town’s relationship with Xcel is additionally governed by Xcel’s tariff sheets, which are published and applicable to all customers, including retail and business customers within the Town, and the Town itself when it purchases gas or electricity as a customer. The tariffs address streetlighting service (including repair and replacement), liability and indemnification where the Town is a customer, and many other aspects of Xcel’s service within the Town and commercial relationship with the Town.
The Franchise Agreement and the adoption process complies with the provisions of Section 9-4 of the Town’s Home Rule Charter addressing public utility franchises. This franchise, subject to the Board’s approval, will be authorized by an ordinance adopted by the Board (required by Section 9-4(a)). Additionally, the franchise is non-exclusive, and the term is 15 years (see Section 9-4(b) of the Charter). The Town retains the authority under the franchise agreement to construct, condemn, purchase, operate, and maintain its own utilities (see Charter Section 9-4(c)). Finally, the franchise agreement expressly preserves and does not limit the Town’s ability to regulate using its police powers (see Charter Section 9-4(d)).

The Town is also in discussions with Xcel on programs to ensure timely repair and replacement of streetlights, and on separate agreements regarding (1) painting and beautifying transformer and equipment boxes and (2) trenching and opening up Town streets. The most effective way to address these items was through separate agreements rather than through the Franchise Agreement.

If passed on first reading on April 11, the ordinance and Franchise Agreement could be adopted by the Board on second reading at the April 25 Board meeting. This would allow the new Franchise Agreement to be fully adopted before the existing agreement terminates.
AN ORDINANCE OF THE TOWN OF SILT, COLORADO, GRANTING A GAS AND ELECTRIC FRANCHISE TO PUBLIC SERVICE COMPANY OF COLORADO.

WHEREAS, the Town of Silt ("Town") is a Colorado home rule municipality organized under Article XX of the Colorado Constitution and with the authority of the Silt Home Rule Charter; and

WHEREAS, Section 9-4(a) of the Silt Home Rule Charter provides that “[n]o public utility, including but not limited to, those providing water, sewer, cable TV, electrical power, telephone, telegraph, telecommunications or natural gas, may use or occupy the streets, alleys and other property of the Town without obtaining a utility franchise or permit authorized by an ordinance adopted by the Board of Trustees”; and

WHEREAS, the Board desires to grant Public Service Company of Colorado a franchise to provide gas and electric service in the Town on the terms and conditions stated in the Gas and Electric Franchise Agreement ("Franchise Agreement") attached to this Ordinance as Exhibit A; and

WHEREAS, the Board finds and determines that the Franchise Agreement complies with the requirements in Section 9-4(b)-(d) of the Silt Home Rule Charter; and

WHEREAS, the Board considered this Ordinance at duly noticed public hearings; and

WHEREAS, the Board has determined that the adoption of this Ordinance and the Franchise Agreement attached hereto is necessary and proper to provide for the safety, health, prosperity, and order of the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILT THAT:

SECTION 1

The grant of franchise to Public Service Company of Colorado and the adoption of the Franchise Agreement attached as Exhibit A and herein incorporated by reference is authorized and approved. The Mayor or the Town’s designated representative is hereby authorized to execute the Franchise Agreement.
SECTION 2

All ordinances heretofore passed and adopted by the Board of Trustees of the Town of Silt, Colorado are hereby repealed to the extent that said ordinances, or parts thereof, are in conflict herewith.

SECTION 3

If any section, subsection, clause, phrase or provision of this Ordinance, or the application thereof to any person or circumstance, shall to any extent, be held by a court of competent jurisdiction to be invalid, void or unconstitutional, the remaining sections, subsections, clauses, phrases and provisions of this Ordinance, or the application thereof to any person or circumstance, shall remain in full force and shall in no way be affected, impaired or invalidated.

INTRODUCED, READ, AND APPROVED ON FIRST READING this 11th day of April 2022, at 7:00 PM in the Town Hall, Town of Silt, Colorado.

PASSED, APPROVED ON SECOND READING, ADOPTED, AND ORDERED PUBLISHED following a continued public hearing this 25th day of April 2022, at 7:00 PM in the Town Hall, Town of Silt, Colorado.

TOWN OF SILT

_____________________
Mayor Keith B. Richel

ATTEST:

______________________________
Town Clerk Sheila M. McIntyre, CMC
FRANCHISE AGREEMENT

BETWEEN

THE TOWN OF SILT, COLORADO

AND

PUBLIC SERVICE COMPANY OF COLORADO

ARTICLE 1 Definitions and Principles of Construction
ARTICLE 2 Grant of Franchise
ARTICLE 3 Town Police Powers
ARTICLE 4 Franchise Fee
ARTICLE 5 Administration of Franchise
ARTICLE 6 Supply, Construction, and Design
ARTICLE 7 Reliability
ARTICLE 8 Company Performance Obligations
ARTICLE 9 Billing and Payment
ARTICLE 10 Use of Company Electric Distribution Poles
ARTICLE 11 Undergrounding of Overhead Electric Distribution Lines
ARTICLE 12 Purchase or Condemnation
ARTICLE 13 Municipally Produced Utility Service
ARTICLE 14 Environment and Conservation
ARTICLE 15 Transfer of Franchise
ARTICLE 16 Continuation of Utility Service
ARTICLE 17 Indemnification and Immunity
ARTICLE 18 Breach
ARTICLE 19 Amendments
ARTICLE 20 Equal Opportunity
ARTICLE 21 Miscellaneous

Gas and Electric Franchise Agreement
TABLE OF CONTENTS

Article 1 DEFINITIONS AND PRINCIPLES OF CONSTRUCTION ..........................................................1
  Section 1.1 Defined Terms ...........................................................................................................1
  Section 1.2 Singular/Plural .........................................................................................................4
  Section 1.3 Mandatory/Permissive ...........................................................................................4

Article 2 GRANT OF FRANCHISE ...............................................................................................4
  Section 2.1 Grant of Franchise ................................................................................................4
  Section 2.2 Conditions and Limitations ..................................................................................5
  Section 2.3 Effective Date and Term .........................................................................................5

Article 3 TOWN POLICE POWERS .........................................................................................6
  Section 3.1 Police Powers .........................................................................................................6
  Section 3.2 Regulation of Streets and Other Town Property .......................................................6
  Section 3.3 Compliance with Laws ...........................................................................................6
  Section 3.4 Industry Standards ................................................................................................6

Article 4 FRANCHISE FEE .........................................................................................................6
  Section 4.1 Franchise Fee .........................................................................................................6
  Section 4.2 Remittance of Franchise Fee ................................................................................7

Article 5 ADMINISTRATION OF FRANCHISE ........................................................................9
  Section 5.1 Town Designee ......................................................................................................9
  Section 5.2 Company Designee ...............................................................................................9
  Section 5.3 Coordination of Work ...........................................................................................9

Article 6 SUPPLY, CONSTRUCTION AND DESIGN ..........................................................10
  Section 6.1 Purpose ................................................................................................................10
  Section 6.2 Supply ..................................................................................................................10
  Section 6.3 Charges to the Town for Service to Town Facilities ...............................................10
  Section 6.4 Restoration of Service ..........................................................................................10
  Section 6.5 Obligations Regarding Company Facilities ............................................................11
  Section 6.6 As-Built Drawings ................................................................................................12
  Section 6.7 Excavation and Construction ...............................................................................13
  Section 6.8 Restoration .............................................................................................................13
  Section 6.9 Relocation of Company Facilities .........................................................................14
  Section 6.10 New or Modified Service Requested by Town ......................................................16
  Section 6.11 Service to New Areas ..........................................................................................16
  Section 6.12 Town Not Required to Advance Funds .................................................................16
  Section 6.13 Technological Improvements ..............................................................................16

Article 7 RELIABILITY ...............................................................................................................16
  Section 7.1 Reliability ..............................................................................................................16
  Section 7.2 Franchise Performance Obligations ......................................................................16
Section 7.3   Reliability Reports.................................................................17

Article 8 COMPANY PERFORMANCE OBLIGATIONS .....................................17

Section 8.1  New or Modified Service to Town Facilities.................................17
Section 8.2  Adjustments to Company Facilities...........................................17
Section 8.3  Third Party Damage Recovery................................................18

Article 9 BILLING AND PAYMENT ................................................................18

Section 9.1  Billing for Utility Services...........................................................18

Article 10 USE OF COMPANY ELECTRIC DISTRIBUTION POLES ...............19

Section 10.1 Town Use of Company Electric Distribution Poles....................19
Section 10.2 Third Party Use of Company Electric Distribution Poles...............20
Section 10.3 Town Use of Company Transmission Rights-of-Way..................20
Section 10.4 Emergencies..............................................................................20

Article 11 UNDERGROUNDING OF OVERHEAD ELECTRIC DISTRIBUTION LINES ...20

Section 11.1 Underground Electrical Lines in New Areas................................20
Section 11.2 Underground Conversion at Expense of Company......................20
Section 11.3 Undergrounding Performance..................................................21
Section 11.4 Audit of Underground Program................................................23
Section 11.5 Cooperation with Other Utilities...............................................23
Section 11.6 Planning and Coordination of Undergrounding Projects............23

Article 12 PURCHASE OR CONDEMNATION ...............................................24

Section 12.1 Municipal Right to Purchase or Condemn..................................24

Article 13 MUNICIPALLY PRODUCED UTILITY SERVICE.............................24

Section 13.1 Municipally Produced Utility Service..........................................24

Article 14 ENVIRONMENT AND CONSERVATION ....................................25

Section 14.1 Environmental Leadership.......................................................25
Section 14.2 Conservation............................................................................25
Section 14.3 Continuing Commitment.........................................................26
Section 14.4 PUC Approval..........................................................................26
Section 14.5 Sustainability Committee........................................................26

Article 15 TRANSFER OF FRANCHISE......................................................26

Section 15.1 Consent of Town Required.......................................................26
Section 15.2 Transfer Fee............................................................................27

Article 16 CONTINUATION OF UTILITY SERVICE ....................................27

Section 16.1 Continuation of Utility Service..................................................27
Section 16.2 Compensation.........................................................................27

Article 17 INDEMNIFICATION AND IMMUNITY .........................................27

Section 17.1 Town Held Harmless..................................................................27
<table>
<thead>
<tr>
<th>Section 17.2</th>
<th>Governmental Immunity Act.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 18 BREACH</td>
<td>.................................................................28</td>
</tr>
<tr>
<td>Section 18.1</td>
<td>Change of Tariffs.</td>
</tr>
<tr>
<td>Section 18.2</td>
<td>Breach.</td>
</tr>
<tr>
<td>Article 19 AMENDMENTS</td>
<td>.................................................................29</td>
</tr>
<tr>
<td>Section 19.1</td>
<td>Proposed Amendments.</td>
</tr>
<tr>
<td>Section 19.2</td>
<td>Effective Amendments.</td>
</tr>
<tr>
<td>Article 20 EQUAL OPPORTUNITY</td>
<td>.................................................................29</td>
</tr>
<tr>
<td>Section 20.1</td>
<td>Economic Development.</td>
</tr>
<tr>
<td>Section 20.2</td>
<td>Employment.</td>
</tr>
<tr>
<td>Section 20.3</td>
<td>Contracting.</td>
</tr>
<tr>
<td>Section 20.4</td>
<td>Coordination.</td>
</tr>
<tr>
<td>Article 21 MISCELLANEOUS</td>
<td>.................................................................31</td>
</tr>
<tr>
<td>Section 21.1</td>
<td>No Waiver.</td>
</tr>
<tr>
<td>Section 21.2</td>
<td>Successors and Assigns.</td>
</tr>
<tr>
<td>Section 21.3</td>
<td>Third Parties.</td>
</tr>
<tr>
<td>Section 21.4</td>
<td>Notice.</td>
</tr>
<tr>
<td>Section 21.5</td>
<td>Examination of Records.</td>
</tr>
<tr>
<td>Section 21.6</td>
<td>Confidential or Proprietary Information.</td>
</tr>
<tr>
<td>Section 21.7</td>
<td>List of Utility Property.</td>
</tr>
<tr>
<td>Section 21.8</td>
<td>PUC Filings.</td>
</tr>
<tr>
<td>Section 21.9</td>
<td>Information.</td>
</tr>
<tr>
<td>Section 21.10</td>
<td>Payment of Taxes and Fees.</td>
</tr>
<tr>
<td>Section 21.11</td>
<td>Conflict of Interest.</td>
</tr>
<tr>
<td>Section 21.12</td>
<td>Certificate of Public Convenience and Necessity.</td>
</tr>
<tr>
<td>Section 21.13</td>
<td>Authority.</td>
</tr>
<tr>
<td>Section 21.14</td>
<td>Severability.</td>
</tr>
<tr>
<td>Section 21.15</td>
<td>Force Majeure.</td>
</tr>
<tr>
<td>Section 21.16</td>
<td>Earlier Franchises Superseded.</td>
</tr>
<tr>
<td>Section 21.17</td>
<td>Titles Not Controlling.</td>
</tr>
<tr>
<td>Section 21.18</td>
<td>Applicable Law.</td>
</tr>
<tr>
<td>Section 21.19</td>
<td>Payment of Expenses Incurred by Town Related to Franchise Agreement.</td>
</tr>
<tr>
<td>Section 21.20</td>
<td>Costs of Compliance with Franchise.</td>
</tr>
<tr>
<td>Section 21.21</td>
<td>Conveyance of Streets, Public Utility Easements or Other Town Property.</td>
</tr>
<tr>
<td>Section 21.22</td>
<td>Audit.</td>
</tr>
<tr>
<td>Section 21.23</td>
<td>Land Use Coordination.</td>
</tr>
<tr>
<td>Section 21.24</td>
<td>Approval.</td>
</tr>
</tbody>
</table>
PUBLICATION COMPANY OF COLORADO
AND
THE TOWN OF SILT, COLORADO

GAS AND ELECTRIC FRANCHISE AGREEMENT

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF CONSTRUCTION

Section 1.1 Defined Terms. In addition to the capitalized terms defined elsewhere in this Franchise, the following capitalized words and phrases shall have the meanings set forth below. Words not defined in this Article 1 or elsewhere in this Franchise shall be given their common and ordinary meaning.

“Board” refers to and is the legislative body of the Town.

“Clean Energy” means energy produced from Renewable Energy Resources (as defined below), eligible energy sources, and by means of advanced technologies that cost-effectively capture and sequester carbon emissions produced as a by-product of power generation. For purposes of this definition, “cost” means all those costs as determined by the PUC.

“Company” means Public Service Company of Colorado, a Colorado corporation, an Xcel Energy company, and its successors and assigns including affiliates or subsidiaries that undertake to perform any of the obligations under this Franchise.

“Company Designee” has the meaning ascribed in Section 5.2.

“Company Facilities” refer to all facilities of the Company which are reasonably necessary or desirable to provide gas and/or electric service into, within and through the Town, including but not limited to plants, works, systems, substations, transmission and distribution structures and systems, lines, equipment, pipes, mains, conduit, transformers, underground lines, gas compressors, meters, meter reading devices, communication and data transfer equipment, control equipment, gas regulator stations, street lights, wire, cables and poles as well as all associated appurtenances.

“Effective Date” has the meaning ascribed in Section 2.3.

“Electric Gross Revenues” refers to those amounts of money that the Company receives from the sale and/or delivery of electricity in the Town, after adjusting for refunds, net write-offs of accounts, corrections, or Regulatory Adjustments (as defined below). Regulatory adjustments include, but are not limited to, credits, surcharges, refunds, and pro-forma adjustments pursuant to federal or state regulation. “Electric Gross Revenues” shall exclude any revenue from the sale and/or delivery of electricity to the Town as a customer of the Company.

“Energy Conservation” means the decrease in energy requirements of specific customers during any selected time period, resulting in a reduction in end-use services.
“Energy Efficiency” means the decrease in energy requirements of specific customers during any selected period with end-use services of such customers held constant.

“Franchise” or “Franchise Agreement” means this franchise agreement by and between the Town and Company.

“Franchise Fee” has the meaning ascribed in Section 4.1(A).

“Force Majeure Event” means the inability to undertake an obligation of this Franchise Agreement due to a cause, condition or event that could not be reasonably anticipated by a party or is beyond a party’s reasonable control after exercise of best efforts to perform. Such cause, condition or event includes but is not limited to fire, strike, war, riots, terrorist acts, acts of governmental authority, acts of God, floods, epidemics, quarantines, labor disputes, unavailability or shortages of materials or equipment or failures or delays in the delivery of materials. Neither the Town nor the Company shall be in breach of this Franchise if a failure to perform any of the duties under this Franchise is due to a Force Majeure Event.

“Gross Revenues” refers to those amounts of money the Company receives from the sale of gas and/or electricity within the Town under rates authorized by the Public Utilities Commission, as well as from the transportation of gas to its customers within the Town, as adjusted for refunds, net write-offs of uncollectible accounts, corrections, expense reimbursements or regulatory adjustments. Regulatory adjustments include, but are not limited to, credits, surcharges, refunds, and pro-forma adjustments pursuant to federal or state regulation. “Gross Revenues” shall exclude any revenues from the sale of gas or electricity to the Town or the transportation of gas to the Town.

“Industry Standards” refers to standards developed by government agencies and generally recognized organizations that engage in the business of developing utility industry standards for materials, specifications, testing, construction, repair, maintenance, manufacturing, and other facets of the electric and gas utility industries. Such agencies and organizations include, but are not limited to the U.S. Department of Transportation, the Federal Energy Regulatory Commission (FERC), the North American Electric Reliability Corporation (NERC), the Pipeline and Hazardous Materials Safety Administration (PHMSA), the Colorado Public Utilities Commission, the American National Standards Institute (ANSI), the American Society for Testing and Materials (ASTM), the Pipeline Research Council International, Inc. (PRCI), the American Society of Mechanical Engineers (ASME), the Institute of Electric and Electronic Engineers (IEEE), the Electric Power Research Institute (EPRI), the Gas Technology Institute (GTI), the National Fire Protection Association (NFPA), and specifically includes the National Electric Safety Code (NESC).

“Open Space” refers to privately-owned property protected by real covenant, or publicly-owned property protected by covenant and/or designated by ordinance or resolution of the Town Board, which covenant or designation designates the property for use as one (1) or more of the following: a community buffer; a wildlife corridor and habitat area; a wetland; a view corridor; agricultural land; an area of archeological, historical, geologic or topographic significance; an area containing significant renewable and/or nonrenewable natural resources;
and/or other undesignated, typically non-irrigated, undeveloped land uses. Open Space shall not include Parks.

“Other Town Property” refers to the surface, the air space above the surface and the area below the surface of any property owned by the Town or directly controlled by the Town due to the Town’s real property interest in the same or hereafter owned by the Town, that would not otherwise fall under the definition of “Streets,” but which provides a suitable location for the placement of Company Facilities as specifically approved in writing by the Town. Other Town Property does not include Public Utility Easements.

“Parks” refers to land area owned by the Town, either independently or with another governmental or quasi-governmental entity, that is developed and maintained for active or passive recreational use and is open for the general public’s use and enjoyment; which, by way of example only, may include public playfields, courts, and other recreation facilities, or may include greenways, water features, picnic areas, or natural areas.

“Private Project” refers to any project not included in the definition of Public Project.

“Public Project” refers to (1) any public work or improvement within the Town that is wholly owned by the Town; or (2) any public work or improvement within the Town where at least fifty percent (50%) or more of the funding is provided by any combination of the Town, the federal government, the State of Colorado, or any Colorado county, but excluding all entities established under Title 32 of the Colorado Revised Statutes.

“Public Utilities Commission” or “PUC” refers to the Public Utilities Commission of the State of Colorado or other state agency succeeding to the regulatory powers of the Public Utilities Commission.

“Public Utility Easement” refers to any platted easement over, under, or above public or private property, expressly dedicated to, and accepted by, the Town for the use of public utility companies for the placement of utility facilities, including but not limited to Company Facilities.

“Relocate” and “Relocation,” and any variation thereof, means a temporary or permanent change or alteration by the Company in the position of any Company Facilities.

“Renewable Energy Resources” means wind, solar, and geothermal resources; energy produced from biomass from nontoxic plant matter consisting of agricultural crops or their byproducts, urban wood waste, mill residue, slash, or brush, or from animal wastes and products of animal wastes, or from methane produced at landfills or as a by-product of the treatment of wastewater residuals; new hydroelectricity with a nameplate rating of ten (10) megawatts or less; hydroelectricity in existence on January 1, 2005 with a nameplate rating of thirty (30) megawatts or less; fuel cells using hydrogen derived from a Renewable Energy Resource; recycled energy produced by a generation unit with a nameplate capacity of not more than fifteen (15) megawatts that converts the otherwise lost energy from the heat from exhaust stacks or pipes to electricity and that does not combust additional fossil fuel, and
includes any eligible renewable energy resource as defined in C.R.S. § 40-2-124(1)(a), as the same may be amended from time to time.

“Residents” refers to all persons, businesses, industries, governmental agencies, including the Town, and any other entity whatsoever presently located or to be hereinafter located, in whole or in part, within the territorial boundaries of the Town.

“Streets” or “Town Streets” refers to the surface, the air space above the surface and the area below the surface of any Town-dedicated or Town-maintained streets, alleys, bridges, roads, lanes, access easements, and other public rights-of-way within the Town, which are primarily used for motorized vehicle traffic. Streets shall not include Public Utility Easements and Other Town Property.

“Supporting Documentation” refers to all information reasonably required or needed in order to allow the Company to design and construct any work performed under the provisions of this Franchise. Supporting Documentation may include, but is not limited to, construction plans, a description of known environmental issues, the identification of critical right-of-way or easement issues, the final recorded plat for the property, the date the site will be ready for the Company to begin construction, the date gas service and meter set are needed, and the name and contact information for the Town’s project manager.

“Tariffs” refer to those tariffs of the Company on file and in effect with the PUC or other governing jurisdiction, as amended from time to time.

“Town” means the Town of Silt, a municipal corporation of the State of Colorado.

“Town Designee” has the meaning ascribed in Section 5.1.

“Underground Program” has the meaning ascribed in Section 11.2(A).

“Utility Service” refers to the sale of gas or electricity to Residents by the Company under Tariffs approved by the PUC, as well as the delivery of gas to Residents by the Company.

Section 1.2  Singular/Plural. Unless the context otherwise requires, words used in the present tense include the future tense, words in the plural include the singular, and words in the singular include the plural.

Section 1.3  Mandatory/Permissive. The words “shall” and “will” are mandatory and the word “may” is permissive.

ARTICLE 2
GRANT OF FRANCHISE

Section 2.1  Grant of Franchise.

(A)  Grant. The Town hereby grants to the Company, subject to all conditions, limitations, terms, and provisions contained in this Franchise, the non-exclusive right to
make reasonable use of Town Streets, Public Utility Easements (as applicable) and Other Town Property:

(1) to provide Utility Service to the Town and to its Residents under the Tariffs; and

(2) to acquire, purchase, construct, install, locate, maintain, operate, upgrade and extend into, within and through the Town all Company Facilities reasonably necessary for the generation, production, manufacture, sale, storage, purchase, exchange, transportation, transmission and distribution of Utility Service within and through the Town.

(B) Street Lighting and Traffic Signal Lighting Service. The rights granted by this Franchise encompass the nonexclusive right to provide street lighting service and traffic signal lighting services as directed by the Town and, where applicable, the provisions of this Franchise shall apply with full and equal force to street lighting service and traffic signal lighting service provided by the Company pursuant to its Tariffs. In the event of a conflict between the provisions of this Franchise and the Tariffs, the Tariffs shall control. Wherever reference is made in this Franchise to the sale or provision of Utility Service these references shall be deemed to include the provision of street lighting service and traffic signal lighting service.

Section 2.2 Conditions and Limitations.

(A) Scope of Franchise. The grant of this Franchise and the terms and conditions hereof shall extend to all areas of the Town as it is now or hereafter constituted that are within the Company’s PUC-certificated service territory; however, nothing contained in this Franchise shall be construed to authorize the Company to engage in activities other than the provision of Utility Service.

(B) Subject to Town Usage. The Company’s right to make reasonable use of Town Streets and Other Town Property to provide Utility Service to the Town and its Residents under this Franchise is subject to and subordinate to any Town usage of said Streets and Other Town Property.

(C) Prior Grants Not Revoked. This grant and Franchise is not intended to and does not revoke any prior license, grant, or right to use the Streets, Other Town Property or Public Utility Easements, and such licenses, grants or rights of use are hereby affirmed.

(D) Franchise Not Exclusive. The rights granted by this Franchise are not, and shall not be deemed to be, granted exclusively to the Company, and the Town reserves the right to make or grant a franchise to any other person, firm, or corporation.

Section 2.3 Effective Date and Term. This Franchise shall take effect on April 30, 2022 (the “Effective Date”) and shall supersede any prior franchise grants to the Company by the Town. This Franchise shall terminate on April 29, 2037, unless extended by mutual consent.
ARTICLE 3
TOWN POLICE POWERS

Section 3.1 Police Powers. The Company expressly acknowledges the Town’s right to adopt, from time to time, in addition to the provisions contained herein, such laws, including ordinances and regulations, as it may deem necessary in the exercise of its governmental powers. If the Town considers making any substantive changes in its local codes or regulations that in the Town’s reasonable opinion will significantly impact the Company’s operations in the Town’s Streets, Public Utility Easements and Other Town Property, it will make a good faith effort to advise the Company of such consideration; provided, however, that lack of notice shall not be justification for the Company’s non-compliance with any applicable local requirements.

Section 3.2 Regulation of Streets and Other Town Property. The Company expressly acknowledges the Town’s right to enforce regulations concerning the Company’s access to or use of the Streets and/or Other Town Property. In addition, the Company acknowledges the Town’s right to require the Company to obtain permits for work in Streets, Other Town Property, and Public Utility Easements.

Section 3.3 Compliance with Laws. The Company shall promptly and fully comply with all laws, regulations, permits and orders lawfully enacted by the Town that are consistent with Industry Standards. Nothing herein provided shall prevent the Company from legally challenging or appealing the enactment or applicability of any laws, regulations, permits and orders enacted by the Town. To the extent that the Company believes that any Town regulations, permits and orders are inconsistent with Industry Standards, the Town agrees to meet with the Company upon the Company’s written request for consideration of the matters at issue within a reasonable period of time.

Section 3.4 Industry Standards. In enacting laws and regulations and issuing permits that affect the Company’s access to or use of the Streets, Other Town Property and Public Utility Easements, the Town agrees to make good faith efforts to make its regulations and permit conditions consistent with Industry Standards to the extent practicable, and the Company agrees to make good faith efforts to advise the Town of Industry Standards that affect the Company’s operations within the Town. Without limiting the Town’s police power in any way, the Town will take into consideration any input from the Company on new regulations and permit conditions that the Company believes unnecessarily increase its costs of operations within the Town.

ARTICLE 4
FRANCHISE FEE

Section 4.1 Franchise Fee.

(A) Fee. In consideration for this Franchise Agreement, which provides the certain terms related to the Company’s use of Town Streets, Public Utility Easements (as applicable) and Other Town Property, which are valuable public properties acquired and maintained by the Town at the expense of its Residents, and in recognition that the grant to the Company of this Franchise is a valuable right, the Company shall pay the Town a
sum equal to three percent (3%) of all Gross Revenues (the “Franchise Fee”). To the extent required by law, the Company shall collect the Franchise Fee from a surcharge upon Town Residents who are customers of the Company.

(B) **Obligation in Lieu of Franchise Fee.** In the event that the Franchise Fee specified herein is declared void for any reason by a court of competent jurisdiction, unless prohibited by law, the Company shall be obligated to pay the Town, at the same times and in the same manner as provided in this Franchise, an aggregate amount equal to the amount that the Company would have paid as a Franchise Fee as partial consideration for use of the Town Streets, Public Utility Easements and Other Town Property. Such payments shall be made in accordance with applicable provisions of law. Further, to the extent required by law, the Company shall collect the amounts agreed upon through a surcharge upon Utility Service provided to Town Residents who are customers of the Company.

(C) **Changes in Utility Service Industries.** The Town and the Company recognize that utility service industries are the subject of restructuring initiatives by legislative and regulatory authorities and are also experiencing other changes as a result of mergers, acquisitions, and reorganizations. Some of such initiatives and changes may have an adverse impact upon the Franchise Fee revenues provided for herein. In recognition of the length of the term of this Franchise, the Company agrees that in the event of any such initiatives or changes and to the extent permitted by law, upon receiving a written request from the Town, the Company will cooperate with and assist the Town in making reasonable modifications of this Franchise Agreement in an effort to ensure that the Town receives an amount in Franchise Fees or some other form of compensation that is the same amount of Franchise Fees paid to the Town as of the date that such initiatives and changes adversely impact Franchise Fee revenues.

(D) **Utility Service Provided to the Town.** No Franchise Fee shall be charged to the Town for Utility Service provided directly or indirectly to the Town for its own consumption, including street lighting service and traffic signal lighting service, unless otherwise directed by the Town in writing and in a manner consistent with Company Tariffs.

Section 4.2 **Remittance of Franchise Fee.**

(A) **Remittance Schedule.** Franchise Fees shall be remitted by the Company to the Town as directed by the Town in monthly installments not more than thirty (30) days following the close of each calendar month.

(B) **Correction of Franchise Fee Payments.** In the event that either the Town or the Company discovers that there has been an error in the calculation of the Franchise Fee payment to the Town, either party shall provide written notice of the error to the other party. If the party receiving written notice of the error does not agree with the written notice of error, that party may challenge the written notice of error pursuant to Section 4.2(D) of this Franchise; otherwise, the error shall be corrected in the next monthly payment. However, if the error results in an overpayment of the Franchise Fee to the Town,
and said overpayment is in excess of Five Thousand Dollars ($5,000.00), correction of the overpayment by the Town shall take the form of a credit against future Franchise Fees and shall be spread over the same period the error was undiscovered or the Town shall make a full refund payment to the Company. If such period would extend beyond the term of this Franchise, the Company may elect to require the Town to provide it with a refund instead of a credit, with such refund to be spread over the same period the error was undiscovered, even if the refund will be paid after the termination date of this Franchise. All Franchise Fee underpayments shall be corrected in the next monthly payment, together with interest computed at the rate set by the PUC for customer security deposits held by the Company, from the date when due until the date paid. Subject to the terms of the Tariffs, in no event shall either party be required to fund or refund any overpayment or underpayment made as a result of a Company error which occurred more than five (5) years prior to the discovery of the error.

(C) Audit of Franchise Fee Payments.

(1) **Company Audit.** At the request of the Town, every three (3) years commencing at the end of the third calendar year of the Term of this Franchise, the Company shall conduct an internal audit, in accordance with the Company’s auditing principles and policies that are applicable to electric and gas utilities that are developed in accordance with the Institute of Internal Auditors, to investigate and determine the correctness of the Franchise Fees paid to the Town. Such audit shall be limited to the previous three (3) calendar years. Within a reasonable period of time after the audit, the Company shall provide a written report to the Town Clerk summarizing the audit procedures followed along with any findings.

(2) **Town Audit.** If the Town disagrees with the results of the Company’s audit, and if the parties are not able to informally resolve their differences, the Town may conduct its own audit at its own expense, in accordance with generally accepted auditing principles applicable to electric and gas utilities that are developed in accordance with the Institute of Internal Auditors, and the Company shall cooperate by providing the Town’s auditor with non-confidential information that would be required to be disclosed under applicable state sales and use tax laws and applicable PUC rules and regulations.

(3) **Underpayments.** If the results of a Town audit conducted pursuant to Section 4.2(C)(2) above concludes that the Company has underpaid the Town by two percent (2%) or more, in addition to the obligation to pay such amounts to the Town, the Company shall also pay all reasonable costs of the Town’s audit. The Company shall not be responsible for the costs of the Town’s audit when the underpayment is caused by errors from information provided by an entity certified by the Colorado Department of Revenue as a “hold harmless entity” or other similar entity recognized by the Colorado Department of Revenue.
(D) Fee Disputes. Either party may challenge any written notification of error as provided for in Section 4.2(B) of this Franchise by filing a written notice to the other party within thirty (30) days of receipt of the written notification of error. The written notice shall contain a summary of the facts and reasons for the party’s notice. The parties shall make good faith efforts to resolve any such notice of error before initiating any formal legal proceedings for the resolution of such error.

(E) Reports. To the extent allowed by law, upon written request by the Town, but not more than once per year, the Company shall supply the Town with a list of the names and addresses of registered natural gas suppliers and brokers of natural gas that utilize Company Facilities to sell or distribute natural gas within the Town. The Company shall not be required to disclose any confidential or proprietary information.

(F) Franchise Fee Payment Not in Lieu of Permit or Other Fees. Payment of the Franchise Fee by Company to Town does not exempt the Company from any other lawful tax or fee imposed generally upon persons doing business within the Town, except that the Franchise Fee provided for herein shall be in lieu of any occupation, occupancy or similar tax or fee for the Company’s use of Town Streets, Public Utility Easements or Other Town Property under the terms set forth in this Franchise.

**ARTICLE 5**

**ADMINISTRATION OF FRANCHISE**

Section 5.1 Town Designee. The Town Clerk shall designate in writing to the Company an official or officials having full power and authority to administer this Franchise (whether one or more “Town Designee”). The Town Clerk may also designate one or more Town representatives to act as the primary liaison with the Company as to particular matters addressed by this Franchise and shall provide the Company with the name(s) and telephone number(s) of said Town Designee. The Town Clerk may change these designations by providing written notice to the Company. The Town Designee shall have the right, at all reasonable times and with reasonable notice to the Company, to inspect any Company Facilities in Town Streets and Other Town Property.

Section 5.2 Company Designee. The Company shall designate a representative to act as the primary liaison with the Town and shall provide the Town with the name, address, and telephone number for the Company’s representative under this Franchise (“Company Designee”). The Company may change its designation by providing written notice to the Town. The Town shall use the Company Designee to communicate with the Company regarding Utility Service and related service needs for Town facilities.

Section 5.3 Coordination of Work.

(A) The Company agrees to coordinate with the Town its activities in Town Streets and Other Town Property located in the Town. The Town and the Company will meet up to twice annually upon the written request of the Town designee to exchange their respective short-term and long-term forecasts and/or work plans for construction and other similar
work which may affect Town Streets, including but not limited to any planned Town Streets paving projects. The Town and Company shall hold such meetings as either deems necessary to exchange additional information with a view toward coordinating their respective activities in those areas where such coordination may prove beneficial and so that the Town will be assured that all applicable provisions of this Franchise, applicable building and zoning codes, and applicable Town air and water pollution regulations are complied with, and that aesthetic and other relevant planning principles have been given due consideration.

(B) In addition to the foregoing meetings, the Company and the Town agree to use good-faith efforts to provide notice to one another whenever (i) the Company initiates plans to significantly upgrade its infrastructure within the Town, including without limitation the replacement of utility poles and overhead lines; (ii) third-party applicants within the Town initiate private land uses and projects requiring a significant installation of utility infrastructure; or (iii) the Town initiates a project that requires significant upgrades to future gas and/or electric utility development by the Company, in order to allow for mutual Town and Company input and consultation for beneficial coordination of activities.

ARTICLE 6
SUPPLY, CONSTRUCTION AND DESIGN

Section 6.1 Purpose. The Company acknowledges the critical nature of the municipal services performed or provided by the Town to the Residents that require the Company to provide prompt and reliable Utility Service and the performance of related services for Town facilities. The Town and the Company wish to provide for certain terms and conditions under which the Company will provide Utility Service and perform related services for the Town in order to facilitate and enhance the operation of Town facilities. They also wish to provide for other processes and procedures related to the provision of Utility Service to the Town.

Section 6.2 Supply. Subject to the jurisdiction of the PUC, the Company shall take all reasonable and necessary steps to provide a sufficient supply of gas and electricity to Residents at the lowest reasonable cost consistent with reliable supplies.

Section 6.3 Charges to the Town for Service to Town Facilities. No charges to the Town by the Company for Utility Service (other than gas transportation which shall be subject to negotiated contracts) shall exceed the lowest charge for similar service or supplies provided by the Company to any other similarly situated customer of the Company. The parties acknowledge the jurisdiction of the PUC over the Company’s regulated intrastate electric and gas rates. All charges to the Town shall be in accord with the Tariffs.

Section 6.4 Restoration of Service.

(A) Notification. The Company shall provide to the Town daytime and nighttime telephone numbers of a Company Designee from whom the Town may obtain status
information from the Company on a twenty-four (24) hour basis concerning interruptions of Utility Service in any part of the Town.

(B) **Restoration.** In the event the Company’s gas system or electric system within the Town, or any part thereof, is partially or wholly destroyed or incapacitated, the Company shall use due diligence to restore such system to satisfactory service within the shortest practicable period of time, or provide a reasonable alternative to such system if the Company elects not to restore such system.

**Section 6.5 Obligations Regarding Company Facilities.**

(A) **Company Facilities.** All Company Facilities within Town Streets, Public Utility Easements and Other Town Property shall be maintained in good repair and condition.

(B) **Company Work within the Town.** All work within Town Streets and Other Town Property performed or caused to be performed by the Company shall be performed:

1. in a high-quality manner that is in accordance with Industry Standards;
2. in a timely and expeditious manner;
3. in a manner that reasonably minimizes inconvenience to the public;
4. in a cost-effective manner, which may include the use of qualified contractors; and
5. in accordance with all applicable Town laws, ordinances, and regulations that are consistent with Industry Standards and the Tariffs.

(C) **No Interference with Town Facilities.** Company Facilities shall not unreasonably interfere with any Town facilities, including water facilities, sanitary or storm sewer facilities, communications facilities, or other Town uses of the Streets, Public Utility Easements, or Other Town Property. Company Facilities shall be installed and maintained in Town Streets and Other Town Property so as to reasonably minimize interference with other property, trees, and other improvements and natural features in and adjoining the Streets and Other Town Property in light of the Company’s obligation under Colorado law to provide safe and reliable utility facilities and services.

(D) **Permit and Inspection.** The installation, renovation, and replacement of any Company Facilities in the Town Streets or Other Town Property by or on behalf of the Company shall be subject to permit, inspection and approval by the Town in accordance with applicable Town laws. Such permitting, inspection and approval may include, but shall not be limited to, the following matters: location of Company Facilities, cutting and pruning of trees and shrubs and disturbance of pavement, sidewalks and surfaces of Town Streets or Other Town Property; provided, however, the Company shall have the right to cut, prune, and/or remove vegetation in accordance with its standard vegetation management requirements and procedures. The Company agrees to cooperate with the
Town in conducting inspections and shall promptly perform any remedial action lawfully required by the Town pursuant to any such inspection that is consistent with Industry Standards.

(E) **Compliance.** Subject to the provisions of Section 3.3 above, the Company and all of its contractors shall comply with the requirements of all applicable municipal laws, ordinances, regulations, rules, permits, and standards lawfully adopted, including but not limited to requirements of all building and zoning codes, and requirements regarding curb and pavement cuts, excavating, digging, and other construction activities. The Company shall use commercially reasonable efforts to require that its contractors working in Town Streets and Other Town Property hold the necessary licenses and permits required by law.

(F) **Increase in Voltage.** The Company shall reimburse the Town for the cost of upgrading the electrical system or facility of any Town building or facility that uses Utility Service where such upgrading is solely caused or occasioned by the Company’s decision to increase the voltage of delivered electrical energy. This provision shall not apply to voltage increases required by law, including but not limited to a final order of the PUC, or voltage increases requested by the Town.

**Section 6.6 As-Built Drawings.**

(A) Within thirty (30) days after written request of the Town designee, but no sooner than fourteen (14) days after project completion, the Company shall commence its internal process to permit the Company to provide, on a project by project basis, as-built drawings of any Company Facility installed within the Town Streets or contiguous to the Town Streets. The Company shall provide the requested documents no later than forty-five (45) days after it commences its internal process.

(B) If the requested information must be limited or cannot be provided pursuant to regulatory requirements or Company data privacy policies, the Company shall promptly notify the Town of such restrictions. The Town acknowledges that the requested as-built drawings are confidential information of the Company and the Company asserts that disclosure to members of the public would be contrary to the public interest. Accordingly, the Town shall deny the right of inspection of the Company’s confidential information as set forth in C.R.S. § 24-72-204(3)(a)(IV), as may be amended from time to time (the “Open Records Act”). If an Open Records Act request is made by any third party for as-built drawings that the Company has provided to the Town pursuant to this Franchise, the Town will immediately notify the Company of the request and shall allow the Company to defend such request at its sole expense, including filing a legal action in any court of competent jurisdiction to prevent disclosure of such information. In any such legal action the Company shall join the person requesting the information and the Town. In no circumstance shall the Town provide to any third-party as-built drawings provided by the Company pursuant to this Franchise without first conferring with the Company. Provided the Town complies with the terms of this Section, the Company shall defend, indemnify and hold the Town harmless from any claim, judgment, costs or attorney fees incurred in participating in such proceeding.
(C) As used in this Section 6.6, “as-built drawings” refers to hard copies of the facility drawings as maintained in the Company’s business records and shall not include information maintained in the Company’s geographical information system. The Company shall not be required to create drawings or data that do not exist at the time of the request.

Section 6.7 Excavation and Construction.

(A) Subject to Section 3.3, the Company shall be responsible for obtaining, paying for, and complying with all applicable permits, including but not limited to excavation, street closure, and street cut permits in the manner required by the laws, ordinances, and regulations of the Town. Although the Company shall be responsible for obtaining and complying with the terms of such permits when performing Relocations requested by the Town under Section 6.9 of this Franchise and undergrounding requested by the Town under Article 11 of this Franchise, the Town will not require the Company to pay the fees charged for such permits.

(B) Upon the Company submitting a construction design plan, the Town shall promptly and fully advise the Company in writing of all requirements for the restoration of Town Streets in advance of Company excavation projects in Town Streets, based upon the design submitted, if the Town’s restoration requirements are not addressed in publicly available standards.

Section 6.8 Restoration.

(A) Subject to the provisions of Section 6.5(D), when the Company does any work in or affecting the Town Streets or Other Town Property, it shall, at its own expense, promptly remove any obstructions placed thereon or therein by the Company and within a reasonable period of time restore at the Company’s expense the affected surface of such Town Streets or Other Town Property to a condition that is substantially the same as existed before the work, in accordance with applicable Town standards.

(B) If weather or other conditions do not permit the complete restoration required by Section 6.8(A), the Company may with the approval of the Town, temporarily restore the affected Town Streets or Other Town Property, provided that such temporary restoration is not at the Town’s expense and provided further that the Company promptly undertakes and completes the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.

(C) Upon the request of the Town, the Company shall restore the Streets or Other Town Property to a better condition than existed before the Company work was undertaken, provided that the Town shall be responsible for any incremental costs of such restoration not required by then-current Town standards, and provided the Town seeks and/or grants, as applicable, any additional required approvals.
(D) If the Company fails to promptly restore the Town Streets or Other Town Property as required by this Section 6.8, and if, in the reasonable discretion of the Town, immediate action is required for the protection of public health, safety or welfare, the Town may restore such Streets or Other Town Property or remove the obstruction therefrom; provided however, Town actions do not interfere with Company Facilities. The Company shall be responsible for the actual cost incurred by the Town to restore such Town Streets or Other Town Property or to remove any obstructions therefrom. In the course of its restoration of Town Streets or Other Town Property under this Section 6.8, the Town shall not perform work on Company Facilities unless specifically authorized by the Company in writing on a project-by-project basis and subject to the terms and conditions agreed to in such authorization.

Section 6.9 Relocation of Company Facilities.

(A) Relocation Obligation. The Company shall Relocate any Company Facility in Town Streets or in Other Town Property at no cost or expense to the Town whenever such Relocation is necessary for the completion of any Public Project. In the case of Relocation that is necessary for the completion of any Public Project in a Public Utility Easement that is not in a Town Street or Other Town Property, the Company shall not be responsible for any relocation costs. For all Relocations contemplated pursuant to this Section 6.9(A), the Company and the Town agree to cooperate on the location and Relocation of the Company Facilities in the Town Streets or Other Town Property in order to achieve Relocation in the most efficient and cost-effective manner possible. Notwithstanding the foregoing, once the Company has completed a Relocation of any Company Facility at the Town’s direction, if the Town requests a Relocation of the same Company Facility within two (2) years, the subsequent Relocation shall not be at the Company’s expense. Nothing provided herein shall prevent the Company from recovering its Relocation costs and expenses from third-parties.

(B) Private Projects. Subject to Section 6.9(F), the Company shall not be responsible for the expenses of any Relocation required by Private Projects, and the Company has the right to require the payment of estimated Relocation expenses from the party causing, or responsible for, the Relocation before undertaking the Relocation.

(C) Relocation Performance. The Relocations set forth in Section 6.9(A) of this Franchise shall be completed within a reasonable time, not to exceed one hundred twenty (120) days from the later of the date on which the Town designee requests, in writing, that the Relocation commence, or the date when the Company is provided all Supporting Documentation. The Company shall notify the Town within twenty (20) days of receipt of the request if the Supporting Documentation is insufficient to complete the project. The Company shall receive an extension of time to complete a Relocation where the Company’s performance was delayed due to Force Majeure Event or the failure of the Town to provide adequate Supporting Documentation. The Company has the burden of presenting evidence to reasonably demonstrate the basis for the delay. Upon written request of the Company, the Town may also grant the Company reasonable extensions of time for good cause shown and the Town shall not unreasonably withhold or condition any such extension.
(D) **Town Revision of Supporting Documentation.** Any revision by the Town of Supporting Documentation provided to the Company that causes the Company to substantially redesign and/or change its plans regarding Company Facility Relocation shall be deemed good cause for a reasonable extension of time to complete the Relocation under this Franchise.

(E) **Completion.** Each such Relocation shall be complete only when the Company actually Relocates the Company Facilities, restores the Relocation site in accordance with Section 6.9 of this Franchise or as otherwise agreed with the Town, and removes from the site or properly abandons on site all unused Company Facilities, equipment, material and other impediments. “Unused” for the purposes of this Franchise shall mean the Company is no longer using the Company Facilities in question and has no plans to use the Company Facilities in the foreseeable future. Any abandonment of Company Facilities as contemplated in this section shall comply with Industry Standards.

(F) **Scope of Obligation.** Notwithstanding anything to the contrary in this Franchise, the Company shall not be required to Relocate any Company Facilities from property (i) owned by the Company in fee; or (ii) in which the Company has a property right, grant or interest, including without limitation an easement, but excluding Public Utility Easements, which are addressed in Section 6.9(A).

(G) **Underground Relocation.** The Company shall Relocate underground Company Facilities underground. The Company shall Relocate above-ground Company Facilities above ground unless the Company is paid for the incremental amount by which the underground cost would exceed the above ground cost of Relocation, or the Town requests that such additional incremental cost be paid out of available funds under Article 11 of this Franchise.

(H) **Coordination.**

(1) When requested in writing by the Town designee or the Company, representatives of the Town and the Company shall meet to share information regarding anticipated projects which will require Relocation of Company Facilities in Town Streets and Other Town Property. Such meetings shall be for the purpose of minimizing conflicts where possible and to facilitate coordination with any reasonable timetable established by the Town for any Public Project.

(2) The Town shall make reasonable best efforts to provide the Company with one (1) year advance notice of any planned Street repaving. The Company shall make reasonable best efforts to complete any necessary or anticipated repairs or upgrades to Company Facilities that are located underneath the Streets within the one-year period if practicable.

(I) **Proposed Alternatives or Modifications.** Upon receipt of written notice of a required Relocation, the Company may propose an alternative to or modification of the
Public Project requiring the Relocation in an effort to mitigate or avoid the impact of the required Relocation of Company Facilities. The Town shall in good faith review the proposed alternative or modification. The acceptance of the proposed alternative or modification shall be at the discretion of the Town. In the event the Town accepts the proposed alternative or modification, the Company agrees to promptly compensate the Town for all additional costs, expenses or delay that the Town reasonably determines resulted from the implementation of the proposed alternative.

**Section 6.10 New or Modified Service Requested by Town.** The conditions under which the Company shall install new or modified Utility Service to the Town as a customer shall be governed by this Franchise and the Company’s Tariffs.

**Section 6.11 Service to New Areas.** If the territorial boundaries of the Town are expanded during the term of this Franchise, the Company shall, to the extent permitted by law, extend service to Residents in the expanded area at the earliest practicable time if the expanded area is within the Company’s PUC-certificated service territory. Service to the expanded area shall be in accordance with the terms of the Tariffs and this Franchise, including the payment of Franchise Fees.

**Section 6.12 Town Not Required to Advance Funds.** Upon receipt of the Town’s authorization for billing and construction, the Company shall install Company Facilities to provide Utility Service to the Town as a customer, without requiring the Town to advance funds prior to construction. The Town shall pay for the installation of Company Facilities once completed in accordance with the Tariffs. Notwithstanding anything to the contrary, the provisions of this Section allowing the Town to not advance funds prior to construction shall apply unless prohibited by the PUC rules or the Tariffs. The parties agree that as of the date of execution of this Agreement, Company Electric Tariff Sheets R175 and R212 and Gas Tariff Sheets R39 and R72 governs the terms of installation of Company Facilities for the Town and allows installation of Company Facilities without the Town advancing funds prior to construction.

**Section 6.13 Technological Improvements.** The Company shall use its best efforts to incorporate, as soon as practicable, technological advances in its equipment and service within the Town when such advances are technically and economically feasible and are safe and beneficial to the Town and its Residents.

**ARTICLE 7 RELIABILITY**

**Section 7.1 Reliability.** The Company shall operate and maintain Company Facilities efficiently and economically, in accordance with Industry Standards, and in accordance with the standards, systems, methods and skills consistent with the provision of adequate, safe and reliable Utility Service.

**Section 7.2 Franchise Performance Obligations.** The Company recognizes that, as part of its obligations and commitments under this Franchise, the Company shall carry out each of its performance obligations in a timely, expeditious, efficient, economical and workmanlike manner.
Section 7.3 Re却liability Reports. Upon written request, the Company shall provide the Town with a report regarding the reliability of Company Facilities and Utility Service.

ARTICLE 8
COMPANY PERFORMANCE OBLIGATIONS

Section 8.1 New or Modified Service to Town Facilities. In providing new or modified Utility Service to Town facilities, the Company agrees to perform as follows:

(A) Performance. The Company shall complete each project requested by the Town within a reasonable time. Other than traffic facilities, where the Company’s performance obligations are governed by Tariff, the parties agree that a reasonable time shall not exceed one hundred eighty (180) days from the date upon which the Town designee makes a written request and provides the required Supporting Documentation for all Company Facilities other than traffic facilities, including a copy to the Area Manager as designated in Section 21.4 below. Provided that the Town provides the Company’s designated representative with a copy of the Supporting Documentation, the Company shall notify the Town within twenty (20) days of receipt of the request if the Supporting Documentation is sufficient to complete the project. The Company shall be entitled to an extension of time to complete a project where the Company’s performance was delayed due to Force Majeure Event. Upon request of the Company, the Town designee may also grant the Company reasonable extensions of time for good cause shown and the Town shall not unreasonably withhold any such extension.

(B) Town Revision of Supporting Documentation. Any revision by the Town of Supporting Documentation provided to the Company that causes the Company to substantially redesign and/or substantially change its plans regarding new or modified service to Town facilities shall be deemed good cause for a reasonable extension of time to complete the Relocation under this Franchise.

(C) Completion/Restoration. Each such project shall be complete only when the Company actually provides the service installation or modification required, restores the project site in accordance with the terms of this Franchise or as otherwise agreed with the Town and properly abandons on site any unused Company Facilities, equipment, material and other impediments.

Section 8.2 Adjustments to Company Facilities. The Company shall perform adjustments to Company Facilities that are consistent with Industry Standards, including manhole rings and other appurtenances in Streets and Other Town Property, to accommodate Town Street maintenance, repair and paving operations at no cost to the Town. In providing such adjustments to Company Facilities, the Company agrees to perform as follows:

(A) Performance. The Company shall complete each requested adjustment within a reasonable time, not to exceed thirty (30) days from the date upon which the Town makes a written request and provides to the Company all information reasonably necessary to perform the adjustment. The Company shall be entitled to an extension of time to complete
an adjustment where the Company’s performance was delayed due to a Force Majeure Event. Upon request of the Company, the Town may also grant the Company reasonable extensions of time for good cause shown and the Town shall not unreasonably withhold any such extension.

(B) **Completion/Restoration.** Each such adjustment shall be complete only when the Company actually adjusts and, if required, readjusts, Company Facilities to accommodate Town operations in accordance with Town instructions following Town street maintenance, repair, or paving operations.

(C) **Coordination.** As requested by the Town or the Company, representatives of the Town and the Company shall meet regarding anticipated Street maintenance operations which will require such adjustments to Company Facilities in Streets or Other Town Property. Such meetings shall be for the purpose of coordinating and facilitating performance under this Section.

**Section 8.3 Third Party Damage Recovery.**

(A) **Damage to Company Facilities.** If any individual or entity damages any Company Facilities, to the extent permitted by law the Town will notify the Company of any such incident of which it has knowledge and will provide to the Company within a reasonable time all pertinent information within its possession regarding the incident and the damage, including the identity of the responsible individual or entity.

(B) **Damage to Company Facilities for which the Town is Responsible.** If any individual or entity damages any Company Facilities for which the Town is obligated to reimburse the Company for the cost of the repair or replacement of the damaged facilities, to the extent permitted by law, the Company will notify the Town of any such incident of which it has knowledge and will provide to the Town within a reasonable time all pertinent information within its possession regarding the incident and the damage, including the identity of the responsible individual or entity.

(C) **Meeting.** The Company and the Town agree to meet periodically upon written request of either party for the purpose of developing, implementing, reviewing, improving and/or modifying mutually beneficial procedures and methods for the efficient gathering and transmittal of information useful in recovery efforts against third-parties for damaging Company Facilities.

**ARTICLE 9 BILLING AND PAYMENT**

**Section 9.1 Billing for Utility Services.**

(A) **Monthly Billing.** Unless otherwise provided in the Tariffs, the rules and regulations of the PUC, or the Public Utility Law, the Company shall render bills monthly to the offices of the Town for Utility Service and other related services for which the Company is entitled to payment.
(B) **Address for Billing.** Billings for service rendered during the preceding month shall be sent to the person(s) designated by the Town and payment for same shall be made as prescribed in this Franchise and the applicable Tariffs.

(C) **Supporting Documents.** To the extent requested by the Town, the Company shall provide all billings and any underlying Supporting Documentation reasonably requested by the Town in an editable and manipulatable electronic format that is acceptable to the Company and the Town.

(D) **Annual Meetings.** The Company agrees to meet with the Town designee at least annually for the purpose of developing, implementing, reviewing, and/or modifying mutually beneficial and acceptable billing procedures, methods, and formats which may include, without limitation, electronic billing and upgrades or beneficial alternatives to the Company’s current most advanced billing technology, for the efficient and cost effective rendering and processing of such billings submitted by the Company to the Town.

(E) **Payment to Town.** In the event the Town determines after written notice to the Company that the Company is liable to the Town for payments, costs, expenses or damages of any nature, and subject to the Company’s right to challenge such determination, the Town may deduct all monies due and owing the Town from any other amounts currently due and owing the Company. Upon receipt of such written notice, the Company may request a meeting between the Company’s designee and a designee of the Town to discuss such determination. The Town agrees to attend such a meeting. As an alternative to such deduction and subject to the Company’s right to challenge, the Town may bill the Company for such assessment(s), in which case, the Company shall pay each such bill within thirty (30) days of the date of receipt of such bill unless it challenges the validity of the charge. If the Company challenges the Town determination of liability, the Town shall make such payments to the Company for Utility Service received by the Town pursuant to the Tariffs until the challenge has been finally resolved.

**ARTICLE 10**

**USE OF COMPANY ELECTRIC DISTRIBUTION POLES**

**Section 10.1 Town Use of Company Electric Distribution Poles.** The Town shall be permitted to make use of Company electric distribution poles in the Town, subject to the Tariffs, without a use fee for the placement of Town equipment or facilities necessary to serve a legitimate police, fire, emergency, public safety or traffic control purpose. The Town shall notify the Company in advance and in writing of its intent to use Company’s electric distribution poles, and the nature of such use. The Town shall be responsible for all costs incurred by the Company associated with such use by the Town, including but not limited to reviews, inspections and modifications of Company electric distribution poles to accommodate the Town’s use of such Company electric distribution poles and for any electricity used. The Town shall not install any equipment or facilities without the express written consent and approval of the Company. No such use of Company electric distribution poles may occur if it would constitute a safety hazard or would interfere with the Company’s use or use by any other authorized entity of Company
Facilities. Any such Town use must comply with the Company’s specifications, the National Electric Safety Code, Industry Standards and all other applicable laws, rules and regulations.

Section 10.2 Third Party Use of Company Electric Distribution Poles. If requested in writing by the Town, the Company may allow other companies who hold franchises, or otherwise have obtained consent from the Town to use the Streets, Other Town Property, and Public Utility Easements, to utilize Company electric distribution poles in Town Streets, Other Town Property, and Public Utility Easements, subject to the Tariffs, for the placement of their facilities upon approval by the Company and agreement upon reasonable terms and conditions, including payment of fees established by the Company. No such use shall be permitted if it would constitute a safety hazard or would interfere with the Company’s use of Company Facilities. The Company shall not be required to permit the use of Company electric distribution poles for the provision of utility service except as otherwise required by law.

Section 10.3 Town Use of Company Transmission Rights-of-Way. The Company shall offer to grant to the Town use of transmission rights-of-way which it now, or in the future, owns in fee within the Town for trails, parks and open space on terms comparable to those offered to other municipalities; provided, however, that the Company shall not be required to make such an offer in any circumstance where such use would constitute a safety hazard or would interfere with the Company’s use of the transmission right-of-way. In order to exercise this right, the Town must make specific, advance written request to the Company for any such use and must enter such written agreements as the Company may reasonably require.

Section 10.4 Emergencies. Upon written request, the Company shall assist the Town in developing an emergency management plan that is consistent with Company policies. The Town and the Company shall work cooperatively with each other in any emergency or disaster situation to address the emergency or disaster.

ARTICLE 11
UNDERGROUNDING OF OVERHEAD ELECTRIC DISTRIBUTION LINES

Section 11.1 Underground Electrical Lines in New Areas. Upon payment to the Company of the charges provided in the Tariffs or their equivalent, the Company shall place all newly constructed electrical distribution lines in newly developed areas of the Town underground in accordance with applicable laws, regulations and orders of the Town. Such underground construction shall be consistent with Industry Standards.

Section 11.2 Underground Conversion at Expense of Company.

(A) Underground Conversion Program. The Company shall budget and allocate an annual amount, equivalent to one percent (1%) of the preceding year’s Electric Gross Revenues, for the purpose of undergrounding its existing overhead electric distribution lines in the Town Streets (excluding alleys and access easements) and Other Town Property, as may be requested by the Town Designee (the “Underground Program”), so long as the underground conversion does not result in end use customers of the Company incurring any costs related to the conversion and does not require the Company to obtain
any additional land use rights. If the Town requires Relocation of overhead electric distribution lines in the Streets and Other Town Property and there is no room to relocate the lines overhead, the Company may relocate the Facilities underground and may charge the cost of undergrounding to the Underground Program.

(B) **Unexpended Portion and Advances.** Any unexpended portion of the Underground Program shall be carried over to succeeding years and, in addition, upon request by the Town, the Company agrees to advance and expend amounts anticipated to be available under the preceding paragraph for up to three (3) years in advance provided there are at least three (3) years remaining before the expiration or termination of this Franchise. During the last three (3) years of this Franchise Agreement, upon request by the Town, the Company may advance and expend amounts anticipated to be available during the remaining term of this Franchise Agreement under the preceding paragraph on a project by project basis in the Company’s sole discretion. Any amounts so advanced shall be credited against amounts to be expended in succeeding years. Any funds left accumulated in the Underground Program under any prior franchise shall be carried over to this Franchise. Notwithstanding the foregoing, the Town shall have no vested interest in monies allocated to the Underground Program and any monies in the Underground Program not expended at the expiration or termination of this Franchise shall remain the property of the Company. At the expiration or termination of this Franchise, the Company shall not be required to underground any existing overhead electric distribution lines pursuant to this Article, but may do so in its sole discretion.

(C) **System-wide Undergrounding.** If, during the term of this Franchise, the Company should receive authority from the PUC to undertake a system-wide program or programs of undergrounding its electric distribution lines system wide, the Company will budget and allocate to the program of undergrounding in the Town such amount as may be determined and approved by the PUC, but in no case shall such amount be less than the one percent (1%) of annual Electric Gross Revenues provided above.

(D) **Town Requirement to Underground.** In addition to the provisions of this Article, the Town may require any above ground Company lines in Streets and Other Town Property to be moved underground at the Town’s expense.

**Section 11.3 Undergrounding Performance.** Upon receipt of a written request from the Town, the Company shall underground Company electric distribution lines pursuant to the provisions of this Article 11, in accordance with the procedures set forth in this Section.

(A) **Estimates.** Promptly upon receipt of an undergrounding request from the Town and the Supporting Documentation necessary for the Company to design the undergrounding project, including a copy to the Area Manager as designated in Section 21.4 below, the Company shall prepare a detailed, good faith cost estimate of the anticipated actual cost of the requested project for the Town to review and, if acceptable to the Town, the Town will issue a project authorization. The Company shall notify the Town within twenty (20) days of receipt of the request if the Supporting Documentation is insufficient to prepare the cost estimate for the project. The Town and the Company agree to meet upon the request of
either party during the period when the Company is preparing its estimate to discuss all aspects of the project toward the goal of enabling the Company to prepare an accurate cost estimate. At the Town’s request, the Company will provide all documentation that forms the basis of the estimate that is not proprietary. The Company will not proceed with any requested project until the Town has provided a written acceptance of the Company’s estimate.

(B) Performance. The Company shall complete each undergrounding project requested by the Town within a reasonable time considering the size and scope of each project, not to exceed two hundred forty (240) days from the later of the date upon which the Town designee makes a written request or the date the Town provides to the Company all Supporting Documentation. The Company shall have one hundred twenty (120) days after receiving the Town’s written request to design project plans, prepare the good faith estimate, and transmit same to the Town designee for review. If Town approval of the plans and estimate has not been granted, the Company’s good faith estimate will be void sixty (60) days after delivery of the plans and estimate to the Town designee. If the plans and estimate are approved by the Town, the Company shall have one hundred twenty (120) days to complete the project, from the date of the Town designee’s authorization of the underground project, plus any of the one hundred twenty (120) unused days in preparing the good faith estimate. At the Company’s sole discretion, if the good faith estimate has expired because the Town designee has not approved the same within sixty (60) days, the Company may extend the good faith estimate or prepare a new estimate using current prices. The Company shall be entitled to an extension of time to complete each undergrounding project where the Company’s performance was delayed due to a Force Majeure Event. Upon written request of the Company, the Town may also grant the Company reasonable extensions of time for good cause shown and the Town shall not unreasonably withhold any such extension.

(C) Town Revision of Supporting Documentation. Any revision by the Town of Supporting Documentation provided to the Company that causes the Company to substantially redesign and/or change its plans regarding an undergrounding project shall be deemed good cause for a reasonable extension of time to complete the undergrounding project under this Franchise.

(D) Completion/Restoration. Each such undergrounding project undertaken pursuant to this Article shall be complete only when the Company actually undergrounds the designated Company Facilities and restores the undergrounding site in accordance with Section 6.7 of this Franchise, or as otherwise agreed with the Town. When performing underground conversions of overhead lines, the Company shall make reasonable efforts consistent with its contractual obligations to persuade joint users of Company distribution poles to remove their facilities from such poles within the time allowed by this Article.

(E) Report of Actual Costs. Upon completion of each undergrounding project undertaken pursuant to this Article, the Company shall submit to the Town a detailed report of the Company’s actual cost to complete the project and the Company shall reconcile this total actual cost with the accepted cost estimate. The report shall be provided within one
hundred twenty (120) days after completion of the project and written request from the Town.

(F) **Audit of Underground Projects.** The Town may require the Company to undertake an independent audit of up to two (2) undergrounding projects in any calendar year. The Town shall make any such request in writing within one hundred twenty (120) days of receipt of the report of actual costs, as referenced in Section 11.3(E) of this Franchise Agreement. Such audits shall be limited to projects completed within twelve (12) months prior to the date when the audit is requested. The cost of any such independent audit shall reduce the amount of the Underground Program balance. The Company shall cooperate with any audit and the independent auditor shall prepare and provide to the Town and the Company a final audit report showing the actual costs associated with completion of the project. If a project audit is required by the Town, only those actual project costs confirmed and verified by the independent auditor as reasonable and necessary to complete the project shall be charged against the Underground Program balance.

**Section 11.4 Audit of Underground Program.** Upon written request, every three (3) years commencing at the end of the third year of this Franchise, the Company shall cause an independent auditor to investigate and determine the correctness of the charges to the Underground Program. Such audits shall be limited to the previous three (3) calendar years. Audits performed pursuant to this Section shall be limited to charges to the Underground Program and shall not include an audit of individual underground projects. If the Town has concerns about any material information contained in the audit, the parties shall meet and make good faith attempts to resolve any outstanding issues. The independent auditor shall provide to the Town and the Company a written report containing its findings. The Company shall reconcile the Underground Program balance consistent with the findings contained in the independent auditor’s written report. The costs of the audit and investigation shall be charged against the Underground Program balance.

**Section 11.5 Cooperation with Other Utilities.** When undertaking an undergrounding project, the Town and the Company shall coordinate with other utilities or companies that have their facilities above ground to attempt to have all facilities undergrounded as part of the same project. When other utilities or companies are placing their facilities underground, to the extent the Company has received prior written notification, the Company shall cooperate with these utilities and companies and undertake to underground Company facilities as part of the same project where financially, technically and operationally feasible. The Company shall not be required to pay for any costs of undergrounding the facilities of other companies or the Town.

**Section 11.6 Planning and Coordination of Undergrounding Projects.** The Town and the Company shall mutually plan in advance the scheduling of undergrounding projects to be undertaken according to this Article as a part of the review and planning for other Town and Company construction projects. The Town and the Company agree to meet, as required, to review the progress of the current undergrounding projects and to review planned future undergrounding projects. The purpose of such meetings shall be to further cooperation between the Town and the Company in order to achieve the orderly undergrounding of Company overhead lines. Representatives of both the Town and the Company shall meet periodically to review the Company’s undergrounding of Company overhead lines and at such meetings shall review:
(A) Undergrounding, including conversions, Public Projects and replacements that have been accomplished or are underway, together with the Company’s plans for additional undergrounding; and

(B) Public Projects anticipated by the Town.

ARTICLE 12
PURCHASE OR CONDEMNATION

Section 12.1 Municipal Right to Purchase or Condemn.

(A) Right and Privilege of Town. The right and privilege of the Town to construct, own and operate a municipal utility, and to purchase pursuant to a mutually acceptable agreement or condemn any Company Facilities located within the territorial boundaries of the Town, and the Company’s rights in connection therewith, as set forth in applicable provisions of the constitution, statutes and case law of the State of Colorado relating to the acquisition of public utilities, are expressly recognized. The Town shall have the right, within the time frames and in accordance with the procedures set forth in such provisions, to condemn Company Facilities, land, rights-of-way and easements now owned or to be owned by the Company located within the territorial boundaries of the Town. In the event of any such condemnation, no value shall be ascribed or given to the right to use Town Streets or Other Town Property granted under this Franchise in the valuation of the property thus condemned.

(B) Notice of Intent to Purchase or Condemn. The Town shall provide the Company no less than one (1) year’s prior written notice of its intent to purchase or condemn Company Facilities. Nothing in this Section 12.1 shall be deemed or construed to constitute a consent by the Company to the Town’s purchase or condemnation of Company Facilities, nor a waiver of any Company defenses or challenges related thereto.

ARTICLE 13
MUNICIPALLY PRODUCED UTILITY SERVICE

Section 13.1 Municipally Produced Utility Service.

(A) Town Reservation. The Town expressly reserves the right to engage in the production of utility service to the extent permitted by law. The Company agrees to negotiate in good faith long term contracts to purchase Town-generated power made available for sale, consistent with PUC requirements and other applicable requirements. The Company further agrees to offer transmission and delivery services to the Town that are required by judicial, statutory and/or regulatory directive and that are comparable to the services offered to any other customer with similar generation facilities.

(B) Franchise Not to Limit Town’s or Company’s Rights. Nothing in this Franchise prohibits the Town from becoming an aggregator of utility service or from selling utility service to customers should it be permissible under law, nor does it affect the Company’s
rights and obligations pursuant to any Certificate of Public Convenience and Necessity granted by the PUC.

ARTICLE 14
ENVIRONMENT AND CONSERVATION

Section 14.1 Environmental Leadership. The Town and the Company agree that sustainable development, environmental excellence and innovation shall form the foundation of the Utility Service provided by the Company under this Franchise. The Company agrees to continue to actively pursue reduction of carbon emissions attributable to its electric generation facilities with a rigorous combination of Energy Conservation and Energy Efficiency measures, Clean Energy measures, and promoting and implementing the use of Renewable Energy Resources on both a distributed and centralized basis. The Company shall continue to cost-effectively monitor its operations to mitigate environmental impacts; shall meet the requirements of environmental laws, regulations and permits; shall invest in cost-effective, environmentally sound technologies; shall consider environmental issues in its planning and decision making; and shall support environmental research and development projects and partnerships in our communities through various means, including but not limited to corporate giving and employee involvement. The Company shall continue to explore ways to reduce water consumption at its facilities and to use recycled water where feasible. The Company shall continue to work with the U.S. Fish and Wildlife Service to develop and implement avian protection plans to reduce electrocution and collision risks by eagles, raptors and other migratory birds with transmission and distribution lines. If requested in writing by the Town on or before December 1st of each year, the Company shall provide the Town a written report describing its progress in carbon reduction and other environmental efforts, and the parties shall meet at a mutually convenient time and place for a discussion of such. In meeting its obligation under this Section, the Company is not precluded from providing existing internal and external reports that may be used for other reporting requirements.

Section 14.2 Conservation. The Town and the Company recognize and agree that Energy Conservation programs offer opportunities for the efficient use of energy and possible reduction of energy costs. The Town and the Company further recognize that creative and effective Energy Conservation solutions are crucial to sustainable development. The Company recognizes and shares the Town’s stated objectives to advance the implementation of cost-effective Energy Efficiency and Energy Conservation programs that direct opportunities to Residents to manage more efficiently their use of energy and thereby create the opportunity to reduce their energy bills. The Company commits to offer programs that attempt to capture market opportunities for cost-effective Energy Efficiency improvements such as municipal specific programs that provide cash rebates for efficient lighting, energy design programs to assist architects and engineers to incorporate Energy Efficiency in new construction projects, and recommissioning programs to analyze existing systems to optimize performance and conserve energy according to current and future demand side management (“DSM”) programs. In doing so, the Company recognizes the importance of (i) implementing cost-effective programs, the benefits of which would otherwise be lost if not pursued in a timely fashion; and (ii) developing cost-effective programs for the various classes of the Company’s customers, including low-income customers. The Company shall advise the Town and its Residents of the availability of assistance that the Company makes available for
investments in Energy Conservation through newspaper advertisements, bill inserts and Energy Efficiency workshops and by maintaining information about these programs on the Company’s website. Further, at the Town’s request, the Company’s Area Manager shall act as the primary liaison with the Town who will provide the Town with information on how the Town may take advantage of reducing energy consumption in Town facilities and how the Town may participate in Energy Conservation and Energy Efficiency programs sponsored by the Company. As such, the Company and the Town commit to work cooperatively and collaboratively to identify, develop, implement and support programs offering creative and sustainable opportunities to Company customers and Residents, including low-income customers. The Company agrees to help the Town participate in Company programs and, when opportunities exist to partner with others, such as the State of Colorado, the Company will help the Town pursue those opportunities. In addition, and in order to assist the Town and its Residents’ participation in Renewable Energy Resource programs, the Company shall: notify the Town regarding eligible Renewable Energy Resource programs; provide the Town with technical support regarding how the Town may participate in Renewable Energy Resource programs; and advise Residents regarding eligible Renewable Energy Resource programs. Notwithstanding the foregoing, to the extent that any Company assistance is needed to support Renewable Energy Resource Programs that are solely for the benefit of Company customers located within the Town, the Company retains the sole discretion as to whether to incur such costs.

Section 14.3 Continuing Commitment. It is the express intention of the Town and the Company that the collaborative effort provided for in this Article continue for the entire term of this Franchise. The Town and the Company also recognize, however, that the programs identified in this Article may be for a limited duration and that the regulations and technologies associated with Energy Conservation are subject to change. Given this variability, the Company agrees to maintain its commitment to sustainable development and Energy Conservation for the term of this Franchise by continuing to provide leadership, support and assistance, in collaboration with the Town, to identify, develop, implement and maintain new and creative programs similar to the programs identified in this Franchise in order to help the Town achieve its environmental goals.

Section 14.4 PUC Approval. Nothing in this Article shall be deemed to require the Company to invest in technologies or to incur costs that it has a good faith belief the PUC will not allow the Company to recover through the ratemaking process.

Section 14.5 Sustainability Committee. To the extent the Town has a sustainability committee, it shall provide the Company an opportunity to have a Company representative on such committee. Any Company representative may participate in regular committee meetings for the purpose of providing information on Company programs and offerings and will be a meaningful participant as it relates to Company programs and offerings.

ARTICLE 15
TRANSFER OF FRANCHISE

Section 15.1 Consent of Town Required. The Company shall not transfer or assign any rights under this Franchise to an unaffiliated third party, except by merger with such third party, or, except when the transfer is made in response to legislation or regulatory requirements, unless
the Town approves such transfer or assignment in writing. The Town may impose reasonable conditions upon the transfer, but approval of the transfer or assignment shall not be unreasonably withheld, conditioned or delayed.

Section 15.2 Transfer Fee. In order that the Town may share in the value this Franchise adds to the Company’s operations, any transfer or assignment of rights granted under this Franchise requiring Town approval, as set forth herein, shall be subject to the condition that the Company shall promptly pay to the Town a transfer fee in an amount equal to the proportion of the Town’s then-population provided Utility Service by the Company to the then-population of the City and County of Denver provided Utility Service by the Company multiplied by one million dollars ($1,000,000.00). Except as otherwise required by law, such transfer fee shall not be recovered from a surcharge placed only on the rates of Residents.

ARTICLE 16
CONTINUATION OF UTILITY SERVICE

Section 16.1 Continuation of Utility Service. In the event this Franchise is not renewed at the expiration of its term or is terminated for any reason, and the Town has not provided for alternative utility service, the Company shall have no obligation to remove any Company Facilities from Streets, Public Utility Easements or Other Town Property or discontinue providing Utility Service unless otherwise ordered by the PUC, and shall continue to provide Utility Service within the Town until the Town arranges for utility service from another provider. The Town acknowledges and agrees that the Company has the right to use Streets, Other Town Property and Public Utility Easements during any such period. The Company further agrees that it will not withhold any temporary Utility Services necessary to protect the public.

Section 16.2 Compensation. The Town agrees that in the circumstances of this Article 16, the Company shall be entitled to monetary compensation as provided in the Tariffs and the Company shall be entitled to collect from Residents and, upon the Town’s compliance with applicable provisions of law, shall be obligated to pay the Town, at the same times and in the same manner as provided in this Franchise, an aggregate amount equal to the amount which the Company would have paid as a Franchise Fee as consideration for use of the Town’s Streets and Other Town Property. Only upon receipt of written notice from the Town stating that the Town has adequate alternative utility service for Residents and upon order of the PUC shall the Company be allowed to discontinue the provision of Utility Service to the Town and its Residents.

ARTICLE 17
INDEMNIFICATION AND IMMUNITY

Section 17.1 Town Held Harmless. The Company shall indemnify, defend and hold the Town harmless from and against claims, demands, liens and all liability or damage of whatsoever kind on account of or directly arising from the grant of this Franchise and the exercise by the Company of the related rights, but in both instances only to the extent caused by the Company, and shall pay the costs of defense plus reasonable attorneys’ fees. The Town shall (a) give prompt written notice to the Company of any claim, demand or lien with respect to which the Town seeks indemnification hereunder; and (b) unless in the Town’s judgment a conflict of interest may exist
between the Town and the Company with respect to such claim, demand or lien, shall permit the Company to assume the defense of such claim, demand, or lien with counsel reasonably satisfactory to the Town. If such defense is assumed by the Company, the Company shall not be subject to liability for any settlement made without its consent. If such defense is not assumed by the Company or if the Town determines that a conflict of interest exists, the parties reserve all rights to seek all remedies available in this Franchise against each other. Notwithstanding any provision hereof to the contrary, the Company shall not be obligated to indemnify, defend or hold the Town harmless to the extent any claim, demand or lien arises out of or in connection with any negligent or intentional act or failure to act of the Town or any of its officers, agents or employees or to the extent that the Town is acting in its capacity as a customer of record of the Company.

Section 17.2 Governmental Immunity Act. Nothing in this Article 17 or any other provision of this Franchise shall be construed as a waiver of the notice requirements, defenses, immunities and limitations the Town may have under the Colorado Governmental Immunity Act (C.R.S. § 24-10-101, et. seq.) or of any other defenses, immunities, or limitations of liability available to the Town by law.

ARTICLE 18
BREACH

Section 18.1 Change of Tariffs. The Town and the Company agree to take all reasonable and necessary actions to assure that the terms of this Franchise are performed. The Company reserves the right to seek a change in its Tariffs, including but not limited to the rates, charges, terms, and conditions of providing Utility Service to the Town and its Residents, and the Town retains all rights that it may have to intervene and participate in any such proceedings.

Section 18.2 Breach.

(A) Notice/Cure/Remedies. Except as otherwise provided in this Franchise, if a party (the “Breaching Party”) to this Franchise fails or refuses to perform any of the terms or conditions of this Franchise (a “Breach”), the other party (the “Non-Breaching Party”) may provide written notice to the Breaching Party of such Breach. Upon receipt of such notice, the Breaching Party shall be given a reasonable time, not to exceed thirty (30) days, in which to remedy the Breach or, if such Breach cannot be remedied in thirty (30) days, such additional time as reasonably needed to remedy the Breach, but not exceeding an additional thirty (30) day period, or such other time as the parties may agree. If the Breaching Party does not remedy the Breach within the time allowed in the notice, the Non-Breaching Party may exercise the following remedies for such Breach:

(1) specific performance of the applicable term or condition to the extent allowed by law; and

(2) recovery of actual damages from the date of such Breach incurred by the Non-Breaching Party in connection with the Breach, but excluding any special, punitive or consequential damages.
(B) **Termination of Franchise by Town.** In addition to the foregoing remedies, if the Company fails or refuses to perform any material term or condition of this Franchise (a “**Material Breach**”), the Town may provide written notice to the Company of such Material Breach. Upon receipt of such notice, the Company shall be given a reasonable time, not to exceed sixty (60) days in which to remedy the Material Breach or, if such Material Breach cannot be remedied in sixty (60) days, such additional time as reasonably needed to remedy the Material Breach, but not exceeding an additional sixty (60) day period, or such other time as the parties may agree. If the Company does not remedy the Material Breach within the time allowed in the notice, the Town may, in its sole discretion, terminate this Franchise. This remedy shall be in addition to the Town’s right to exercise any of the remedies provided for elsewhere in this Franchise. In the event of the termination of this Franchise by the Town pursuant to this Section 18.2(B), the Company shall continue to provide Utility Service to the Town and its Residents in accordance with Article 16 above.

(C) **Company Shall Not Terminate Franchise.** In no event does the Company have the right to terminate this Franchise.

(D) **No Limitation.** Except as provided herein, nothing in this Franchise shall limit or restrict any legal rights or remedies that either party may possess arising from any alleged Breach of this Franchise.

**ARTICLE 19**

**AMENDMENTS**

**Section 19.1 Proposed Amendments.** At any time during the term of this Franchise, the Town or the Company may propose amendments to this Franchise by giving thirty (30) days written notice to the other of the proposed amendment(s) desired, and both parties thereafter, through their designated representatives, will, within a reasonable time, negotiate in good faith in an effort to agree upon mutually satisfactory amendment(s). However, nothing contained in this Section shall be deemed to require either party to consent to any amendment proposed by the other party.

**Section 19.2 Effective Amendments.** No alterations, amendments or modifications to this Franchise shall be valid unless executed in writing by the parties, which alterations, amendments or modifications shall be adopted with the same formality used in adopting this Franchise, to the extent required by law. Neither this Franchise, nor any term herein, may be changed, modified or abandoned, in whole or in part, except by an instrument in writing, and no subsequent oral agreement shall have any validity whatsoever. Any amendment of the Franchise shall become effective only upon the approval of the PUC, if such PUC approval is required.

**ARTICLE 20**

**EQUAL OPPORTUNITY**

**Section 20.1 Economic Development.** The Company is committed to the principle of stimulating, cultivating and strengthening the participation and representation of persons of color,
women and members of other under-represented groups within the Company and in the local business community. The Company believes that increased participation and representation of under-represented groups will lead to mutual and sustainable benefits for the local economy. The Company is committed also to the principle that the success and economic well-being of the Company is closely tied to the economic strength and vitality of the diverse communities and people it serves. The Company believes that contributing to the development of a viable and sustainable economic base among all Company customers is in the best interests of the Company and its shareholders.

Section 20.2 Employment.

(A) Programs. The Company is committed to undertaking programs that identify, consider and develop persons of color, women and members of other under-represented groups for positions at all skill and management levels within the Company.

(B) Businesses. The Company recognizes that the Town and the business community in the Town, including women and minority owned businesses, provide a valuable resource in assisting the Company to develop programs to promote persons of color, women and members of under-represented communities into management positions, and agrees to keep the Town regularly advised of the Company’s progress by providing the Town a copy of the Company’s annual affirmative action report upon the Town’s written request.

(C) Recruitment. In order to enhance the diversity of the employees of the Company, the Company is committed to recruiting diverse employees by strategies such as partnering with colleges, universities and technical schools with diverse student populations, utilizing diversity-specific media to advertise employment opportunities, internships, and engaging recruiting firms with diversity-specific expertise.

(D) Advancement. The Company is committed to developing a world-class workforce through the advancement of its employees, including persons of color, women and members of under-represented groups. In order to enhance opportunities for advancement, the Company will offer training and development opportunities for its employees. Such programs may include mentoring programs, training programs, classroom training and leadership programs.

(E) Non-Discrimination. The Company is committed to a workplace free of discrimination based on race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability or any other protected status in accordance with all federal, state or local laws. The Company shall not, solely because of race, creed, color, religion, gender, sexual orientation, marital status, age, military status, national origin, ancestry, or physical or mental disability, refuse to hire, discharge, promote, demote or discriminate in matters of compensation, against any person otherwise qualified.

(F) Board of Directors. The Company shall identify and consider women, persons of color and other under-represented groups to recommend for its Board of Directors,
consistent with the responsibility of boards to represent the interests of the Shareholders, customers and employees of the Company.

Section 20.3 Contracting.

(A) Contracts. It is the Company’s policy to make available to minority and women owned business enterprises and other small and/or disadvantaged business enterprises the maximum practical opportunity to compete with other service providers, contractors, vendors and suppliers in the marketplace. The Company is committed to increasing the proportion of Company contracts awarded to minority and women owned business enterprises and other small and/or disadvantaged business enterprises for services, construction, equipment and supplies to the maximum extent consistent with the efficient and economical operation of the Company.

(B) Community Outreach. The Company agrees to maintain and continuously develop contracting and community outreach programs calculated to enhance opportunity and increase the participation of minority and women owned business enterprises and other small and/or disadvantaged business enterprises to encourage economic vitality. The Company agrees to keep the Town regularly advised of the Company’s programs.

(C) Community Development. The Company shall maintain and support partnerships with local chambers of commerce and business organizations, including those representing predominately minority owned, women owned and disadvantaged businesses, to preserve and strengthen open communication channels and enhance opportunities for minority owned, women owned and disadvantaged businesses to contract with the Company.

Section 20.4 Coordination. Town agencies provide collaborative leadership and mutual opportunities or programs relating to Town based initiatives on economic development, employment and contracting opportunity. The Company agrees to review Company programs and mutual opportunities responsive to this Article with these agencies, upon their request, and to collaborate on best practices regarding such programs and coordinate and cooperate with the agencies in program implementation.

ARTICLE 21
MISCELLANEOUS

Section 21.1 No Waiver. Neither the Town nor the Company shall be excused from complying with any of the terms and conditions of this Franchise by any failure of the other, or any of its officers, employees, or agents, upon any one or more occasions, to insist upon or to seek compliance with any such terms and conditions.

Section 21.2 Successors and Assigns. The rights, privileges, and obligations, in whole or in part, granted and contained in this Franchise shall inure to the benefit of and be binding upon the Company, its successors and assigns, to the extent that such successors or assigns have succeeded to or been assigned the rights of the Company pursuant to Article 15 of this Franchise. Upon a transfer or assignment pursuant to Article 15, the Company shall be relieved from all
liability from and after the date of such transfer, except as otherwise provided in the conditions imposed by the Town in authorizing the transfer or assignment and under state and federal law.

Section 21.3 Third Parties. Nothing contained in this Franchise shall be construed to provide rights to third parties.

Section 21.4 Notice. Both parties shall designate from time to time in writing representatives for the Company and the Town who will be the persons to whom notices shall be sent regarding any action to be taken under this Franchise. Notice shall be in writing and forwarded by certified mail, reputable overnight courier or hand delivery to the persons and addresses as hereinafter stated, unless the persons and addresses are changed at the written request of either party, delivered in person or by certified mail. Notice shall be deemed received (a) three (3) days after being mailed via the U.S. Postal Service, (b) one (1) business day after mailed if via reputable overnight courier, or (c) upon hand delivery if delivered by courier. Until any such change shall hereafter be made, notices shall be sent as follows:

To the Town: Town Clerk
Town of Silt
P.O. Box 70
Silt, Colorado 81652

With a copy to: Karp Neu Hanlon PC
201 14th Street, Suite 200
P.O. Drawer 2030
Glenwood Springs, Colorado 81602

To the Company: Regional Vice President, Customer and Community Relations
Public Service Company of Colorado
P.O. Box 840
Denver, Colorado 80201

With a copy to: Legal Department
Public Service Company of Colorado
P.O. Box 840
Denver, Colorado 80201

and

Area Manager
Public Service Company of Colorado
P.O. Box 840
Denver, Colorado 80201

Any request involving any audit specifically allowed under this Franchise shall also be sent to:
Section 21.5  Examination of Records.

(A) The parties agree that any duly authorized representative of the Town and the Company shall have access to and the right to examine any directly pertinent non-confidential books, documents, papers, and records of the other party involving any activities related to this Franchise. All such records must be kept for a minimum of the lesser of four (4) years or the time period permitted by a party’s record retention policy. To the extent that either party believes in good faith that it is necessary in order to monitor compliance with the terms of this Franchise to examine confidential books, documents, papers, and records of the other party, the parties agree to meet and discuss providing confidential materials, including without limitation providing such materials subject to a reasonable confidentiality agreement that effectively protects the confidentiality of such materials and complies with PUC rules and regulations.

(B) With respect to any information requested by the Town which the Company identifies as “Confidential” or “Proprietary”:

(1) The Town will maintain the confidentiality of the information by keeping it under seal and segregated from information and documents that are available to the public;

(2) The information will be used solely for the purposes stated in the Town’s request;

(3) The information shall only be made available to Town employees and consultants who represent in writing that they agree to be bound by the provisions of this subsection; and

(4) The information shall be held by the Town for such time as is reasonably necessary for the Town to address the Franchise issue(s) that generated the request and shall be returned to the Company when the Town has concluded its use of the information. The parties agree that in most cases, the information should be returned within one hundred twenty (120) days. However, in the event that the information is needed in connection with any action that requires more time, including, but not necessarily limited to litigation, administrative proceedings and/or other disputes, the Town may maintain the information until such issues are fully and finally concluded.

Section 21.6  Confidential or Proprietary Information. If an Open Records Act (C.R.S. § 24-72-201 et seq.) request is made by any third-party for confidential or proprietary information that the Company has provided to the Town pursuant to this Franchise, the Town will promptly
notify the Company of the request and shall allow the Company to defend such request at its sole expense, including filing a legal action in any court of competent jurisdiction to prevent disclosure of such information. In any such legal action the Company shall join the person requesting the information and the Town. In no circumstance shall the Town provide to any third-party confidential information provided by the Company pursuant to this Franchise without first conferring with the Company. Unless otherwise agreed between the parties, the following information shall not be provided by the Company: confidential employment matters, specific information regarding any of the Company’s customers, information related to the compromise and settlement of disputed claims including but not limited to PUC dockets, information provided to the Company which is declared by the provider to be confidential and which would be considered confidential to the provider under applicable law. If the Company requests that the Town not disclose confidential information pursuant to an Open Records Act request, the Company agrees that it will indemnify, hold harmless, and defend the Town for the decision not to disclose such confidential information.

Section 21.7 List of Utility Property. Upon written request by the Town, but in no event more than once every two (2) years, the Company shall provide the Town a list of electric utility-related real property owned in fee by the Company within the County in which the Town is located. The list shall include the legal description of the real property, and where available on the deed, the physical street address. If the physical address is not available on the deed, if the Town requests the physical address of the real property described in this Section 21.7, to the extent that such physical street address is readily available to the Company, the Company shall provide such address to the Town. All such records must be kept for a minimum of three (3) years or such shorter duration if required by Company policy.

Section 21.8 PUC Filings. Upon written request by the Town, the Company shall provide the Town non-confidential copies of all applications, advice letters and periodic reports, together with any accompanying non-confidential testimony and exhibits, filed by the Company with the Public Utilities Commission. Notwithstanding the foregoing, notice regarding any gas and electric filings that may affect Utility Service rates in the Town shall be sent to the Town upon filing.

Section 21.9 Information. Upon written request, the Company shall provide the Town Clerk or the Town Clerk’s designee with:

(A) A copy of the Company’s or its parent company’s consolidated annual financial report, or alternatively, a URL link to a location where the same information is available on the Company’s website;

(B) Maps or schematics indicating the location of specific Company Facilities (subject to Town executing a confidentiality agreement as required by Company policy), including gas or electric lines, located within the Town, to the extent those maps or schematics are in existence at the time of the request and related to an ongoing project within the Town. The Company does not represent or warrant the accuracy of any such maps or schematics; and
(C) A copy of any report required to be prepared for a federal or state agency detailing the Company’s efforts to comply with federal and state air and water pollution laws.

Section 21.10 Payment of Taxes and Fees.

(A) Impositions. Except as otherwise provided herein, the Company shall pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, or imposts, whether general or special, or ordinary or extraordinary, of every name, nature, and kind whatsoever, including all governmental charges of whatsoever name, nature, or kind, which may be levied, assessed, charged, or imposed, or which may become a lien or charge against this Franchise ("Impositions"), provided that the Company shall have the right to contest any such Impositions and shall not be in breach of this Section so long as it is actively contesting such Impositions.

(B) Town Liability. The Town shall not be liable for the payment of late charges, interest or penalties of any nature other than pursuant to applicable Tariffs.

Section 21.11 Conflict of Interest. The parties agree that no official, officer or employee of the Town shall have any personal or beneficial interest whatsoever in the services or property described herein and the Company further agrees not to hire or contract for services any official, officer or employee of the Town to the extent prohibited by law, including ordinances and regulations of the Town.

Section 21.12 Certificate of Public Convenience and Necessity. The Town agrees to support the Company’s application to the PUC to obtain a Certificate of Public Convenience and Necessity to exercise its rights and obligations under this Franchise.

Section 21.13 Authority. Each party represents and warrants that except as set forth below, it has taken all actions that are necessary or that are required by its ordinances, regulations, procedures, bylaws, or applicable law, to legally authorize the undersigned signatories to execute this Franchise on behalf of the parties and to bind the parties to its terms. The persons executing this Franchise on behalf of each of the parties warrant that they have full authorization to execute this Franchise. The Town acknowledges that notwithstanding the foregoing, the Company requires a Certificate of Public Convenience and Necessity from the PUC in order to operate under the terms of this Franchise.

Section 21.14 Severability. Should any one or more provisions of this Franchise be determined to be unconstitutional, illegal, unenforceable or otherwise void, all other provisions nevertheless shall remain effective; provided, however, to the extent allowed by law, the parties shall forthwith enter into good faith negotiations and proceed with due diligence to draft one or more substitute provisions that will achieve the original intent of the parties hereunder.

Section 21.15 Force Majeure. Neither the Town nor the Company shall be in breach of this Franchise if a failure to perform any of the duties under this Franchise is due to a Force Majeure Event, as defined herein.
Section 21.16 Earlier Franchises Superseded. This Franchise shall constitute the only franchise between the Town and the Company related to the furnishing of Utility Service, and it supersedes and cancels all former franchises between the parties hereto.

Section 21.17 Titles Not Controlling. Titles of the paragraphs herein are for reference only and shall not be used to construe the language of this Franchise.

Section 21.18 Applicable Law. Colorado law shall apply to the construction and enforcement of this Franchise. The parties agree that venue for any litigation arising out of this Franchise shall be in the District Court for Garfield County, State of Colorado.

Section 21.19 Payment of Expenses Incurred by Town Related to Franchise Agreement. The Company shall pay for expenses reasonably incurred by the Town for the adoption of this Franchise, limited to the publication of notices, publication of ordinances, and photocopying of documents and other similar expenses.

Section 21.20 Costs of Compliance with Franchise. The parties acknowledge that PUC rules, regulations and final decisions may require that costs of complying with certain provisions of this Franchise be borne by customers of the Company who are located within the Town.

Section 21.21 Conveyance of Streets, Public Utility Easements or Other Town Property. In the event the Town vacates, releases, sells, conveys, transfers or otherwise disposes of a Town Street, or any portion of a Public Utility Easement or Other Town Property in which Company Facilities are located, the Town shall reserve an easement in favor of the Company over that portion of the Street, Public Utility Easement or Other Town Property in which such Company Facilities are located. The Company and the Town shall work together to prepare the necessary legal description to effectuate such reservation. For the purposes of Section 6.9(A) of this Franchise, the land vacated, released, sold, conveyed, transferred or otherwise disposed of by the Town shall no longer be deemed to be a Street or Other Town Property from which the Town may demand the Company temporarily or permanently Relocate Company Facilities at the Company’s expense.

Section 21.22 Audit. For any audits specifically allowed under this Franchise, such audits shall be subject to the Tariff and PUC rules and regulations. Audits in which the auditor is compensated on the basis of a contingency fee arrangement shall not be permitted.

Section 21.23 Land Use Coordination. The Town shall use reasonable efforts to coordinate with the Company regarding its land use planning affecting the Company’s Facilities or property within the Company’s PUC-certificated service territory or affecting the Company’s property. This coordination shall include meeting with the Company and identifying areas for future utility development.

Section 21.24 Approval. This Agreement shall not become effective until the Town Board of Trustees adopts an ordinance approving this Franchise in accordance with the Town’s home rule charter.
IN WITNESS WHEREOF, the parties have caused this Franchise to be executed as of the dates indicated below, effective as of the Effective Date.

ATTEST:

__________________________  ______________________________
Clerk, Town of Silt          Mayor, Town of Silt

APPROVED AS TO FORM: (if applicable)

__________________________
Town Attorney, Town of Silt

TOWN OF SILT

PUBLIC SERVICE COMPANY OF COLORADO, a Colorado corporation

By: __________________________
    Hollie Velasquez Horvath
    Regional Vice President
    State Affairs and Community Relations

STATE OF COLORADO  )
                     )ss.
COUNTY OF DENVER  )

The foregoing instrument was acknowledged before me this _____ day of ____________, 2022 by Hollie Velasquez Horvath, Regional Vice President, State Affairs and Community Relations, Public Service Company of Colorado, a Colorado corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

________________________________
Notary Public
My Commission expires: _____________.

(SEAL)

Signature Page – Gas & Electric Franchise Agreement
Town of Silt Finance Report

Month: March 2022 (25% of year has elapsed)

General Fund

Revenue $ 999,411 25%
Expenditures $ 873,022 19%

General Fund Revenue

Sales Tax: $ 324,846 30%
Use Tax: $ 131,164 35%

Funds Report

Water/Wastewater:
Revenue $ 770,794 27%
Expense $ 473,584 13%

Irrigation:
Revenue $ 63,905 19%
Expense $ 163,840 42%

Silt Housing Authority:
Revenue $ 36,088 15%
Expense $ 49,856 20%

Investments

Cash: 7,491,723
Checking: 538,691 ANB
Money Market: 3,401,199 ANB
CSafe 01 504,286 CSafe
CSafe 02 1,517,142 CSafe
CSafe 03 595,316 CSafe
ColoTrust Gen Fund 35,995 ColoTrust
ColoTrust W/WW 809,686 ColoTrust
ColoTrust Housing 118,353 ColoTrust
Utilities Cash Clearing: 2,253
Returned Check Clearing: 308
W/WW Reserved Cash: 27,000
## Town of Silt Monthly Financial / Cash Flow Report

March 2022 (25% of the Year has elapsed)

<table>
<thead>
<tr>
<th>Fund</th>
<th>YTD Revenues</th>
<th>Budgeted Revenues</th>
<th>%</th>
<th>YTD Expenses</th>
<th>Budgeted Expenses</th>
<th>%</th>
<th>Revenues over/under Expenses</th>
<th>Current Fund Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>999,411</td>
<td>4,036,035</td>
<td>25%</td>
<td>873,022</td>
<td>4,664,155</td>
<td>19%</td>
<td>126,389</td>
<td>4,419,795</td>
</tr>
<tr>
<td>Conservation Trust Fund</td>
<td>12,264</td>
<td>40,075</td>
<td>31%</td>
<td>0</td>
<td>60,000</td>
<td>0%</td>
<td>12,264</td>
<td>137,053</td>
</tr>
<tr>
<td>Water &amp; Wastewater Fund</td>
<td>770,794</td>
<td>2,817,590</td>
<td>27%</td>
<td>473,584</td>
<td>3,780,580</td>
<td>13%</td>
<td>297,210</td>
<td>3,005,784</td>
</tr>
<tr>
<td>Irrigation Fund</td>
<td>63,905</td>
<td>338,200</td>
<td>19%</td>
<td>163,840</td>
<td>391,320</td>
<td>42%</td>
<td>-99,935</td>
<td>338,369</td>
</tr>
<tr>
<td>Victim Assistance Fund</td>
<td>2,539</td>
<td>9,250</td>
<td>27%</td>
<td>19,795</td>
<td>25,300</td>
<td>78%</td>
<td>-17,256</td>
<td>38,515</td>
</tr>
<tr>
<td>Beautification Fund</td>
<td>18,417</td>
<td>55,030</td>
<td>33%</td>
<td>8,639</td>
<td>145,000</td>
<td>6%</td>
<td>9,778</td>
<td>258,560</td>
</tr>
<tr>
<td>Park Impact Fund</td>
<td>18,698</td>
<td>58,050</td>
<td>32%</td>
<td>0</td>
<td>55,000</td>
<td>0%</td>
<td>18,698</td>
<td>99,780</td>
</tr>
<tr>
<td>Construction Impact Fund</td>
<td>10,764</td>
<td>30,000</td>
<td>36%</td>
<td>0</td>
<td>50,000</td>
<td>0%</td>
<td>10,764</td>
<td>87,797</td>
</tr>
<tr>
<td>Silt Housing Authority</td>
<td>36,088</td>
<td>238,350</td>
<td>15%</td>
<td>49,856</td>
<td>244,480</td>
<td>20%</td>
<td>-13,768</td>
<td>190,461</td>
</tr>
<tr>
<td>Economic Devel. Revolving</td>
<td>9,328</td>
<td>17,000</td>
<td>55%</td>
<td>187</td>
<td>16,535</td>
<td>1%</td>
<td>9,141</td>
<td>21,047</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,942,208</strong></td>
<td><strong>7,639,580</strong></td>
<td><strong>55%</strong></td>
<td><strong>1,588,923</strong></td>
<td><strong>9,432,370</strong></td>
<td><strong>1%</strong></td>
<td><strong>353,285</strong></td>
<td><strong>8,597,161</strong></td>
</tr>
</tbody>
</table>

YTD Revenue % of Budget

<table>
<thead>
<tr>
<th>Source</th>
<th>YTD Revenue</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td>324,846</td>
<td>30.0%</td>
</tr>
<tr>
<td>Use Tax</td>
<td>131,164</td>
<td>35.0%</td>
</tr>
</tbody>
</table>

YTD Revenue % of Budget

<table>
<thead>
<tr>
<th>Source</th>
<th>YTD Revenue</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trash Service Fees</td>
<td>110,861</td>
<td>28.0%</td>
</tr>
<tr>
<td>Water Service Fees</td>
<td>207,976</td>
<td>24.9%</td>
</tr>
<tr>
<td>Wastewater Service Fees</td>
<td>273,558</td>
<td>27.4%</td>
</tr>
<tr>
<td>Irrigation Fees</td>
<td>62,931</td>
<td>25.2%</td>
</tr>
</tbody>
</table>

aet 4/21/22
<table>
<thead>
<tr>
<th>Month</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td>57,660</td>
<td>66,667</td>
<td>79,495</td>
<td>87,992</td>
<td>107,452</td>
<td>817,517</td>
</tr>
<tr>
<td>Feb</td>
<td>70,030</td>
<td>67,063</td>
<td>89,702</td>
<td>106,303</td>
<td>120,470</td>
<td>871,358</td>
</tr>
<tr>
<td>March</td>
<td>58,182</td>
<td>62,651</td>
<td>69,937</td>
<td>81,733</td>
<td>90,424</td>
<td>1,045,633</td>
</tr>
<tr>
<td>April</td>
<td>74,318</td>
<td>52,890</td>
<td>71,613</td>
<td>92,390</td>
<td>105,699</td>
<td>1,282,253</td>
</tr>
<tr>
<td>May</td>
<td>60,672</td>
<td>75,666</td>
<td>79,900</td>
<td>105,699</td>
<td>110,995</td>
<td>1,282,253</td>
</tr>
<tr>
<td>June</td>
<td>57,601</td>
<td>66,144</td>
<td>81,218</td>
<td>105,337</td>
<td>120,470</td>
<td>1,282,253</td>
</tr>
<tr>
<td>July</td>
<td>65,718</td>
<td>70,293</td>
<td>88,277</td>
<td>107,768</td>
<td>129,723</td>
<td>1,282,253</td>
</tr>
<tr>
<td>Aug</td>
<td>72,248</td>
<td>78,867</td>
<td>98,766</td>
<td>129,723</td>
<td>142,057</td>
<td>1,282,253</td>
</tr>
<tr>
<td>Sept</td>
<td>75,837</td>
<td>71,805</td>
<td>103,464</td>
<td>142,057</td>
<td>102,590</td>
<td>1,282,253</td>
</tr>
<tr>
<td>Oct</td>
<td>78,986</td>
<td>86,548</td>
<td>92,270</td>
<td>102,590</td>
<td>110,788</td>
<td>1,282,253</td>
</tr>
<tr>
<td>Nov</td>
<td>77,830</td>
<td>84,521</td>
<td>89,183</td>
<td>109,873</td>
<td>109,873</td>
<td>1,282,253</td>
</tr>
<tr>
<td>Dec</td>
<td>68,435</td>
<td>88,243</td>
<td>101,808</td>
<td>109,873</td>
<td>109,873</td>
<td>1,282,253</td>
</tr>
</tbody>
</table>

Y-T-D Total:

- 2018: 817,517
- 2019: 871,358
- 2020: 1,045,633
- 2021: 1,282,253
- 2022: 318,346

*** $81,291 from October 2020 tax was remitted by mistake. This amount was deducted from the remittance for the month of January 2021. I have posted numbers in those respective months that reflect the actual/real revenues for comparison purposes.
TOWN OF SILT
RESOLUTION NO. 10
SERIES OF 2022

A RESOLUTION EXPRESSING THE APPRECIATION OF THE BOARD OF TRUSTEES FOR THE SERVICES OF ANDREIA POSTON AS A TRUSTEE OF THE TOWN OF SILT

WHEREAS, ANDREIA POSTON served as Trustee of the Town of Silt until April 25, 2022; and

WHEREAS, ANDREIA POSTON was appointed as Trustee on February 8, 2019 and April 7, 2020; and

WHEREAS, ANDREIA POSTON has served as Trustee with diligence and loyalty and has made significant and lasting contributions to the Town in that capacity; and

WHEREAS, ANDREIA POSTON will be missed by this Board and the residents of the Town of Silt;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Town of Silt, Colorado, as follows:

1. The sincere thanks of the Board of Trustees and residents of the Town of Silt are extended to ANDREIA POSTON for her service to the Town.

2. ANDREIA POSTON is wished the very best of success and happiness in her future endeavors.

3. This Resolution shall be spread at large in the minutes of this meeting, and a certified copy thereof shall be delivered to the said ANDREIA POSTON.

INTRODUCED, READ, PASSED AND ADOPTED at a regular meeting of the Board of Trustees of the Town of Silt, Colorado on the 25th day of April 2022.

Town of Silt

__________________________
Mayor Keith B. Richel

ATTEST:

__________________________
Town Clerk Sheila M. McIntyre, CMC
A RESOLUTION OF THE BOARD OF TRUSTEES APPOINTING
MICHAEL J. SAWYER FROM KARP NEU HANLON, P.C. AS THE
MUNICIPAL ATTORNEY OF THE TOWN OF SILT, COLORADO

WHEREAS, The Board of Trustees of the Town of Silt, Colorado, has the authority to appoint the Municipal Attorney in accordance with the Silt Municipal Code, the Home Rule Charter and the Colorado Revised Statutes

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILT, COLORADO, that

Subject to the provisions of the Silt Municipal Code and Home Rule Charter, MICHAEL J. SAWYER is hereby appointed to hold the office of MUNICIPAL ATTORNEY in the Town of Silt for the term beginning April 25, 2022 and for two years and until his successor is appointed and qualified, unless sooner removed as provided by law or ordinance. The compensation that such appointed officer is entitled to receive for his services in such position has been established per the Town of Silt general operating budget, and

ADOPTED at a regular meeting of the Board of Trustees of the Town of Silt on the 25TH day of April, 2022.

TOWN OF SILT

Mayor Keith B. Richel

ATTEST:

Town Clerk Sheila M. McIntyre, CMC
MEMORANDUM

TO: Mayor Richel and Members of the Silt Board of Trustees

FROM: Mark Chain, Planner

DATE: April 21, 2022

RE: Ordinance No. 7 – 2022. Suggested Code Changes to Title 17 zoning

Before you tonight is a public hearing for the first reading on adopting certain changes to Title 17 (Zoning) of the municipal code. I brought these items to you previously for a brief discussion. These amendments to the code are minor adjustments to the Site Plan Review and the Special Use Permit land-use processes. The major change to the code with this ordinance is the creation of a Open Space District – the town does not have one and most of its parking open space properties are zone Public Utility.

The remainder of this memo outlines the specific code sections and what the changes are. Also attached is a draft copy of the ordinance and strikethrough versions of the specific sections of the code where you are able to view the changes. I will be happy to answer any questions at the hearing.

The changes are:

Site Plan Review Process. – 17.42.055 and 16.16.020

- Added a public hearing in section “C” in front of the planning commission.
- Added a 1-year approval requirement to get building permit and allowed two six months extensions. That is a new section “G”.
- Added the 15-day public hearing notice requirement to section 16.16.020 of the hearing notification chart

Special Use Permit Process – 17.78.040 and 16.16.020

- required a public hearing in front of the planning commission in section “A”
- added the 15-day public hearing notice requirement in the hearing notification chart in16.16.020

Open Space Zone District
Mark Chain Consulting, LLC

- Added an Open Space (OS) Zone District to section 17.12.010. This is section “L” and establishes the open space zone district.
- Defined/described the purpose of the Open Space zone district in a new section “L” of 17.12.020 of the code.

Planning Commission Action

The planning Commission reviewed Ordinance 7 at a public hearing held on April 4. They unanimously recommend that you adopt ordinance 7.

Staff Recommendation

Staff recommends that the Board moved to adopt Resolution 7 – Series of 2022 after holding a public hearing.
AN ORDINANCE OF THE TOWN OF SILT, COLORADO ("TOWN") AMENDING PORTIONS OF SECTION 17.42.055 (SITE PLAN REVIEW) AND SECTION 17.78.040 (SPECIAL USE PERMIT); CREATING AN OPEN SPACE ZONE DISTRICT AND AMENDING CERTAIN PUBLIC HEARING NOTICE REQUIREMENTS AS PART OF SECTION 16.16.020 (PUBLIC HEARING NOTICES) OF THE SILT MUNICIPAL CODE ("CODE"), TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO

WHEREAS, pursuant to C.R.S. Section 31-15-103 and Section 1 of the Town’s Home Rule Charter, the Board of Trustees ("Board") of the Town has the authority to make and publish ordinances necessary and proper to provide for the safety, preserve the health, promote the prosperity, improve the morals, order comfort and convenience of such municipality and the inhabitants thereof; and

WHEREAS, Title 17 of the Silt Municipal Code sets forth the Town’s regulations relating to land use, development, and zoning; and

WHEREAS, pursuant to Section 17.88.010 of the Silt Municipal Code, amendments to Title 17 of the Municipal Code must be submitted to the Planning and Zoning Commission for review and recommendations; and

WHEREAS, an amendment to Section 17.42.055 (Site Plan Review) of the Code is being proposed to add a requirement for a public hearing in front of the Planning Commission and defining the time limit for approvals of a Site Plan Review; and

WHEREAS, an amendment to Section 17.78.040 (Special Use Permits) is proposed to require a public hearing in front of the Planning Commission; and

WHEREAS, an amendment is to section 17.12.010 adding an Open Space Zone District to the list of the Towns Established Zone Districts; and

WHEREAS, an amendment to Section 17.12.020 is proposed which would define/describe the purpose of an Open Space Zone District; and

WHEREAS, a modification is being made to the chart in Section 16.16.020 (Schedule of Public Notifications) showing the changes where Public Hearings are now required in front of the Planning Commission; and
WHEREAS, the Town gave proper and timely published and/or posted notice of the dates and times of the public hearings at which the Planning and Zoning Commission and the Board considered this ordinance; and

WHEREAS, the Board finds and determines that the adoption of this ordinance is necessary and proper to provide for the safety, health, prosperity and order of the Town.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE TOWN OF SILT, COLORADO, ORDAINS AS FOLLOWS:

Section 1

Paragraph C of section 17.42.055 (Application process for Site Plan Review) shall be amended to read as follows:

C. The planning and zoning commission shall review the application for code compliance at a public hearing held at a regularly scheduled meeting and shall approve, approve with conditions or deny the application.

A new paragraph “G” shall be added to Section 17.42.055 and shall read as follows:

G. Approval. An approval for any Commercial or Multi-Family Site Plan review is good for 1 calendar year from date of approval. An applicant must obtain a building permit within that one-year time frame. Two 6-month extensions may be granted. An extension may be obtained upon delivery of a formal letter of request to the Director of Community Development or a staff member designated by the Town Manager. The letter of request must be submitted prior to the lapse and approval. If a building permit is not issued within two years, the approval shall be considered lapsed and null and void. An applicant will have to reapply for a Site to Plan Review application.

Section 2

Paragraph A of section 17.78.040 (Special Use Permits: Application – Public Hearing – Enforceability) shall be amended to read as follows:

A. An applicant desiring a special use permit shall submit a written application on forms supplied by the town and a fee. The board of trustees shall set the fee for special use permit per this chapter annually by resolution, or as often as necessary, in the board’s sole discretion. The town administration shall review the application and refer the same, with recommendations, to the planning and zoning commission. The planning and zoning commission shall consider the application and hold a public hearing at a regular meeting. The planning and zoning commission shall cause the application to be referred to the board, with the town administration’s recommendations and the recommendations of the planning and zoning commission.

Section 3
An Open Space Zone District will be added to the Town’s list of established zone districts as part of section 17.12.010. This section shall be changed as follows to read in its entirety:

17.12.010 Zone districts established.

For the purpose of this title, the town is divided into twelve zone districts, designated as follows:
A. Agricultural-rural (AG) district;
B. R-1 low-density residential district;
C. R-2 general residential district;
D. R-3 high density district;
E. Planned unit development (PUD) district;
F. Public utility zone district;
G. B-1 general business district;
H. B-2 highway business district;
I. B-3 business-3 district;
J. Downtown mixed-use overlay (DMD) district; and
K. B-I business-industrial district. P
L. OS - Open Space Zone District

Section 4

A new Paragraph “L” shall be added to Section 17.12.020 (Description of Districts) to provide a definition/description of the intent of the newly created Open Space District. It shall read as follows:

L. OS- Open Space Zone District. The Open Space Zone District is established to provide adequate lands open to the public for active or passive recreational use as well as to protect those lands that are being used for purposes other than open space. This Open Space District is intended for public and quasi-public open space, parks and other related facilities.

Section 5

The Chart in Section 16.16.020 (Schedule of Public Notification) is being updated to show the following:

1. A 15 day public hearing notice prior to the public hearing in front of the Planning commission for a Special Use Hearing.
2. A new row in the chart will be added to show a 15 day public hearing notice requirement prior to a public hearing in front of the Planning Commission for a Site Plan Review.

Note: updated chart to be provided or attached as Exhibit A to the ordinance

Section 6

All ordinances heretofore passed and adopted by the Board of Trustees of the Town of Silt, Colorado are hereby repealed to the extent that said ordinances, or parts thereof, are in conflict herewith.

Section 7

If any section, subsection, clause, phrase or provision of this Ordinance, or the application thereof to any person or circumstance, shall to any extent, be held by a court of competent jurisdiction to be invalid, void or unconstitutional, the remaining sections, subsections thereof to any person or circumstance, shall remain in full force and shall in no way be affected, impaired or invalidated.

INTRODUCED, READ AND APPROVED ON FIRST READING, a public hearing, this ___ day of __________, 2022, at 7:00 p.m. in the Municipal Building of the Town of Silt Colorado.

PASSED, APPROVED ON SECOND READING, following a continued public hearing, ADOPTED AND ORDERED PUBLISHED, this ___ day of ______________, 2022.

TOWN OF SILT

______________________________
Mayor Keith B. Richel

ATTEST:

______________________________
Town Clerk Sheila M. McIntyre, CMC
MEMORANDUM

TO: Chairman Chris Classen and Members of the Town of Silt Planning Commission

FROM: Mark Chain, Planner

DATE: February 22, 2022

RE: Suggested Code Changes to Title 17 zoning

As we discussed at the February Planning Commission Meeting, I made the following text changes to the code and will enumerate those in this memo. I made these three bundles of changes in strikethrough fashion after downloading the appropriate section of the Silt Municipal Code. The underlining and slashing of text in strikethrough came partially undone when I converted this to a PDF. I have tried to underline the additions and highlight them in yellow. They may not have come through. If not, I will go through them with you manually on the projector screen at the meeting to make sure you can see all the modifications.

The changes are:

Site Plan Review Process. – 17.42.055 and 16.16.020
- Added a public hearing in section “C” in front of the planning commission.
- Added a 1-year approval requirement to get building permit and allowed two six months extensions. That is a new section “G”.
- Added the 15-day public hearing notice requirement to section 16.16.020 of the hearing notification chart

Special Use Permit Process – 17.78.040 and 16.16.020
- required a public hearing in front of the planning commission in section “A”
- added the 15-day public hearing notice requirement in the hearing notification chart in 16.16.020

Open Space Zone District
- Added an Open Space (OS) Zone District to section 17.12.010. This is section “L” and establishes the open space zone district.
- Defined/described the purpose of the Open Space zone district in a new section “L” of 17.12.020 of the code.
changes to Section 17.42.055 and 16.16.020 of the SMC regarding:

- adding public hearing in front of Planning Commission
- specifying approval is for 1 year with the possibility of two six-month extensions
- adds a 15 day public hearing requirement in the public hearing notification chart
17.42.055 Application process.

A. An applicant for commercial or multifamily site plan review shall provide such written information on the land use application form and on forms provided by the town, plus any other supplemental information needed to convey information to the commission, including the following:

1. A description of the proposed land use(s);
2. A statement of the planning objective(s);
3. A description of adjoining land use(s) and zoning;
4. Existing zoning of the subject property;
5. A statement regarding the proposal’s conformance with the comprehensive plan and zoning; and
6. A site plan map(s) depicting all proposed land use, including utilities, landscaping, structures, parking, and other development of any kind.

B. Following the town’s review of an applicant’s commercial and/or multifamily site plan application, the town staff shall determine whether application for site plan review is complete, and if it is, he shall refer the application to the planning and zoning commission within 30 days of such determination of completeness.

C. The planning and zoning commission shall review application for code compliance at a public hearing held at a regularly scheduled meeting and shall approve, approve with conditions or deny the application.

D. If the planning and zoning commission approves such application, applicant may submit to the town a building permit application.

E. If the planning and zoning commission approves such application with conditions, applicant may either submit to the town a revised site plan with a building permit application, or conversely, if applicant does not agree to such conditions, applicant may appeal such conditions to the board at a regularly scheduled meeting, as determined by the town administrator or his designee.

F. If the planning and zoning commission denies the application, applicant may appeal such decision to the board at a regularly scheduled meeting, as determined by the town administrator or his designee.

G. Approval. An approval for any Commercial or Multi-Family Site Plan review is good for 1 calendar year from date of approval. An applicant must obtain a building permit within that one-year time frame. Two 6-month extensions may be granted if approved by the Town Building Inspector or Planner in the Community Development Department. If a building permit is not issued within two years, the approval shall be considered lapsed and null and void. An applicant will have to reapply for a Site to Plan Review application.

Also to be included in section 16.16.020 – Schedule of Public Notification

A new row in the chart noting public hearings will indicate that a 15 notice of a public hearing before the planning commission is required.
Strike Through Exhibit
Special Use Permit

Changes to section 17.78.040 and 16.16.020 of the Silt Municipal Code

- requires a public hearing in front of the planning commission for a special use permit
- adds a 15 public hearing notification time frame for the hearing in front of the Planning Commission
17.78.040 Application—Public hearing—Enforceability.

A. An applicant desiring a special use permit shall submit a written application on forms supplied by the town and a fee. The board of trustees shall set the fee for special use permit per this chapter annually by resolution, or as often as necessary, in the board’s sole discretion. The town administration shall review the application and refer the same, with recommendations, to the planning and zoning commission. The planning and zoning commission shall consider the application and hold a public hearing at a regular meeting. The planning and zoning commission shall cause the application to be referred to the board, with the town administration’s recommendations and the recommendations of the planning and zoning commission.

B. A public hearing shall be held by the board after notifying the adjoining property owners of the subject property and after posting notice of such hearing at least fifteen days prior to such hearing in a public place in the community.

C. Following the hearing, the board shall issue its decision on the application. The board may approve, approve with conditions or deny the application. On any approval of a special use permit, the board may impose terms, conditions, limitations, restrictions and requirements as the board deems necessary, advisable or convenient. With any such grant, the board shall include specific provisions to assure the town’s enforceability of the special use permit provisions and the applicant’s continuing compliance with all of its terms, conditions, limitations, restrictions and requirements.

D. The applicant for special use permit or any other action under this chapter shall be responsible for all fees and charges incurred by the town in connection with such application, including, but not limited to, legal fees, planning fees, engineering fees, and filing or recording fees. In addition, the applicant shall submit a fifteen percent administrative fee based on the total of all consultant charges for the review of the special use permit application.

Additional change to Section 16.16.020 – Schedule of Public Notification

A notice of a public hearing with a 15 day notice in front of the planning commission shall be added to the existing notification chart for Special Use Permits
Establishing and Defining the Open Space Zone District

- Expands section 17.12.010 by adding paragraph L establishing an open space zone district
- Expands section 17.12.020 by adding paragraph “L” by defining/describing the term Open Space Zone District
17.12.010 Zone districts established.

For the purpose of this title, the town is divided into eleven zone districts, designated as follows:

A. Agricultural-rural (AG) district;
B. R-1 low-density residential district;
C. R-2 general residential district;
D. R-3 high density district;
E. Planned unit development (PUD) district;
F. Public utility zone district;
G. B-1 general business district;
H. B-2 highway business district;
I. B-3 business-3 district;
J. Downtown mixed-use overlay (DMD) district; and
K. B-I business-industrial district.
L. OS - Open Space Zone District

17.12.020 Description of districts.

A. Agricultural-Rural (AG) District. The main purpose of the agricultural-rural (AG) district is to provide for all the newly incorporated areas within the town of the size specified in this code and not otherwise designated for some other use, to be included in the AG zone district, as well as to promote the continued and new operation of agricultural operations important to the heritage of the community.

(B) R-1 Low-Density Residential District. The R-1 low-density residential district is established as a district in which the principal use of land is for single-family dwellings in low density developments of between one and four dwelling units per acre. It is the intention of these regulations to discourage any use which would be detrimental to the single family residential nature of the areas included within the district.

(C) R-2 General Residential District. The R-2 general residential district is established as a district in which the principal use of land is for residential purposes. A greater coverage of lot area and a medium density of between four and eight dwelling units per acre are encouraged in this district. It is the intention of these regulations to discourage any use which would be detrimental to the residential nature of the areas included within the district.

D. R-3 Residential/Manufactured/Modular/Factory-Built Housing High Density District. The R-3 residential/manufactured/modular/factory built housing district is established as a district to provide for single-family and multi-family residential development, and permanent manufactured, modular and/or factory built residences. It is the intention of these regulations to encourage any use that would promote the higher density of between eight and sixteen units per acre, and to discourage any use which would be detrimental to the residential nature of the areas included within the district.

E. Planned Unit Development (PUD) District. The planned unit development (PUD) district is established as a district to accommodate innovative design under unified control or unified plan of development for a number of dwelling units; residential, commercial, educational, recreational, or industrial uses; or any
combination thereof. It is the intention of these regulations to encourage development of this type when found to be in conformity with the town’s comprehensive plan.

F. Public Utility District. The public utility district is established as a district in which the principal use of land is for the construction, manufacture, storage and use of municipal facilities and public utilities. It is the intention of these regulations to establish areas within the town for facilities that serve the town with public services, including, without limitation, water and wastewater, irrigation water, maintenance shops, and administrative offices. This district shall encourage the logical expansion of such public services as the town requires due to growth.

G. B-1 General Business District. The B-1 general business district is established as a district in which the principal use of land is for retail sales and services to the consumer. It is the intention of these regulations to encourage the development and orderly expansion of the district with such uses and in such a manner as to provide ample parking and a minimum of traffic congestion.

H. B-2 Highway Business District. The B-2 highway business district is established as a district in which the principal use of land is for retail sales and services to the motoring public and other uses not requiring a centralized location, but which do require major highway frontage, comparatively large lot area, and carefully planned outdoor sales and/or open storage reviewed and approved by the town. It is the intention of these regulations to encourage the orderly development and expansion of the district with such uses and in such a manner as to provide ample parking space and a minimum of traffic congestion.

I. B-3 Business-3 District. The B-3 business-3 district is established as a district in which the principal use of land is for the fabrication, assembly and manufacture of goods and materials in conjunction with related retail and wholesale activities and services to the general public. It is the intention of these regulations to encourage the development and orderly expansion of the district with such uses and in such a manner as to avoid dangerous or unsightly land uses.

J. Downtown Mixed-Use Overlay (DMD) District:

1. The downtown mixed-use overlay (DMD) district is established to allow for a transition over time from primarily residential uses in a particular area of town to compatible pedestrian oriented commercial, office, and personal service businesses. This district would be established as an "overlay zone district."

2. An "overlay zone district" is one that allows all underlying zone district uses to continue while also allowing the new uses specified below, by special use only. Approval of a special use under this chapter shall have the effect of overlaying the existing zoning and thereby adding to and modifying the existing zoning regulations. If a conflict exists between the provisions of the existing zoning description and the special use approved, the regulation of the underlying zone shall apply unless specifically addressed in the provisions of the approved special use permit.

3. The area defined as the downtown mixed-use overlay zone district is intended to increase the area of the historic downtown and includes most of the civic buildings in the community. By allowing nonresidential uses by special review, the intent is to create a live/work setting to promote small offices, cottage industries, low intensity service businesses and small-scale retail uses in close proximity to living areas. It is not the intent of this district to allow uses that require large parking areas, high-volumes of vehicular traffic or activities that are detrimental to the character of a mix of business and residential activities in the same neighborhood. Architectural character, parking areas, lighting, landscaping, non-motorized access and general business activity should reflect the original residential character of this district.

K. Business-Industrial (B-I) District. The business-industrial (B-I) commercial district is established as a district in which more intensive commercial uses may be instituted and/or kept, including but not limited to fabrication, manufacturing, assembly, processing of natural resources, storage yards and other uses.
L. **OS- Open Space Zone District.** The Open Space Zone District is established to provide adequate lands open to the public for active or passive recreational use as well as to protect those lands are being used for purposes other than open space. This Open Space District is intended for public and quasi-public open space, parks and other related facilities.
MEMORANDUM

TO: Mayor Richel and Members of the Silt Board of Trustees

FROM: Mark Chain, Planner

DATE: April 21, 2022

RE: Request to Continue Public hearing for Resolution 9 – 2022
    – Amending certain lots in Stoney Ridge Filing 2

There has been a glitch in the public hearing notice and staff’s request is to continue the public hearing until the next board meeting, May 9. All details of the Resolution and the Application will be submitted for the May 9 meeting.

I’ll be happy to answer any questions at the Meeting.
AGENDA ITEM SUMMARY

SUBJECT: Parks, Recreation and Culture Master Plan Adoption
PROCEDURE: Action Item

BACKGROUND AND SUMMARY:

The Parks, Recreation and Culture Master Plan is intended to guide Town efforts to enhance and develop its parks, recreation programming and cultural offerings in a thoughtful and coordinated way.

Town Staff and consultants presented this master plan to the Town of Silt Board of Trustees on November 8, 2021. At the time, the Board wanted more time to digest the plan before adopting it.

Since then, the Parks, Recreation and Culture Subcommittee including Mayor Pro Tem Knott and Trustees Posten and Brinntall has met to discuss next steps three times. Attached, please see the key topics discussed by the subcommittee and amendments proposed to the master plan.

The Town is likely to apply for grants to accomplish much of the work in this plan. Accordingly, having an adopted Parks, Recreation and Culture Master Plan is important to the grant application process.

Also attached is the budget for park improvements for 2022. This will be the basis for the request of the Garfield County Board of County Commissioners for Conservation Trust funding. The CT funding had been considered to support the Coal Ridge rec trail prior to the Silt Board’s decision not to pursue the trail at this time.

RECOMMENDATION: The Parks, Recreation and Culture Subcommittee and Staff recommend adoption of this document, with the proposed amendments.

https://0j.b5z.net/i/u/2017580/f/2021_Silt_Parks_Rec_and_Culture_master_plan_FINAL.pdf

ORIGINATED BY: Jeff Layman
PRESENTED BY: Jeff Layman
SUBMITTED BY: Jeff Layman, Town Administrator
REVIEWED BY: Sheila M. McIntyre, Town Clerk
TOWN OF SILT PARKS, RECREATION AND CULTURE MASTER PLAN

AMENDMENTS DISCUSSED, REVIEWED AND RECOMMENDED BY THE SUBCOMMITTEE

Mayor Pro Tem Kyle Knott
Trustee Andreia Posten
Trustee Justin Brintnall
Community Development Manager Nicole Centeno
Public Works Director Trey Fonner
Town Administrator Jeff Layman

- Amend Parks, Recreation and Culture Master Plan to include:
  - Acquisition of the use of the Roy Moore gymnasium and parkland
    - This is noted in the MP on Page 73, but will be amended to specifically mention the Roy Moore building as a possibility to read:
      “Therefore, it is recommended that the Capital Improvement Fund have allocated finances available to address the needs of increased sports programming, providing for the construction or acquisition of larger multi-purpose field and court space, an intermediate gym space (an auxiliary recreation center to be provided while a longer-term plan is developed to construct a Community Recreation Center), and installation of redesigned-repurposed-reprogrammed park spaces. The Garfield County RE-2 School District’s Roy Moore gymnasium and adjacent land should be considered for this use and efforts should be made for the Town to assess and acquire it, when available.”
  - Acquisition of the west side of Silt Island
    - We will add a section for this in section 5.1.2 on page 74, of the plan to read:
      “The Town will closely monitor the status of the west side of Silt Island for opportunities to purchase, potentially with others such as the Aspen Valley Land Trust, and preserve for future generations.”
  - Reference to the Coal Ridge Trail and the inclusion of LoVa Trails to assist
    - The MP, on Page 74, uses the words “coordinate and construct a regional path system, such as the LoVa Trail efforts”.
  - Stoney Ridge Ballpark Baseball Field improvements will be added to section 5.1.1 on page 72 to state:
      “The Stoney Ridge Ballpark Baseball Field will be improved to allow older participant use. This should include the addition of 50/70 and, if feasible, 60/90 configurations. It may be necessary to modify outfield fence and recreation path location and/or design to accommodate the 60/90 configuration."
2022 PRIORITY SPENDING

1. Flying Eagle Park Improvements $129,118.38
   a. Addition of a recreation path to the east side of the park to create a path that encircles the soccer fields.
   b. New fence
   c. Porta-Potty enclosure
   d. Basketball Court resurfacing
   e. Replace playground fall protection
   f. Irrigation system and turf remodel

2. Mesa View Playground Fall Protection Replacement $45,910.00

3. Community Park Playground Replacement $68,830.00
   a. Playground replacement
   b. Playground fall protection

4. Eagle’s View Park Playground Replacement $163,261.00
   a. New Playground equipment
   b. Playground fall protection

5. Stoney Ridge Ballpark Improvements $13,006.00
   a. Modify field to allow 50/70 and 60/90 base patterns

6. Veteran’s Park Stage $25,000.00
   a. Structural evaluation, demolition, temporary structure and design of new structure

2022 Total Expenditures $445,125.38
The Silt Planning and Zoning Commission held their regularly scheduled meeting on Tuesday, March 1, 2022. Chair Classen called the meeting to order at 6:30 p.m.

---

Roll call

Present
Chair Chris Classen
Vice-Chair Lindsey Williams
Commissioner Eddie Aragon
Commissioner Marcia Eastlund
Commissioner Kim Leitzinger
Commissioner Joelle Dorsey

Absent
Commissioner Robert Doty

Also present were Town Administrator Jeff Layman, Planner Mark Chain, and Community Development Administrative Assistant Dusti Tornes.

---

Pledge of Allegiance

---

Public Comments – Chair Classen asked if there were any public comments and Community Development Administrative Assistant Tornes admitted four people from the waiting room, into the meeting. As soon as they were admitted, it was discovered that their pictures and language in the chat box were inappropriate. The meeting had to be stopped, so Administrative Assistant Tornes could remove all four participants from of the meeting. Administrative Assistant Tornes was able to successfully remove the individuals, however, the comment that one of the individuals made under another name, was unable to be removed until the end of the meeting. The meeting then resumed as normal.

---

Consent Agenda

1. Minutes of the February 1, 2022 Planning & Zoning Commission meeting.

Commissioner Aragon made a motion to approve the consent agenda as presented. Commissioner Dorsey seconded the motion, and the motion carried unanimously.

---

Conflicts of Interest – There were no conflicts of interest.

---

Agenda Changes – There were no agenda changes.

---

Discussion And Review – Draft Changes to Zoning Code Text

Chair Classen had a question before Planner Chain started speaking. He wanted to know if this goes to the board after the meeting. Planner Chain said that this is not a notice public hearing,
and he thinks that it will be public noticed at the first meeting in April, then to the Board after that.

Planner Chain gave an overview of the code changes that are going to take place. First, were proposed changes to the Site Plan Review Process. He proposes to add a requirement for a public hearing in front of the Planning Commission. Other suggested changes are to allow a 1-year approval requirement to get a Building Permit, with the ability to apply for two six-month extensions. An associated change is to add a fifteen-day notice to section 16.16.020, the public hearing chart.

The next changes would be to the Special Use Permit process. These include a requirement of a public hearing in front of the Planning Commission, as well as a fifteen-day public hearing notice requirement in the hearing notification chart in 16.16.020.

Planner Chain also talked about the Open Space District. He would add an Open Space Zone District (OS) to section 17.12.010, specifically a new section L; which establishes the Open Space Zone District. He also suggests defining/describing the purpose of the Open Space District in a new Section L of 17.12.020 of the code.

Planner Chain asked if there were any questions from the Board. Chair Classen asked if we could leave it "OS", if or are we thinking of changing it. Commissioner Eastlund agrees with the change. Planner Chain then said the Town needs to have it available so when we can use it, it is ready to use. We could rezone the existing parks in Town to Open Space at a later date, if we decided to do so.

Commissioner Aragon asked about item G, the two six-month extensions. Planner Chain then explained more about the extensions and the building permit process. Commissioner Eastlund asked if they have to ask for the extension after the permit is expired, or if they have to ask for it before. Planner Chain explained that they need to ask for it before the permit is expired. He said he would clarify that requirement and the Commission will see that when it comes to them for Public Hearing.

Chair Classen requested that the Community Development Administrator, Town Administrator or Planner, as opposed to Building Inspector, would be the approval needed in 17.42.055, section G. Chair Classen thinks that then everyone knows what is going on. Commissioner Eastlund agrees with Chair Classen as well. Commissioner Dorsey agrees with the last two comments. Vise Chair Williams thanked Planner Chain for the work that he has done.

Request to have a second meeting on March 15th, 2022

Planner Chain would like to have a second meeting in March, two weeks from tonight. He stated that we should have a number of applications come through the process this year and we don’t want to get behind. Originally, Planner Chain thought that the Site Plan Review for the Self-Storage at River Run/Camp Colorado/KOA would be ready for this March 1 agenda; however, the application needed additional information from outside review agencies that did not have time to weigh in on the project. We might have some months that we need to have two meetings to keep up with the applications that are coming in. Chair Classen, Commissioner Eastlund, Commissioner Leitzinger all think that is a good idea to have another meeting to prevent back logs or long meetings in the future. Commissioner Dorsey will do her best to come to the meeting.
Planning Update

Planner Chain gave an update on all of the items in the agenda. He went into details and explained each one individually.

Planner Chain stated that there is an application for the self-storage at River Run, but again, the application was not ready to review at this meeting.

The Paradise Event Center has started the Special Use Permit Application process. The old Silt Café building has been purchased and the new owners are working to resolve the issues and logistics of the application. Town Staff is unaware of their progress to complete the needed items, therefore there is no update on tentative scheduling for P&Z.

Camaro II was thought to be under contract last week, but now is under contract with someone else. This property has been in play for the last fifteen months. Planner Chain thinks that one of the two parties will purchase the property. One buyer would need to change the lotting arrangement to build workforce housing; the other one would continue with Camaro Phase II the way it was originally figured.

Heron’s Nest site designers and engineers have been working on putting together an annexation requests, along with a future development plan for this property. The Town Manager and Planner Chain will have a meeting with project representatives on March 2. Planner Chain also wanted to inform the Planning Commission that some of the fill material/river debris in the Colorado River are being moved to a number of sites throughout Western Colorado, in order to limit flooding and potential clogging of the river; affecting I-70, flood flows and channel location etc. One of the sites receiving this fill dirt, is Heron’s Nest.

Stoney Ridge Phase 2 has been transferred to a local builder, who has constructed a number of homes in Stoney Ridge. An application to amend certain lots in Phase 2, is in the process of being submitted to the Town. Planner Chain believes that some easements are being expanded on, including 9 lots, therefore their building envelopes will change. These building envelope changes will be finalized on the amended subdivision plat, and not by a separate easement agreement. Planner Chain also understands that the new owner may want to install infrastructure for Phase 2, in sub phases, so they have the opportunity to go vertical this year.

Planner Chain then noted that for Risdende, the Planning Commission and Board saw a concept for this about six months ago (on the old Divide Creek property). Staff has had a couple meetings with site designers as the plan has move forward. He expects a PUD and minor subdivision application to be submitted in the very near future. (The original schedule was to submit in mid-February).

Site plan reviews are expected for the Silt Trade Center soon. At least one site plan review application is being submitted and Planner Chain knows of another application that is being assembled as we speak.

As you can see from tonight’s agenda, we are already beginning to make some changes to the Municipal Code. Staff has some changes that they wish to make to the code, and some of these
will have to come through the Planning Commission. Planner Chain will give updates on these code changes as they arise.

The Town staff has recently updated building value estimates, which in turn, affect cost of Building Permit Fees, Plan Check Fees and Use Tax. These have not been updated in a number of years, and it was time to do this. Valuation previously for the Town has been approximately $97 per square foot for a typical wood frame, single-family house style construction. The newly proposed valuation will be set at hundred $112. The Board did not want to adopt it at their Board meeting last night, so this will not change at this time.

Planner Chain then asked the Commissioners if they wanted to discuss any items in the update.

Chair Classen had a question about the square footage of the River Run Storage. He was thinking that it was previously stated that the storage square footage was 12,720, not 45,000. Planner Chain said that he was thinking about the storage that was proposed at River Trace, not River Run. Chair Classen remembered the other storage when Planner Chain correctly identified the project name.

Commissioner Eastlund needs more information on the building permits, in regards to Paradise Event Center Sign that is up already. Planner Chain said that there has been no approval for the sign, from the Town. Planner Chain said they had a permit to fix the bathrooms only. Chair Classen wants to know when the Special Use Permit is expected to come in front of the P&Z. Planner Chain explained that we don’t have anything in our code for event centers, therefore, this required a Special Use Permit. He then explained that the Commissioners were talking about a Land Use Application that has not been deemed complete, and advised that the conversation wait until the Town receives a complete application.

Chair Classen then asked about the dirt that they are bringing in, for Heron’s Nest. He asked if that was to bring up the flood plain to aid in gravity feed to the Towns Wastewater Plant. Planner Chain was not sure about the gravity feeding. Not all of the site is in the flood plain, as the shelf is about 12-13 feet higher than the river. It is in the County’s jurisdiction, and they are wanting to make sure that wherever the dirt is stored, that it will be usable, safe and have a plan to remove excess fill if necessary. Planner Chain clarified that the fill dirt is separate from their Land Use Application.

Chair Classen had a question on the Zoning Code amendments also. He wanted to know if it is the longtime staff who wants to make the changes, or the Building Department. Planner Chain said that yes, some of the changes came from the Community Development Department, and others from the Town Clerk as well.

Vice Chair Williams asked about the food truck policy, and if there was going to be a permit fee for them to come to Town. Planner Chain said that he thought she was referring to recent inquiry in which the location of where a food truck is going got be, caused Town Staff to discuss new potential policies. The truck in question has proposed to park on the same property as the new Brewery that is coming in. If we have too many at one location, the parking becomes an issue, and we need to make sure that everything is safe and looks good for the Town.

Chair Classen wants to know how many years that it has been since the building permit fees had been updated. Planner Chain thinks it has been at least five years if not longer. He said a review if done often enough can adjust fees both up and down depending on the cost of everything, pace of construction, the economy etc.
Commissioner Comments

Commissioner Dorsey wants to know what everyone thinks about converting one of the Town’s Tennis Courts, into a Pickle Ball Court. She is looking for general information and feedback. Chair Classen thought that she should talk to Town Administrator Layman. There is a court in New Castle, and she thought that the Town might draw some people to come here to play. Chair Classen wanted to know how the Board felt about the 2-acre parcel. Planner Chain said that it went well, and was passed with a four to two vote. Commissioner Eastlund thinks that it could be a dog park if the entire 2 acres stayed open space.

Chair Classen thinks that we should have a way to record or televise the P&Z Meetings, so the public has the ability to watch the meetings, or reference back to them; whether that be on a T.V., a file, or on the website. Vice Chair Williams would appreciate having the ability to look back and review them as well.

Chair Classen thinks that it was very helpful to get an update from Public Works Director, Fonner, and Community Development Coordinator Centeno. He asked if both could come in, every so often, to keep everyone up to date.

Chair Classen told the P&Z that he applied for the Board and ran uncontested, so his last meeting will be April.

Adjournment

Commissioner Eastlund made a motion to adjourn. Commissioner Aragon seconded the motion, and adjourned the meeting 7:30 p.m.

Respectfully submitted,

[Signature]
Dusti Tornes
Community Development Administrative Assistant

Approved by the Planning Commission

[Signature]
Chris Classen
Chair
Utility Billing Clerk, Town of Silt

TIRED OF COMMUTING??? The Town of Silt is accepting applications for the full-time position of Utility Billing Clerk. The ideal applicant will have knowledge of general office practices with an opportunity to expand roles in the future. This position will require some level of working with various departments and direct interface with customers. Pay range for this position is $19.00 - $21.00/hr DOQ and includes a very competitive benefits package. Must have a valid Colorado driver's license. The Town of Silt conducts background investigations and drug testing as a condition of employment. Applications can be downloaded at: www.townofsilt.org or picked up at Town Hall, located at 231 N. 7th Street, Silt. Please submit application and resume to: Town of Silt, PO Box 70, Silt, CO 81652, email atucker@townofsilt.org or fax to (970) 876-2937. Deadlines for applications will be 5:00 April 15, 2022. Please contact Amie Tucker for more information at (970) 876-2353 ext. 104.

Parks Maintenance Seasonal Positions, Town of Silt

The Town of Silt is accepting applications for two full-time seasonal positions to work 40 hours per week in the recreation and parks departments. This position
runs from approximately April 25 – September 29 and performs manual work for recreation events and parks maintenance. Some nights and weekends required, must be able to lift 50 lb. and be a team player. Must be 18 years of age with a valid driver’s license. Pay range for these positions is $14.00 to $17.00/hr DOQ. The Town of Silt conducts background investigations and drug testing as a condition of employment. Applications can be downloaded at: www.townofsilt.org/jobapplication.htm. Please submit application and resume to: Public Works Director, Trey Fonner, Town of Silt, PO Box 70, Silt, CO 81652 or email trey@townofsilt.org (970) 876-2353 ext. 106. Applications will be accepted until April 15th, 2022.

Easter Egg Hunt

April 16 - 9:00 A.M.
Roy Moore Field (9th & Orchard Ave.)
Ages 1-3 & 4-6
Stoney Ridge Ball Field (642 N. 7th Street)
Ages 7-9 & 10-12

Ditches Begin to Fill; No Irrigation Use Authorized Until May 1

The Grand River Ditch Company has started to fill the Cactus Valley Ditch, the main ditch that runs through the Town. The Town will not start filling the irrigation system until Monday April 18th. Please remember that water is not to be used until May 1st per Town code 13.02. This allows the Town time to fill the system and make sure there are no leaks or other issues. Please refer to Town code 13.02 for watering days, watering restrictions and other irrigation information.
Easter Egg Hunt Tomorrow!

April 16 - 9:00 A.M.
Roy Moore Field (9th & Orchard Ave.)
Ages 1-3 & 4-6
Stoney Ridge Ball Field (642 N. 7th Street)
Ages 7-9 & 10-12

Ditches Filling; Irrigation Season Starts May 1
The Grand River Ditch Company has started to fill the Cactus Valley Ditch, this is the main ditch that runs through the Town. The Town will not start filling the irrigation system until Monday April 18th. Please remember that water is not to be used until May 1st per Town code 13.02. This allows the Town time to fill the system and make sure there are no leaks or other issues. Please refer to Town code 13.02 for watering days, watering restrictions and other irrigation information.

Colorado River Turbidity Impacts Silt Drinking Water; Town Commissions Engineering Study

The Town recently engaged a water and wastewater engineering firm, Dewberry Engineering of Denver, to study the Town’s water plant to better understand future improvements. The improvements are necessary to remove materials endemic to the river. One of these materials is manganese. The Town’s system, installed in
the mid 2000's, has been successful in treating the water to meet State of Colorado standards.

During certain times of the year, generally in the spring, the Town's water operators switch from 100% Colorado River water and mix it with well water from two wells adjacent to the river. Between the increased turbidity of the river water and some additional manganese in the well water, some areas of the Town experience brown-tinted water at the tap.

Colorado Primary Drinking Water Regulations, developed and issued by the Colorado Department of Public Health and Environment, has set manganese as a "secondary maximum contaminant" that "primarily affect the aesthetic qualities relating to the public acceptance of drinking water" and can have health implications at higher levels. The secondary maximum contaminant levels are intended as guidelines that represent reasonable goals for drinking water quality. Manganese is regulated by a .05 mg/l secondary maximum contaminant level (MCL), a standard established to address issues of aesthetics (discoloration), not health concerns*.

Town staff runs tests for manganese at different points along the system and filters the manganese at the plant to the acceptable level. Although the Town was having some difficulty treating the water prior to the Grizzly Creek Fire and resulting mudslides, those events have increased the challenge. The main impact to the plant is the increased frequency with which staff must "backwash" and replace filters in its microfiltration “skids”. This has increased the cost of operating the plant considerably.

The above graph of the Colorado River Turbidity this year over last year shows an extreme increase in turbidity. It forces the Town to use the wells more often, which results in higher levels of iron and manganese, resulting in more incidents of brownish drinking water.

Another complicating factor is that the main water line between the water treatment plant and "Old Town" is coated with manganese. It is made of ductile iron and it is thought that replacing it would reduce the amount of the substance in the water delivered to Silt homes.

Dewberry will deliver its study to the Silt Board of Trustees by June and is expected to provide short-and long-term recommendations for improving the system. Short-term improvements could be pursued as soon as later this year.

The Colorado Sun published an article on Silt's water issues. It can be found at https://coloradosun.com/2022/04/04/water-debris-silt-grizzly-fire-mudslide/.
BREAKING NEWS! SILT RECEIVES WATER SYSTEM IMPROVEMENT GRANT FROM FMLD

Garfield County Federal Mineral Lease District announces Spring Grant Recipients

The Garfield County Federal Mineral Lease District has awarded the Town of Silt $200,000 to replace its aging water main (see story above). Silt is among many Garfield County entities to receive grants from the FMLD this spring. The grant will be instrumental in replacing a main line between the water treatment plant, under I-70 and into "Old Town Silt". The project is anticipated to cost over $1 M. Design and engineering of the project is complete and planning the timing of the project will begin immediately in consultation with the Town’s engineers. The Town also received a "mini-grant" for $25,000 to improve the heating, ventilation and air conditioning system at Town Hall.