

**TOWN OF SILT
REGULAR BOARD OF TRUSTEES AGENDA
MONDAY, APRIL 24, 2023 – 7:00 P.M.
MUNICIPAL COUNCIL CHAMBERS**

ESTIMATED TIME	AGENDA ITEM	PUBLIC HEARING or ACTION ITEM	STAFF PRESENTOR
	Agenda		Tab A
7:00	Call to order		Mayor Richel
	Roll call		
	Pledge of Allegiance and Moment of Silence		
7:05	Public Comments - 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 sheila@townofsilt.org 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		
7:20 5 min	Consent agenda – <ol style="list-style-type: none"> 1. Minutes of the April 10, 2023 Board of Trustees meeting 2. Kum & Go LC – Renewal of Colorado Beer & Wine Liquor License 3. Resolution No. 12, Series 2023, A RESOLUTION SUPPORTING THE EXECUTION OF THE AGREEMENT FOR A GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT GRANT (23-SM-07) IN THE AMOUNT OF \$24,359.00, FOR A TOTAL PROJECT COST OF \$24,359.00, IN ORDER TO OFFSET THE COSTS ASSOCIATED WITH THE PURCHASING OF NEW EQUIPMENT FOR A NEW POLICE VEHICLE FOR THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO 4. Resolution No. 13, Series 2023, A RESOLUTION SUPPORTING THE EXECUTION OF THE AGREEMENT FOR A GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT GRANT (23-ST-07) IN THE AMOUNT OF \$450,000.00, FOR A TOTAL PROJECT COST OF \$27,948,000.00, IN ORDER TO OFFSET THE COSTS ASSOCIATED WITH THE PURCHASE AND ENGINEERING FOR A WATER TREATMENT FACILITY FOR THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO 	Action Item	Tab B Mayor Richel
	Conflicts of Interest		
7:25	Agenda Changes		
7:25 5 min	Appointment of new Mayor Pro-tem	Action Item	Tab C Mayor Richel

	Mayor declares adjournment as the Board of Trustees and convenes as the Silt Housing Authority		
7:30 20 min	Senior Housing Update – Cheryl Strouse	Info Item	Tab D Administrator Layman
	Chair declares adjournment as the Silt Housing Authority and reconvenes as the Board of Trustees		
7:50 5 min	Second reading of Ordinance No. 1, Series 2023, AN ORDINANCE OF THE TOWN OF SILT, COLORADO GRANTING A CABLE SYSTEM FRANCHISE TO COMCAST OF COLORADO	Public Hearing	Tab E Attorney Neu
7:55 5 min	Second reading of Ordinance No. 2, Series 2023, AN ORDINANCE OF THE TOWN OF SILT, COLORADO, APPROVING THE SALE OF TOWN OWNED PROPERTY LOCATED AT 1555 RIVER FRONTAGE ROAD, NORTH OF THE HOLIDAY INN EXPRESS AND PROPERTY UNNEEDED FOR ANY GOVERNMENTAL PURPOSE	Public Hearing	Tab F Attorney Neu
8:00 10 min	First reading of Ordinance No. 4, Series 2023, AN ORDINANCE OF THE TOWN OF SILT, COLORADO AMENDING TITLE 3 OF THE SILT MUNICIPAL CODE TO PROVIDE FOR THE CLARIFICATION OF THE REMITTANCE SCHEDULE OF THE BAG FEE IMPOSED BY THE STATE COLORADO	Public Hearing	Tab G Treasurer Tucker
8:10 10 min	Main Street Phase 7 and Block 23 Alley Project Update	Info Item	Tab H Public Works Director Fonner
8:20 5 min	March 2023 Financial Report	Info Item	Tab I Treasurer Tucker
8:25 5 min	Administrator and Staff Comments	Info Item	Tab J Administrator Layman
8:30 10 min	Updates from Board / Board Comments		
8:40	Adjournment		
The next regularly scheduled meeting of the Silt Board of Trustees is Monday, May 8, 2023. 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.			

Tentative upcoming work sessions:

May 8, 2023 - Water Plant Second opinions
June 26, 2023 – Planning & Zoning Commission

**TOWN OF SILT
REGULAR BOARD OF TRUSTEES MEETING
APRIL 10, 2023 – 7:00 P.M.**

The Silt Board of Trustees held their regularly scheduled meeting on Monday, April 10, 2023. Mayor Richel called the meeting to order at 7:03 p.m.

Roll call	Present	Mayor Keith Richel Mayor Pro-tem Kyle Knott Trustee Justin Brintnall Trustee Chris Classen Trustee Derek Hanrahan Trustee Jerry Seifert
	Absent	Trustee Samuel Flores

Also present were Town Administrator Jeff Layman, Town Treasurer Amie Tucker, Public Works Director Trey Fonner, Community Development Manager Nicole Centeno, Chief of Police Mike Kite, Deputy Town Clerk/Deputy Town Treasurer Lori Malsbury, Planner Mark Chain, Town Attorney James Neu 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 27, 2023 Board of Trustees meeting
2. Recognizing April 21, 2023 as Arbor Day in the Town of Silt

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

Conflicts of Interest – There were no conflicts of interest.

Agenda Changes – There were no agenda changes.

Kum & Go – Approval of Modification of Premises

Deputy Town Clerk Malsbury explained the people of Colorado voted to allow wine to be sold under a fermented malt beverage off-premises liquor license. As of March 1, 2023, current fermented malt beverage off-premises liquor licenses were automatically converted to include

the sale of wine. The applicant has applied for a modification of premises to allow space for the wine products.

Mayor Pro-tem Knott commented that it would be easy to monitor the wine in the proposed location. Trustee Classen voiced his concern about convenience stores competing with the local business. Deputy Clerk Malsbury explained the applicant already has the authority to sell the wine, and that application is only to increase space within the store for the additional product. District Supervisor Andrew Zwanziger and General Manager Tracy O'Connell were present. Mr. Zwanziger outlined the store's quality control procedures.

The public hearing was opened at 7:12 p.m. There were no public comments and the hearing was closed at 7:13 p.m.

Mayor Pro-tem Knott made a motion to approve the Kum & Go LC modification of premises application. Trustee Seifert seconded the motion, and the motion carried 5-1, with Trustee Classen voting nay.

Irrigation System Action Plan: Introducing the Turf Replacement Incentive Program (TRIP) – Adrian Brown

Administrator Layman recapped the current programs and enforcement procedures the Town currently has in place for conserving water. Introduced Adrian Brown to present the Turf replacement Incentive program. The program would give homeowners an incentive of \$.25 per sq., ft., to replace turf with zero scaping. The Town has budgeted \$10,000 in 2023 for this program.

There was discussion concerning the cost-effectiveness, monitoring, and enforcement procedures, as well as targeting larger lots and new homeowners, as well as the HOA's. The Board suggested a one-year trial period and increasing the incentive amount to \$1.00 per sq foot. All Town properties utilizing either Town portable or irrigation water are eligible.

Resolution No. 10, Series 2023, A resolution extending the approval of the Autumn Ridge Final Plat.

Planner Chain explained that the current extension is set to expire. He asking for an extension until June 1, 2023, to finalize the plat and for time to review.

Mayor Pro-tem Knott made a motion to approve Resolution No. 10, Series 2023, A RESOLUTION OF THE TOWN OF SILT, COLORADO GRANTING AN EXTENSION OF AUTUMN RIDGE FINAL PLAT APPROVAL. Trustee Brintnall seconded the motion, and the motion carried unanimously.

First reading of **Ordinance No. 1, Series 2023**, AN ORDINANCE OF THE TOWN OF SILT, COLORADO GRANTING A CABLE SYSTEM FRANCHISE TO COMCAST OF COLORADO.

Town Attorney Jim Neu presented the Comcast franchise agreement explaining these agreements are periodically updated to ensure the current regulations and community needs

are being met. The Town did negotiate fiber extensions for wireline video to the Town Center in order to accommodate interactivity between the two buildings.

The public hearing was opened at 8:06 p.m. There were no public comments and the hearing was closed at 8:07 p.m.

Trustee Classen made a motion to approve the first reading of Ordinance No. 1, Series 2023, AN ORDINANCE OF THE TOWN OF SILT, COLORADO GRANTING A CABLE SYSTEM FRANCHISE TO COMCAST OF COLORADO. Mayor Pro-tem Knott seconded the motion, and the motion carried unanimously.

Resolution No. 11, Series 2023, A resolution extending the approval of the Camario Phase II Final Plat

Planner Chain stated that the Board previously passed Ordinance 19-2022, which approved the final plat and reinstatement of Camario Phase II, with this acceptance the applicant had six (6) months to complete. The applicant was unable to meet this deadline and is seeking an extension until June 13, 2023.

The Board discussed concerns with the applicant not completing the project in the time allowed. Mayor Richel voiced that the Town supported the applicant by expediting the process in the past and does not feel the applicant offered the same courtesy. After some discussion, the board felt if the applicant is unable to complete the project by June 13, 2023, there would be no more extensions allowed and they would have to re-apply.

Mayor Pro-tem Knott made a motion to approve Resolution No. 11, Series 2023, A RESOLUTION OF THE TOWN OF SILT, COLORADO GRANTING AN EXTENSION OF CAMARIO PHASE II FINAL PLAT APPROVAL. Trustee Brintnall seconded the motion, and the motion carried 5-1, with Mayor Richel voting nay.

First reading of **Ordinance No. 2, Series 2023,** AN ORDINANCE OF THE TOWN OF SILT, COLORADO APPROVING THE SALE OF TOWN OWNED PROPERTY LOCATED AT 1555 RIVER FRONTAGE ROAD, NORTH OF THE HOLIDAY INN EXPRESS AND PROPERTY UNNEEDED FOR ANY GOVERNMENTAL PURPOSE

Administrator Layman notified the Board that the Town has received a full-price offer for the property located at 1555 River Frontage Road in the amount of \$299,000.00. It was the Board's desire that the property would be used for a tax-generating business.

Attorney Jim Neu explained that part of the acceptance of the purchase agreement would allow an option agreement that the proposed buyer would start construction within 180 days from closing and there would also be a buy-back option for the Town to purchase the same price if so desired.

Bob Switzer, Lloyd Spencer, and Bob White were present to represent Silt Energy Development LLC. They presented the Board with the proposed business layout for an alternative fuel station with an upscale bodega. The area would provide restrooms, a lounge area, and a dog green, with most of the tax revenue coming from a café.

Silt Energy Development will be constructing a solar farm in the area as well, but the fuel station project would take precedence.

The Board discussed the demographic need and asked for a sales projection to estimate the economic benefits for the town.

The public hearing was opened at 8:36 p.m. Mitchell Weimer voiced his concerns about the increase in traffic and how it would affect the area. There were no additional public comments and the hearing was closed at 8:41 p.m.

Mayor Pro-tem Knott made a motion first reading of Ordinance No. 2, Series 2023, AN ORDINANCE OF THE TOWN OF SILT, COLORADO APPROVING THE SALE OF TOWN OWNED PROPERTY LOCATED AT 1555 RIVER FRONTAGE ROAD, NORTH OF THE HOLIDAY INN EXPRESS AND PROPERTY UNNEEDED FOR ANY GOVERNMENTAL PURPOSE. Trustee Hanrahan seconded the motion, and the motion carried unanimously.

2023 Town of Silt Concert Series Presentation

Community Development Manager Centeno presented an overview of the total 2022 line-up cost, which totaled \$25,895 for six concerts. In the past, the Board had expressed its desire for "Big Name" concerts. Centeno reached out to a few booking agents with price amounts being significantly higher for those artists. She also was told that most artists sign a no-compete clause that prohibits them from performing in the same State within a certain time frame.

The Board would like to see the concert series grow, but not at the cost presented. They suggested reaching out to KMTS radio station, to see if they would be willing to partner with the town. Board agreed to increase the 2024 budget to \$30,000.

Administrator and Staff Reports

Administrator Layman stated the report on Dewberry for the water plant that was prepared by JDS Hydro was received today and will be he will be reviewing that shortly. This report was suggested by DOLA to provide information for a second option grant. A meeting is scheduled for tomorrow which will include Construction Manager at Risk (CMAR). Layman also let the Board know that he was keeping an eye on SB23-213, but at this time does not impact the town.

Trustee Seifert asked for updated information from Community Development on several projects around Town.

Trustee Hanrahan suggested the Town supply reusable bags as a marketing tool.

Public Works director Fonner reported that the wastewater plant was awarded the "Wastewater System of the Year" for 2022, by the Colorado Rural Water Association.

Updates from Board / Board Comments

Trustee Hanrahan participated in a group that included CDOT, RFTA, and elected officials, concerning mass transportation. Its purpose is to create a transportation strategy ahead of large population growth. A problem statement, goals, and outline questionnaire will be going out to area municipalities.

Trustee Brintnall asked everyone to be watchful for children when driving now that the weather is warming up.

Trustee Classen enquired about the crosswalk by the post office. He also had a concern with the number of campers and trailers parked on a lot by the elementary school collecting trash and debris.

Trustee Seifert passed along a "Thank you" from Foursquare Church for approving their location and asked how the DMV program was going.

Mayor Pro-tem Knott notified the Board and Staff that he will resign, and tonight was his last Board Meeting. He thanked the Trustees, Staff, and the Towns Citizens for allowing him the privilege of sitting on the Board.

Mayor Richel thanked staff for their work on the Easter egg hunt.

Adjournment

Mayor Pro-tem Knott made a motion to adjourn. Trustee Brintnall seconded the motion, and the motion carried unanimously. Mayor Richel adjourned the meeting at 9:23 p.m.

Respectfully submitted,

Approved by the Board of Trustees

Lori Malsbury,
Deputy Town Clerk/Deputy Town Treasurer

Keith B. Richel
Mayor

Submit to Local Licensing Authority

**KUM & GO #905
 1459 GRAND AVE
 Des Moines IA 50309**

Fees Due	
Renewal Fee	146.25
Storage Permit \$100 X _____	\$ _____
Sidewalk Service Area \$75.00	\$ _____
Additional Optional Premise Hotel Restaurant \$100 X _____	\$ _____
Related Facility - Campus Liquor Complex \$160.00 per facility	\$ _____
Amount Due/Paid	\$ _____

Make check payable to Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Colorado Beer and Wine License Renewal Application

Please verify & update all information below

Return to city or county licensing authority by due date

Licensee Name KUM & GO LC		Doing Business As Name (DBA) KUM & GO #905	
Liquor License # 12-40424-0015	License Type Fermented Malt Beverage and Wine (city)		
Sales Tax License Number 012404240015	Expiration Date 07/12/2023	Due Date 05/28/2023	
Business Address 905 MAIN Silt CO 81652		Phone Number 9708760683	
Mailing Address 1459 GRAND AVE Des Moines IA 50309		Email Licenses@kumandgo.com	
Operating Manager Tracy O'Connell	Date of Birth 07/13	Home Address 5125 12038 CO 81650	Phone Number 970-456- XXXX
1. Do you have legal possession of the premises at the street address above? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Are the premises owned or rented? <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Rented* *If rented, expiration date of lease 5/25/2038			
2. Are you renewing a storage permit, additional optional premises, sidewalk service area, or related facility? If yes please see the table in upper right hand corner and include all fees due. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
3a. Are you renewing a takeout and/or delivery permit? (Note: must hold a qualifying license type and be authorized for takeout and/or delivery license privileges) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
3b. If so, which are you renewing? <input type="checkbox"/> Delivery <input type="checkbox"/> Takeout <input type="checkbox"/> Both Takeout and Delivery			
4a. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
4b. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
5. Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.), or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
6. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners, or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

7. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. Yes No *See Violations Attachment*

8. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. Yes No *See Locations Attachment*

Affirmation & Consent		
I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.		
Type or Print Name of Applicant/Authorized Agent of Business	Title <i>Compliance Analyst</i>	
<i>Camille Hayes</i>		
Signature	Date	
<i>Camille Hayes</i>	<i>3/28/2023</i>	
Report & Approval of City or County Licensing Authority		
The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 44, Articles 4 and 3, C.R.S., and Liquor Rules.		
Therefore this application is approved.		
Local Licensing Authority For	Date	
Signature	Title	Attest

Violations

City	State	County	StoreNumber	ViolationType	ViolationDate
Craig	Colorado	Moffat	1903	Alcohol	2/24/2022
Colorado Springs	Colorado	El Paso	0674	Alcohol	5/26/2022
Colorado Springs	Colorado	El Paso	0661	Alcohol	7/1/2022
Battlement Mesa	Colorado	Garfield	0906	Alcohol	9/27/2022
Colorado Springs	Colorado	El Paso	0665	Alcohol	11/17/2022
Colorado Springs	Colorado	El Paso	0676	Alcohol	1/4/2023
Colorado Springs	Colorado	El Paso	0672	Alcohol	2/28/2023
Loveland	Colorado	larimer	0995	Alcohol	3/1/2023

Locations

Store Number	Phone	Address	City	State	Zip
0305	970-352-9268	3033 8th Avenue	Evans	Colorado	80620
0308	(303)-487-5730	7450 Federal Blvd	Westminster	Colorado	80030
0313	(720)-557-8373	5480 E. 120th Ave.	Thornton	Colorado	80241
0316	(720)-974-1604	2999 Bonanza Dr	Erie	Colorado	80516
0319	(303)-279-9059	18465 W. Colfax Avenue	Golden	Colorado	80401
0320	(303)-942-1543	250 E 136th Avenue	Thornton	Colorado	80241
0321	(303)-452-2667	237 E 120th Ave	Thornton	Colorado	80233
0325	(303)-904-9338	11505 W Belleview Avenue	Littleton	Colorado	80127
0329	(720)-712-2066	450 S. Santa Fe Drive	Denver	Colorado	80223
0332	(303)-373-4957	4720 N. Tower Road	Denver	Colorado	80249
0335	(303)-375-4218	16351 Green Valley Ranch Blvd	Denver	Colorado	80239
0643	(720)-734-2004	3802 North Nevada Avenue	Colorado Springs	Colorado	80907
0649	(719)-653-0990	1808 Democracy Pt.	Colorado Springs	Colorado	80908
0650	(719)-487-2696	17970 Knoll Wood DR	Monument	Colorado	80132
0657	(719)-219-0324	2190 Vickers Drive	Colorado Springs	Colorado	80918
0658	(719)-219-0685	6125 Barnes Rd	Colorado Springs	Colorado	80922
0659	719-282-7673	9665 Prominent Point	Colorado Springs	Colorado	80924
0661	(720)-262-7570	3525 Spectrum Air Way	Colorado Springs	Colorado	80911
0663	(719)-219-0223	5771 N Carefree Cir	Colorado Springs	Colorado	80917
0665	(719)-219-0697	1206 Interquest Pkwy	Colorado Springs	Colorado	80921
0667	(719)-445-5041	7375 Duryea Rd	Colorado Springs	Colorado	80923
0668	(719)-424-4580	3091 N Chestnut ST	Colorado Springs	Colorado	80907
0669	(719)-434-3869	6735 N Carefree Cir	Colorado Springs	Colorado	80922
0670	(719)-382-9018	8050 Fountain Mesa Rd	Fountain	Colorado	80817
0672	(719)-473-8296	3025 Hancock Expy	Colorado Springs	Colorado	80907
0673	(719)-219-0726	620 East Fillmore Street	Colorado Springs	Colorado	80907
0674	(719)-362-8082	1021 S Nevada Ave.	Colorado Springs	Colorado	80903
0676	(719)-434-4749	2588 Airport Road	Colorado Springs	Colorado	80910
0684	719-559-2275	2422 Research Parkway	Colorado Springs	Colorado	80920
0685	(719)-559-1780	6615 Dalby Drive	Colorado Springs	Colorado	80923
0686	(719)-559-1580	2410 N Academy Blvd	Colorado Springs	Colorado	80916
0687	719-559-3480	525 Wooten Road	Colorado Springs	Colorado	80915
0689	(719)-266-1687	4512 Austin Bluffs Parkway	Colorado Springs	Colorado	80918
0690	(719)-559-4785	1450 Garden of the Gods Rd	Colorado Springs	Colorado	80907
0693	(719)-257-4530	441 Flyway Pt	Colorado Springs	Colorado	80916
0697	(719)-370-3170	361 N Union Blvd	Colorado Springs	Colorado	80909
0901	(970)-824-7325	895 Yampa Ave	Craig	Colorado	81625
0902	970-824-2568	1302 W Victory Way	Craig	Colorado	81625
0905	970-876-0683	905 Main St	Silt	Colorado	81652
0906	970-285-5637	10 Stone Quarry Rd	Battlement Mesa	Colorado	81635
0907	970-468-0888	101 Ruby Ranch Rd	Silverthorne	Colorado	80498
0909	970-724-1105	605 Park Ave	Kremmling	Colorado	80459
0910	970-353-1110	366 71st Ave	Greeley	Colorado	80634
0912	303-816-0558	30393 Kings Valley Dr	Conifer	Colorado	80433
0913	(970)-535-4601	13799 Pacific Cir	Longmont	Colorado	80542

0914	970-330-8552	7027 20th St	Greeley	Colorado	80634
0919	970-675-2858	317 E Main St	Rangely	Colorado	81648
0920	970-871-3324	2032 Curve Plz	Steamboat Springs	Colorado	80477
0921	970-625-5185	120 E 1st St	Rifle	Colorado	81650
0922	(970)-625-2274	120 E 26th St	Rifle	Colorado	81650
0927	970-984-9618	801 Castle Valley Blvd	New Castle	Colorado	81647
0928	(970)-871-0753	80 Anglers Dr	Steamboat Springs	Colorado	80477
0930	(720)-685-3161	2150 E Bridge St	Brighton	Colorado	80601
0931	970-330-3206	2901 37th St	Evans	Colorado	80620
0933	970-669-2889	115 Knobcone Dr	Loveland	Colorado	80538
0934	(970)-568-3173	8150 6th St	Wellington	Colorado	80549
0935	970-524-1833	103 Oakridge Dr	Gypsum	Colorado	81637
0937	970-283-8635	4530 Old US Highway 6	De Beque	Colorado	81630
0938	(970)-887-3031	308 Agate Ave	Granby	Colorado	80446
0939	(303)-654-3483	5112 East Bromley Lane	Brighton	Colorado	80603
0940	(303)-659-9546	70 W Bridge St	Brighton	Colorado	80601
0942	(970)-330-0313	6503 29th Street	Greeley	Colorado	80634
0948	(970)-668-9475	55 Lusher Ct	Frisco	Colorado	80443
0949	(970)-686-1050	375 E Main Street	Windsor	Colorado	80550
0973	303-833-3935	127 Laura Way	Dacono	Colorado	80514
0975	(303)-567-2385	1319 Miner St	Idaho Springs	Colorado	80452
0978	(970)-328-0806	18 Market St	Eagle	Colorado	81631
0994	(970)-461-4645	4330 Clydesdale Pkwy	Loveland	Colorado	80538
0995	(970)-612-0112	1600 E Eisenhower Blvd	Loveland	Colorado	80537
1903	970-824-0377	700 Victory Way East	Craig	Colorado	81625
1904	(970)-276-7246	230 West Jefferson Avenue	Hayden	Colorado	81639
2230	(719)-300-4032	7446 Marksheffel Road	Colorado Springs	Colorado	80908
2303	(720)-647-5228	3253 S. Parker Road	Denver	Colorado	80014
2304	(720)-464-2667	5880 S Elk Way	Aurora	Colorado	80016
2306	(719)-895-1130	14725 West 84th Place	Arvada	Colorado	80005
2310	(720)-619-9265	3432 Clear Creek Drive	Wheat Ridge	Colorado	80401
2312	(720)-492-1410	2700 S Havana St	Aurora	Colorado	80014
2315	(720)-696-9676	7995 Sheridan Blvd	Arvada	Colorado	80003
2317	(303)-865-7290	10051 W. Colfax Avenue	Lakewood	Colorado	80215
2319	(720)-882-9210	11901 E. Arapahoe Rd	Centennial	Colorado	80112
2327	(720)-812-5224	4455 Lombard Lane	Castle Rock	Colorado	80108
2905	(970)-670-8042	1265 Grand Market Ave	Berthoud	Colorado	80513
2906	(720)-797-6540	90 W Veterans Dr	Keenesburg	Colorado	80643
2926	970-947-1469	2510 Gilstrap Ct	Glenwood Springs	Colorado	81601
4923	970-625-5062	705 Taughenbaugh Blvd	Rifle	Colorado	81650
4951	970-945-7628	105 6th St	Glenwood Springs	Colorado	81601

Tax Check Authorization, Waiver, and Request to Release Information

I, Camille Hayes am signing this Tax Check Authorization, Waiver and Request to Release Information (hereinafter "Waiver") on behalf of Kum + Go LC (the "Applicant/Licensee") to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documentation that may otherwise be confidential, as provided below. If I am signing this Waiver for someone other than myself, including on behalf of a business entity, I certify that I have the authority to execute this Waiver on behalf of the Applicant/Licensee.

The Executive Director of the Colorado Department of Revenue is the State Licensing Authority and oversees the Colorado Liquor Enforcement Division as his or her agents, clerks, and employees. The information and documentation obtained pursuant to this Waiver may be used in connection with the Applicant/Licensee's liquor license application and ongoing licensure by the state and local licensing authorities. The Colorado Liquor Code, section 44-3-101, et seq. ("Liquor Code"), and the Colorado Liquor Rules, 1 CCR 203-2 ("Liquor Rules"), require compliance with certain tax obligations, and set forth the investigative, disciplinary and licensure actions the state and local licensing authorities may take for violations of the Liquor Code and Liquor Rules, including failure to meet tax reporting and payment obligations.

The Waiver is made pursuant to section 39-21-113(4), C.R.S., and any other law, regulation, resolution or ordinance concerning the confidentiality of tax information, or any document, report or return filed in connection with state or local taxes. This Waiver shall be valid until the expiration or revocation of a license, or until both the state and local licensing authorities take final action to approve or deny any application(s) for the renewal of the license, whichever is later. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license, if requested.

By signing below, Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority or agency in the possession of tax documents or information, release information and documentation to the Colorado Liquor Enforcement Division, and is duly authorized employees, to act as the Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to allow the state and local licensing authorities, and their duly authorized employees, to investigate compliance with the Liquor Code and Liquor Rules. Applicant/Licensee authorizes the state and local licensing authorities, their duly authorized employees, and their legal representatives, to use the information and documentation obtained using this Waiver in any administrative or judicial action regarding the application or license.

Name (Individual/Business) <u>Kum + Go #905</u>		Social Security Number/Tax Identification Number <u>012404240015</u>	
Address <u>905 Main St</u>			
City <u>Silt</u>		State <u>CO</u>	Zip <u>81652</u>
Home Phone Number <u>515-274-7793</u>		Business/Work Phone Number <u>515-457-6000</u>	
Printed name of person signing on behalf of the Applicant/Licensee <u>Camille Hayes</u>			
Applicant/Licensee's Signature (Signature authorizing the disclosure of confidential tax information) <u>Camille Hayes</u>			Date signed <u>3/28/2023</u>

Privacy Act Statement

Providing your Social Security Number is voluntary and no right, benefit or privilege provided by law will be denied as a result of refusal to disclose it. § 7 of Privacy Act, 5 USCS § 552a (note).

**TOWN OF SILT
RESOLUTION NO. 12
SERIES OF 2023**

A RESOLUTION SUPPORTING THE EXECUTION OF THE AGREEMENT FOR A GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT GRANT (23-SM-07) IN THE AMOUNT OF \$24,359.00, FOR A TOTAL PROJECT COST OF \$24,359.00, IN ORDER TO OFFSET THE COSTS ASSOCIATED WITH THE PURCHASING OF NEW EQUIPMENT FOR A NEW POLICE VEHICLE FOR THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO

WHEREAS, the Town of Silt (“Town”) is a municipal corporation, i.e., political subdivision, of the State of Colorado, and therefore is an eligible recipient for a grant awarded by the Garfield County Federal Mineral Lease District (“GCFMLD”); and

WHEREAS, the Town has received a Garfield County Federal Mineral Lease District Grant for the purchase of new equipment to outfit a new Police vehicle, receiving an award of \$24,359.00 from GCFMLD, with an overall budget of \$24,359.00, and

WHEREAS, the Town recognizes that it must keep its fleet of vehicles in the police department updated and in good working order so as to be able to respond to all calls in a safe and timely matter; and

WHEREAS, the Town is a bedroom community with little sales tax generation or industry, and the Town struggles to pay for vital services for its citizens; and

WHEREAS, the Board recognizes that such grant would help relieve the general fund of the cost of purchasing new police equipment so that the Town can budget for other vital services; and

WHEREAS, the Town Board of Trustees (“Board”) supports staff in its execution of the agreement for the Garfield County Federal Mineral Leasing District Mini Grant.

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

Section 1

- 1) The above recitals are hereby incorporated as findings by the Town of Silt;

- 2) The Board strongly supports the execution of the Garfield County Federal Mineral Leasing District Mini Grant agreement in the amount of \$24,359.00, for the purchase new equipment to outfit a new vehicle for the Police Department;
- 3) The Board authorizes the execution of the agreement to meet the terms and obligations of the grant pursuant to a Grant Agreement with the GCFMLD for the purchase of vehicle equipment for the Police Department; and
- 4) The Board hereby authorizes Town Administrator Jeff Layman to sign the Grant Agreement with GCFMLD.

Section 2

This resolution will be in full force and effect from and after its passage and approval.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 24th day of April 2023.

TOWN OF SILT

Mayor Keith B. Richel

ATTEST:

Town Clerk Sheila M. McIntyre, CMC

**TOWN OF SILT
RESOLUTION NO. 13
SERIES OF 2023**

A RESOLUTION SUPPORTING THE EXECUTION OF THE AGREEMENT FOR A GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT GRANT (23-ST-07) IN THE AMOUNT OF \$450,000.00, FOR A TOTAL PROJECT COST OF \$27,948,000, IN ORDER TO OFFSET THE COSTS ASSOCIATED WITH THE PURCHASE AND ENGINEERING FOR A WATER TREATMENT FACILITY FOR THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO

WHEREAS, the Town of Silt (“Town”) is a municipal corporation, i.e., political subdivision, of the State of Colorado, and therefore is an eligible recipient for a grant awarded by the Garfield County Federal Mineral Lease District (“GCFMLD”); and

WHEREAS, the Town has received a Garfield County Federal Mineral Lease District Grant for the purchase and engineering of a new water treatment facility, an award of \$450,000.00 from GCFMLD, with an overall budget of \$27,948,000.00; and

WHEREAS, the Town recognizes that it must meet the demand of the public for quality drinking water; and

WHEREAS, the Town is a bedroom community with little sales tax generation or industry, and the Town struggles to pay for vital services for its citizens; and

WHEREAS, the Board recognizes that such grant would help relieve the Water/Wastewater budget of the cost of purchasing a new water plant so that the Town can budget for other vital services; and

WHEREAS, the Town Board of Trustees (“Board”) supports staff in its execution of the agreement for the Garfield County Federal Mineral Leasing District Traditional Grant and ensures that such purchase will be completed as per the grant guidelines.

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

Section 1

- 1) The above recitals are hereby incorporated as findings by the Town of Silt;
- 2) The Board strongly supports the execution of the agreement for the Garfield County Federal Mineral Leasing District Traditional Grant in the amount of

\$450,000.00, with a contribution from the Town's Water/Wastewater fund in the amount of \$27,498,000.00 for the purchase and engineering of a new water treatment facility; and

- 3) The Board authorizes the expenditure of in-kind labor necessary to meet the terms and obligations of the grant awarded pursuant to a grant agreement with GCFMLD for the purchase and engineering of a new water treatment facility; and
- 4) The Board hereby authorizes Town Administrator Jeff Layman to sign the grant agreement with GCFMLD.

Section 2

This resolution will be in full force and effect from and after its passage and approval.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 24th day of April 2023.

TOWN OF SILT

Mayor Keith B. Richel

ATTEST:

Town Clerk Sheila M. McIntyre, CMC

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
April 24, 2023**

AGENDA ITEM SUMMARY

SUBJECT: Motion to appoint a Mayor Pro Tem

PROCEDURE: (Public Hearing, Action item, Information Item) Action item

RECOMMENDATION: Due to the recent resignation of Board member Kyle Knott, the Board will now need to nominate a Trustee to fill the position of Mayor Pro Tem until the next election in November 2025.

SUMMARY AND BACKGROUND OF SUBJECT MATTER: As stated in Section 2-5 of the Home Rule Charter – If the office of Mayor Pro Tem becomes vacant, then the Board of Trustees shall appoint a new Mayor Pro Tem at its next regular meeting.

ORDINANCE FIRST READING DATE: N/A

ORDINANCE SECOND READING DATE: N/A

ORIGINATED BY: Town Clerk Sheila McIntyre


PRESENTED BY: Mayor Keith Richel

DOCUMENTS ATTACHED: None


TOWN ATTORNEY REVIEW YES NO **INITIALS** _____

SUBMITTED BY:

REVIEWED BY:



Sheila M. McIntyre, Town Clerk



Jeff Layman, Town Administrator

BOARD OF TRUSTEES REGULAR MEETING
April 24, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Housing Authority Discussion

PROCEDURE: Discussion

SUMMARY AND BACKGROUND OF SUBJECT MATTER: Before this item, the Board will adjourn and reconvene as the Silt Housing Authority Board and reconvene as the Board of Trustees after this discussion.

Garfield County Housing Authority (GCHA) Executive Director Cheryl Strouse will be on hand to present on current conditions and issues at our Silt Senior Housing facility.

Specifically, Cheryl will reintroduce the Authority Board to this Town-owned operation, since we haven't talked about it recently, how our coop is structured with the GCHA, who does what and who we serve. Finally, we will briefly mention the plumbing and electrical issues we have and get some guidance from the Authority Board on getting estimates, bids, grants, etc. to start planning for repairs.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Cheryl Strouse, Jeff Layman,
Trey Fonner

TOWN ATTORNEY REVIEW: / / Yes / X / No

FUNDING SOURCE: N/A

DOCUMENTS ATTACHED: N/A

SUBMITTED BY:

REVIEWED BY:



Jeff Layman, Town Administrator



Sheila M. McIntyre, Town Clerk

Karp Neu Hanlon^{PC}

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DATE: April 19, 2023
TO: Board of Trustees of the Town of Silt
FROM: Karp Neu Hanlon PC, Attorneys for the Town of Silt
RE: Ordinance Approving Comcast Franchise Agreement

This memorandum addresses a new cable franchise agreement between Comcast and the Town of Silt which passed on first reading of Ordinance No. 1, Series of 2023 at your April 10th meeting. After receiving feedback from the Board last year, Town staff negotiated with Comcast and arrived at an updated draft document. The ordinance in your packet for second reading and the franchise agreement attached as Exhibit A will enact this agreement going forward.

The central purpose of the franchise agreement is to grant Comcast a “nonexclusive authorization to make reasonable and lawful use of the Rights-of-Way within the Town to construct, operate, maintain, reconstruct and rebuild a Cable System for the purpose of providing Cable Service.” In exchange for this authorization, Comcast pays the Town 5% of Comcast’s gross revenues generated from the provision of cable services within the Town (gross revenues are defined in the agreement). The 5% franchise fee is capped by federal law and is standard across all municipalities.

Importantly, the cable franchise agreement between the Town and Comcast only covers the provision of cable services and operation of the cable system within the Town, and the franchise fee is calculated based only on Comcast’s gross revenues from the provision of cable services. Although Comcast also provides other services in the Town (broadband and voice), the franchise agreement does not cover these services. Under federal law, the Town may not regulate non-cable services provided by cable providers under its cable franchising authority. To address this issue, the new draft agreement contains a provision addressing franchise fee calculations for “bundled” services, noted below. Additionally, a recent order issued in 2019 by the Federal Communications Commission (“FCC”) limited additional in-kind contributions that localities can request in a franchise agreement by including these items in the 5% franchise fee cap under federal law. We have discussed this issue with Comcast and have structured the agreement accordingly.

Other important terms in the agreement include:

- Ten-year franchise term. (This complies with the 15-year limit in the Town’s Charter.)

- Quarterly payments from Comcast to the Town, accompanied by reports computing the payment amount and detailing gross revenues.
- Language requiring Comcast to calculate the revenues to be included in gross revenues using a methodology that allocates revenue on a pro rata basis where Comcast provides a discounted bundle of services that includes cable and non-cable services (like cable and internet, for example).
- Annual reports and other reports will be provided on request by the Town.
- Language requiring Comcast to provide additional detail in written reports if requested by the Town and requiring Comcast to maintain and make available for inspection as-built network maps.
- A provision allowing a performance evaluation session upon written request from the Town, up to once every two years.
- A provision obligating Comcast to provide copies of all state and federal reports relating to the Town, on request.
- Language regarding additional testing in the event of reliability or technical quality issues.
- Continuation of any basic cable service provided to Town buildings subject to the FCC's 621 Order as reflected in Section 3.11 of the Franchise Agreement.
- Standard indemnification and insurance requirements.
- Continuation of the PEG access channel used to distribute the Town's programming content and an upgrade to HD for that channel in the future provided the Town has met the programming conditions in Sec. 9.2(D)(1) of the Franchise Agreement.
- Language requiring Comcast to obtain appropriate permits for work in the right-of-way, cause minimal interference with Town property and private property, repair and restore any disturbed or damaged property, and move its facilities at its expense for the Town's public purposes.
- A provision regarding a letter of credit in the event of a claimed breach, out of which monetary damages would be paid.
- Comcast will provide construction material for the Town to connect fiber optic lines between Town Hall and the Silt Town Center so that the Town can host public meetings in these locations (and receive audio/visual information from these locations back to Town Hall).

**TOWN OF SILT
ORDINANCE NO. 1
SERIES OF 2023**

AN ORDINANCE OF THE TOWN OF SILT, COLORADO, GRANTING CABLE TELEVISION FRANCHISE TO COMCAST OF COLORADO IX, LLC.

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 Comcast of Colorado IX, LLC (“Comcast”) a franchise to cable television service in the Town on the terms and conditions stated in the Cable 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 Comcast 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 10th day of April 2023, at 7:00 PM in the Town Hall, Town of Silt, Colorado.

PASSED, APPROVED ON SECOND READING, ADOPTED, AND ORDERED PUBLISHED this 24th day of April 2023, 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

**COMCAST OF COLORADO IX, LLC AND
TOWN OF SILT, COLORADO**

CABLE FRANCHISE AGREEMENT

Table of Contents

SECTION 1. DEFINITIONS..... 1

SECTION 2. GRANT OF FRANCHISE..... 7

 2.1 Grant..... 7

 2.2 Use of Right-of-Way 8

 2.3 Term of Franchise 9

 2.4 Franchise Nonexclusive 9

 2.5 Police Powers 9

 2.6 Competitive Equity 9

 2.7 Familiarity with Franchise..... 11

 2.8 Effect of Acceptance 11

SECTION 3. FRANCHISE FEE PAYMENT AND FINANCIAL CONTROLS..... 11

 3.1 Franchise Fee..... 11

 3.2 Payments 12

 3.3 Acceptance of Payment and Recomputation 12

 3.4 Quarterly Franchise Fee Reports 12

 3.5 Annual Franchise Fee Reports..... 12

 3.6 Audits 12

 3.7 Late Payments 13

 3.8 Underpayments..... 13

 3.9 Alternative Compensation..... 13

 3.10 Maximum Legal Compensation 13

 3.11 Additional Commitments Not Franchise Fee Payments..... 13

 3.12 Tax Liability..... 15

 3.13 Financial Records..... 16

 3.14 Payment on Termination..... 16

SECTION 4. ADMINISTRATION AND REGULATION 16

 4.1 Authority 16

 4.2 Rates and Charges 16

 4.3 Rate Discrimination..... 16

 4.4 Filing of Rates and Charges 17

 4.5 Cross Subsidization 17

 4.6 Reserved Authority 17

 4.7 Franchise Amendment Procedure..... 17

 4.8 Force Majeure 18

SECTION 5. FINANCIAL AND INSURANCE REQUIREMENTS..... 19

5.1	Indemnification	19
5.2	Insurance	20
SECTION 6. CUSTOMER SERVICE.....		21
6.1	Customer Service Standards.....	21
6.2	Subscriber Privacy.....	22
6.3	Subscriber Bills	22
SECTION 7. BOOKS AND RECORDS		22
7.1	Open Records.....	22
7.2	Confidentiality.....	22
SECTION 8. PROGRAMMING		25
8.1	Broad Programming Categories	25
8.2	Deletion or Reduction of Broad Programming Categories.....	25
8.3	Obscenity.....	26
8.4	Parental Control Device	26
8.5	Continuity of Service Mandatory	26
8.6	Services for the Disabled.....	27
SECTION 9. ACCESS		27
9.1	Access Channels	Error! Bookmark not defined.
9.2	Access Channel Location	30
9.3	Return Lines.....	30
SECTION 10. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION.....		31
SECTION 11. CABLE SYSTEM, TECHNICAL STANDARDS AND TESTING.....		38
11.1	Subscriber Network.....	38
11.2	Standby Power	38
11.3	Emergency Alert Capability.....	38
11.4	Technical Performance.....	39
11.5	Cable System Performance Testing	39
SECTION 12. SERVICE AVAILABILITY		40
12.1	Service Availability.....	40
SECTION 13. FRANCHISE VIOLATIONS		41
13.1	Procedure for Remediating Franchise Violations.....	41
13.2	Revocation	42
13.3	Procedures in the Event of Termination or Revocation	43
13.4	Purchase of Cable System.....	44
13.5	Receivership and Foreclosure	44
13.6	No Monetary Recourse Against the Town	45
13.7	Alternative Remedies	45
13.8	Effect of Abandonment	45

13.9	What Constitutes Abandonment.....	45
SECTION 14. FRANCHISE RENEWAL AND TRANSFER		46
14.1	Renewal.....	46
14.2	Transfer of Ownership or Control.....	46
SECTION 15. SEVERABILITY		47
SECTION 16. MISCELLANEOUS PROVISIONS.....		47
16.1	Preferential or Discriminatory Practices Prohibited.....	47
16.2	Notices	47
16.3	Descriptive Headings	48
16.4	Publication Costs to be Borne by Grantee.....	48
16.5	Binding Effect	48
16.6	No Joint Venture	48
16.7	Waiver.....	48
16.8	Reasonableness of Consent or Approval.....	48
16.9	Entire Agreement	49

**COMCAST OF COLORADO IX, LLC AND
TOWN OF SILT, COLORADO**

CABLE FRANCHISE AGREEMENT

This Franchise Agreement (hereinafter, the “Franchise Agreement” or “Agreement”) is made between the Town of Silt (hereinafter, “Town”) and Comcast of Colorado, IX, LLC (hereinafter, “Grantee”).

The Town, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to enter into this Franchise Agreement with the Grantee for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

SECTION 1. DEFINITIONS

For the purposes of this Franchise, the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Words not defined shall be given their common and ordinary meaning. The word "shall" is always mandatory and not merely directory.

1.1 “Access” means the availability for noncommercial use by various agencies, institutions, organizations, groups and individuals in the community, including the Town and its designees, of the Cable System to acquire, create, receive, and distribute video Cable Services and other services and signals as permitted under Applicable Law including, but not limited to:

(A) “Public Access” means Access where community-based, noncommercial organizations, groups or individual members of the general public, on a nondiscriminatory basis, are the primary users.

(B) “Educational Access” means Access where schools are the primary users having editorial control over programming and services. For purposes of this definition, “school” means any State-accredited educational institution, public or private, including, for example, primary and secondary schools, colleges and universities.

(C) “Government Access” means Access where governmental institutions or their designees are the primary users having editorial control over programming and services.

1.2 “Access Channel” means any Channel, or portion thereof, designated for Access purposes or otherwise made available to facilitate or transmit Access programming or services.

1.3 “Activated” means the status of any capacity or part of the Cable System in which any Cable Service requiring the use of that capacity or part is available without further installation of

system equipment, whether hardware or software.

1.4 “Affiliate,” when used in connection with Grantee, means any Person who owns or controls, is owned or controlled by, or is under common ownership or control with, Grantee.

1.5 “Applicable Law” means any statute, ordinance, judicial decision, executive order or regulation having the force and effect of law, which determines the legal standing of a case or issue.

1.6 “Bad Debt” means amounts lawfully billed to a Subscriber and owed by the Subscriber for Cable Service and accrued as revenues on the books of Grantee, but not collected after reasonable efforts have been made by Grantee to collect the charges.

1.7 “Basic Service” is the level of programming service which includes, at a minimum, all Broadcast Channels, all PEG Access Channels required in this Franchise, and any additional Programming added by the Grantee, and is made available to all Cable Services Subscribers in the Franchise Area.

1.8 “Broadcast Channel” means local commercial television stations, qualified low power stations and qualified local noncommercial educational television stations, as referenced under 47 USC § 534 and 535.

1.9 “Broadcast Signal” means a television or radio signal transmitted over the air to a wide geographic audience, and received by a Cable System by antenna, microwave, satellite dishes or any other means.

1.10 “Cable Act” means the Title VI of the Communications Act of 1934, as amended.

1.11 “Cable Operator” means any Person or groups of Persons, including Grantee, who provide(s) Cable Service over a Cable System and directly or through one or more affiliates owns a significant interest in such Cable System or who otherwise control(s) or is (are) responsible for, through any arrangement, the management and operation of such a Cable System.

1.12 “Cable Service” means the one-way transmission to Subscribers of video programming or other programming service, and Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.

1.13 “Cable System” means any facility, including Grantee’s, consisting of a set of closed transmissions paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within a community, but such term does not include (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves Subscribers without using any Right-of-Way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the federal Communications Act (47 U.S.C. 201 et seq.), except that such facility shall be considered a Cable System (other than for purposes of Section 621(c) (47 U.S.C. 541(c)) to the extent such facility is used in the transmission

of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services; (D) an open video system that complies with federal statutes; or (E) any facilities of any electric utility used solely for operating its electric utility systems.

1.14 “Channel” means a portion of the electromagnetic frequency spectrum which is used in the Cable System and which is capable of delivering a television channel (as television channel is defined by the FCC by regulation).

1.15 “Commercial Subscribers” means any Subscribers other than Residential Subscribers.

1.16 “Designated Access Provider” means the entity or entities designated now or in the future by the Town to manage or co-manage Access Channels and facilities. The Town may be a Designated Access Provider.

1.17 “Digital Starter Service” means the Tier of optional video programming services, which is the level of Cable Service received by most Subscribers above Basic Service, and does not include Premium Services.

1.18 “Downstream” means carrying a transmission from the Headend to remote points on the Cable System or to Interconnection points on the Cable System.

1.19 “Dwelling Unit” means any building, or portion thereof, that has independent living facilities, including provisions for cooking, sanitation and sleeping, and that is designed for residential occupancy. Buildings with more than one set of facilities for cooking shall be considered Multiple Dwelling Units unless the additional facilities are clearly accessory.

1.20 “Effective Date” means the date on which all persons necessary to sign this Agreement in order for it to be binding on both parties have executed this Agreement as indicated on the signature page(s), unless a specific date is otherwise provided in the “Term” section herein.

1.18 “FCC” means the Federal Communications Commission.

1.21 “Fiber Optic” means a transmission medium of optical fiber cable, along with all associated electronics and equipment, capable of carrying Cable Service by means of electric lightwave impulses.

1.22 “Franchise” means the document in which this definition appears, *i.e.*, the contractual agreement, executed between the Town and Grantee, containing the specific provisions of the authorization granted, including references, specifications, requirements and other related matters.

1.23 “Franchise Area” means the area within the jurisdictional boundaries of the Town, including any areas annexed by the Town during the term of this Franchise.

1.24 “Franchise Fee” means that fee payable to the Town described in subsection 3.1.

1.25 “Grantee” means Comcast of Colorado IX, LLC or its lawful successor, transferee or

assignee.

1.26 “Gross Revenues” means, and shall be construed broadly to include all revenues derived directly or indirectly by Grantee and/or an Affiliated Entity that is the cable operator of the Cable System, from the operation of Grantee’s Cable System to provide Cable Services within the Town. Gross revenues include, by way of illustration and not limitation:

- monthly fees for Cable Services, regardless of whether such Cable Services are provided to residential or commercial customers, including revenues derived from the provision of all Cable Services (including but not limited to pay or premium Cable Services, digital Cable Services, pay-per-view, pay-per-event and video-on-demand Cable Services);
- installation, reconnection, downgrade, upgrade or similar charges associated with changes in subscriber Cable Service levels;
- fees paid to Grantee for channels designated for commercial/leased access use and shall be allocated on a pro rata basis using total Cable Service subscribers within the Town;
- converter, remote control, and other Cable Service equipment rentals, leases, or sales;
- Advertising Revenues as defined herein;
- late fees, convenience fees and administrative fees which shall be allocated on a pro rata basis using Cable Services revenue as a percentage of total subscriber revenues within the Town;
- revenues from program guides;
- Franchise Fees;
- FCC Regulatory Fees; and,
- commissions from home shopping channels and other Cable Service revenue sharing arrangements which shall be allocated on a pro rata basis using total Cable Service subscribers within the Town.

(A) “Advertising Revenues” shall mean revenues derived from sales of advertising that are made available to Grantee’s Cable System subscribers within the Town and shall be allocated on a pro rata basis using total Cable Service subscribers reached by the advertising. Additionally, Grantee agrees that Gross Revenues subject to franchise fees shall include all commissions, rep fees, Affiliated Entity fees, or rebates paid to National Cable Communications (“NCC”) and Comcast Spotlight (“Spotlight”) or their successors associated with sales of advertising on the Cable System within the Town allocated according to this paragraph using total Cable Service subscribers reached by the advertising.

(B) “Gross Revenues” shall not include:

- actual bad debt write-offs, except any portion which is subsequently collected which shall be allocated on a *pro rata* basis using Cable Services revenue as a percentage of total subscriber revenues within the Town;
- any taxes and/or fees on services furnished by Grantee imposed by any municipality, state or other governmental unit, provided that Franchise Fees and the FCC regulatory fee shall not be regarded as such a tax or fee;
- fees imposed by any municipality, state or other governmental unit on Grantee including but not limited to Public, Educational and Governmental (PEG) Fees;
- launch fees and marketing co-op fees; and,
- unaffiliated third party advertising sales agency fees which are reflected as a deduction from revenues.

(C) To the extent revenues are received by Grantee for the provision of a discounted bundle of services which includes Cable Services and non-Cable Services, Grantee shall calculate revenues to be included in Gross Revenues using a methodology that allocates revenue on a *pro rata* basis when comparing the bundled service price and its components to the sum of the published rate card, except as required by specific federal, state or local law, it is expressly understood that equipment may be subject to inclusion in the bundled price at full rate card value. This calculation shall be applied to every bundled service package containing Cable Service from which Grantee derives revenues in the Town. The Town reserves its right to review and to challenge Grantee's calculations.

(D) Grantee reserves the right to change the allocation methodologies set forth in this Section 1.29 in order to meet the standards required by governing accounting principles as promulgated and defined by the Financial Accounting Standards Board ("FASB"), Emerging Issues Task Force ("EITF") and/or the U.S. Securities and Exchange Commission ("SEC"). Grantee will explain and document the required changes to the Town within three (3) months of making such changes, and as part of any audit or review of franchise fee payments, and any such changes shall be subject to 1.29(E) below.

(E) Resolution of any disputes over the classification of revenue should first be attempted by agreement of the Parties, but should no resolution be reached, the Parties agree that reference shall be made to generally accepted accounting principles ("GAAP") as promulgated and defined by the Financial Accounting Standards Board ("FASB"), Emerging Issues Task Force ("EITF") and/or the U.S. Securities and Exchange Commission ("SEC"). Notwithstanding the forgoing, the Town reserves its right to challenge Grantee's calculation of Gross Revenues, including the interpretation of GAAP as promulgated and defined by the FASB, EITF and/or the SEC.

1.27 "Headend" means any facility for signal reception and dissemination on a Cable System, including cables, antennas, wires, satellite dishes, monitors, switchers, modulators, processors for Broadcast Signals, equipment for the Interconnection of the Cable System with adjacent Cable

Systems and Interconnection of any networks which are part of the Cable System, and all other related equipment and facilities.

1.28 “Leased Access Channel” means any Channel or portion of a Channel commercially available for video programming by Persons other than Grantee, for a fee or charge.

1.29 “Manager” means the Town Manager of the Town or designee.

1.30 “Person” means any individual, sole proprietorship, partnership, association, or corporation, or any other form of entity or organization.

1.31 “Premium Service” means programming choices (such as movie Channels, pay-per-view programs, or video on demand) offered to Subscribers on a per-Channel, per-program or per-event basis.

1.32 “Residential Subscriber” means any Person who receives Cable Service delivered to Dwelling Units or Multiple Dwelling Units, excluding such Multiple Dwelling Units billed on a bulk-billing basis.

1.33 “Right-of-Way” means each of the following which have been dedicated to the public or are hereafter dedicated to the public and maintained under public authority or by others and located within the Town: streets, roadways, highways, avenues, lanes, alleys, bridges, sidewalks, easements, right-of-way and similar public property and areas.

1.34 “State” means the State of Colorado.

1.35 “Subscriber” means any Person who or which elects to subscribe to, for any purpose, Cable Service provided by Grantee by means of or in connection with the Cable System and whose premises are physically wired and lawfully Activated to receive Cable Service from Grantee's Cable System, and who is in compliance with Grantee's regular and nondiscriminatory terms and conditions for receipt of service.

1.36 “Subscriber Network” means that portion of the Cable System used primarily by Grantee in the transmission of Cable Services to Residential Subscribers.

1.37 “Telecommunications” means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received (as provided in 47 U.S.C. Section 153(43)).

1.38 “Telecommunications Service” means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used (as provided in 47 U.S.C. Section 153(46)).

1.39 “Tier” means a group of Channels for which a single periodic subscription fee is charged.

1.40 “Town” is the Town of Silt, Colorado, a body politic and corporate under the laws of the

State of Colorado.

1.41 “Town Board of Trustees” means the Silt Town Board of Trustees, or its successor, the governing body of the Town of Silt, Colorado.

1.42 “Two-Way” means that the Cable System is capable of providing both Upstream and Downstream transmissions.

1.43 “Upstream” means carrying a transmission to the Headend from remote points on the Cable System or from Interconnection points on the Cable System.

SECTION 2. GRANT OF FRANCHISE

2.1 Grant

(A) The Town hereby grants to Grantee a nonexclusive authorization to make reasonable and lawful use of the Rights-of-Way within the Town to construct, operate, maintain, reconstruct and rebuild a Cable System for the purpose of providing Cable Service subject to the terms and conditions set forth in this Franchise and in any prior utility or use agreements entered into by Grantee with regard to any individual property. This Franchise shall constitute both a right and an obligation to provide the Cable Services required by, and to fulfill the obligations set forth in, the provisions of this Franchise.

(B) Nothing in this Franchise shall be deemed to waive the lawful requirements of any generally applicable Town ordinance existing as of the Effective Date or lawfully adopted thereafter, as defined in subsection 2.3.

(C) Each and every term, provision or condition herein is subject to the provisions of State law, federal law, the Charter of the Town, and the ordinances and regulations enacted pursuant thereto. The Charter and Municipal Code of the Town, as the same may be amended from time to time, are hereby expressly incorporated into this Franchise as if fully set out herein by this reference. Notwithstanding the foregoing, the Town may not unilaterally alter the material rights and obligations of Grantee under this Franchise.

(D) This Franchise shall not be interpreted to prevent the Town from imposing additional lawful conditions, including additional compensation conditions for use of the Rights-of-Way, should Grantee provide service other than Cable Service.

(E) Grantee promises and guarantees, as a condition of exercising the privileges granted by this Franchise, that any Affiliate of the Grantee directly involved in the offering of Cable Service in the Franchise Area, or directly involved in the management or operation of the Cable System in the Franchise Area, will also comply with the obligations of this Franchise.

(F) No rights shall pass to Grantee by implication. Without limiting the foregoing, by way of example and not limitation, this Franchise shall not include or be a substitute for:

(1) Any other permit or authorization required for the privilege of transacting and carrying on a business within the Town that may be required by the ordinances and laws of the Town;

(2) Any permit, agreement, or authorization required by the Town for Right-of-Way users in connection with operations on or in Rights-of-Way or public property including, by way of example and not limitation, street cut permits; or

(3) Any permits or agreements for occupying any other property of the Town or private entities to which access is not specifically granted by this Franchise including, without limitation, permits and agreements for placing devices on poles, in conduits or in or on other structures.

(G) This Franchise is intended to convey limited rights and interests only as to those Rights-of-Way in which the Town has an actual interest. It is not a warranty of title or interest in any Right-of-Way; it does not provide the Grantee with any interest in any particular location within the Right-of-Way; and it does not confer rights other than as expressly provided in the grant hereof.

(H) This Franchise does not authorize Grantee to provide Telecommunications Service, or to construct, operate or maintain Telecommunications facilities. This Franchise is not a bar to the provision of non-Cable Services, or to the imposition of any lawful conditions on Grantee with respect to Telecommunications, whether similar, different or the same as the conditions specified herein. This Franchise does not relieve Grantee of any obligation it may have to obtain from the Town an authorization to provide Telecommunications Services, or to construct, operate or maintain Telecommunications facilities, or relieve Grantee of its obligation to comply with any such authorizations that may be lawfully required.

2.2 Use of Right-of-Way

(A) Subject to the Town's supervision and control, Grantee may erect, install, construct, repair, replace, reconstruct, and retain in, on, over, under, upon, across, and along the Right-of-Way within the Town such wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, pedestals, attachments and other property and equipment as are necessary and appurtenant to the operation of a Cable System within the Town. Grantee, through this Franchise, is granted extensive and valuable rights to operate its Cable System for profit using the Town's Right-of-Way in compliance with all applicable Town construction codes and procedures. As trustee for the public, the Town is entitled to fair compensation as provided for in Section 3 of this Franchise to be paid for these valuable rights throughout the term of the Franchise.

(B) Grantee must follow Town established nondiscriminatory requirements for placement of Cable System facilities in Right-of-Way, including the specific location of facilities in the Right-of-Way, and must in any event install Cable System facilities in a manner that minimizes interference with the use of the Right-of-Way by others, including others that may be installing communications facilities. Within limits reasonably related to the Town's role in protecting public health, safety and welfare, the Town may require that Cable System facilities be installed at a particular time, at a specific place or in a particular manner as a condition of access to a particular Right-of-Way; may deny access if Grantee is not willing to comply with Town's requirements; and may remove, or require removal of, any facility that is not installed by Grantee in compliance with the requirements established by the Town, or which is installed without prior Town approval of the time, place or manner of installation, and charge Grantee for all the costs associated with removal; and may require Grantee to cooperate with others to minimize adverse impacts on the Right-of-Way through joint trenching and other arrangements.

2.3 Term of Franchise

The term of the Franchise granted hereunder shall be ten (10) years, commencing upon the Effective Date of the Franchise, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and the Cable Act, or is extended by mutual agreement of the Town and Grantee.

2.4 Franchise Nonexclusive

This Franchise shall be nonexclusive, and subject to all prior rights, interests, easements or licenses granted by the Town to any Person to use any property, Right-of-Way, right, interest or license for any purpose whatsoever, including the right of the Town to use same for any purpose it deems fit, including the same or similar purposes allowed Grantee hereunder. The Town may at any time grant authorization to use the Right-of-Way for any purpose not incompatible with Grantee's authority under this Franchise and for such additional franchises for Cable Systems as the Town deems appropriate.

2.5 Police Powers

Grantee's rights hereunder are subject to the police powers of the Town to adopt and enforce ordinances necessary to the safety, health, and welfare of the public, and Grantee agrees to comply with all laws and ordinances of general applicability enacted, or hereafter enacted, by the Town or any other legally constituted governmental unit having lawful jurisdiction over the subject matter hereof. The Town shall have the right to adopt, from time to time, such ordinances as may be deemed necessary in the exercise of its police power; provided that such hereinafter enacted ordinances shall be reasonable and not materially modify the terms of this Franchise. Any conflict between the provisions of this Franchise and any other present or future lawful exercise of the Town's police powers shall be resolved in favor of the latter.

2.6 Competitive Equity

(A) The Grantee acknowledges and agrees that the Town reserves the right to grant one

(1) or more additional franchises or other similar lawful authorization to provide Cable Services within the Town. If the Town grants such an additional franchise or other similar lawful authorization containing material terms and conditions that differ from Grantee's material obligations under this Franchise, then the Town agrees that the obligations in this Franchise will, pursuant to the process set forth in this Section, be amended to include any material terms or conditions that it imposes upon the new entrant, or provide relief from existing material terms or conditions, so as to insure that the regulatory and financial burdens on each entity are materially equivalent. "Material terms and conditions" include, but are not limited to: Franchise Fees and Gross Revenues; insurance; System build-out requirements; security instruments; Public, Education and Government Access Channels and support; customer service standards; required reports and related record keeping; competitive equity (or its equivalent); audits; dispute resolution; remedies; and notice and opportunity to cure breaches. The parties agree that this provision shall not require a word for word identical franchise or authorization for a competitive entity so long as the regulatory and financial burdens on each entity are materially equivalent. Video programming services (as defined in the Cable Act) delivered over wireless broadband networks are specifically exempted from the requirements of this Section.

(B) The modification process of this Franchise as provided for in Section 2.6 (A) shall only be initiated by written notice by the Grantee to the Town regarding specified franchise obligations. Grantee's notice shall address the following: (1) identifying the specific terms or conditions in the competitive cable services franchise which are materially different from Grantee's obligations under this Franchise; (2) identifying the Franchise terms and conditions for which Grantee is seeking amendments; (3) providing text for any proposed Franchise amendments to the Town, with a written explanation of why the proposed amendments are necessary and consistent.

(C) Upon receipt of Grantee's written notice as provided in Section 2.6 (B), the Town and Grantee agree that they will use best efforts in good faith to negotiate Grantee's proposed Franchise modifications, and that such negotiation will proceed and conclude within a ninety (90) daytime period, unless that time period is reduced or extended by mutual agreement of the parties. If the Town and Grantee reach agreement on the Franchise modifications pursuant to such negotiations, then the Town shall amend this Franchise to include the modifications.

(D) In the alternative to Franchise modification negotiations as provided for in Section 2.6 (C), or if the Town and Grantee fail to reach agreement in such negotiations, Grantee may, at its option, elect to replace this Franchise by opting into the franchise or other similar lawful authorization that the Town grants to another provider of Cable Services, with the understanding that Grantee will use its current system design and technology infrastructure to meet any requirements of the new franchise so as to insure that the regulatory and financial burdens on each entity are equivalent. If Grantee so elects, the Town shall immediately commence proceedings to replace this Franchise with the franchise issued to the other Cable Services provider.

(E) Notwithstanding anything contained in this Section 2.6(A) through (D) to the contrary, the Town shall not be obligated to amend or replace this Franchise unless the new entrant makes Cable Services available for purchase by Subscribers or customers under its franchise agreement with the Town.

(F) Notwithstanding any provision to the contrary, at any time that a wireline facilities-based entity, legally authorized by state or federal law, makes available for purchase by Subscribers or customers, Cable Services or multiple Channels of video programming within the Franchise Area without a franchise or other similar lawful authorization granted by the Town, then:

(1) Grantee may negotiate with the Town to seek Franchise modifications as per Section 2.6(C) above; or

(a) the term of Grantee's Franchise shall, upon ninety (90) days written notice from Grantee, be shortened so that the Franchise shall be deemed to expire on a date eighteen (18) months from the first day of the month following the date of Grantee's notice; or,

(b) Grantee may assert, at Grantee's option, that this Franchise is rendered "commercially impracticable," and invoke the modification procedures set forth in Section 625 of the Cable Act.

2.7 Familiarity with Franchise

The Grantee acknowledges and warrants by acceptance of the rights, privileges and agreements granted herein, that it has carefully read and fully comprehends the terms and conditions of this Franchise and is willing to and does accept all lawful and reasonable risks of the meaning of the provisions, terms and conditions herein. The Grantee further acknowledges and states that it has fully studied and considered the requirements and provisions of this Franchise and finds that the same are commercially practicable at this time, and consistent with all local, State and federal laws and regulations currently in effect, including the Cable Act.

2.8 Effect of Acceptance

By accepting the Franchise, the Grantee: (1) acknowledges and accepts the Town's legal right to issue and enforce the Franchise; (2) accepts and agrees to comply with each and every provision of this Franchise subject to Applicable Law; and (3) agrees that the Franchise was granted pursuant to processes and procedures consistent with Applicable Law, and that it will not raise any claim to the contrary.

SECTION 3. FRANCHISE FEE PAYMENT AND FINANCIAL CONTROLS

3.1 Franchise Fee

As compensation for the benefits and privileges granted under this Franchise and in consideration of permission to use the Town's Right-of-Way, Grantee shall continue to pay as a Franchise Fee to the Town, throughout the duration of and consistent with this Franchise, an amount equal to five percent (5%) of Grantee's Gross Revenues.

3.2 Payments

Grantee's Franchise Fee payments to the Town shall be computed quarterly for the preceding calendar quarter ending March 31, June 30, September 30, and December 31. Each quarterly payment shall be due and payable no later than forty-five (45) days after said dates.

3.3 Acceptance of Payment and Recomputation

No acceptance of any payment shall be construed as an accord by the Town that the amount paid is, in fact, the correct amount, nor shall any acceptance of payments be construed as a release of any claim the Town may have for further or additional sums payable or for the performance of any other obligation of Grantee.

3.4 Quarterly Franchise Fee Reports

Each payment shall be accompanied by a written report to the Town, or concurrently sent under separate cover, verified by an authorized representative of Grantee, containing an accurate statement in summarized form, as well as in detail, of Grantee's Gross Revenues and the computation of the payment amount. Such reports shall detail all Gross Revenues of the Cable System.

3.5 Annual Franchise Fee Reports

Grantee shall, within sixty (60) days after the end of each year, furnish to the Town a statement stating the total amount of Gross Revenues for the year and all payments, deductions and computations for the period.

3.6 Audits

On an annual basis, upon thirty (30) days prior written notice, the Town, including the Town's Auditor or his/her authorized representative, shall have the right to conduct an independent audit/review of Grantee's records reasonably related to the administration or enforcement of this Franchise. Pursuant to subsection 1.29, as part of the Franchise Fee audit/review the Town shall specifically have the right to review relevant data related to the allocation of revenue to Cable Services in the event Grantee offers Cable Services bundled with non-Cable Services. For purposes of this section, "relevant data" shall include, at a minimum, Grantee's records, produced and maintained in the ordinary course of business, showing the subscriber counts per package and the revenue allocation per package for each package that was available for Town subscribers during the audit period. To the extent that the Town does not believe that the relevant data supplied is sufficient for the Town to complete its audit/review, the Town may require other relevant data. For purposes of this Section 3.6, the "other relevant data" shall generally mean all: (1) billing reports, (2) financial reports (such as General Ledgers) and (3) sample customer bills used by Grantee to determine Gross Revenues for the Franchise Area that would allow the Town to recompute the Gross Revenue determination. If the audit/review shows that Franchise Fee payments have been underpaid by five percent (5%) or more (or such other contract underpayment

threshold as set forth in a generally applicable and enforceable regulation or policy of the Town related to audits), Grantee shall pay the total cost of the audit/review, such cost not to exceed three thousand dollars (\$3,000) for each year of the audit period. The Town's right to audit/review and the Grantee's obligation to retain records related to this subsection shall expire three (3) years after each Franchise Fee payment has been made to the Town.

3.7 Late Payments

In the event any payment due quarterly is not received within forty-five (45) days from the end of the calendar quarter, Grantee shall pay interest on the amount due (at the prime rate as listed in the Wall Street Journal on the date the payment was due), compounded daily, calculated from the date the payment was originally due until the date the Town receives the payment.

3.8 Underpayments

If a net Franchise Fee underpayment is discovered as the result of an audit, Grantee shall pay interest at the rate of five percent (5%) per annum, compounded quarterly, calculated from the date each portion of the underpayment was originally due until the date Grantee remits the underpayment to the Town.

3.9 Alternative Compensation

In the event the obligation of Grantee to compensate the Town through Franchise Fee payments is lawfully suspended or eliminated, in whole or part, then Grantee shall pay to the Town compensation equivalent to the compensation paid to the Town by other similarly situated users of the Town's Right-of-Way for Grantee's use of the Town's Right-of-Way, provided that in no event shall such payments exceed the equivalent of five percent (5%) of Grantee's Gross Revenues (subject to the other provisions contained in this Franchise), to the extent consistent with Applicable Law.

3.10 Maximum Legal Compensation

The parties acknowledge that, at present, applicable federal law limits the Town to collection of a maximum permissible Franchise Fee of five percent (5%) of Gross Revenues. In the event that at any time during the duration of this Franchise, the Grantor is authorized to collect an amount in excess of five percent (5%) of Gross Revenues, then this Franchise may be amended unilaterally by the Town through the same process that the Franchise was adopted to provide that such excess amount shall be added to the Franchise Fee payments to be paid by Grantee to the Town hereunder, provided that Grantee has received at least ninety (90) days prior written notice from the Town of such amendment, so long as all cable operators in the Town are paying the same Franchise Fee amount.

3.11 Additional Commitments Not Franchise Fee Payments

(A) Any charges incidental to the awarding or enforcing of this Franchise (including, without limitation, payments for bonds, security funds, insurance, indemnification, penalties or

liquidated damage) and Grantee's costs of compliance with Franchise obligations (including, without limitation, compliance with customer service standards and build out obligations) shall not be offset against Franchise Fees. Furthermore, the Town and Grantee agree that any local tax of general applicability shall be in addition to any Franchise Fees required herein, and there shall be no offset against Franchise Fees. Notwithstanding the foregoing, Grantee reserves all rights to offset cash or non-cash consideration or obligations from Franchise Fees, consistent with Applicable Law. The Town likewise reserves all rights it has under Applicable Law. Should Grantee elect to offset the items set forth herein, or other Franchise commitments such as complimentary Cable Service, against Franchise Fees in accordance with Applicable Law, including any Orders resulting from the FCC's 621 proceeding, MB Docket No. 05-311, Grantee shall provide the Town with advance written notice. Such notice shall document the proposed offset or service charges so that the Town can make an informed decision as to its course of action. Upon receipt of such notice Town shall have up to one hundred twenty (120) days to either (1) maintain the commitment with the understanding that the value shall be offset from Franchise Fees; (2) relieve Grantee from the commitment obligation under the Franchise; or (3) pay for the services rendered pursuant to the commitment in accordance with Grantee's regular and nondiscriminatory term and conditions.

(B) Grantee's notice pursuant to Section 3.11(A) shall, at a minimum, address the following: (1) identify the specific cash or non-cash consideration or obligations that must be offset from Grantee's Franchise Fee obligations; (2) identify the Franchise terms and conditions for which Grantee is seeking amendments; (3) provide text for any proposed Franchise amendments to the Town, with a written explanation of why the proposed amendments are necessary and consistent with Applicable Law; (4) provide all information and documentation reasonably necessary to address how and why specific offsets are to be calculated and (5) if applicable provide all information and documentation reasonably necessary to document how Franchise Fee offsets may be passed through to Subscribers in accordance with 47 U.S.C. 542(e). Nothing in this Section 3.11(B) shall be construed to extend the one hundred twenty (120) day time period for Town to make its election under Section 3.11(A); provided however, that any disagreements or disputes over whether sufficient information has been provided pursuant to this Paragraph (B) may be addressed under Sections 13.1 or 13.2 of this Franchise.

(C) Upon receipt of Grantee's written notice as provided in Section 3.11 (B), the Town and Grantee agree that they will use best efforts in good faith to negotiate Grantee's proposed Franchise modifications and agree to what offsets, if any, are to be made to the Franchise Fee obligations. Such negotiation will proceed and conclude within a one hundred twenty (120) day time period, unless that time period is reduced or extended by mutual agreement of the parties. If the Town and Grantee reach agreement on the Franchise modifications pursuant to such negotiations, then the Town shall amend this Franchise to include those modifications.

(D) If the parties are unable to reach agreement on any Franchise Fee offset issue within one hundred twenty (120) days or such other time as the parties may mutually agree, each party reserves all rights it may have under Applicable Law to address such offset issues.

(E) The Town acknowledges that Grantee currently provides one outlet of Basic Service and Digital Starter Service and associated equipment to certain Town owned and occupied

or leased and occupied buildings, schools, fire stations and public libraries located in areas where Grantee provides Cable Service. For purposes of this Franchise, “school” means all State-accredited K-12 public and private schools. Outlets of Basic and Digital Starter Service provided in accordance with this subsection may be used to distribute Cable Services throughout such buildings, provided such distribution can be accomplished without causing Cable System disruption and general technical standards are maintained. Grantee’s commitment to provide this service is voluntary, and may be terminated by Grantee, at its sole discretion.

(1) Grantee’s termination of complimentary services provided shall be pursuant to the provisions of Section 3.11(A)-(E) above. Town may make a separate election for each account or line of service identified in the notice (for example, Town may choose to accept certain services or accounts as offsets to Franchise Fees, and discontinue other services or accounts), so long as all elections are made within one hundred twenty (120) days. Grantee shall also provide written notice to each entity that is currently receiving complimentary services with copies of those notice(s) sent to the Town.

(2) Notwithstanding the foregoing, Grantee reserves all rights to offset cash or non-cash consideration or obligations from Franchise Fees, consistent with Applicable Law. The Town likewise reserves all rights it has under Applicable Law.

(F) The parties understand and agree that offsets may be required and agreed to as a result of the FCC’s Order in what is commonly known as the 621 Proceeding, MB Docket No. 05-311. Should there be a change in Applicable Law as a result of the 621 Proceeding, which would permit any cash or non-cash consideration or obligations to be required by this Franchise without being offset from Franchise Fees, or would change the scope of the Town’s regulatory authority over the use of the rights-of-way by the Grantee, the parties shall, within one hundred twenty (120) days of written notice from the Town, amend this Franchise to reinstate such consideration or obligations without offset from Franchise Fees, and to address the full scope of the Town’s regulatory authority.

3.12 Tax Liability

The Franchise Fees shall be in addition to any and all taxes or other levies or assessments which are now or hereafter required to be paid by businesses in general by any law of the Town, the State or the United States including, without limitation, sales, use and other taxes, business license fees or other payments. Payment of the Franchise Fees under this Franchise shall not exempt Grantee from the payment of any other license fee, permit fee, tax or charge on the business, occupation, property or income of Grantee that may be lawfully imposed by the Town. Any other license fees, taxes or charges shall be of general applicability in nature and shall not be levied against Grantee solely because of its status as a Cable Operator, or against Subscribers, solely because of their status as such.

3.13 Financial Records

Grantee agrees to meet with a representative of the Town upon request to review Grantee's methodology of record-keeping, financial reporting, the computing of Franchise Fee obligations and other procedures, the understanding of which the Town deems necessary for reviewing reports and records.

3.14 Payment on Termination

If this Franchise terminates for any reason, the Grantee shall file with the Town within ninety (90) calendar days of the date of the termination, a financial statement, certified by an independent certified public accountant, showing the Gross Revenues received by the Grantee since the end of the previous fiscal year. The Town reserves the right to satisfy any remaining financial obligations of the Grantee to the Town by utilizing the funds available in any security provided by the Grantee.

SECTION 4. ADMINISTRATION AND REGULATION

4.1 Authority

(A) The Town shall be vested with the power and right to reasonably regulate the exercise of the privileges permitted by this Franchise in the public interest.

(B) Nothing in this Franchise shall limit nor expand the Town's right of eminent domain under State law.

4.2 Rates and Charges

All of Grantee's rates and charges related to or regarding Cable Services shall be subject to regulation by the Town to the full extent authorized by applicable federal, State and local laws.

4.3 Rate Discrimination

All of Grantee's rates and charges shall be published (in the form of a publicly available rate card) and be non-discriminatory as to all Persons and organizations of similar classes, under similar circumstances and conditions. Grantee shall apply its rates in accordance with Applicable Law, with identical rates and charges for all Subscribers receiving identical Cable Services, without regard to race, color, ethnic or national origin, religion, age, sex, sexual orientation, marital, military or economic status, or physical or mental disability or geographic location within the Town. Grantee shall offer the same Cable Services to all Residential Subscribers at identical rates to the extent required by Applicable Law and to Multiple Dwelling Unit Subscribers to the extent authorized by FCC rules or applicable Federal law. Grantee shall permit Subscribers to make any lawful in-residence connections the Subscriber chooses without additional charge nor penalizing the Subscriber therefor. However, if any in-home connection requires service from Grantee due to signal quality, signal leakage or other factors, caused by improper installation of

such in-home wiring or faulty materials of such in-home wiring, the Subscriber may be charged reasonable service charges by Grantee. Nothing herein shall be construed to prohibit:

(A) The temporary reduction or waiving of rates or charges in conjunction with valid promotional campaigns; or,

(B) The offering of reasonable discounts to senior citizens or economically disadvantaged citizens; or,

(C) The offering of rate discounts for Cable Service; or,

(D) The Grantee from establishing different and nondiscriminatory rates and charges and classes of service for Commercial Subscribers, as allowable by federal law and regulations.

4.4 Filing of Rates and Charges

(A) Throughout the term of this Franchise, Grantee shall maintain on file with the Town a complete schedule of applicable rates and charges for Cable Services provided under this Franchise. Nothing in this subsection shall be construed to require Grantee to file rates and charges under temporary reductions or waivers of rates and charges in conjunction with promotional campaigns.

(B) Upon request of the Town, Grantee shall provide a complete schedule of current rates and charges for any and all Leased Access Channels, or portions of such Channels, provided by Grantee. The schedule shall include a description of the price, terms, and conditions established by Grantee for Leased Access Channels.

4.5 Cross Subsidization

Grantee shall comply with all Applicable Laws regarding rates for Cable Services and all Applicable Laws covering issues of cross subsidization.

4.6 Reserved Authority

Both Grantee and the Town reserve all rights they may have under the Cable Act and any other relevant provisions of federal, State, or local law.

4.7 Franchise Amendment Procedure

Either party may at any time seek an amendment of this Franchise by so notifying the other party in writing. Within thirty (30) days of receipt of notice, the Town and Grantee shall meet to discuss the proposed amendment(s). If the parties reach a mutual agreement upon the suggested amendment(s), such amendment(s) shall be submitted to the Town Board of Trustees for its approval by ordinance. If so approved by the Town Board of Trustees and the Grantee, then such amendment(s) shall be deemed part of this Franchise. If mutual agreement is not reached, there shall be no amendment.

4.8 Performance Evaluations

(A) The Grantor may hold performance evaluation sessions upon ninety (90) days written notice, provided that such evaluation sessions shall be held no more frequently than once every two (2) years. All such evaluation sessions shall be conducted by the Grantor.

(B) Special evaluation sessions may be held at any time by the Grantor during the term of this Franchise, upon ninety (90) days written notice to Grantee.

(C) All regular evaluation sessions shall be open to the public and announced at least two (2) weeks in advance in any manner within the discretion of the Grantor. Grantee shall also include with or on the Subscriber billing statements for the billing period immediately preceding the commencement of the session, written notification of the date, time, and place of the regular performance evaluation session, and any special evaluation session as required by the Grantor, provided Grantee receives appropriate advance notice.

(D) Topics which may be discussed at any evaluation session may include, but are not limited to, Cable Service rate structures; Franchise Fee payments; liquidated damages; free or discounted Cable Services; application of new technologies; Cable System performance; Cable Services provided; programming offered; Subscriber complaints; privacy; amendments to this Franchise; judicial and FCC rulings; line extension policies; and the Grantor or Grantee's rules; provided that nothing in this subsection shall be construed as requiring the renegotiation of this Franchise.

(E) During evaluations under this subsection, Grantee shall fully cooperate with the Grantor and shall provide such information and documents as the Grantor may reasonably require to perform the evaluation.

4.9 Force Majeure

In the event Grantee is prevented or delayed in the performance of any of its obligations under this Franchise by reason beyond the control of Grantee, Grantee shall have a reasonable time, under the circumstances, to perform the affected obligation under this Franchise or to procure a substitute for such obligation which is satisfactory to the Town. Those conditions which are not within the control of Grantee include, but are not limited to, natural disasters, civil disturbances, work stoppages or labor disputes, power outages, telephone network outages, and severe or unusual weather conditions which have a direct and substantial impact on the Grantee's ability to provide Cable Services in the Town and which was not caused and could not have been avoided by the Grantee which used its best efforts in its operations to avoid such results.

If Grantee believes that a reason beyond its control has prevented or delayed its compliance with the terms of this Franchise, Grantee shall provide documentation as reasonably required by the Town to substantiate the Grantee's claim. If Grantee has not yet cured the deficiency, Grantee shall also provide the Town with its proposed plan for remediation, including the timing for such cure.

SECTION 5. FINANCIAL AND INSURANCE REQUIREMENTS

5.1 Indemnification

(A) General Indemnification. Grantee shall indemnify, defend and hold the Town, its officers, officials, boards, commissions, agents and employees, harmless from any action or claim for injury, damage, loss, liability, cost or expense, including court and appeal costs and reasonable attorneys' fees or reasonable expenses, arising from any casualty or accident to Person or property, including, without limitation, copyright infringement, defamation, and all other damages in any way arising out of, or by reason of, any construction, excavation, operation, maintenance, reconstruction, or any other act done under this Franchise, by or for Grantee, its agents, or its employees, or by reason of any neglect or omission of Grantee. Grantee shall consult and cooperate with the Town while conducting its defense of the Town.

(B) Indemnification for Relocation. Grantee shall indemnify the Town for any damages, claims, additional costs or reasonable expenses assessed against, or payable by, the Town arising out of, or resulting from, directly or indirectly, Grantee's failure to remove, adjust or relocate any of its facilities in the Rights-of-Way in a timely manner in accordance with any relocation required by the Town.

(C) Additional Circumstances. Grantee shall also indemnify, defend and hold the Town harmless for any claim for injury, damage, loss, liability, cost or expense, including court and appeal costs and reasonable attorneys' fees or reasonable expenses in any way arising out of:

(1) The lawful actions of the Town in granting this Franchise to the extent such actions are consistent with this Franchise and Applicable Law.

(2) Damages arising out of any failure by Grantee to secure consents from the owners, authorized distributors, or licensees/licensors of programs to be delivered by the Cable System, whether or not any act or omission complained of is authorized, allowed or prohibited by this Franchise.

(D) Procedures and Defense. If a claim or action arises, the Town or any other indemnified party shall promptly tender the defense of the claim to Grantee, which defense shall be at Grantee's expense. The Town may participate in the defense of a claim, but if Grantee provides a defense at Grantee's expense then Grantee shall not be liable for any attorneys' fees, expenses or other costs that Town may incur if it chooses to participate in the defense of a claim, unless and until separate representation as described below in Paragraph 5.1(F) is required. In that event the provisions of Paragraph 5.1(F) shall govern Grantee's responsibility for Town's/County's/Town's attorney's fees, expenses or other costs. In any event, Grantee may not agree to any settlement of claims affecting the Town without the Town's approval.

(E) Non-waiver. The fact that Grantee carries out any activities under this Franchise through independent contractors shall not constitute an avoidance of or defense to Grantee's duty

of defense and indemnification under this subsection.

(F) Expenses. If separate representation to fully protect the interests of both parties is or becomes necessary, such as a conflict of interest between the Town and the counsel selected by Grantee to represent the Town, Grantee shall pay, from the date such separate representation is required forward, all reasonable expenses incurred by the Town in defending itself with regard to any action, suit or proceeding indemnified by Grantee. Provided, however, that in the event that such separate representation is or becomes necessary, and Town desires to hire counsel or any other outside experts or consultants and desires Grantee to pay those expenses, then Town shall be required to obtain Grantee's consent to the engagement of such counsel, experts or consultants, such consent not to be unreasonably withheld. The Town's expenses shall include all reasonable out-of-pocket expenses, such as consultants' fees, and shall also include the reasonable value of any services rendered by the Town Attorney or his/her assistants or any employees of the Town or its agents but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided the Town by Grantee.

5.2 Insurance

(A) Grantee shall maintain in full force and effect at its own cost and expense each of the following policies of insurance:

(1) Commercial General Liability insurance with limits of no less than two million dollars (\$2,000,000.00) per occurrence and two million dollars (\$2,000,000.00) general aggregate. Coverage shall be at least as broad as that provided by ISO CG 00 01 1/96 or its equivalent and include severability of interests. Such insurance shall name the Town, its officers, officials and employees as additional insureds per ISO CG 2026 or its equivalent. There shall be a waiver of subrogation and rights of recovery against the Town, its officers, officials and employees. Coverage shall apply as to claims between insureds on the policy, if applicable.

(2) Commercial Automobile Liability insurance with minimum combined single limits of two million dollars (\$2,000,000.00) each occurrence with respect to each of Grantee's owned, hired and non-owned vehicles assigned to or used in the operation of the Cable System in the Town. The policy shall contain a severability of interests provision.

(B) The insurance shall not be canceled or materially changed so as to be out of compliance with these requirements without thirty (30) days' written notice first provided to the Town, via certified mail, and ten (10) days' notice for nonpayment of premium. If the insurance is canceled or materially altered so as to be out of compliance with the requirements of this subsection within the term of this Franchise, Grantee shall provide a replacement policy. Grantee agrees to maintain continuous uninterrupted insurance coverage, in at least the amounts required, for the duration of this Franchise and, in the case of the Commercial General Liability, for at least one (1) year after expiration of this Franchise.

5.3 Letter of Credit

(A) If there is a claim by the Grantor of an uncured breach by Grantee of a material provision of this Franchise or pattern of repeated violations of any provision(s) of this Franchise, then the Grantor may require and Grantee shall establish and provide within thirty (30) days from receiving notice from the Grantor, to the Grantor as security for the faithful performance by Grantee of all of the provisions of this Franchise, a letter of credit from a financial institution satisfactory to the Grantor in the amount of twenty-five thousand dollars (\$25,000).

(B) In the event that Grantee establishes a letter of credit pursuant to the procedures of this Section, then the letter of credit shall be maintained at twenty-five thousand dollars (\$25,000) until the allegations of the uncured breach have been resolved.

(C) After completion of the procedures set forth in Section 13.1 or other applicable provisions of this Franchise, the letter of credit may be drawn upon by the Grantor for purposes including, but not limited to, the following:

(1) Failure of Grantee to pay the Grantor sums due under the terms of this Franchise;

(2) Reimbursement of costs borne by the Grantor to correct Franchise violations not corrected by Grantee;

(3) Monetary remedies or damages assessed against Grantee due to default or breach of Franchise requirements; and,

(4) Failure to comply with the Customer Service Standards of the Grantor, as the same may be amended from time to time by the Board of Trustees acting by ordinance or resolution.

(D) The Grantor shall give Grantee written notice of any withdrawal under this subsection upon such withdrawal. Within seven (7) days following receipt of such notice, Grantee shall restore the letter of credit to the amount required under this Franchise.

(E) Grantee shall have the right to appeal to the Board of Trustees for reimbursement in the event Grantee believes that the letter of credit was drawn upon improperly. Grantee shall also have the right of judicial appeal if Grantee believes the letter of credit has not been properly drawn upon in accordance with this Franchise. Any funds the Grantor erroneously or wrongfully withdraws from the letter of credit shall be returned to Grantee with interest, from the date of withdrawal at a rate equal to the prime rate of interest as quoted in the Wall Street Journal.

SECTION 6. CUSTOMER SERVICE

6.1 Customer Service Standards

The Town hereby adopts the customer service standards set forth in Part 76, §76.309 of the

FCC's rules and regulations, as amended. Grantee shall comply with Customer Service Standards of the Grantor, as the same may be amended from time to time by the Town Board of Trustees in its sole discretion, acting by ordinance. Any requirement in Customer Service Standards for a "local" telephone number may be met by the provision of a toll-free number. Grantee reserves the right to challenge any customer service ordinance which it believes is inconsistent with its contractual rights under this Franchise. The Grantee shall comply in all respects with the customer service requirements established by the FCC.

6.2 Subscriber Privacy

The Grantee shall comply with all applicable federal and state privacy laws, including Section 631 of the Cable Act and regulations adopted pursuant thereto.

6.3 Subscriber Bills

Subscriber bills shall be designed in such a way as to present the information contained therein clearly and comprehensibly to Subscribers, and in a way that (A) is not misleading and (B) does not omit material information. Notwithstanding anything to the contrary in Section 6.1, above, the Grantee may, in its sole discretion, consolidate costs on Subscriber bills as may otherwise be permitted by Section 622(c) of the Cable Act (47 U.S.C. §542(c)).

SECTION 7. BOOKS AND RECORDS

7.1 Open Records

Grantee shall manage all of its operations in accordance with a policy of keeping its documents and records open and accessible to the Town. The Town, including the Town's Auditor or his/her authorized representative, shall have access to, and the right to inspect, any books and records of Grantee, its parent corporations and Affiliates which are reasonably related to the administration or enforcement of the terms of this Franchise. Grantee shall not deny the Town access to any of Grantee's records on the basis that Grantee's records are under the control of any parent corporation, Affiliate or a third party. The Town may, in writing, request copies of any such records or books. If the requested books and records are too voluminous, or for security reasons cannot be copied or removed, then Grantee may request, in writing within ten (10) days, that the Town inspect them at Grantee's local offices. If any books or records of Grantee are not kept in a local office and not made available in copies to the Town upon written request as set forth above, and if the Town determines that an examination of such records is necessary or appropriate for the performance of any of the Town's duties, administration or enforcement of this Franchise, then all reasonable travel and related expenses incurred in making such examination shall be paid by Grantee. All such documents that may be the subject of an inspection by the Franchising Authority shall be retained by the Grantee for a minimum period of three (3) years.

7.2 Confidentiality

The Town agrees to treat as confidential any books or records that constitute proprietary or

confidential information under federal or State law, to the extent Grantee makes the Town aware of such confidentiality. Grantee shall be responsible for clearly and conspicuously stamping the word "Confidential" on each page that contains confidential or proprietary information and shall provide a brief written explanation as to why such information is confidential under State or federal law. If the Town believes it must release any such confidential books and records in the course of enforcing this Franchise, or for any other reason, it shall advise Grantee in advance so that Grantee may take appropriate steps to protect its interests. If the Town receives a demand from any Person for disclosure of any information designated by Grantee as confidential, the Town shall, so far as consistent with Applicable Law, advise Grantee and provide Grantee with a copy of any written request by the party demanding access to such information within a reasonable time. Until otherwise ordered by a court or agency of competent jurisdiction, the Town agrees that, to the extent permitted by State and federal law, it shall deny access to any of Grantee's books and records marked confidential as set forth above to any Person.

7.3 Records Required

(A) Grantee shall at all times maintain, and shall furnish to the Grantor upon thirty (30) days' written request and subject to Applicable Law:

(1) A complete set of maps showing the exact location of all Cable System equipment and facilities in the Right-of-Way but excluding detail on proprietary electronics contained therein and Subscriber drops. As-built maps including proprietary electronics shall be available at Grantee's offices for inspection by the Grantor's authorized representative(s) or agent(s) and made available to such during the course of technical inspections as reasonably conducted by the Grantor. These maps shall be certified as accurate by an appropriate representative of the Grantee;

(2) A copy of all FCC filings on behalf of Grantee, its parent corporations or Affiliates which relate to the operation of the Cable System in the Town;

(3) Current Subscriber Records and information;

(4) A log of Cable Services added or dropped, Channel changes, number of Subscribers added or terminated, all construction activity, and total homes passed for the previous twelve (12) months; and

(5) A list of Cable Services, rates and Channel line-ups.

(B) Subject to subsection 7.2, all information furnished to the Grantor is public information, and shall be treated as such, except for information involving the privacy rights of individual Subscribers.

7.4 Annual Reports

Within sixty (60) days of the Town's written request, Grantee shall submit to the Town a written report, in a form acceptable to the Town, which shall include, but not necessarily be limited

to, the following information for the Town:

- (A) A Gross Revenue statement, as required by subsection 3.5 of this Franchise;
- (B) A summary of the previous year's activities in the development of the Cable System, including, but not limited to, Cable Services begun or discontinued during the reporting year, and the number of Subscribers for each class of Cable Service (*i.e.*, Basic, Digital Starter, and Premium);
- (C) The number of homes passed, beginning and ending plant miles, any services added or dropped, and any technological changes occurring in the Cable System;
- (D) A statement of planned construction, if any, for the next year; and,
- (E) A copy of the most recent annual report Grantee filed with the SEC or other governing body.

7.5 Copies of Federal and State Reports

Within thirty (30) days of a written request, Grantee shall submit to the Town copies of all pleadings, applications, notifications, communications and documents of any kind, submitted by Grantee or its parent corporation(s), to any federal, State or local courts, regulatory agencies and other government bodies if such documents directly relate to the operations of Grantee's Cable System within the Town. Grantee shall not claim confidential, privileged or proprietary rights to such documents unless under federal, State, or local law such documents have been determined to be confidential by a court of competent jurisdiction, or a federal or State agency.

7.6 Complaint File and Reports

(A) Grantee shall keep an accurate and comprehensive file of any complaints regarding the Cable System, in a manner consistent with the privacy rights of Subscribers, and Grantee's actions in response to those complaints. These files shall remain available for viewing to the Grantor during normal business hours at Grantee's local business office.

(B) Within thirty (30) days of a written request, Grantee shall provide the Town a quarterly executive summary in the form attached hereto as Exhibit A, which shall include the following information from the preceding quarter:

- (1) A summary of service calls, identifying the number and nature of the requests and their disposition;
- (2) A log of all service interruptions;
- (3) A summary of customer complaints referred by the Town to Grantee;

- (4) Such other information as reasonably requested by the Town.

7.7 False Statements

Any false or misleading statement or representation in any report required by this Franchise (not including clerical errors or errors made in good faith) may be deemed a material breach of this Franchise and may subject Grantee to all remedies, legal or equitable, which are available to the Town under this Franchise or otherwise.

SECTION 8. PROGRAMMING

8.1 Broad Programming Categories

Grantee shall provide or enable the provision of at least the following initial broad categories of programming to the extent such categories are reasonably available:

- (A) Educational programming;
- (B) Colorado news, weather & information;
- (C) Sports;
- (D) General entertainment (including movies);
- (E) Children/family-oriented;
- (F) Arts, culture and performing arts;
- (G) Foreign language;
- (H) Science/documentary;
- (I) National news, weather and information; and,
- (J) Public, Educational and Government Access, to the extent required by this Franchise.

8.2 Deletion or Reduction of Broad Programming Categories

(A) Grantee shall not delete or so limit as to effectively delete any broad category of programming within its control without the prior written consent of the Town.

(B) In the event of a modification proceeding under federal law, the mix and quality of Cable Services provided by Grantee on the Effective Date of this Franchise shall be deemed the mix and quality of Cable Services required under this Franchise throughout its term.

8.3 Obscenity

Grantee shall not transmit, or permit to be transmitted over any Channel subject to its editorial control, any programming which is obscene under, or violates any provision of, Applicable Law relating to obscenity, and is not protected by the Constitution of the United States. Grantee shall be deemed to have transmitted or permitted a transmission of obscene programming only if a court of competent jurisdiction has found that any of Grantee's officers or employees or agents have permitted programming which is obscene under, or violative of, any provision of Applicable Law relating to obscenity, and is otherwise not protected by the Constitution of the United States, to be transmitted over any Channel subject to Grantee's editorial control. Grantee shall comply with all relevant provisions of federal law relating to obscenity.

8.4 Parental Control Device

Upon request by any Subscriber, Grantee shall make available a parental control or lockout device, traps or filters to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Grantee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter. Any device offered shall be at a rate, if any, in compliance with Applicable Law.

8.5 Continuity of Service Mandatory

(A) It shall be the right of all Subscribers to continue to receive Cable Service from Grantee insofar as their financial and other obligations to Grantee are honored and they are in compliance with Grantee's terms of services, residential service agreement or other such provisions. The Grantee shall act so as to ensure that all Subscribers receive continuous, uninterrupted Cable Service regardless of the circumstances. For the purposes of this subsection, "uninterrupted" does not include short-term outages of the Cable System for maintenance or testing.

(B) In the event of a change of grantee, or in the event a new Cable Operator acquires the Cable System in accordance with this Franchise, Grantee shall cooperate with the Town, new franchisee or Cable Operator in maintaining continuity of Cable Service to all Subscribers. During any transition period, Grantee shall be entitled to the revenues for any period during which it operates the Cable System, and shall be entitled to reasonable costs for its services when it no longer operates the Cable System.

(C) In the event Grantee fails to operate the Cable System for four (4) consecutive days without prior approval of the Manager, or without just cause, the Town may, at its option, operate the Cable System itself or designate another Cable Operator until such time as Grantee restores service under conditions acceptable to the Town or a permanent Cable Operator is selected. If the Town is required to fulfill this obligation for Grantee, Grantee shall reimburse the Town for all reasonable costs or damages that are the result of Grantee's failure to perform.

8.6 Services for the Disabled

Grantee shall comply with the Americans with Disabilities Act and any amendments thereto.

SECTION 9. ACCESS

9.1 Designated Access Providers

(A) The Town shall have the sole and exclusive responsibility for identifying the Designated Access Providers, including itself for Access purposes, to control and manage the use of any or all Access Facilities provided by Grantee under this Franchise. As used in this Section, such "Access Facilities" includes the Channels, services, facilities, equipment, technical components and/or financial support provided under this Franchise, which is used or useable by and for Public Access, Educational Access, and Government Access ("PEG" or "PEG Access").

(B) Grantee shall cooperate with the Town in the Town's efforts to provide Access programming, but will not be responsible or liable for any damages resulting from a claim in connection with the programming placed on the Access Channels by the Designated Access Provider.

9.2 Channel Capacity and Use

(A) Grantee shall make available to the Town two (2) Downstream Channels for PEG use as provided for in this Section.

(B) Grantee shall have the right to temporarily use any Channel, or portion thereof, which is allocated under this Section for Public, Educational, or Governmental Access use, within sixty (60) days after a written request for such use is submitted to the Town, if such Channel is not "fully utilized" as defined herein. A Channel shall be considered fully utilized if substantially unduplicated programming is delivered over it more than an average of 38 hours per week over a six (6) month period. Programming that is repeated on an Access Channel up to two times per day shall be considered "unduplicated programming." Character-generated programming shall be included for purposes of this subsection but may be counted towards the total average hours only with respect to one (1) Channel provided to the Town. If a Channel allocated for Public, Educational, or Governmental Access use will be used by Grantee in accordance with the terms of this subsection, the institution to which the Channel has been allocated shall have the right to require the return of the Channel or portion thereof. The Town shall request return of such Channel

space by delivering written notice to Grantee stating that the institution is prepared to fully utilize the Channel, or portion thereof, in accordance with this subsection. In such event, the Channel or portion thereof shall be returned to such institution within sixty (60) days after receipt by Grantee of such written notice.

(C) Standard Definition (“SD”) Digital Access Channels.

(1) Grantee shall provide one (1) Activated Downstream Channels for PEG Access use in a standard definition (“SD”) digital format in Grantee’s Basic Service (“SD Access Channel”). Grantee shall carry all components of the SD Access Channel Signals provided by a Designated Access Provider including, but not limited to, closed captioning, stereo audio and other elements associated with the Programming. A Designated Access Provider shall be responsible for providing the SD Access Channel Signal in an SD format to the demarcation point at the designated point of origination for the SD Access Channel. Grantee shall transport and distribute the SD Access Channel signal on its Cable System and shall not unreasonably discriminate against SD Access Channels with respect to accessibility, functionality and to the application of any applicable Federal Communications Commission Rules & Regulations, including without limitation Subpart K Channel signal standards.

(2) With respect to signal quality, Grantee shall not be required to carry a SD Access Channel in a higher quality format than that of the SD Access Channel signal delivered to Grantee, but Grantee shall distribute the SD Access Channel signal without degradation. Upon reasonable written request by a Designated Access Provider, Grantee shall verify signal delivery to Subscribers with the Designated Access Provider, consistent with the requirements of this Section 9.2(C).

(3) Grantee shall be responsible for costs associated with the transmission of SD Access signals on its side of the demarcation point which for the purposes of this Section 9.2 (C)(3), shall mean up to and including the modulator where the Town signal is converted into a format to be transmitted over a fiber connection to Grantee. The Town or Designated Access Provider shall be responsible for costs associated with SD Access signal transmission on its side of the demarcation point.

(4) SD Access Channels may require Subscribers to buy or lease special equipment, available to all Subscribers, and subscribe to those tiers of Cable Service, upon which SD channels are made available. Grantee is not required to provide free SD equipment to Subscribers, including complimentary government and educational accounts, nor modify its equipment or pricing policies in any manner.

(D) High Definition (“HD”) Digital Access Channels.

(1) After the third anniversary of the Effective Date and within one hundred twenty (120) days of written notice, Grantee shall activate one (1) High Definition (HD) Access Channel, for which the Town may provide Access Channel signals in HD format to the demarcation point at the designated point of origination for the Access Channel (“HD

Access Channel”). Activation of the HD Access Channel shall only occur after the following conditions are satisfied:

(a) The Town shall, in its written notice to Grantee as provided for in this Section, confirm that it or its Designated Access Provider has the capabilities to produce, has been producing and will produce programming in an HD format for the newly activated HD Access Channel(s); and,

(b) There will be a minimum of five (5) hours per-day, five days per-week of HD PEG programming available for each HD Access Channel. For the purposes of this subsection, character-generated programming (i.e., community bulletin boards) shall not satisfy, in whole or in part, this programming requirement unless the character-generated programming is included on a channel that also contains HD PEG video programming on the same screen.

(2) The Town shall be responsible for providing the HD Access Channel signal in an HD digital format to the demarcation point at the designated point of origination for the HD Access Channel. For purposes of this Franchise, an HD signal refers to a television signal delivering picture resolution of either 720 or 1080, or such other resolution in this same range that Grantee utilizes for other similar non-sport, non-movie programming channels on the Cable System, whichever is greater.

(3) Grantee shall transport and distribute the HD Access Channel signal on its Cable System and shall not unreasonably discriminate against HD Access Channels with respect to accessibility, functionality and to the application of any applicable Federal Communications Commission Rules & Regulations, including without limitation Subpart K Channel signal standards. With respect to signal quality, Grantee shall not be required to carry a HD Access Channel in a higher quality format than that of the HD Access Channel signal delivered to Grantee, but Grantee shall distribute the HD Access Channel signal without degradation. Grantee shall carry all components of the HD Access Channel signals provided by the Designated Access Provider including, but not limited to, closed captioning, stereo audio and other elements associated with the Programming. Upon reasonable written request by the Town, Grantee shall verify signal delivery to Subscribers with the Town, consistent with the requirements of this Section 9.2(D).

(4) HD Access Channels may require Subscribers to buy or lease special equipment, available to all Subscribers, and subscribe to those tiers of Cable Service, upon which HD channels are made available. Grantee is not required to provide free HD equipment to Subscribers, including complimentary government and educational accounts, nor modify its equipment or pricing policies in any manner.

(5) The Town or any Designated Access Provider is responsible for acquiring all equipment necessary to produce programming in HD.

(6) Grantee shall cooperate with the Town to procure and provide, at Town’s cost, all necessary transmission equipment from the Designated Access Provider channel

origination point, at Grantee's headend and through Grantee's distribution system, in order to deliver the HD Access Channels. The Town shall be responsible for the costs of all transmission equipment, including HD modulator and demodulator, and encoder or decoder equipment, and multiplex equipment, required in order for Grantee to receive and distribute the HD Access Channel signal, or for the cost of any resulting upgrades to the video return line. The Town and Grantee agree that such expense of acquiring and installing the transmission equipment or upgrades to the video return line qualifies as a capital cost for PEG Facilities within the meaning of the Cable Act 47 U.S.C.A. Section 542(g)(20)(C) and, therefore, is an appropriate use of revenues derived from those PEG Capital fees provided for in this Franchise.

(E) Grantee shall simultaneously carry the one (1) HD Access Channels provided for in Section 9.2(D) in high definition format on the Cable System, in addition to simultaneously carrying in standard definition format the SD Access Channel provided pursuant to Subsection 9.2(C).

(F) There shall be no restriction on Grantee's technology used to deploy and deliver SD or HD signals so long as the requirements of the Franchise are otherwise met. Grantee may implement HD carriage of the PEG channel in any manner (including selection of compression, utilization of IP, and other processing characteristics) that produces a signal quality for the consumer that is reasonably comparable and functionally equivalent to similar commercial HD channels carried on the Cable System. In the event the Town believes that Grantee fails to meet this standard, the Town will notify Grantee of such concern, and Grantee will respond to any complaints in a timely manner.

9.2 Access Channel Location

Grantee shall use its best efforts to minimize the movement of Access Channel assignments. Grantee shall provide to the Town a minimum of ninety (90) days prior written notice, prior to any relocation of its Access Channels, unless the change is required by federal law, in which case Grantee shall give the Town the maximum notice possible.

9.3 Return Lines

(A) Grantee shall maintain the return lines from all existing Access broadcast facilities to the Headend, including but not limited to the Silt Town Hall (231 N 7th St, Silt, CO 81652), in order to enable the distribution of programming to Subscribers on the Access Channels. Grantee shall continuously maintain these return lines throughout the term of the Agreement unless any of these locations are no longer used in the future to originate Access programming.

Within ninety (90) days of the Effective Date of this Franchise Agreement, the Town and Grantee will schedule the construction of return line capacity for live and recorded feeds from the Silt Town Center (600 Home Ave, Silt, CO 81652). The Town will perform the trench work and conduit placement, and Grantee will pull through the return line connections and install vaults as needed. Construction material for the project will be contributed by Comcast, while the Town will absorb all construction costs.

Within eighteen (18) months of a written request by the Town, Grantee shall construct and maintain additional return lines to other locations in the Franchise Area; provided however, that Grantee's construction costs shall be paid by the Town or its Designated Access Provider.

(C) Return lines shall be maintained by Grantee in the same manner as the rest of the Cable System so that Access Channels may be viewed at the same quality that is provided by the Town or its Designated Access Provider.

SECTION 10. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION

10.1 Right to Construct

Subject to Applicable Law, regulations, rules, resolutions and ordinances of the Town and the provisions of this Franchise, Grantee may perform all construction in the Rights-of-Way for any facility needed for the maintenance or extension of Grantee's Cable System.

10.2 General Standard

All work authorized and required hereunder shall be done in a safe, thorough and workmanlike manner. All installations of equipment shall be permanent in nature, durable and installed in accordance with good engineering practices.

10.3 Permits Required for Construction

Prior to doing any work in the Right-of Way or other public property, Grantee shall apply for, and obtain, appropriate permits from the Town, including but not limited to excavation and street cut permits. As part of the permitting process, the Town may impose such conditions and regulations as are necessary for the purpose of protecting any structures in such Rights-of-Way, proper restoration of such Rights-of-Way and structures, the protection of the public, and the continuity of pedestrian or vehicular traffic. Such conditions may also include the provision of a construction schedule and maps showing the location of the facilities to be installed in the Right-of-Way. Grantee shall pay all applicable fees and required deposits for the requisite Town permits received by Grantee.

10.4 Emergency Permits

In the event that emergency repairs are necessary, Grantee shall immediately notify the Town of the need for such repairs. Grantee may initiate such emergency repairs, and shall apply for appropriate permits within forty-eight (48) hours after discovery of the emergency.

10.5 Compliance with Applicable Codes

(A) Town Construction Codes. Grantee shall comply with all applicable Town construction codes, including, without limitation, the Uniform Building Code and other building codes, the Uniform Fire Code, the Uniform Mechanical Code, the Electronic Industries Association Standard for Physical Location and Protection of Below-Ground Fiber Optic Cable Plant, and zoning codes and regulations.

(B) Tower Specifications. Antenna supporting structures (towers) shall be designed for the proper loading as specified by the Electronics Industries Association (EIA), as those specifications may be amended from time to time. Antenna supporting structures (towers) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other applicable federal, State, and local codes or regulations.

(C) Safety Codes. Grantee shall comply with all federal, State and Town safety requirements, rules, regulations, laws and practices, and employ all necessary devices as required by Applicable Law during construction, operation and repair of its Cable System. By way of illustration and not limitation, Grantee shall comply with the National Electric Code, National Electrical Safety Code and Occupational Safety and Health Administration (OSHA) Standards.

10.6 GIS Mapping

Grantee shall comply with any generally applicable ordinances, rules and regulations of the Town regarding geographic information mapping systems for users of the Rights-of-Way.

10.7 Minimal Interference

Work in the Right-of-Way, on other public property, near public property, or on or near private property shall be done in a manner that causes the least interference with the rights and reasonable convenience of property owners and residents. Grantee's Cable System shall be constructed and maintained in such manner as not to interfere with sewers, water pipes, or any other property of the Grantor, or with any other pipes, wires, conduits, pedestals, structures, or other facilities that may have been laid in the Rights-of-Way by, or under, the Grantor's authority. The Grantee's Cable System shall be located, erected and maintained so as not to endanger or interfere with the lives of Persons, or to interfere with new improvements the Grantor may deem proper to make or to unnecessarily hinder or obstruct the free use of the Rights-of-Way or other public property, and shall not interfere with the travel and use of public places by the public during the construction, repair, operation or removal thereof, and shall not obstruct or impede traffic. In the event of such interference, the Grantor may require the removal or relocation of Grantee's lines, cables, equipment and other appurtenances from the property in question at Grantee's expense.

10.8 Hazardous Substances

Grantee shall comply with any and all Applicable Laws, statutes, regulations and orders concerning hazardous substances relating to Grantee's Cable System in the Rights-of-Way.

10.9 Locates

Prior to doing any work in the Right-of-Way, Grantee shall give appropriate notices to the Grantor and to the notification association established in C.R.S. Section 9-1.5-105, as such may be amended from time to time.

10.10 Notice to Private Property Owners

Except for emergency situations, Grantee shall give notice to private property owners of work on or adjacent to private property in accordance with the Town's Customer Service Standards.

10.11 Underground Construction and Use of Poles

(A) When required by general ordinances, resolutions, regulations or rules of the Town or applicable State or federal law, Grantee's Cable System shall be placed underground at Grantee's expense unless funding is generally available for such relocation to all users of the Rights-of-Way. Placing facilities underground does not preclude the use of ground-mounted appurtenances.

(B) Where electric, telephone, and other above-ground utilities are installed underground at the time of Cable System construction, or when all such wiring is subsequently placed underground, all Cable System lines shall also be placed underground with other wireline service at no expense to the Town or Subscribers unless funding is generally available for such relocation to all users of the Rights-of-Way. Related Cable System equipment, such as pedestals, must be placed in accordance with the Town's applicable code requirements and rules. In areas where either electric or telephone utility wiring is aerial, the Grantee may install aerial cable, except when a property owner or resident requests underground installation and agrees to bear the additional cost in excess of aerial installation.

(C) The Grantee shall utilize existing poles and conduit wherever possible.

(D) In the event Grantee cannot obtain the necessary poles and related facilities pursuant to a pole attachment agreement, and only in such event, then it shall be lawful for Grantee to make all needed excavations in the Rights-of-Way for the purpose of placing, erecting, laying, maintaining, repairing, and removing poles, supports for wires and conductors, and any other facility needed for the maintenance or extension of Grantee's Cable System. All poles of Grantee shall be located as designated by the proper Town authorities.

(E) This Franchise does not grant, give or convey to the Grantee the right or privilege to install its facilities in any manner on specific utility poles or equipment of the Town or any other Person. Copies of agreements for the use of poles, conduits or other utility facilities must be provided upon request by the Town.

10.12 Undergrounding of Multiple Dwelling Unit Drops

In cases of single site Multiple Dwelling Units, Grantee shall minimize the number of

individual aerial drop cables by installing multiple drop cables underground between the pole and Multiple Dwelling Unit where determined to be technologically feasible in agreement with the owners and/or owner's association of the Multiple Dwelling Units.

10.13 Burial Standards

(A) Depths. Unless otherwise required by law, Grantee, and its contractors, shall comply with the following burial depth standards. In no event shall Grantee be required to bury its cable deeper than electric or gas facilities, or existing telephone facilities in the same portion of the Right-of-Way, so long as those facilities have been buried in accordance with Applicable Law:

- 1) Underground cable drops from the curb shall be buried at a minimum depth of twelve (12) inches, unless a sprinkler system or other construction concerns preclude it, in which case, underground cable drops shall be buried at a depth of at least six (6) inches.
- 2) Feeder lines shall be buried at a minimum depth of eighteen (18) inches.
- 3) Trunk lines shall be buried at a minimum depth of thirty-six (36) inches.
- 4) Fiber Optic cable shall be buried at a minimum depth of thirty-six (36) inches.

In the event of a conflict between this subsection and the provisions of any customer service standard, this subsection shall control.

(B) Timeliness. Cable drops installed by Grantee to residences shall be buried according to these standards within one calendar week of initial installation, or at a time mutually agreed upon between the Grantee and the Subscriber. When freezing surface conditions or other weather conditions prevent Grantee from achieving such timetable, Grantee shall apprise the Subscriber of the circumstances and the revised schedule for burial and shall provide the Subscriber with Grantee's telephone number and instructions as to how and when to call Grantee to request burial of the line if the revised schedule is not met.

10.14 Cable Drop Bonding

Grantee shall ensure that all cable drops are properly bonded at the home, consistent with applicable code requirements.

10.15 Prewiring

Grantee shall make all reasonable efforts to coordinate the Cable System expansion into newly annexed or newly developing areas so that Cable Service will be available upon occupancy of the dwellings therein. In any construction the Grantee shall coordinate the construction with the Town, other utility suppliers and private contractors, so as to minimize disruption of the public right of way and to maximize utilization of joint trenching whenever possible. The Grantee will use best efforts to avoid cutting streets and curbs by placing its cable in conduits at the time of

construction. In addition, any ordinance or resolution of the Town which requires prewiring of subdivisions or other developments for electrical and telephone service shall be construed to include wiring for Cable Systems.

10.16 Repair and Restoration of Property

(A) The Grantee shall protect public and private property from damage. If damage occurs, the Grantee shall promptly notify the property owner within twenty-four (24) hours in writing.

(B) Whenever Grantee disturbs or damages any Right-of-Way, other public property or any private property, Grantee shall promptly restore the Right-of-Way or property to at least its prior condition, normal wear and tear excepted, at its own expense.

(C) Rights-of-Way and Other Public Property. Grantee shall warrant any restoration work performed by or for Grantee in the Right-of-Way or on other public property in accordance with Applicable Law. If restoration is not satisfactorily performed by the Grantee within a reasonable time not to exceed ninety (90) days from the issuance date of the permit unless a longer time is stated in the permit, the Town may, after prior notice to the Grantee, or without notice where the disturbance or damage may create a risk to public health or safety, cause the repairs to be made and recover the cost of those repairs from the Grantee. Within thirty (30) days of receipt of an itemized list of those costs, including the costs of labor, materials and equipment, the Grantee shall pay the Town.

(D) Private Property. Upon completion of the work which caused any disturbance or damage, Grantee shall promptly commence restoration of private property, and will use best efforts to complete the restoration within seventy-two (72) hours, weather conditions permitting, subject to the acquisition of any necessary permits and considering the nature of the work that must be performed.

10.17 Movement of Cable System Facilities For Town Purposes

The Town shall have the right to require Grantee to relocate, remove, replace, modify or disconnect Grantee's facilities and equipment located in the Rights-of-Way or on any other property of the Town for public purposes, in the event of an emergency, or when the public health, safety or welfare requires such change (for example, without limitation, by reason of traffic conditions, public safety, Right-of-Way vacation, Right-of-Way construction, change or establishment of Right-of-Way grade, installation of sewers, drains, gas or water pipes, or any other types of structures or improvements by the Town for public purposes). Such work shall be performed at the Grantee's expense. Except during an emergency, the Town shall provide reasonable notice to Grantee, not to be less than forty-five (45) business days and allow Grantee with the opportunity to perform such action. In the event of any capital improvement project exceeding \$50,000 in expenditures by the Town which requires the removal, replacement, modification or disconnection of Grantee's facilities or equipment, the Town shall provide at least sixty (60) days' written notice to Grantee. Following notice by the Town, Grantee shall relocate, remove, replace, modify or disconnect any of its facilities or equipment within any Right-of-Way,

or on any other property of the Town. If the Town requires Grantee to relocate its facilities located within the Rights-of-Way, the Town shall make a reasonable effort to provide Grantee with an alternate location within the Rights-of-Way. If funds are generally made available to users of the Rights-of-Way for such relocation, Grantee shall be entitled to its pro rata share of such funds.

If the Grantee fails to complete this work within the time prescribed and to the Town's satisfaction, the Town may cause such work to be done and bill the cost of the work to the Grantee, including all costs and expenses incurred by the Town due to Grantee's delay. In such event, the Town shall not be liable for any damage to any portion of Grantee's Cable System. Within thirty (30) days of receipt of an itemized list of those costs, the Grantee shall pay the Town.

10.18 Movement of Cable System Facilities for Other Franchise Holders

If any removal, replacement, modification or disconnection of the Cable System is required to accommodate the construction, operation or repair of the facilities or equipment of another Town franchise holder, Grantee shall, after at least thirty (30) days' advance written notice, take action to effect the necessary changes requested by the responsible entity. Grantee shall require that the costs associated with the removal or relocation be paid by the benefited party.

10.19 Temporary Changes for Other Permittees

At the request of any Person holding a valid permit and upon reasonable advance notice, Grantee shall temporarily raise, lower or remove its wires as necessary to permit the moving of a building, vehicle, equipment or other item. The expense of such temporary changes must be paid by the permit holder, and Grantee may require a reasonable deposit of the estimated payment in advance.

10.20 Reservation of Town Use of Right-of-Way

Nothing in this Franchise shall prevent the Town or public utilities owned, maintained or operated by public entities other than the Town from constructing sewers; grading, paving, repairing or altering any Right-of-Way; laying down, repairing or removing water mains; or constructing or establishing any other public work or improvement. All such work shall be done, insofar as practicable, so as not to obstruct, injure or prevent the use and operation of Grantee's Cable System.

10.21 Tree Trimming

Grantee may prune or cause to be pruned, using proper pruning practices, any tree in the Town's Rights-of-Way which interferes with Grantee's Cable System. Grantee shall comply with any general ordinance or regulations of the Town regarding tree trimming. Except in emergencies, Grantee may not prune trees at a point below thirty (30) feet above sidewalk grade until one (1) week written notice has been given to the owner or occupant of the premises abutting the Right-of-Way in or over which the tree is growing. The owner or occupant of the abutting premises may prune such tree at his or her own expense during this one (1) week period. If the owner or occupant fails to do so, Grantee may prune such tree at its own expense. For purposes of this subsection,

emergencies exist when it is necessary to prune to protect the public or Grantee's facilities from imminent danger only.

10.22 Inspection of Construction and Facilities

The Town may inspect any of Grantee's facilities, equipment or construction at any time upon at least twenty-four (24) hours notice, or, in case of emergency, upon demand without prior notice. The Town shall have the right to charge generally applicable inspection fees therefore. If an unsafe condition is found to exist, the Town, in addition to taking any other action permitted under Applicable Law, may order Grantee, in writing, to make the necessary repairs and alterations specified therein forthwith to correct the unsafe condition by a time the Town establishes. The Town has the right to correct, inspect, administer and repair the unsafe condition if Grantee fails to do so, and to charge Grantee therefore.

10.23 Stop Work

(A) On notice from the Town that any work is being performed contrary to the provisions of this Franchise, or in an unsafe or dangerous manner as determined by the Town, or in violation of the terms of any applicable permit, laws, regulations, ordinances, or standards, the work may immediately be stopped by the Town.

(B) The stop work order shall:

- (1) Be in writing;
- (2) Be given to the Person doing the work, or posted on the work site;
- (3) Be sent to Grantee by overnight delivery at the address given herein;
- (4) Indicate the nature of the alleged violation or unsafe condition; and
- (5) Establish conditions under which work may be resumed.

10.24 Work of Contractors and Subcontractors

Grantee's contractors and subcontractors shall be licensed and bonded in accordance with the Town's ordinances, regulations and requirements. Work by contractors and subcontractors is subject to the same restrictions, limitations and conditions as if the work were performed by Grantee. Grantee shall be responsible for all work performed by its contractors and subcontractors and others performing work on its behalf as if the work were performed by it and shall ensure that all such work is performed in compliance with this Franchise and other Applicable Law, and shall be jointly and severally liable for all damages and correcting all damage caused by them. It is Grantee's responsibility to ensure that contractors, subcontractors or other Persons performing work on Grantee's behalf are familiar with the requirements of this Franchise and other Applicable Law governing the work performed by them.

SECTION 11. CABLE SYSTEM, TECHNICAL STANDARDS AND TESTING

11.1 Subscriber Network

(A) Grantee's Cable System shall be equivalent to or exceed technical characteristics of a traditional HFC 750 MHz Cable System and provide Activated Two-Way capability. The Cable System shall be capable of supporting video and audio. The Cable System shall be able to deliver no less than one hundred ten (110) Channels of digital video programming services to Subscribers, provided that the Grantee reserves the right to use the bandwidth in the future for other uses based on market factors.

(B) Equipment must be installed so that all closed captioning programming received by the Cable System shall include the closed caption signal so long as the closed caption signal is provided consistent with FCC standards. Equipment must be installed so that all local signals received in stereo or with secondary audio tracks are retransmitted in those same formats.

(C) All construction shall be subject to the Town's permitting process.

(D) Grantee will take prompt corrective action if it finds that any facilities or equipment on the Cable System are not operating as expected, or if it finds that facilities and equipment do not comply with the requirements of this Franchise or Applicable Law.

(E) Grantee's construction decisions shall be based solely upon legitimate engineering decisions and shall not take into consideration the income level of any particular community within the Franchise Area.

(F) Grantee shall not be required to obtain permits for construction work related to the connection and disconnection of Subscribers between the distribution plant in the public rights of way and the Subscriber's residence to the extent such work disturbs no more than 20 feet of the public right of way. This provision shall not apply and a permit shall be required in any circumstance where Grantee performs asphalt or concrete cutting or where traffic control will be required.

11.2 Standby Power

Grantee's Cable System Headend shall be capable of providing at least twelve (12) hours of emergency operation. In addition, throughout the term of this Franchise, Grantee shall have a plan in place, along with all resources necessary for implementing such plan, for dealing with outages of more than four (4) hours. This outage plan and evidence of requisite implementation resources shall be presented to the Town no later than thirty (30) days following receipt of a request.

11.3 Emergency Alert Capability

Grantee shall provide an operating Emergency Alert System (“EAS”) throughout the term of this Franchise in compliance with FCC standards.

11.4 Technical Performance

The technical performance of the Cable System shall meet or exceed all applicable federal (including, but not limited to, the FCC), and State technical standards, as they may be amended from time to time, regardless of the transmission technology utilized. The Town shall have the full authority permitted by Applicable Law to enforce compliance with these technical standards.

11.5 Cable System Performance Testing

(A) Grantee shall provide to the Town a copy of its current written process for resolving complaints about the quality of the video programming services signals delivered to Subscriber and shall provide the Town with any amendments or modifications to the process at such time as they are made.

(B) Grantee shall, at Grantee’s expense, maintain all aggregate data of Subscriber complaints related to the quality of the video programming service signals delivered by Grantee in the Town for a period of at least one (1) year, and individual Subscriber complaints from the Town for a period of at least three (3) years and make such information available to the Town upon reasonable request.

(C) Grantee shall maintain written records of all results of its Cable System tests, performed by or for Grantee. Copies of such test results will be provided to the Town upon reasonable request.

(D) Grantee shall perform any tests required by the FCC.

11.6 Additional Tests

Where there exists other evidence which in the judgment of the Grantor casts doubt upon the reliability or technical quality of Cable Service, the Grantor shall have the right and authority to require Grantee to test, analyze and report on the performance of the Cable System. Grantee shall fully cooperate with the Grantor in performing such testing and shall prepare the results and a report, if requested, within thirty (30) days after testing. Such report shall include the following information:

(A) the nature of the complaint or problem which precipitated the special tests;

(B) the Cable System component tested;

(C) the equipment used and procedures employed in testing;

(D) the method, if any, in which such complaint or problem was resolved; and

- (E) any other information pertinent to said tests and analysis which may be required.

SECTION 12. SERVICE AVAILABILITY

12.1 Service Availability

(A) In General. Except as otherwise provided in herein, Grantee shall provide Cable Service within seven (7) days of a request by any Person within the Town. For purposes of this Section, a request shall be deemed made on the date of signing a service agreement, receipt of funds by Grantee, receipt of a written request by Grantee or receipt by Grantee of a verified verbal request. Except as otherwise provided herein, Grantee shall provide such service:

(1) With no line extension charge except as specifically authorized elsewhere in this Franchise Agreement.

(2) At a non-discriminatory installation charge for a standard installation, consisting of a 125-foot drop connecting to an inside wall for Residential Subscribers, with additional charges for non-standard installations computed according to a non-discriminatory methodology for such installations, adopted by Grantee and provided in writing to the Town;

(3) At non-discriminatory monthly rates for Residential Subscribers.

(B) Service to Multiple Dwelling Units. Consistent with this Section 12.1, the Grantee shall offer the individual units of a Multiple Dwelling Unit all Cable Services offered to other Dwelling Units in the Town and shall individually wire units upon request of the property owner or renter who has been given written authorization by the owner; provided, however, that any such offering is conditioned upon the Grantee having legal access to said unit in the form of an access and wiring agreement that is mutually satisfactory to the Grantee and the property owner. The Town acknowledges that the Grantee cannot control the dissemination of particular Cable Services beyond the point of demarcation at a Multiple Dwelling Unit.

(C) Subscriber Charges for Extensions of Service. Grantee agrees to extend its Cable System to all persons living in areas with a residential density of forty (40) residences per mile of Cable System plant. If the residential density is less than forty (40) residences per 5,280 cable-bearing strand feet of trunk or distribution cable, service may be made available on the basis of a capital contribution in aid of construction, including cost of material, labor and easements. For the purpose of determining the amount of capital contribution in aid of construction to be borne by the Grantee and Subscribers in the area in which service may be expanded, the Grantee will contribute an amount equal to the construction and other costs per mile, multiplied by a fraction whose numerator equals the actual number of residences per 5,280 cable-bearing strand feet of its trunk or distribution cable and whose denominator equals forty (40). Subscribers who request service hereunder will bear the remainder of the construction and other costs on a pro rata basis. The Grantee may require that the payment of the capital contribution in aid of construction borne by such potential Subscribers be paid in advance.

SECTION 13. FRANCHISE VIOLATIONS

13.1 Procedure for Remediating Franchise Violations

(A) If the Town reasonably believes that Grantee has failed to perform any obligation under this Franchise or has failed to perform in a timely manner, the Town shall notify Grantee in writing, stating with reasonable specificity the nature of the alleged default. Grantee shall have thirty (30) days from the receipt of such notice to:

(1) respond to the Town, contesting the Town's assertion that a default has occurred, and requesting a meeting in accordance with subsection (B), below;

(2) cure the default; or,

(3) notify the Town that Grantee cannot cure the default within the thirty (30) days, because of the nature of the default. In the event the default cannot be cured within thirty (30) days, Grantee shall promptly take all reasonable steps to cure the default and notify the Town in writing and in detail as to the exact steps that will be taken and the projected completion date. In such case, the Town may set a meeting in accordance with subsection (B) below to determine whether additional time beyond the thirty (30) days specified above is necessary, and whether Grantee's proposed completion schedule and steps are reasonable.

(B) If Grantee does not cure the alleged default within the cure period stated above, or by the projected completion date under subsection (A)(3), or denies the default and requests a meeting in accordance with (A)(1), or the Town orders a meeting in accordance with subsection (A)(3), the Town shall set a meeting to investigate said issues or the existence of the alleged default. The Town shall notify Grantee of the meeting in writing and such meeting shall take place no less than thirty (30) days after Grantee's receipt of notice of the meeting. At the meeting, Grantee shall be provided an opportunity to be heard and to present evidence in its defense.

(C) If, after the meeting, the Town determines that a default exists, the Town shall order Grantee to correct or remedy the default or breach within fifteen (15) days or within such other reasonable time frame as the Town shall determine. In the event Grantee does not cure within such time to the Town's reasonable satisfaction, the Town may:

(1) Withdraw an amount from the letter of credit as monetary damages;

(2) Recommend the revocation of this Franchise pursuant to the procedures in subsection 13.2; or,

(3) Recommend any other legal or equitable remedy available under this Franchise or any Applicable Law.

(D) The determination as to whether a violation of this Franchise has occurred shall be within the discretion of the Town, provided that any such final determination may be subject to appeal to a court of competent jurisdiction under Applicable Law.

(E) It shall not be a violation of this Franchise if Grantee decides, on a company-wide basis, to cease providing Cable Services. Grantee shall provide a minimum of one year's written notice to the Town of the termination date, and upon that date all rights, duties and obligations of this Franchise shall terminate except for those that by their nature, should survive termination.

13.2 Revocation

(A) In addition to revocation in accordance with other provisions of this Franchise, the Town may revoke this Franchise and rescind all rights and privileges associated with this Franchise in the following circumstances, each of which represents a material breach of this Franchise:

(1) If Grantee fails to perform any material obligation under this Franchise or under any other agreement, ordinance or document regarding the Town and Grantee;

(2) If Grantee willfully fails for more than forty-eight (48) hours to provide continuous and uninterrupted Cable Service;

(3) If Grantee attempts to evade any material provision of this Franchise or to practice any fraud or deceit upon the Town or Subscribers; or

(4) If Grantee becomes insolvent, or if there is an assignment for the benefit of Grantee's creditors;

(5) If Grantee makes a material misrepresentation of fact in the application for or negotiation of this Franchise.

(B) Following the procedures set forth in subsection 13.1 and prior to forfeiture or termination of the Franchise, the Town shall give written notice to the Grantee of its intent to revoke the Franchise and set a date for a revocation proceeding. The notice shall set forth the exact nature of the noncompliance.

(C) Any proceeding under the paragraph above shall be conducted by the Town Board of Trustees and open to the public. Grantee shall be afforded at least forty-five (45) days prior written notice of such proceeding.

(1) At such proceeding, Grantee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce evidence, and to question witnesses. A complete verbatim record and transcript shall be made of such proceeding and the cost shall be shared equally between the parties. The Town Board of Trustees shall hear any Persons interested in the revocation, and shall allow Grantee, in particular, an opportunity to state its position on the matter.

(2) Within ninety (90) days after the hearing, the Town Board of Trustees shall determine whether to revoke the Franchise and declare that the Franchise is revoked; or if the breach at issue is capable of being cured by Grantee, direct Grantee to take appropriate remedial action within the time and in the manner and on the terms and conditions that the Town Board of Trustees determines are reasonable under the circumstances. If the Town determines that the Franchise is to be revoked, the Town shall set forth the reasons for such a decision and shall transmit a copy of the decision to the Grantee. Grantee shall be bound by the Town's decision to revoke the Franchise unless it appeals the decision to a court of competent jurisdiction within fifteen (15) days of the date of the decision.

(3) Grantee shall be entitled to such relief as the Court may deem appropriate.

(4) The Town Board of Trustees may at its sole discretion take any lawful action which it deems appropriate to enforce the Town's rights under the Franchise in lieu of revocation of the Franchise.

13.3 Procedures in the Event of Termination or Revocation

(A) If this Franchise expires without renewal after completion of all processes available under this Franchise and federal law or is otherwise lawfully terminated or revoked, the Town may, subject to Applicable Law:

(1) Allow Grantee to maintain and operate its Cable System on a month-to-month basis or short-term extension of this Franchise for not less than six (6) months, unless a sale of the Cable System can be closed sooner or Grantee demonstrates to the Town's satisfaction that it needs additional time to complete the sale; or

(2) Purchase Grantee's Cable System in accordance with the procedures set forth in subsection 13.4, below.

(B) In the event that a sale has not been completed in accordance with subsections (A)(1) and/or (A)(2) above, the Town may order the removal of the above-ground Cable System facilities and such underground facilities from the Town at Grantee's sole expense within a reasonable period of time as determined by the Town. In removing its plant, structures and equipment, Grantee shall refill, at its own expense, any excavation that is made by it and shall leave all Right-of-Way, public places and private property in as good condition as that prevailing prior to Grantee's removal of its equipment without affecting the electrical or telephone cable wires or attachments. The indemnification and insurance provisions shall remain in full force and effect during the period of removal, and Grantee shall not be entitled to, and agrees not to request, compensation of any sort therefore.

(C) If Grantee fails to complete any removal required by subsection 13.3 (B) to the Town's satisfaction, after written notice to Grantee, the Town may cause the work to be done and Grantee shall reimburse the Town for the costs incurred within thirty (30) days after receipt of an itemized list of the costs.

(D) The Town may seek legal and equitable relief to enforce the provisions of this Franchise.

13.4 Purchase of Cable System

(A) If at any time this Franchise is revoked, terminated, or not renewed upon expiration in accordance with the provisions of federal law, the Town shall have the option to purchase the Cable System.

(B) The Town may, at any time thereafter, offer in writing to purchase Grantee's Cable System. Grantee shall have thirty (30) days from receipt of a written offer from the Town within which to accept or reject the offer.

(C) In any case where the Town elects to purchase the Cable System, the purchase shall be closed within one hundred twenty (120) days of the date of the Town's audit of a current profit and loss statement of Grantee. The Town shall pay for the Cable System in cash or certified funds, and Grantee shall deliver appropriate bills of sale and other instruments of conveyance.

(D) For the purposes of this subsection, the price for the Cable System shall be determined as follows:

(1) In the case of the expiration of the Franchise without renewal, at fair market value determined on the basis of Grantee's Cable System valued as a going concern, but with no value allocated to the Franchise itself. In order to obtain the fair market value, this valuation shall be reduced by the amount of any lien, encumbrance, or other obligation of Grantee which the Town would assume.

(2) In the case of revocation for cause, the equitable price of Grantee's Cable System.

13.5 Receivership and Foreclosure

(A) At the option of the Town, subject to Applicable Law, this Franchise may be revoked one hundred twenty (120) days after the appointment of a receiver or trustee to take over and conduct the business of Grantee whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless:

(1) The receivership or trusteeship is vacated within one hundred twenty (120) days of appointment; or

(2) The receivers or trustees have, within one hundred twenty (120) days after their election or appointment, fully complied with all the terms and provisions of this Franchise, and have remedied all defaults under the Franchise. Additionally, the receivers or trustees shall have executed an agreement duly approved by the court having jurisdiction, by which the receivers or trustees assume and agree to be bound by each and every term, provision and limitation of this Franchise.

(B) If there is a foreclosure or other involuntary sale of the whole or any part of the plant, property and equipment of Grantee, the Town may serve notice of revocation on Grantee and to the purchaser at the sale, and the rights and privileges of Grantee under this Franchise shall be revoked thirty (30) days after service of such notice, unless:

(1) The Town has approved the transfer of the Franchise, in accordance with the procedures set forth in this Franchise and as provided by law; and

(2) The purchaser has covenanted and agreed with the Town to assume and be bound by all of the terms and conditions of this Franchise.

13.6 No Monetary Recourse Against the Town

Grantee shall not have any monetary recourse against the Town or its officers, officials, boards, commissions, agents or employees for any loss, costs, expenses or damages arising out of any provision or requirement of this Franchise or the enforcement thereof, in accordance with the provisions of applicable federal, State and local law. The rights of the Town under this Franchise are in addition to, and shall not be read to limit, any immunities the Town may enjoy under federal, State or local law, including but not limited to the Colorado Governmental Immunity Act (C.R.S. § 24-10-101, et. seq.).

13.7 Alternative Remedies

No provision of this Franchise shall be deemed to bar the right of the Town to seek or obtain judicial relief from a violation of any provision of the Franchise or any rule, regulation, requirement or directive promulgated thereunder. Neither the existence of other remedies identified in this Franchise nor the exercise thereof shall be deemed to bar or otherwise limit the right of the Town to recover monetary damages for such violations by Grantee, or to seek and obtain judicial enforcement of Grantee's obligations by means of specific performance, injunctive relief or mandate, or any other remedy at law or in equity.

13.8 Effect of Abandonment

If the Grantee abandons its Cable System during the Franchise term, or fails to operate its Cable System in accordance with its duty to provide continuous service, the Town, at its option, may operate the Cable System; designate another entity to operate the Cable System temporarily until the Grantee restores service under conditions acceptable to the Town, or until the Franchise is revoked and a new franchisee is selected by the Town; or obtain an injunction requiring the Grantee to continue operations. If the Town is required to operate or designate another entity to operate the Cable System, the Grantee shall reimburse the Town or its designee for all reasonable costs, expenses and damages incurred.

13.9 What Constitutes Abandonment

The Town shall be entitled to exercise its options in subsection 13.8 if:

(A) The Grantee fails to provide Cable Service in accordance with this Franchise over a substantial portion of the Franchise Area for four (4) consecutive days, unless the Town authorizes a longer interruption of service; or

(B) The Grantee, for any period, willfully and without cause refuses to provide Cable Service in accordance with this Franchise.

SECTION 14. FRANCHISE RENEWAL AND TRANSFER

14.1 Renewal

(A) The Town and Grantee agree that any proceedings undertaken by the Town that relate to the renewal of the Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, unless the procedures and substantive protections set forth therein shall be deemed to be preempted and superseded by the provisions of any subsequent provision of federal or State law.

(B) In addition to the procedures set forth in said Section 626(a), the Town agrees to notify Grantee of the completion of its assessments regarding the identification of future cable-related community needs and interests, as well as the past performance of Grantee under the then current Franchise term. Notwithstanding anything to the contrary set forth herein, Grantee and Town agree that at any time during the term of the then current Franchise, while affording the public adequate notice and opportunity for comment, the Town and Grantee may agree to undertake and finalize negotiations regarding renewal of the then current Franchise and the Town may grant a renewal thereof. Grantee and Town consider the terms set forth in this subsection to be consistent with the express provisions of Section 626 of the Cable Act.

(C) Should the Franchise expire without a mutually agreed upon renewed Franchise Agreement and Grantee and Grantor are engaged in an informal or formal renewal process, the Franchise shall continue on a month-to-month basis, with the same terms and conditions as provided in the Franchise, and the Grantee and Town shall continue to comply with all obligations and duties under the Franchise.

14.2 Transfer of Ownership or Control

Neither the Grantee nor any other Person may transfer the Cable System or the Franchise without the prior written consent of the Town, which consent shall not be unreasonably withheld or delayed. No transfer of control of the Grantee, defined as an acquisition of 51% or greater ownership interest in Grantee, shall take place without the prior written consent of the Town, which consent shall not be unreasonably withheld or delayed. No consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or in the Cable System in order to secure indebtedness, or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation. Within thirty (30) days of receiving a request for consent, the Town shall, in accordance with FCC rules

and regulations, notify the Grantee in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party. If the Town has not taken final action on the Grantee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed granted.

SECTION 15. SEVERABILITY

If any Section, subsection, paragraph, term or provision of this Franchise is determined to be illegal, invalid or unconstitutional by any court or agency of competent jurisdiction, such determination shall have no effect on the validity of any other Section, subsection, paragraph, term or provision of this Franchise, all of which will remain in full force and effect for the term of the Franchise.

SECTION 16. MISCELLANEOUS PROVISIONS

16.1 Preferential or Discriminatory Practices Prohibited

NO DISCRIMINATION IN EMPLOYMENT. In connection with the performance of work under this Franchise, the Grantee agrees not to refuse to hire, discharge, promote or demote, or discriminate in matters of compensation against any Person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and the Grantee further agrees to insert the foregoing provision in all subcontracts hereunder. Throughout the term of this Franchise, Grantee shall fully comply with all equal employment or non-discrimination provisions and requirements of federal, State and local laws, and in particular, FCC rules and regulations relating thereto.

16.2 Notices

Throughout the term of the Franchise, each party shall maintain and file with the other a local address for the service of notices by mail. All notices shall be sent overnight delivery postage prepaid to such respective address and such notices shall be effective upon the date of mailing. These addresses may be changed by the Town or the Grantee by written notice at any time. At the Effective Date of this Franchise:

Grantee's address shall be:

Comcast of Colorado IX, LLC
8000 E Iliff Ave
Denver, CO 80231
Attn: Government Affairs Dept.

The Town's address shall be:

Town of Silt
Attn: Town Administrator
231 N. 7th Street
PO Box 70
Silt, CO 81652

16.3 Descriptive Headings

The headings and titles of the Sections and subsections of this Franchise are for reference purposes only and shall not affect the meaning or interpretation of the text herein.

16.4 Publication Costs to be Borne by Grantee

Grantee shall reimburse the Town for up to one thousand five hundred dollars (\$1,500) of the costs incurred in publishing this Franchise, if such publication is required.

16.5 Binding Effect

This Franchise shall be binding upon the parties hereto, their permitted successors and assigns.

16.6 No Joint Venture

Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party is authorized to, nor shall either party act toward third Persons or the public in any manner which would indicate any such relationship with the other.

16.7 Waiver

The failure of the Town at any time to require performance by the Grantee of any provision hereof shall in no way affect the right of the Town hereafter to enforce the same. Nor shall the waiver by the Town of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself or any other provision.

16.8 Reasonableness of Consent or Approval

Whenever under this Franchise “reasonableness” is the standard for the granting or denial of the consent or approval of either party hereto, such party shall be entitled to consider public and governmental policy, moral and ethical standards as well as business and economic considerations.

16.9 Entire Agreement

This Franchise and all Exhibits represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersede all prior oral negotiations between the parties.

16.10 Jurisdiction

Venue for any judicial dispute between the Grantor and Grantee arising under or out of this Franchise shall be in Garfield County Court, Colorado, or in the United States District Court in Denver.

16.11 Approval by Town Board of Trustees

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, this Franchise is signed in the name of the Town of Silt, Colorado this ___ day of _____, 2023.

ATTEST:

TOWN OF SILT, COLORADO:

Town Clerk

Mayor

APPROVED AS TO FORM:

RECOMMENDED AND APPROVED:

Town Attorney

Town Manager

Accepted and approved this ____ day of _____, 2023.

COMCAST OF COLORADO IX, LLC

By: _____

Its: _____

EXHIBIT A

Report Form

Comcast
 Quarterly Executive Summary - Escalated Complaints
 Section 7.3 (B) of our Franchise Agreement
 Quarter Ending _____, Year
Town of Silt, Colorado

<u>Type of Complaint</u>	<u>Number of Calls</u>
Accessibility	0
Billing, Credit and Refunds	0
Courtesy	0
Drop Bury	0
Installation	0
Notices/Easement Issues (Non-Rebuild)	0
Pedestal	0
Problem Resolution	0
Programming	0
Property Damage (Non-Rebuild)	0
Rates	0
Rebuild/Upgrade Damage	0
Rebuild/Upgrade Notices/Easement Issues	0
Reception/Signal Quality	0
Safety	0
Service and Install Appointments	0
Service Interruptions	0
Serviceability	0
<u>TOTAL</u>	0

Compliments

BOARD OF TRUSTEES REGULAR MEETING
April 24, 2023

AGENDA ITEM SUMMARY

SUBJECT: Real Estate Offer

PROCEDURE: Public Hearing

BACKGROUND OF SUBJECT MATTER:

The Town owned property at 1555 River Frontage Road is listed for sale with realtor Joe Carpenter. You will recall that we set the sale price of this lot at \$299,000 last July. After Mr. Carpenter received a full price offer for the property, the Board heard from the potential buyers as to what they planned to do with the property, directed Staff to negotiate a sales contract and at the last meeting approved Ordinance No. 2, Series of 2023 on first reading.

SUMMARY:

Mr. Carpenter introduced the potential buyers to the Board on March 27. They presented the attached power point document. After an executive session conversation, the Board, back in the regular meeting, directed Staff to negotiate terms that would compel the buyer to develop the property into a sales tax generating business as soon as possible.

Accordingly, Town Attorney Jim New drafted an Option Agreement as a condition of the Real Estate Contract and Closing on the sale of the Property. Buyer states in the Contract that they will commence construction within 180 days of Closing. To enforce that post-Closing requirement, the Option Agreement states that if no building permit is issued and water and sewer taps paid after 180 days of Closing, the Town, at its option and in its sole discretion, can repurchase the Property for the same Purchase Price. That Option remains in effect for 2 years after Closing.

After passage of the ordinance on first reading, the parcel is now under contract, subject to the Board passing the ordinance on second reading. The potential buyer has tendered earnest money.

RECOMMENDATION: Discussion with Trustees, realtor, attorney, staff

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jim Neu

TOWN ATTORNEY REVIEW: / X / Yes / / No JSN

DOCUMENTS ATTACHED:

1. Real Estate Contract w/ Option Agreement
2. Option Agreement
3. Power Point Presentation

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:


Sheila McIntyre, Town Clerk

**TOWN OF SILT, COLORADO
ORDINANCE NO. 2
SERIES OF 2023**

AN ORDINANCE OF THE TOWN OF SILT, COLORADO, APPROVING THE SALE OF TOWN OWNED PROPERTY LOCATED AT 1555 RIVER FRONTAGE ROAD WHICH IS UNNEEDED FOR ANY GOVERNMENTAL PURPOSE.

WHEREAS, the Board of Trustees (“Board”) of the Town of Silt (“Town”) has the power pursuant to C.R.S. § 31-15-103 to make and publish ordinances for carrying into effect certain powers and duties that are necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort and convenience of the Town and the inhabitants thereof; and

WHEREAS, the Board has the power pursuant to C.R.S. §§ 31-15-101(d) and 31-15-713(1)(b) to sell and dispose of, by ordinance, real property owned by the Town and not used or held for any governmental purpose; and

WHEREAS, Section 10-1 of the Town’s Home Rule Charter (“Charter”) grants the Town full authority, power and control over all Town-owned property, including the power and authority to sell such property; and

WHEREAS, pursuant to Section 1-2(a) of the Charter, the Board of Trustees (“Board”) of the Town of Silt has the power to dispose of real property and may enter into such contracts as necessary, convenient or appropriate; and

WHEREAS, Section 1-6 of the Charter provides that the Board’s disposition of any municipally-owned real estate shall be by ordinance; and

WHEREAS, the Town is the owner of real property located at 1555 River Frontage Road, Silt, Colorado with a legal description of Parcel A, Town of Silt Minor Subdivision According to the plat thereof recorded September 8, 2006 as Reception No. 70648 with the Garfield County Clerk and Recorder (the “Property”); and

WHEREAS, the Board has determined that it is in the best interest of the Town to sell the Property; and

WHEREAS, the Town has negotiated a Contract to Buy and Sell Real Estate for the Property (the “Contract”) with the Buyer, Silt Energy Development, LLC. Such Contract is attached hereto as **Exhibit 1**, and incorporated herein by reference; and

WHEREAS, the Contract is contingent on the Board’s approval of the Contract; and

WHEREAS, the Board has reviewed the Contract and desires to approve it; 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 Board considered this ordinance; and

WHEREAS, the Board has determined that the adoption of this ordinance 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 Board hereby approves the sale of the Property pursuant to the terms of the Contract to Buy and Sell Real Estate, attached hereto as Exhibit 1.

SECTION 2

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 following a public hearing, this 10th day of April 2023 at 7:00 PM in the municipal building of the Town of Silt, Colorado.

PASSED, APPROVED ON SECOND READING, ADOPTED AND ORDERED PUBLISHED IN FULL following a public hearing this 24th day of April 2023.

TOWN OF SILT

ATTEST:

Mayor

Town Clerk Sheila M. McIntyre, CMC

Exhibit 1
Contract to Buy and Sell Real Estate
(See Attached)



Market Trends Real Estate
 PO Box 983 Silt, CO 81652
 Joe Carpenter
 joe@MarketTrendsRE.com
 Ph: 970-309-0910

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS4-6-21) (Mandatory 1-22)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

**CONTRACT TO BUY AND SELL REAL ESTATE
 (LAND)
 Property with No Residences)
 Property with Residences-Residential Addendum Attached)**

Date: 3/31/2023

AGREEMENT

1. **AGREEMENT.** Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. **PARTIES AND PROPERTY.**

2.1. **Buyer.** Silt Energy Development LLC (Buyer) will take title to the Property described below as Joint Tenants Tenants In Common Other limited liability company.

2.2. **No Assignability.** This Contract **IS NOT** assignable by Buyer unless otherwise specified in **Additional Provisions.**

2.3. **Seller.** Town of Silt (Seller) is the current owner of the Property described below.

2.4. **Property.** The Property is the following legally described real estate in the County of Garfield, Colorado (insert legal description):

Parcel A Town of Silt Minor Subdivision According to the plat thereof recorded September 8, 2006 as Reception No. 70648

known as: 1555 River Frontage Road, Silt, CO 81652

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. **Inclusions.** The Purchase Price includes the following items (Inclusions):

2.5.1. **Inclusions.** The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under **Exclusions:**

None

If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. **Encumbered Inclusions.** Any Inclusions owned by Seller (i.e., owned solar panels) must be conveyed at Closing by Seller free and clear of all taxes (except personal property and general real estate taxes for the year of Closing), liens and encumbrances, except:

None

2.5.3. **Personal Property Conveyance.** Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

Initials _____

58 **2.5.4. Leased Items.** The following personal property is currently leased to Seller which will be
59 transferred to Buyer at Closing (Leased Items):

60 None

61 **2.6. Exclusions.** The following items are excluded (Exclusions):

62 Lighted sign on Property and all appliances and equipment related thereto.

63 **2.7. Water Rights, Well Rights, Water and Sewer Taps.**

64 **2.7.1. Deeded Water Rights.** The following legally described water rights:

65 None

66 Any deeded water rights will be conveyed by a good and sufficient n/a deed at Closing.

67 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§
68 2.7.1., 2.7.3., 2.7.4. and 2.7.5., will be transferred to Buyer at Closing:

69 None

70 **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer
71 understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well"
72 used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership
73 form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in
74 the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for
75 the well and pay the cost of registration. If no person will be providing a closing service in connection with the
76 transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is
77 n/a.

78 **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are as
79 follows:

80 None

81 **2.7.5. Water and Sewer Taps.** The parties agree that water and sewer taps listed below for the
82 Property are being conveyed as part of the Purchase Price as follows:

83 None

84 **If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider,
85 written confirmation of the amount remaining to be paid, if any, time and other restrictions for
86 transfer and use of the taps.**

87 **2.7.6. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2. (Other Rights
88 Relating to Water), § 2.7.3. (Well Rights), § 2.7.4. (Water Stock Certificates), or § 2.7.5. (Water and Sewer
89 Taps), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

90 **2.7.7. Water Rights Review.** Buyer **Does** **Does Not** have a Right to Terminate if
91 examination of the Water Rights is unsatisfactory to Buyer on or before the **Water Rights Examination
92 Deadline.**

93 **2.8. Growing Crops.** With respect to growing crops, Seller and Buyer agree as follows:

94 None

100
101 **3. DATES, DEADLINES AND APPLICABILITY.**

102 **3.1. Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
1	§ 3	Time of Day Deadline	5:00 PM Mountain Time
2	§ 4	Alternative Earnest Money Deadline	7 days after MEC
		Title	
3	§ 8	Record Title Deadline (and Tax Certificate)	14 days after MEC
4	§ 8	Record Title Objection Deadline	60 days after MEC
5	§ 8	Off-Record Title Deadline	30 days after MEC

Initials _____

116	6	§ 8	Off-Record Title Objection Deadline	<i>60 days after MEC</i>
117				
118	7	§ 8	Title Resolution Deadline	<i>90 days after MEC</i>
119				
120	8	§ 8	Third Party Right to Purchase/Approve Deadline	<i>n/a</i>
121			Owners' Association	
122	9	§ 7	Association Documents Deadline	<i>N/A</i>
123				
124	10	§ 7	Association Documents Termination Deadline	<i>N/A</i>
125			Seller's Disclosures	
126				
127	11	§ 10	Seller's Property Disclosure Deadline	<i>30 days after MEC</i>
128				
129	12	§ 10	Lead-Based Paint Disclosure Deadline (if Residential Addendum attached)	<i>n/a</i>
130				
131			Loan and Credit	
132	13	§ 5	New Loan Application Deadline	<i>n/a</i>
133				
134	14	§ 5	New Loan Terms Deadline	<i>n/a</i>
135				
136	15	§ 5	New Loan Availability Deadline	<i>n/a</i>
137	16	§ 5	Buyer's Credit Information Deadline	<i>n/a</i>
138				
139	17	§ 5	Disapproval of Buyer's Credit Information Deadline	<i>n/a</i>
140				
141	18	§ 5	Existing Loan Deadline	<i>n/a</i>
142	19	§ 5	Existing Loan Termination Deadline	<i>n/a</i>
143				
144	20	§ 5	Loan Transfer Approval Deadline	<i>n/a</i>
145	21	§ 4	Seller or Private Financing Deadline	<i>n/a</i>
146			Appraisal	
147				
148	22	§ 6	Appraisal Deadline	<i>n/a</i>
149	23	§ 6	Appraisal Objection Deadline	<i>n/a</i>
150	24	§ 6	Appraisal Resolution Deadline	<i>n/a</i>
151				
152			Survey	
153	25	§ 9	New ILC or New Survey Deadline	<i>75 days after MEC</i>
154	26	§ 9	New ILC or New Survey Objection Deadline	<i>90 days after MEC</i>
155	27	§ 9	New ILC or New Survey Resolution Deadline	<i>120 days after MEC</i>
156				
157			Inspection and Due diligence	
158				
159	28	§ 2	Water Rights Examination Deadline	<i>n/a</i>
160	29	§ 8	Mineral Rights Examination Deadline	<i>n/a</i>
161				
162	30	§ 10	Inspection Termination Deadline	<i>120 days after MEC</i>
163	31	§ 10	Inspection Objection Deadline	<i>90 days after MEC</i>
164	32	§ 10	Inspection Resolution Deadline	<i>120 days after MEC</i>
165	33	§ 10	Property Insurance Termination Deadline	<i>n/a</i>
166	34	§ 10	Due Diligence Documents Delivery Deadline	<i>60 days after MEC</i>
167	35	§ 10	Due Diligence Documents Objection Deadline	<i>90 days after MEC</i>
168	36	§ 10	Due Diligence Documents Resolution Deadline	<i>120 days after MEC</i>
169	37	§ 10	Environmental Inspection Termination Deadline	<i>120 days after MEC</i>
170				
171				
172				
173				
174				

Initials _____

175	38	§ 10	ADA Evaluation Termination Deadline	<i>n/a</i>
176	39	§ 10	Conditional Sale Deadline	<i>n/a</i>
177				
178	40	§ 10	Lead-Based Paint Termination Deadline (if Residential Addendum attached)	<i>n/a</i>
179				
180	41	§ 11	Estoppel Statements Deadline	<i>n/a</i>
181				
182	42	§ 11	Estoppel Statements Termination Deadline	<i>n/a</i>
183			Closing and Possession	
184				
185	43	§ 12	Closing Date	<i>See §29 Addition Provisions</i>
186				
187	44	§ 17	Possession Date	<i>Date of Closing</i>
188				
189	45	§ 17	Possession Time	<i>Immediately after Closing</i>
190				
191	46	§ 27	Acceptance Deadline Date	<i>4/11/2023</i> Tuesday
192	47	§ 27	Acceptance Deadline Time	<i>5:00 PM Mountain Time</i>
193	48	§ 29	<i>Final Seller Approval Deadline</i>	<i>5/9/2023</i> Tuesday
194				
195	49	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

196 **3.2. Applicability of Terms.** If any deadline blank in § 3.1. (Dates and Deadlines) is left blank or
 197 completed with "N/A", or the word "Deleted," such deadline is not applicable and the corresponding provision
 198 containing the deadline is deleted. Any box checked in this Contract means the corresponding provision
 199 applies. If no box is checked in a provision that contains a selection of "None", such provision means that
 200 "None" applies.
 201

202 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have
 203 signed this Contract. The abbreviation "N/A" as used in this Contract means not applicable.
 204

205 **3.3. Day; Computation of Period of Days; Deadlines.**

206 **3.3.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m.,
 207 United States Mountain Time (Standard or Daylight Savings, as applicable). Except however, if a **Time of**
 208 **Day Deadline** is specified in § 3.1. (Dates and Deadlines), all Objection Deadlines, Resolution Deadlines,
 209 Examination Deadlines and Termination Deadlines will end on the specified deadline date at the time of day
 210 specified in the **Time of Day Deadline**, United States Mountain Time. If **Time of Day Deadline** is left blank
 211 or "N/A" the deadlines will expire at 11:59 p.m., United States Mountain Time.
 212

213 **3.3.2. Computation of Period of Days.** In computing a period of days (e.g., three days after
 214 MEC), when the ending date is not specified, the first day is excluded and the last day is included.

215 **3.3.3. Deadlines.** If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday
 216 (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or
 217 Holiday. Should neither box be checked, the deadline will not be extended.
 218

219 **4. PURCHASE PRICE AND TERMS.**

220 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as
 221 follows:
 222

Item No.	Reference	Item	Amount	Amount
225	1	§ 4.1.	Purchase Price	\$ 299,000.00
226	2	§ 4.3.	Earnest Money	\$ 30,000.00
227	3	§ 4.5.	New Loan	\$
228	4	§ 4.6.	Assumption Balance	\$
229	5	§ 4.7.	Private Financing	\$
230	6	§ 4.7.	Seller Financing	\$

Initials _____

233	7	n/a	n/a		\$
234					
235	8	n/a	n/a		\$
236	9	§ 4.4.	Cash at Closing		\$ 269,000.00
237					
238	10		Total	\$ 299,000.00	\$ 299,000.00

239 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$n/a (Seller Concession). The Seller
240 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed
241 by the Buyer's lender and is included in the Closing Statement or Closing Disclosure at Closing. Examples of
242 allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's closing costs,
243 loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or
244 expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere
245 in this Contract.
246

247 **4.3. Earnest Money.** The Earnest Money set forth in this Section, in the form of a **Good Funds**, will
248 be payable to and held by **Commonwealth Title** (Earnest Money Holder), in its trust account, on behalf of
249 both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the
250 parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize
251 delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at
252 or before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money
253 deposits transferred to a fund established for the purpose of providing affordable housing to Colorado
254 residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money
255 deposited with the Earnest Money Holder in this transaction will be transferred to such fund.
256

257 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if
258 other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

259 **4.3.2. Disposition of Earnest Money.** If Buyer has a Right to Terminate and timely terminates,
260 Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as
261 set forth in § 24 and, except as provided in § 23 (Earnest Money Dispute), if the Earnest Money has not
262 already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer
263 or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three
264 days of Seller's receipt of such form. If Seller is entitled to the Earnest Money, and, except as provided in §
265 23 (Earnest Money Dispute), if the Earnest Money has not already been paid to Seller, following receipt of an
266 Earnest Money Release form, Buyer agrees to execute and return to Seller or Broker working with Seller,
267 written mutual instructions (e.g., Earnest Money Release form), within three days of Buyer's receipt.
268

269 **4.3.2.1. Seller Failure to Timely Return Earnest Money.** If Seller fails to timely execute
270 and return the Earnest Money Release Form, or other written mutual instructions, Seller is in default and
271 liable to Buyer as set forth in "If Seller is in Default", § 20.2. and § 21, unless Seller is entitled to the
272 Earnest Money due to a Buyer default.
273

274 **4.3.2.2. Buyer Failure to Timely Release Earnest Money.** If Buyer fails to timely execute
275 and return the Earnest Money Release Form, or other written mutual instructions, Buyer is in default and
276 liable to Seller as set forth in "If Buyer is in Default, § 20.1. and § 21, unless Buyer is entitled to the Earnest
277 Money due to a Seller Default.

278 **4.4. Form of Funds; Time of Payment; Available Funds.**

279 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds,
280 Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including
281 electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).
282

283 **4.4.2. Time of Payment.** All funds, including the Purchase Price to be paid by Buyer, must be
284 paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by
285 Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT.**

286 **4.4.3. Available Funds.** Buyer represents that Buyer, as of the date of this Contract, **Does**
287 **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount
288 stated as Cash at Closing in § 4.1.
289

290 **4.5. New Loan.** (Omitted as inapplicable)

- 291 4.6. **Assumption.** (Omitted as inapplicable)
292
293 4.7. **Seller or Private Financing.** (Omitted as inapplicable)
294

295 **TRANSACTION PROVISIONS**
296
297

298 5. **FINANCING CONDITIONS AND OBLIGATIONS.** (Omitted as inapplicable)
299

- 300 5.3. **Credit Information.** (Omitted as inapplicable)
301 5.4. **Existing Loan Review.** (Omitted as inapplicable)
302

303 6. **APPRAISAL PROVISIONS.**

304 6.1. **Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified
305 appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised
306 Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs
307 necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.
308

309 6.2. **Appraised Value.** The applicable appraisal provision set forth below applies to the respective
310 loan type set forth in § 4.5.3., or if a cash transaction (i.e., no financing), § 6.2.1. applies.

311 6.2.1. **Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value is
312 less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline**
313 Buyer may, on or before **Appraisal Objection Deadline**:

314 6.2.1.1. **Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract
315 is terminated; or

316 6.2.1.2. **Appraisal Objection.** Deliver to Seller a written objection accompanied by either a
317 copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the
318 Purchase Price (Lender Verification).
319

320 6.2.1.3. **Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or before
321 **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
322 or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution**
323 **Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such
324 termination, (i.e., on or before expiration of **Appraisal Resolution Deadline**).
325

326 6.3. **Lender Property Requirements.** If the lender imposes any written requirements, replacements,
327 removals or repairs, including any specified in the Appraisal (Lender Property Requirements) to be made to
328 the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract,
329 this Contract terminates on the earlier of three days following Seller's receipt of the Lender Property
330 Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy
331 the Lender Property Requirements; (2) the Lender Property Requirements have been completed; or (3) the
332 satisfaction of the Lender Property Requirements is waived in writing by Buyer.

333 6.4. **Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be
334 timely paid by Buyer Seller. The cost of the Appraisal may include any and all fees paid to the
335 appraiser, appraisal management company, lender's agent or all three.
336

337 7. **OWNERS' ASSOCIATIONS.** This Section is applicable if the Property is located within one or more
338 Common Interest Communities and subject to one or more declarations (Association).
339

340 7.1. **Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**
341 **COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.**
342 **THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'**
343 **ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND**
344 **REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND**
345 **REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY,**
346 **INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES**
347 **NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY**
348 **AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND**
349

350 REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE
351 PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF
352 THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY
353 WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL
354 OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ
355 THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF
356 THE ASSOCIATION.

357 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
358 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline**. Seller
359 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
360 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association
361 Documents, regardless of who provides such documents.
362

363 **7.3. Association Documents.** Association documents (Association Documents) consist of the
364 following:

365 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization,
366 operating agreements, rules and regulations, party wall agreements and the Association's responsible
367 governance policies adopted under § 38-33.3-209.5, C.R.S.;

368 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or
369 managers' meetings; such minutes include those provided under the most current annual disclosure required
370 under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
371 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
372 minutes, if any (§§ 7.3.1. and 7.3.2., collectively, Governing Documents); and
373

374 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
375 Disclosure, including, but not limited to, property, general liability, association director and officer professional
376 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
377 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);
378

379 **7.3.4.** A list by unit type of the Association's assessments, including both regular and special
380 assessments as disclosed in the Association's last Annual Disclosure;

381 **7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's
382 operating budget for the current fiscal year, (2) the Association's most recent annual financial statements,
383 including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual
384 Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the
385 fees and charges (regardless of name or title of such fees or charges) that the Association's community
386 association manager or Association will charge in connection with the Closing including, but not limited to,
387 any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or
388 update fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record
389 Change Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves
390 or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4. and 7.3.5., collectively, Financial
391 Documents);
392

393 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under §
394 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
395 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's
396 obligation to disclose adverse material facts as required under § 10.2. (Disclosure of Adverse Material Facts;
397 Subsequent Disclosure; Present Condition) including any problems or defects in the common elements or
398 limited common elements of the Association property.
399

400 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents.
401 Buyer has the Right to Terminate under § 24.1., on or before **Association Documents Termination**
402 **Deadline**, based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole
403 subjective discretion. Should Buyer receive the Association Documents after **Association Documents**
404 **Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate
405 received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does
406 not receive the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be
407

received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the provisions of § 8.6. (Third Party Right to Purchase/Approve).

8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.

8.1. Evidence of Record Title.

8.1.1. Seller Selects Title Insurance Company. If this box is checked, Seller will select the title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price, or if this box is checked, an **Abstract of Title** certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as soon as practicable at or after Closing.

8.1.2. Buyer Selects Title Insurance Company. If this box is checked, Buyer will select the title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price.

If neither box in § 8.1.1. or § 8.1.2. is checked, § 8.1.1. applies.

8.1.3. Owner's Extended Coverage (OEC). The Title Commitment **Will** **Will Not** contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by **Buyer** **Seller** **One-Half by Buyer and One-Half by Seller** **Other** *n/a*.

Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.7. (Right to Object to Title, Resolution).

8.1.4. Title Documents. Title Documents consist of the following: (1) copies of any plats, declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title Documents).

8.1.5. Copies of Title Documents. Buyer must receive, on or before **Record Title Deadline**, copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the party or parties obligated to pay for the owner's title insurance policy.

8.1.6. Existing Abstracts of Title. Seller must deliver to Buyer copies of any abstracts of title covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title Deadline**.

8.2. Record Title. Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the Title Documents as set forth in § 8.7. (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the

466 Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this
467 § 8.2. (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to
468 Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all
469 documents required by § 8.1. (Evidence of Record Title) and Seller does not receive Buyer's Notice to
470 Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts the condition
471 of title as disclosed by the Abstract of Title, Title Commitment and Title Documents as satisfactory.

473 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
474 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
475 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
476 other title matters not shown by public records, of which Seller has actual knowledge (Off-Record Matters).
477 This Section excludes any **New ILC** or **New Survey** governed under § 9 (New ILC, New Survey). Buyer has
478 the right to inspect the Property to investigate if any third party has any right in the Property not shown by
479 public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to
480 Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed
481 by such inspection, notwithstanding § 8.2. (Record Title) and § 13 (Transfer of Title), in Buyer's sole
482 subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an
483 Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of
484 Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives
485 Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3. (Off-Record Title), any title
486 objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title, Resolution). If
487 Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline
488 specified above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not
489 shown by public records of which Buyer has actual knowledge.

491 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL**
492 **OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES**
493 **ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS**
494 **MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING**
495 **OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A**
496 **DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES.**
497 **BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS**
498 **LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF**
499 **TAXES DUE FOR THE PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD**
500 **OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY**
501 **ASSESSOR.**

503 **8.5. Tax Certificate.** A tax certificate paid for by Seller Buyer, for the Property listing any
504 special taxing districts that affect the Property (Tax Certificate) must be delivered to Buyer on or before
505 **Record Title Deadline**. If the Property is located within a special taxing district and such inclusion is
506 unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may terminate, on or before **Record Title**
507 **Objection Deadline**. Should Buyer receive the Tax Certificate after **Record Title Deadline**, Buyer, at Buyer's
508 option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or
509 before ten days after Buyer's receipt of the Tax Certificate. If Buyer does not receive the Tax Certificate, or if
510 Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing Date**, Buyer's
511 Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice
512 to Terminate within such time, Buyer accepts the provisions of the Tax Certificate and the inclusion of the
513 Property in a special taxing district, if applicable, as satisfactory and Buyer waives any Right to Terminate
514 under this provision. If Buyer's loan specified in §4.5.3. (Loan Limitations) prohibits Buyer from paying for the
515 Tax Certificate, the Tax Certificate will be paid for by Seller.

518 **8.6. Third Party Right to Purchase/Approve.** If any third party has a right to purchase the Property
519 (e.g., right of first refusal on the Property, right to purchase the Property under a lease or an option held by a
520 third party to purchase the Property) or a right of a third party to approve this Contract, Seller must promptly
521 submit this Contract according to the terms and conditions of such right. If the third-party holder of such right
522 exercises its right this Contract will terminate. If the third party's right to purchase is waived explicitly or
523 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
524

525 notify Buyer in writing of the foregoing. If the third party right to purchase is exercised or approval of this
526 Contract has not occurred on or before **Third Party Right to Purchase/Approve Deadline**, this Contract will
527 then terminate. Seller will supply to Buyer, in writing, details of any Third Party Right to Purchase the
528 Property on or before the Record Title Deadline.

529 **8.7. Right to Object to Title, Resolution.** Buyer has a right to object or terminate, in Buyer's sole
530 subjective discretion, based on any title matters including those matters set forth in § 8.2. (Record Title), §
531 8.3. (Off-Record Title), § 8.5. (Special Taxing District) and § 13 (Transfer of Title). If Buyer exercises Buyer's
532 rights to object or terminate based on any such title matter, on or before the applicable deadline, Buyer has
533 the following options:
534

535 **8.7.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title
536 matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not
537 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on
538 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's
539 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
540 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
541 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2. (Record Title) or § 8.3.
542 (Off-Record Title) the Title Resolution Deadline also will be automatically extended to the earlier of Closing or
543 fifteen days after Buyer's receipt of the applicable documents; or
544

545 **8.7.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under §
546 24.1., on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
547 subjective discretion.

548 **8.8. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and
549 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the
550 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,
551 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of
552 easements, leases and other unrecorded agreements, water on or under the Property and various laws and
553 governmental regulations concerning land use, development and environmental matters.
554

555 **8.8.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
556 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
557 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
558 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL,**
559 **GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
560 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF**
561 **THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**

562 **8.8.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
563 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
564 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
565 **COUNTY CLERK AND RECORDER.**
566

567 **8.8.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
568 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
569 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
570 **PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING**
571 **FACILITIES.**

572 **8.8.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
573 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,**
574 **INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE**
575 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**
576

577 **8.8.5. Title Insurance Exclusions.** Matters set forth in this Section and others, may be
578 excepted, excluded from, or not covered by the owner's title insurance policy.

579 **8.9. Mineral Rights Review.** Buyer **Does** **Does Not** have a Right to Terminate if examination of
580 the Mineral Rights is unsatisfactory to Buyer on or before the **Mineral Rights Examination Deadline**.
581
582

583 **9. NEW ILC, NEW SURVEY.**

584 **9.1. New ILC or New Survey.** If the box is checked, (1) **New Improvement Location Certificate**
585 **(New ILC)**; or, (2) **New Survey** in the form of as specified by title insurance company; is required
586 and the following will apply:

587 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New
588 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
589 certified and updated as of a date after the date of this Contract.

590 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on
591 or before Closing, by: **Seller** **Buyer** or:
592 n/a
593

594 **9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or
595 the provider of the opinion of title if an Abstract of Title) and Broker will receive a New ILC or New Survey
596 on or before **New ILC or New Survey Deadline**.

597 **9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by
598 the surveyor to all those who are to receive the New ILC or New Survey.

599 **9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a
600 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller
601 or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective
602 discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

603 **9.3. New ILC or New Survey Objection.** Buyer has the right to review and object based on the New
604 ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to
605 Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection**
606 **Deadline**, notwithstanding § 8.3. or § 13:

607 **9.3.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract is
608 terminated; or

609 **9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter
610 that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer
611 requires Seller to correct.

612 **9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received
613 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not
614 agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this
615 Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller
616 receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination (i.e., on
617 or before expiration of **New ILC or New Survey Resolution Deadline**).

622 **DISCLOSURE, INSPECTION AND DUE DILIGENCE**

623 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND**
624 **SOURCE OF WATER.**

625 **10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller
626 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
627 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date
628 of this Contract.

629 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller
630 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
631 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
632 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
633 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
634 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer
635 acknowledges that Seller is conveying the Property to Buyer in an "**As Is**" condition, "**Where Is**" and "**With All**
636 **Faults.**"
637
638
639
640

641 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
642 to have inspections (by one or more third parties, personally or both) of the Property, Leased Items, and
643 Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not
644 limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other
645 mechanical systems of the Property, (2) the physical condition of the Inclusions and Leased Items, (3) service
646 to the Property (including utilities and communication services), systems and components of the Property
647 (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or
648 (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the
649 Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may:

651 **10.3.1. Inspection Termination.** On or before the **Inspection Termination Deadline**, notify
652 Seller in writing, pursuant to § 24.1., that this Contract is terminated due to any unsatisfactory condition,
653 provided the Buyer did not previously deliver an Inspection Objection. Buyer's Right to Terminate under this
654 provision expires upon delivery of an Inspection Objection to Seller pursuant to § 10.3.2.; or

656 **10.3.2. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to
657 Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct.

658 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
659 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
660 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
661 unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination (i.e., on
662 or before expiration of **Inspection Resolution Deadline**). Nothing in this provision prohibits the Buyer and
663 the Seller from mutually terminating this Contract before the Inspection Resolution Deadline passes by
664 executing an Earnest Money Release.

666 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
667 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
668 engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that
669 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
670 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
671 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
672 such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by
673 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
674 Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
675 termination of this Contract. This § 10.4. does not apply to items performed pursuant to an Inspection
676 Resolution.

678 **10.5. Insurability.** Buyer has the Right to Terminate under § 24.1., on or before **Property Insurance**
679 **Termination Deadline**, based on any unsatisfactory provision of the availability, terms and conditions and
680 premium for property insurance (Property Insurance) on the Property, in Buyer's sole subjective discretion.

681 **10.6. Due Diligence.**

682 **10.6.1. Due Diligence Documents.** Seller agrees to deliver copies of the following documents
683 and information pertaining to the Property and Leased Items (Due Diligence Documents) to Buyer on or
684 before **Due Diligence Documents Delivery Deadline**:

686 **10.6.1.1. Occupancy Agreements.** All current leases, including any amendments or other
687 occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining
688 to the Property that survive Closing are as follows (Leases):

689 [Lighted sign for Holiday Inn Express](#)

690 **10.6.1.2. Leased Items Documents.** If any lease of personal property (§ 2.5.4., Leased
691 Items) will be transferred to Buyer at Closing, Seller agrees to deliver copies of the leases and information
692 pertaining to the personal property to Buyer on or before **Due Diligence Documents Delivery Deadline**.
693 Buyer **Will** **Will Not** assume the Seller's obligations under such leases for the Leased Items (§ 2.5.4.,
694 Leased Items).

697 **10.6.1.3. Encumbered Inclusions Documents.** If any Inclusions owned by Seller are
698 encumbered pursuant to § 2.5.2. (Encumbered Inclusions) above, Seller agrees to deliver copies of the
699

700 evidence of debt, security and any other documents creating the encumbrance to Buyer on or before **Due**
701 **Diligence Documents Delivery Deadline**. Buyer **Will** **Will Not** assume the debt on the Encumbered
702 Inclusions (§ 2.5.2., Encumbered Inclusions).

703 **10.6.1.4. Other Documents.** If the respective box is checked, Seller agrees to additionally
704 deliver copies of the following:

705 **10.6.1.4.1.** All contracts relating to the operation, maintenance and management of the
706 Property;

707 **10.6.1.4.2.** Property tax bills for the last *n/a* years;

708 **10.6.1.4.3.** As-built construction plans to the Property and the tenant improvements,
709 including architectural, electrical, mechanical and structural systems; engineering reports; and permanent
710 Certificates of Occupancy, to the extent now available;

711 **10.6.1.4.4.** A list of all Inclusions to be conveyed to Buyer;

712 **10.6.1.4.5.** Operating statements for the past *n/a* years;

713 **10.6.1.4.6.** A rent roll accurate and correct to the date of this Contract;

714 **10.6.1.4.7.** A schedule of any tenant improvement work Seller is obligated to complete
715 but has not yet completed and capital improvement work either scheduled or in process on the date of this
716 Contract;

717 **10.6.1.4.8.** All insurance policies pertaining to the Property and copies of any claims
718 which have been made for the past *n/a* years;

719 **10.6.1.4.9.** Soils reports, surveys and engineering reports or data pertaining to the
720 Property (if not delivered earlier under § 8.3.);

721 **10.6.1.4.10.** Any and all existing documentation and reports regarding Phase I and II
722 environmental reports, letters, test results, advisories and similar documents respective to the existence or
723 nonexistence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances and/or
724 underground storage tanks and/or radon gas. If no reports are in Seller's possession or known to Seller,
725 Seller warrants that no such reports are in Seller's possession or known to Seller;

726 **10.6.1.4.11.** Any *Americans with Disabilities Act* reports, studies or surveys concerning
727 the compliance of the Property with said Act;

728 **10.6.1.4.12.** All permits, licenses and other building or use authorizations issued by any
729 governmental authority with jurisdiction over the Property and written notice of any violation of any such
730 permits, licenses or use authorizations, if any; and

731 **10.6.1.4.13.** Other:

732 **The delivery of all indicated Selected Documents pertaining to Section 10.6.1.4 and**
733 **subsections thereof are limited to those that currently exist and are in Seller's possession.**
734

735 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
736 object based on the Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or
737 are unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
738 **Objection Deadline**:

739 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract
740 is terminated; or

741 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of
742 any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

743 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection
744 is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller
745 have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution**
746 **Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller
747 receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination (i.e.,
748 on or before expiration of **Due Diligence Documents Resolution Deadline**).

749 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 24.1., on or before **Due Diligence**
750 **Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by
751 any governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.
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758 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental
759 inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable.
760 Seller Buyer will order or provide **Phase I Environmental Site Assessment, Phase II Environmental**
761 **Site Assessment** (compliant with most current version of the applicable ASTM E1527 standard practices for
762 Environmental Site Assessments) and/or as required by Buyer, at the expense of Seller Buyer
763 (Environmental Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation whether
764 the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and
765 evaluations must be conducted at such times as are mutually agreeable to minimize the interruption of
766 Seller's and any Seller's tenants' business uses of the Property, if any.

768 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site
769 Assessment, the **Environmental Inspection Termination Deadline** will be extended by **60** days (Extended
770 Environmental Inspection Objection Deadline) and if such Extended Environmental Inspection Objection
771 Deadline extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such
772 event, Seller Buyer must pay the cost for such Phase II Environmental Site Assessment.

773 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this §
774 10.6.4., Buyer has the Right to Terminate under § 24.1., on or before **Environmental Inspection**
775 **Termination Deadline**, or if applicable, the Extended Environmental Inspection Objection Deadline, based on
776 any unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

778 Buyer has the Right to Terminate under § 24.1., on or before **ADA Evaluation Termination Deadline**,
779 based on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

780 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
781 that certain property owned by Buyer and commonly known as n/a. Buyer has the Right to Terminate under §
782 24.1. effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
783 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
784 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any
785 Right to Terminate under this provision.

787 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer
788 Does Does Not acknowledge receipt of a copy of Seller's Property Disclosure or Source of Water
789 Addendum disclosing the source of potable water for the Property. There is **No Well**. Buyer Does
790 Does Not acknowledge receipt of a copy of the current well permit.

791 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE**
792 **GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE**
793 **DESCRIBED SOURCE) TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER**
794 **SUPPLIES.**

795 **10.9. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of
796 the Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions
797 or rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend,
798 alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the
799 Property without the prior written consent of Buyer, which consent will not be unreasonably withheld or
800 delayed.

802 **10.10. Lead-Based Paint. [Intentionally Deleted - See Residential Addendum if applicable]**

803 **10.11. Carbon Monoxide Alarms. [Intentionally Deleted - See Residential Addendum if**
804 **applicable]**

805 **10.12. Methamphetamine Disclosure. [Intentionally Deleted - See Residential Addendum if**
806 **applicable]**

808 11. TENANT ESTOPPEL STATEMENTS.

809 **11.1. Estoppel Statements Conditions.** Buyer has the right to review and object to any Estoppel
810 Statements. Seller must request from all tenants of the Property and if received by Seller, deliver to Buyer on
811 or before **Estoppel Statements Deadline**, statements in a form and substance reasonably acceptable to
812 Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease
813 stating:
814
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- 816 11.1.1. The commencement date of the Lease and scheduled termination date of the Lease;
817
818 11.1.2. That said Lease is in full force and effect and that there have been no subsequent
819 modifications or amendments;
820 11.1.3. The amount of any advance rentals paid, rent concessions given and deposits paid to
821 Seller;
822 11.1.4. The amount of monthly (or other applicable period) rental paid to Seller;
823 11.1.5. That there is no default under the terms of said Lease by landlord or occupant; and
824 11.1.6. That the Lease to which the Estoppel Statement is attached is a true, correct and
825 complete copy of the Lease demising the premises it describes.
826
827 11.2. **Seller Estoppel Statement.** In the event Seller does not receive from all tenants of the Property
828 a completed signed Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement
829 setting forth the information and documents required §11.1. above and deliver the same to Buyer on or
830 before **Estoppel Statements Deadline**.
831
832 11.3. **Estoppel Statements Termination.** Buyer has the Right to Terminate under § 24.1., on or
833 before **Estoppel Statements Termination Deadline**, based on any unsatisfactory Estoppel Statement, in
834 Buyer's sole subjective discretion, or if Seller fails to deliver the Estoppel Statements on or before **Estoppel**
835 **Statements Deadline**. Buyer also has the unilateral right to waive any unsatisfactory Estoppel Statement.
836

CLOSING PROVISIONS

840 12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.

841 12.1. **Closing Documents and Closing Information.** Seller and Buyer will cooperate with the
842 Closing Company to enable the Closing Company to prepare and deliver documents required for Closing to
843 Buyer and Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer
844 acknowledges Buyer's lender is required to provide the Closing Company, in a timely manner, all required
845 loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any
846 additional information and documents required by Closing Company that will be necessary to complete this
847 transaction. Buyer and Seller will sign and complete all customary or reasonably required documents at or
848 before Closing.
849

850 12.2. **Closing Instructions.** Colorado Real Estate Commission's Closing Instructions **Are**
851 **Are Not** executed with this Contract.

852 12.3. **Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the
853 date specified as the **Closing Date** or by mutual agreement at an earlier date. At Closing, Seller agrees to
854 deliver a set of keys for the Property to Buyer. The hour and place of Closing will be as designated by
855 Seller.
856

857 12.4. **Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent
858 of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title
859 companies).
860

861 12.5. **Assignment of Leases.** Seller must assign to Buyer all Leases at Closing that will continue
862 after Closing and Buyer must assume Seller's obligations under such Leases. Further, Seller must transfer to
863 Buyer all Leased Items and assign to Buyer such leases for the Leased Items accepted by Buyer pursuant to
864 § 2.5.4. (Leased Items).
865

866 13. **TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract,
867 including the tender of any payment due at Closing, Seller must execute and deliver the following good and
868 sufficient deed to Buyer, at Closing: special warranty deed general warranty deed
869 bargain and sale deed quit claim deed personal representative's deed n/a deed. Seller, provided
870 another deed is not selected, must execute and deliver a good and sufficient special warranty deed to Buyer,
871 at Closing.
872

873 Unless otherwise specified in § 29 (Additional Provisions), if title will be conveyed using a special
874 warranty deed or a general warranty deed, title will be conveyed "subject to statutory exceptions" as defined

875 in §38-30-113(5)(a), C.R.S.

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14. PAYMENT OF LIENS AND ENCUMBRANCES. Unless agreed to by Buyer in writing, any amounts owed on any liens or encumbrances securing a monetary sum against the Property and Inclusions, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not, and previous years' taxes, will be paid at or before Closing by Seller from the proceeds of this transaction or from any other source.

15. CLOSING COSTS, FEES, ASSOCIATION STATUS LETTER AND DISBURSEMENTS, TAXES AND WITHHOLDING.

15.1. Closing Costs. Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required to be paid at Closing, except as otherwise provided herein.

15.2. Closing Services Fee. The fee for real estate closing services must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller Other n/a.

15.3. Association Fees and Required Disbursements. At least fourteen days prior to **Closing Date**, Seller agrees to promptly request that the Closing Company or the Association deliver to Buyer a current Status Letter, if applicable. Any fees associated with or specified in the Status Letter will be paid as follows:

15.3.1. Status Letter Fee. Any fee incident to the issuance of Association's Status Letter must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.3.2. Record Change Fee. Any Record Change Fee must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.3.3. Assessments, Reserves or Working Capital. All assessments required to be paid in advance (other than Association Assessments as defined in § 16.2. (Association Assessments), reserves or working capital due at Closing must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.3.4. Other Fees. Any other fee listed in the Status Letter as required to be paid at Closing will be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.4. Local Transfer Tax. Any Local Transfer Tax must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.5. Sales and Use Tax. Any sales and use tax that may accrue because of this transaction must be paid when due by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.6. Private Transfer Fee. Any private transfer fees and other fees due to a transfer of the Property, payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.7. Water Transfer Fees. Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed \$n/a for:

Water Stock/Certificates Water District

Augmentation Membership Small Domestic Water Company n/a

and must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.8. Utility Transfer Fees. Utility transfer fees can change. Any fees to transfer utilities from Seller to Buyer must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.9. FIRPTA and Colorado Withholding.

15.9.1. FIRPTA. The Internal Revenue Service (IRS) may require a substantial portion of the Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this Section is checked, Seller represents that Seller **IS** a foreign person for purposes of U.S. income taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

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15.9.2. Colorado Withholding. The Colorado Department of Revenue may require a portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

16. PRORATIONS AND ASSOCIATION ASSESSMENTS.

16.1. Prorations. The following will be prorated to the **Closing Date**, except as otherwise provided:

16.1.1. Taxes. Personal property taxes, if any, special taxing district assessments, if any, and general real estate taxes for the year of Closing, based on

- Taxes for the Calendar Year Immediately Preceding Closing
 - Most Recent Mill Levy and Most Recent Assessed Valuation, Other
- No prorations as the Seller does not pay property taxes.**

16.1.2. Rents. Rents based on Rents Actually Received Accrued. At Closing, Seller will transfer or credit to Buyer the security deposits for all Leases assigned to Buyer, or any remainder after lawful deductions, and notify all tenants in writing of such transfer and of the transferee's name and address.

16.1.3. Other Prorations. Water and sewer charges, propane, interest on continuing loan and n/a

16.1.4. Final Settlement. Unless otherwise specified in Additional Provisions, these prorations are final.

16.2. Association Assessments. Current regular Association assessments and dues (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred maintenance by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller. Except however, any special assessment by the Association for improvements that have been installed as of the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller unless otherwise specified in Additional Provisions. Seller represents there are no unpaid regular or special assessments against the Property except the current regular assessments and no others

Association Assessments are subject to change as provided in the Governing Documents.

17. POSSESSION. Possession of the Property and Inclusions will be delivered to Buyer on **Possession Date at Possession Time**, subject to the Leases as set forth in § 10.6.1.1.

If Seller, after Closing occurs, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable to Buyer, notwithstanding § 20.2. (If Seller is in Default), for payment of \$ n/a per day (or any part of a day notwithstanding § 3.3., Day) from **Possession Date** and **Possession Time** until possession is delivered.

General Provisions

18. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND WALK-THROUGH. Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.

18.1. Causes of Loss, Insurance. In the event the Property or Inclusions are damaged by fire, other perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 24.1., on or before

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991 **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum.
992 Should Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at
993 Closing for all insurance proceeds that were received by Seller (but not the Association, if any) resulting from
994 damage to the Property and Inclusions, plus the amount of any deductible provided for in the insurance
995 policy. This credit may not exceed the Purchase Price. In the event Seller has not received the insurance
996 proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired
997 prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing,
998 if acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written
999 agreement prepared by the parties or their attorney requiring the Seller to escrow at Closing from Seller's
1000 sale proceeds the amount Seller has received and will receive due to such damage, not exceeding the total
1001 Purchase Price, plus the amount of any deductible that applies to the insurance claim.

1002 **18.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and
1003 communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or
1004 plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is
1005 earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar
1006 size, age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of
1007 such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds
1008 received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not
1009 repaired or replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to
1010 Terminate under § 24.1., on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at
1011 Closing for the repair or replacement of such Inclusion or Service. Such credit must not exceed the Purchase
1012 Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive
1013 Closing.

1014 **18.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending
1015 condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly
1016 notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 24.1., on or
1017 before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should
1018 Buyer elect to consummate this Contract despite such diminution of value to the Property and Inclusions,
1019 Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in
1020 the value of the Property or Inclusions, but such credit will not include relocation benefits or expenses or
1021 exceed the Purchase Price.

1022 **18.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to
1023 walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions
1024 complies with this Contract.

1025 **18.5. Home Warranty. [Intentionally Deleted]**

1026 **18.6. Risk of Loss – Growing Crops.** The risk of loss for damage to growing crops by fire or other
1027 casualty will be borne by the party entitled to the growing crops as provided in § 2.8. and such party is
1028 entitled to such insurance proceeds or benefits for the growing crops.

1029 **19. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller
1030 acknowledge that their respective broker has advised that this Contract has important legal consequences
1031 and has recommended: (1) legal examination of title; (2) consultation with legal and tax or other counsel
1032 before signing this Contract as this Contract may have important legal and tax implications; (3) to consult with
1033 their own attorney if Water Rights, Mineral Rights or Leased Items are included or excluded in the sale; and
1034 (4) to consult with legal counsel if there are other matters in this transaction for which legal counsel should be
1035 engaged and consulted. Such consultations must be done timely as this Contract has strict time limits,
1036 including deadlines, that must be complied with.

1037 **20. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1038 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due,
1039 including Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed
1040 timely as provided in this Contract or waived, the non-defaulting party has the following remedies:
1041
1042
1043
1044
1045
1046
1047
1048
1049

Initials _____

1050 **20.1. If Buyer is in Default:**

1051 **20.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money
1052 (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest
1053 Money is not a penalty, and the parties agree the amount is fair and reasonable. Seller may recover such
1054 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full
1055 force and effect and Seller has the right to specific performance or damages, or both.

1056 **20.1.2. Liquidated Damages, Applicable. This § 20.1.2. applies unless the box in § 20.1.1. is**
1057 **checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1058 Seller and retained by Seller. It is agreed that the Earnest Money amount specified in § 4.1. is LIQUIDATED
1059 DAMAGES and not a penalty, which amount the parties agree is fair and reasonable and (except as provided
1060 in §§ 10.4. and 21), such amount is SELLER'S ONLY REMEDY for Buyer's failure to perform the obligations
1061 of this Contract. Seller expressly waives the remedies of specific performance and additional damages.
1062

1063 **20.2. If Seller is in Default:**

1064 **20.2.1. Specific Performance, Damages or Both.** Buyer may elect to treat this Contract as
1065 canceled, in which case all Earnest Money received hereunder will be returned to Buyer and Buyer may
1066 recover such damages as may be proper. Alternatively, in addition to the per diem in § 17 (Possession) for
1067 failure of Seller to timely deliver possession of the Property after Closing occurs, Buyer may elect to treat this
1068 Contract as being in full force and effect and Buyer has the right to specific performance or damages, or
1069 both.
1070

1071 **20.2.2. Seller's Failure to Perform.** In the event Seller fails to perform Seller's obligations under
1072 this Contract, to include, but not limited to, failure to timely disclose Association violations known by Seller,
1073 failure to perform any replacements or repairs required under this Contract or failure to timely disclose any
1074 known adverse material facts, Seller remains liable for any such failures to perform under this Contract after
1075 Closing. Buyer's rights to pursue the Seller for Seller's failure to perform under this Contract are reserved and
1076 survive Closing.
1077

1078 **21. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event
1079 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court
1080 must award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1081 expenses.
1082

1083 **22. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1084 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the
1085 parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators
1086 cannot impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must
1087 agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share
1088 equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the
1089 entire dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by
1090 one party to the other at that party's last known address (physical or electronic as provided in § 26). Nothing
1091 in this Section prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property,
1092 before or after the date of written notice requesting mediation. This Section will not alter any date in this
1093 Contract, unless otherwise agreed.
1094
1095

1096 **23. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1097 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller.
1098 In the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to
1099 release the Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1)
1100 wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a
1101 court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable
1102 attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless
1103 Earnest Money Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller)
1104 containing the case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money
1105
1106
1107

1108 Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In
1109 the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpled the monies at the
1110 time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the
1111 Court. The parties reaffirm the obligation of § 22 (Mediation). This Section will survive cancellation or
1112 termination of this Contract.
1113

1114 **24. TERMINATION.**

1116 **24.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1117 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to
1118 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1119 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the
1120 Right to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right
1121 to Terminate under such provision.

1122 **24.2. Effect of Termination.** In the event this Contract is terminated, and all Earnest Money received
1123 hereunder is timely returned to Buyer, the parties are relieved of all obligations hereunder, subject to §§ 10.4.
1124 and 21.
1125

1126 **25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1127 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1128 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1129 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1130 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by
1131 its terms, exists or is intended to be performed after termination or Closing survives the same. Any successor
1132 to a party receives the predecessor's benefits and obligations of this Contract.
1133
1134

1135 **26. NOTICE, DELIVERY AND CHOICE OF LAW.**

1136 **26.1. Physical Delivery and Notice.** Any document or notice to Buyer or Seller must be in writing,
1137 except as provided in § 26.2. and is effective when physically received by such party, any individual named in
1138 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working
1139 with such party (except any notice or delivery after Closing must be received by the party, not Broker or
1140 Brokerage Firm).
1141

1142 **26.2. Electronic Notice.** As an alternative to physical delivery, any notice may be delivered in
1143 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1144 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1145 Closing, cancellation or Termination must be received by the party, not Broker or Brokerage Firm) at the
1146 electronic address of the recipient by facsimile, email or [CTM e-Contracts](#).
1147

1148 **26.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1149 at the email address of the recipient, (2) a link or access to a website or server provided the recipient
1150 receives the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax
1151 No.) of the recipient.
1152

1153 **26.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed
1154 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign
1155 a contract in Colorado for real property located in Colorado.
1156

1157 **27. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing,
1158 by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such
1159 acceptance pursuant to § 26 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If
1160 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be
1161 executed by each party, separately and when each party has executed a copy thereof, such copies taken
1162 together are deemed to be a full and complete contract between the parties.
1163
1164

1165 **28. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith
1166

including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey; and Property Disclosure, Inspection, Indemnity, Insurability Due Diligence and Source of Water.**

ADDITIONAL PROVISIONS AND ATTACHMENTS

29. ADDITIONAL PROVISIONS. (The following additional provisions have not been approved by the Colorado Real Estate Commission.)

1. This Contract to Buy and Sell Real Estate is contingent upon approval by the Silt Board of Trustees and further subject to a Closing not earlier than thirty (30) days after publications by the Town of Silt providing public notice of the pending sale as required by the town`s charter (See §3.1 Item 48). Seller agrees to use its best efforts to accomplish all referenced approvals within the shortest timeframes reasonably possible.

2. The Seller reserves to itself all rights to minerals, hydrocarbons, oil and gas associated with the Property.

3. Buyers intended use of the Property is for the development of a travel center for alternative energy including EV, natural gas, and hydrogen fuels. The travel center will also include quality public restroom facilities, a cafe, and coffee shop with construction to commence not later than 180 days after Closing.

30. OTHER DOCUMENTS.

30.1. Documents Part of Contract. The following documents are a part of this Contract:
Option Agreement

30.2. Documents Not Part of Contract. The following documents have been provided but are not a part of this Contract:
None

Signatures

Robert Switzer

Date: 04/03/2023

Buyer: **Silt Energy Development LLC**
By: Robert Switzer, Managing Member

[NOTE: If this offer is being countered or rejected, do not sign this document.]

Date: _____

Seller: **Town of Silt**
By: Jeff Layman, MPA, Town Administrator

BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

A. Broker Working With Buyer

Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a **Buyer's Agent** **Transaction-Broker** in this transaction.

Customer. Broker has no brokerage relationship with Buyer. See § B for Broker's brokerage relationship with Seller.

Brokerage Firm's compensation or commission is to be paid by **Listing Brokerage Firm** **Buyer** **Other** .

This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be entered into separately and apart from this provision.

Brokerage Firm's Name: **Market Trends Real Estate**

Brokerage Firm's License #: **EC 100044817**



Date: **3/31/2023**

Broker's Name: **Joe Carpenter**

Broker's License #: **EA 100001850**

Address: **PO Box 983 Silt, CO 81652**

Ph: **970-309-0910** Fax: Email Address: **joe@MarketTrendsRE.com**

B. Broker Working with Seller

Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Initials _____

1283 Broker is working with Seller as a Seller's Agent Transaction-Broker in this transaction.

1284

1285 Customer. Broker has no brokerage relationship with Seller. See § A for Broker's brokerage relationship
1286 with Buyer.

1287

1288 Brokerage Firm's compensation or commission is to be paid by Seller Buyer Other .

1289

1290
1291 This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does
1292 NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be
1293 entered into separately and apart from this provision.

1294

1295 Brokerage Firm's Name: **Market Trends Real Estate**

1296

1297 Brokerage Firm's License #: **EC 100044817**

1298 Broker:

1299



Date: **3/31/2023**

1300

1303 Broker's License #: **EA 100001850**

1304

1305 Address: **PO Box 983 Silt, CO 81652**

1306

1307 Ph: **970-309-0910** Fax: Email Address: **joe@MarketTrendsRE.com**

1308

1309

1310 **CBS4-6-21. CONTRACT TO BUY AND SELL REAL ESTATE (LAND)**

1311 CTM eContracts - ©2022 MRI Software LLC - All Rights Reserved

Initials _____

OPTION AGREEMENT

This Option Agreement is entered into as of this ___ day of _____, 2023, by and between the TOWN OF SILT, COLORADO (the "Seller") whose address is P. O. Box 70, Silt, Colorado 81652 and SILT ENERGY DEVELOPMENT, LLC, whose address is _____ (the "Buyer").

WITNESSETH:

WHEREAS, the Seller and the Buyer have entered into that certain Contract to Buy and Sell Real Estate (the "Land Contract") under which Seller agreed to sell, and Buyer agreed to buy, certain real property known as Parcel A Town of Silt Minor Subdivision According to the plat thereof recorded September 8, 2006 as Reception No. 70648, also known as 1555 River Frontage Road, Silt, CO 81652 (hereinafter the "Property"); and

WHEREAS, the Seller and the Buyer have, on even date herewith, closed the sale of the Property; and

WHEREAS, the original purchase price for the Property is \$299,000; and

WHEREAS, as part of the consideration to induce the parties to enter into the Land Contract and to close such transaction, the parties agreed to enter into an Option Agreement in a mutually acceptable form; and

WHEREAS, the parties have agreed upon the form for the Option Agreement and now wish to reduce their agreements with respect to the Option Agreement to writing.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Seller's Right to Repurchase. At any time during the Option Period as defined below, Seller shall have a right to repurchase, and Buyer shall be obligated to sell, the Property free of all liens and encumbrances (other than those approved by Buyer at the time of purchase), at the original purchase price paid to Seller by Buyer (which is \$299,000), unless both of the following two (2) conditions are satisfied before the beginning of the Option Period:

- a. At least one valid building permit authorizing the construction of a structure on the Property has been issued pursuant to the Municipal Code of the Town of Silt, Colorado; and
- b. All water and sewer tap fees with respect to the first structure for which a building permit has been issued on the Property have been paid in full pursuant to the Municipal Code of the Town of Silt, Colorado.

2. Option Period. Unless both of the conditions in paragraphs 1(a) and 1(b) are first met prior to the commencement of the Option Period, the Option Period shall begin on _____ [180 days after closing] and end on [2 years later].

3. Seller's Notice of Exercise of Option. If Seller decides to exercise its right to repurchase as herein provided, Seller shall provide Buyer with written notice during the Option Period of its intent to do so. Seller shall then repurchase the Property at the original purchase price paid by Buyer to Seller within thirty (30) days of the date of such notice with the time and place of closing designated by Seller. Buyer shall convey merchantable title by a good and sufficient special warranty deed, at such time free and clear of all taxes and encumbrances except those that existed upon the original closing. If title is not merchantable prior to the repurchase closing, the purchase price paid by Seller to Buyer shall be reduced accordingly. Taxes, as determined by the current levy and assessment, and all pre-paid items shall be apportioned to the date of the repurchase closing when the deed and possession of the Property shall be delivered to Seller.

4. Restriction on Sale Prior to Option Period. Buyer agrees not to sell, transfer, convey or assign any of its right, title, or interest in the Property prior to the beginning of the Option Period unless Buyer first offers Seller the opportunity to repurchase the Property free of all liens and encumbrances (other than those approved by Buyer at the time of purchase) at the original purchase price paid by Buyer to Seller (as set forth in Paragraph (1), above). Any such offer to Seller shall be in writing, shall remain open for thirty (30) days, and shall be deemed rejected unless accepted in writing within that time period. Buyer shall not promise to sell, transfer, convey, or assign his right, title, or interest in the Property to any third party while the offer to Seller is pending, unless such offer to a third party is expressly contingent upon Seller's prior unilateral rejection of the offer to Seller.

5. Automatic Termination. If both of the two (2) conditions set forth in Paragraphs 1(a) and 1(b) above are met before the beginning of the Option Period, then this Option Agreement shall be deemed to have terminated in its entirety, Seller shall have no further rights to repurchase the Property by virtue of this Option Agreement, and Buyer shall be free to sell, transfer, convey or assign any or all of his interests in the Property to anyone without further obligation to first offer Seller the opportunity to repurchase the Property. This Option Agreement shall, in any event, terminate and be of no further force and effect thirty-one days after the expiration of the Option Period.

6. Governing Law/Attorney Fees. This Option Agreement shall be governed under the laws of the State of Colorado. In the event a civil action is filed regarding the terms of this Agreement, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorney's fees.

7. Severability. Should any portion of this Option Agreement be declared invalid by a court of competent jurisdiction, all other portions shall remain in full force and effect.

8. Notices. Any notices or demands pursuant to this Option Agreement shall be sent

via certified mail, return receipt requested, and shall be deemed effective upon mailing. Unless changed by the parties in writing, notices shall be provided to the parties as follows:

To Buyer: Silt Energy Development, LLC

To Seller: Town of Silt, Colorado
P.O. Box 70
Silt, CO 81652

9. Recordation. This Option Agreement shall be recorded in the Office of the Clerk and Recorder of Garfield County at the expense of Buyer.

IN WITNESS WHEREOF, the parties have executed this Option Agreement on the day and year first written above.

TOWN OF SILT, COLORADO

By _____
Town Manager

ATTEST:

Town Clerk

ASTERA

Regenerating the Earth Responsibly

Silt Alternative Fuel Station

Presented by

Silt Energy Development
Subsidiary of Astera

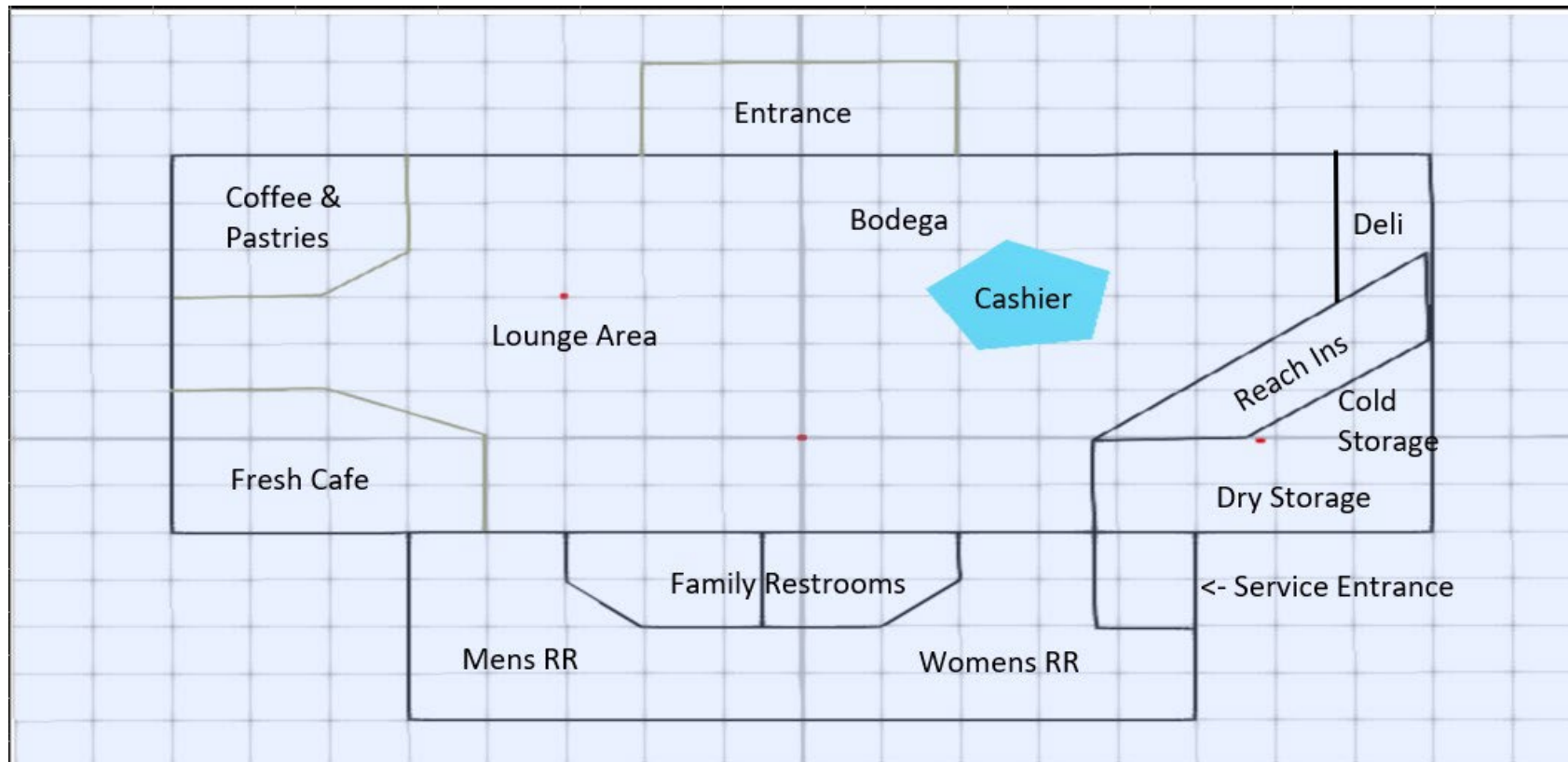
Silt Energy Development Alternative Fuel Station

- ▶ 8- 150KW DC Fast Chargers
- ▶ 2- 380 KW DC Fast Chargers
- ▶ 4- CNG Fuel Pumps
- ▶ 4- Hydrogen Fuel Pumps
- ▶ 12- Additional 380 DC Fast Chargers for the future, prewired
- ▶ 3.5 MWh Battery for the DC Chargers
- ▶ All Parking and Charging Area's will be covered by Solar Carports
- ▶ Greenspace for walking and Dog area
- ▶ Parking Lot will be made from EarthCrete which is a Green, Carbon Negative Cement
- ▶ 490 KW of Solar installed on the property through Carports and Rooftop

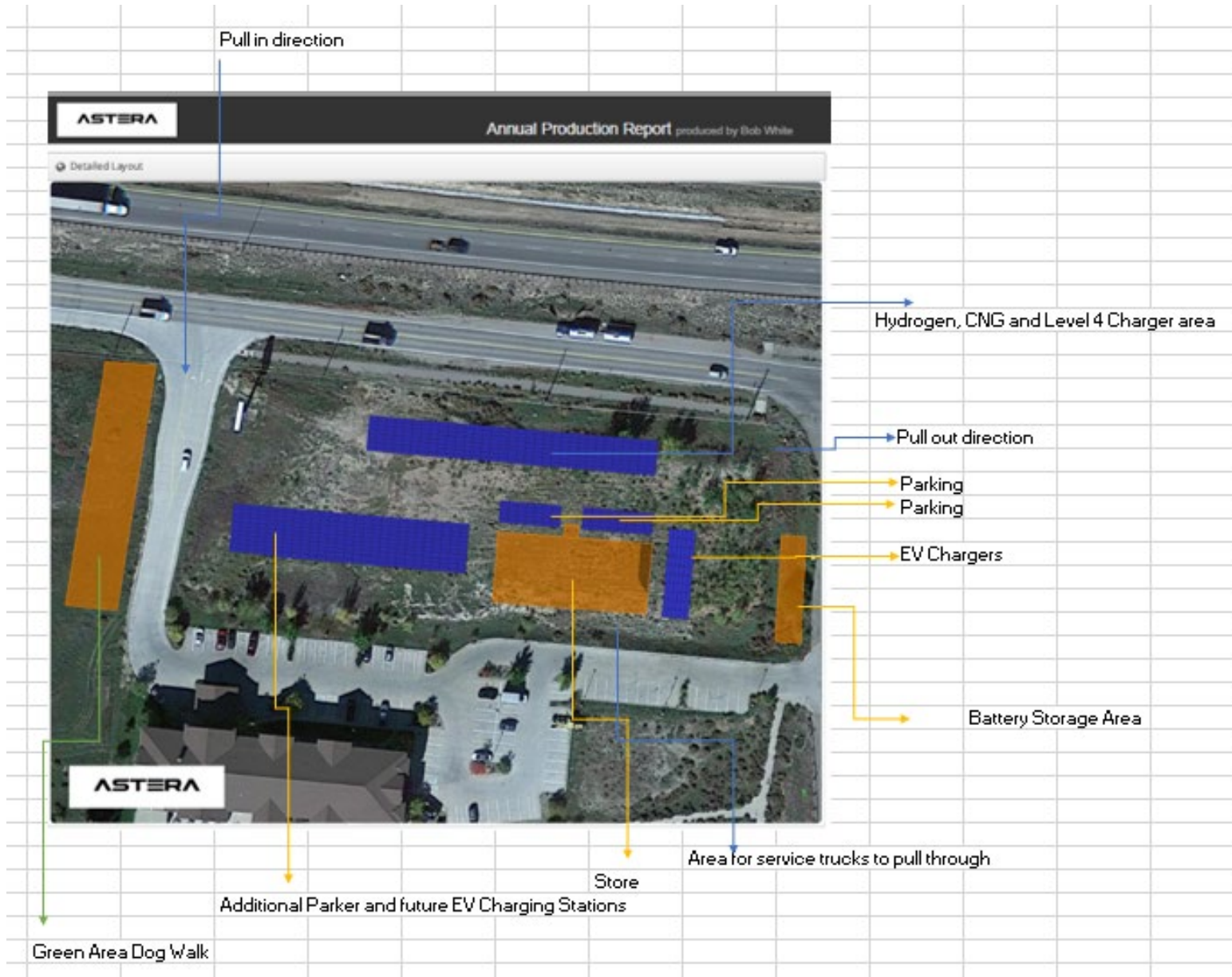
Silt Energy Development Benefits for the Town of Silt

- ▶ Astera will be employing between 8-12 employees
- ▶ Provides tax income
- ▶ Provide a destination stop in Silt
- ▶ Unique, First of its kind *Alternative Fuel Station* in Silt
- ▶ Increase Hospitality stays
- ▶ Assist in meeting clean energy goals for Silt, Garfield County and the State of Colorado
- ▶ Charging station will have a ripple effect on the economy
- ▶ Fast charging infrastructure deployed along highway corridors facilitates mobility through the region

Silt Energy Development Layout of the Upscale Bodega to be Operational by 1-30-2024



Silt Energy Development Lot Layout



Astera Partners

- ▶ STEM
- ▶ CarbonMeta
- ▶ CarbonMeta Green Building Technologies
- ▶ Chint Power Systems
- ▶ EV Loop
- ▶ Vsun Solar Panels
- ▶ EarthTech Solar
- ▶ Salvum Corp
- ▶ Powers Steel Solar Frames
- ▶ SolarEver
- ▶ Urban Solar Utility
- ▶ AeroCompact
- ▶ Greentech
- ▶ Lunna Solar
- ▶ GenZen Batteries

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
April 24, 2023**

AGENDA ITEM SUMMARY

SUBJECT: Adopting Remittance of Bag Fee

PROCEDURE: Action item

RECOMMENDATION: Approval

SUMMARY AND BACKGROUND OF SUBJECT MATTER: HB21-1162 the Management Of Plastic Products Act, adopted a \$0.10 fee per bag provided by a retailer to go into effect January 1, 2023, of which \$0.06 will be remitted quarterly to the Town. The remittance is required only if the fees collected are more than \$20. If not, the retailer will hold those funds until the next quarter. The first remittance will be due 20 days following the 3rd quarter in 2023.

ORDINANCE READING DATE: April 24, 2023

ORIGINATED BY: Amie Tucker

PRESENTED BY: Amie Tucker, Town Treasurer

DOCUMENTS ATTACHED:

- Ordinance
- HB 21-1162
- Bag Fee Return Instructions
- Bag Fee Flyer

TOWN ATTORNEY REVIEW [] YES [] NO INITIALS _____

SUBMITTED BY:

REVIEWED BY:



Amie Tucker, Town Treasurer



Sheila M. McIntyre, Town Clerk

**TOWN OF SILT
ORDINANCE NO. 4
SERIES OF 2023**

AN ORDINANCE OF THE TOWN OF SILT, COLOARDO AMENDING TITLE 3 OF THE SILT MUNICIPAL CODE TO PROVIDE FOR THE CLARIFICTION OF THE REMITTANCE SCHEDULE OF THE BAG FEE IMPOSED BY THE STATE OF COLORADO.

WHEREAS, the Town of Silt, Colorado (the “Town”), is a municipal corporation duly organized and operating as a home-rule municipality under its Town Charter and the Constitution and laws of the State of Colorado; and

WHEREAS, Article XX, Section 6 of the Colorado Constitution, the right to enact, administer and enforce sales and use taxes is clearly within the constitutional grant of power to the Town and is necessary to raise revenue with which to conduct the affairs and render the services performed by the Town; and

WHEREAS, by HB21-1162 the Management Of Plastic Products Act, the Colorado General Assembly adopted a \$0.10 fee per bag provided by a retailer to go into effect January 1, 2023, of which \$0.06 will be remitted to the local government in which the retailer is located; and

WHEREAS, it was discovered that due to a scriveners error, the remittance of the fee in the statute commences April 1, 2024, more than a year after the bag fee goes into effect; and

WHEREAS, it is within the Town’s home rule powers to require remittance to commence within a reasonable time of the bag fee being collected; and

WHEREAS, the Board of Trustees has determined that the following amendments to Title 3 of the code are in the best interests of the Town

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

SECTION 1

1. The Board of Trustees incorporates the foregoing recitals as conclusions, facts, determinations, and findings.

2. A new Section 3.12.160 of the Silt Municipal Code is hereby adopted as set forth below:

Sec. 3.12.160. – Remittance of Bag Fee.

Every affected retailer or vendor shall be liable and responsible for the payment of the fee assessed in C.R.S. § 25-17-505(1)(a) as provided in C.R.S. § 25-17-505(3)(d)(I) and shall remit the fee on a quarterly basis with first remittance to be due 20 days past the third quarter of 2023.

INTRODUCED, READ, AND APPROVED ON FIRST READING this 24th day of April 2023, 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 8th day of May 2023.

TOWN OF SILT

Mayor Keith Richel

ATTEST

Town Clerk Sheila M. McIntyre, CMC

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 21-1162

BY REPRESENTATIVE(S) Valdez A. and Cutter, Amabile, Bernett, Hooton, Kipp, Sirota, Woodrow, Bacon, Bird, Boesenecker, Caraveo, Duran, Froelich, Jackson, Jodeh, Kennedy, Lontine, McCormick, McLachlan, Michaelson Jenet, Mullica, Ortiz, Tipper, Titone, Gonzales-Gutierrez, McCluskie;
also SENATOR(S) Gonzales and Garcia, Bridges, Buckner, Danielson, Fenberg, Ginal, Jaquez Lewis, Lee, Story.

CONCERNING THE MANAGEMENT OF PLASTIC PRODUCTS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **repeal** 25-17-104 as follows:

25-17-104. Local government preemption. ~~No unit of local government shall require or prohibit the use or sale of specific types of plastic materials or products or restrict or mandate containers, packaging, or labeling for any consumer products.~~

SECTION 2. In Colorado Revised Statutes, **add** part 5 to article 17 of title 25 as follows:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

PART 5
MANAGEMENT OF PLASTIC PRODUCTS

25-17-501. Short title. THE SHORT TITLE OF THIS PART 5 IS THE "PLASTIC POLLUTION REDUCTION ACT".

25-17-502. Legislative declaration. THE GENERAL ASSEMBLY FINDS, DETERMINES, AND DECLARES THAT LIMITING THE USE OF SINGLE-USE PLASTIC CARRYOUT BAGS AND EXPANDED POLYSTYRENE PRODUCTS WILL MITIGATE THE HARMFUL EFFECTS ON OUR STATE'S NATURAL RESOURCES AND OUR ENVIRONMENT THAT RESULT FROM DISPOSING OF THESE PRODUCTS IN OUR LANDFILLS.

25-17-503. Definitions - rules. AS USED IN THIS PART 5, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) (a) "CARRYOUT BAG" MEANS A BAG THAT IS FURNISHED TO A CUSTOMER AT A STORE OR RETAIL FOOD ESTABLISHMENT AT THE POINT OF SALE FOR USE BY THE CUSTOMER TO TRANSPORT OR CARRY PURCHASED ITEMS.

(b) "CARRYOUT BAG" DOES NOT INCLUDE:

(I) A BAG MADE OF PAPER WHEN THE PAPER HAS A BASIS WEIGHT OF THIRTY POUNDS OR LESS;

(II) A BAG THAT A PHARMACY PROVIDES TO A CUSTOMER PURCHASING PRESCRIPTION MEDICATION;

(III) A BAG THAT A CUSTOMER USES INSIDE A STORE TO:

(A) PACKAGE LOOSE OR BULK ITEMS, SUCH AS FRUITS, VEGETABLES, NUTS, GRAINS, CANDY, OR GREETING CARDS; NAILS, BOLTS, SCREWS, OR OTHER SMALL HARDWARE ITEMS; LIVE INSECTS, FISH, CRUSTACEANS, MOLLUSKS, OR OTHER SMALL SPECIES; AND BULK SEED, BULK LIVESTOCK FEED, OR BULK PET FEED;

(B) CONTAIN OR WRAP FROZEN FOODS, MEAT, SEAFOOD, FISH, FLOWERS, POTTED PLANTS, OR OTHER ITEMS THAT, IF THEY WERE TO COME

IN CONTACT WITH OTHER ITEMS, COULD DAMPEN OR CONTAMINATE THE OTHER ITEMS; OR

(C) CONTAIN UNWRAPPED PREPARED FOODS OR BAKERY GOODS; OR

(IV) A LAUNDRY, DRY CLEANING, OR GARMENT BAG.

(2) "CONTAINER" MEANS A RECEPTACLE UPON WHICH OR INSIDE WHICH FOOD MAY BE PLACED FOR CONSUMPTION, WHETHER OR NOT THE RECEPTACLE CAN BE FULLY CLOSED. "CONTAINER" INCLUDES HINGED FOOD CONTAINERS, PLATES, BOWLS, CUPS, AND TRAYS.

(3) "EXPANDED POLYSTYRENE" MEANS BLOWN POLYSTYRENE, COMMONLY KNOWN AS STYROFOAM™, AND ANY OTHER EXPANDED OR EXTRUDED FOAM CONSISTING OF THERMOPLASTIC PETROCHEMICAL MATERIALS UTILIZING A STYRENE MONOMER AND PROCESSED BY TECHNIQUES THAT MAY INCLUDE:

(a) FOR EXPANDABLE BEAD POLYSTYRENE, FUSION OF POLYMER SPHERES;

(b) INJECTION MOLDING;

(c) FOAM MOLDING; AND

(d) FOR EXTRUDED FOAM POLYSTYRENE, EXTRUSION BLOW MOLDING.

(4) (a) "FOOD" MEANS ANY RAW, COOKED, OR PROCESSED EDIBLE SUBSTANCE, ICE, BEVERAGE, OR INGREDIENT USED OR INTENDED FOR USE OR FOR SALE, IN WHOLE OR IN PART, FOR HUMAN CONSUMPTION.

(b) "FOOD" DOES NOT INCLUDE A DRUG, AS THAT TERM IS DEFINED IN SECTION 25-5-402 (9).

(5) "PLASTIC" MEANS A SYNTHETIC MATERIAL MADE FROM LINKING MONOMERS THROUGH A CHEMICAL REACTION TO CREATE A POLYMER CHAIN THAT CAN BE MOLDED OR EXTRUDED AT HIGH HEAT INTO VARIOUS SOLID FORMS THAT RETAIN THEIR DEFINED SHAPES DURING THEIR LIFE CYCLE AND AFTER DISPOSAL.

(6) "POINT OF SALE" MEANS A CHECK-OUT STAND, CASH REGISTER, OR OTHER POINT AT WHICH A SALES TRANSACTION OCCURS IN A STORE OR RETAIL FOOD ESTABLISHMENT OR, FOR PRODUCTS THAT ARE ORDERED REMOTELY FROM A STORE OR RETAIL FOOD ESTABLISHMENT AND DELIVERED, THE LOCATION WHERE THE PRODUCTS ARE DELIVERED.

(7) "READY-TO-EAT FOOD" MEANS FOOD THAT IS COOKED OR OTHERWISE PREPARED IN ADVANCE FOR IMMEDIATE CONSUMPTION.

(8) "RECYCLED PAPER CARRYOUT BAG" MEANS A CARRYOUT BAG MADE FROM ONE HUNDRED PERCENT:

(a) RECYCLED MATERIAL; OR

(b) OTHER POST-CONSUMER CONTENT.

(9) (a) "RETAIL FOOD ESTABLISHMENT" HAS THE MEANING SET FORTH IN SECTION 25-4-1602 (14) EXCEPT AS PROVIDED IN SUBSECTION (9)(b) OF THIS SECTION.

(b) "RETAIL FOOD ESTABLISHMENT" DOES NOT INCLUDE FARMERS MARKETS AND ROADSIDE MARKETS AS DESCRIBED IN SECTION 25-4-1602 (14)(j).

(10)(a) "REUSABLE CARRYOUT BAG" MEANS A CARRYOUT BAG THAT IS DESIGNED AND MANUFACTURED FOR AT LEAST ONE HUNDRED TWENTY-FIVE USES, CAN CARRY AT LEAST TWENTY-TWO POUNDS OVER A DISTANCE OF ONE HUNDRED SEVENTY-FIVE FEET, HAS STITCHED HANDLES, AND IS MADE OF CLOTH, FIBER, OR OTHER FABRIC OR A RECYCLED MATERIAL SUCH AS POLYETHYLENE TEREPHTHALATE (PET).

(b) "REUSABLE CARRYOUT BAG" DOES NOT INCLUDE BAGS MADE OF BIOLOGICALLY BASED POLYMERS SUCH AS CORN OR OTHER PLANT SOURCES; EXCEPT THAT A CARRYOUT BAG MADE OF HEMP IS A REUSABLE CARRYOUT BAG IF IT IS DESIGNED AND MANUFACTURED IN ACCORDANCE WITH SUBSECTION (10)(a) OF THIS SECTION.

(11) "SCHOOL" HAS THE MEANING SET FORTH IN SECTION 23-3.9-101 (6).

(12) (a) "SINGLE-USE PLASTIC CARRYOUT BAG" MEANS A CARRYOUT BAG THAT IS A SINGLE-USE PLASTIC PRODUCT MADE PREDOMINANTLY OF PLASTIC DERIVED FROM NATURAL GAS, PETROLEUM, OR A BIOLOGICALLY BASED SOURCE, SUCH AS CORN OR OTHER PLANT SOURCES, AND THAT IS PROVIDED TO A CUSTOMER AT THE POINT OF SALE.

(b) "SINGLE-USE PLASTIC CARRYOUT BAG" DOES NOT INCLUDE A REUSABLE CARRYOUT BAG.

(13) "SMALL STORE" MEANS A STORE THAT OPERATES SOLELY IN COLORADO, HAS THREE OR FEWER LOCATIONS IN THE STATE, AND IS NOT PART OF A FRANCHISE, CORPORATION, OR PARTNERSHIP THAT HAS PHYSICAL LOCATIONS OUTSIDE OF COLORADO.

(14) (a) "STORE" MEANS, EXCEPT AS PROVIDED IN SUBSECTION (14)(c) OF THIS SECTION, A GROCERY STORE, SUPERMARKET, CONVENIENCE STORE, LIQUOR STORE, DRY CLEANER, PHARMACY, DRUG STORE, CLOTHING STORE, OR OTHER TYPE OF RETAIL ESTABLISHMENT AT WHICH CARRYOUT BAGS ARE TRADITIONALLY PROVIDED TO CUSTOMERS.

(b) "STORE" INCLUDES A FARMERS' MARKET, ROADSIDE MARKET OR STAND, FESTIVAL, OR OTHER TEMPORARY VENDOR OR EVENT THAT INCLUDES TEMPORARY VENDORS.

(c) "STORE" DOES NOT INCLUDE A SMALL STORE.

25-17-504. Restrictions on use of single-use plastic carryout bag - inventory exception - repeal. (1) SUBJECT TO SECTION 25-17-505 (1), ON AND AFTER JANUARY 1, 2024, A STORE OR RETAIL FOOD ESTABLISHMENT SHALL NOT PROVIDE A SINGLE-USE PLASTIC CARRYOUT BAG TO A CUSTOMER; EXCEPT THAT A RETAIL FOOD ESTABLISHMENT NEED NOT COMPLY WITH THIS SECTION IF THE RETAIL FOOD ESTABLISHMENT:

(a) PREPARES OR SERVES FOOD IN INDIVIDUAL PORTIONS FOR IMMEDIATE ON- OR OFF-PREMISES CONSUMPTION; AND

(b) IS NOT A GROCERY STORE OR CONVENIENCE STORE.

(2) (a) SUBJECT TO THE CARRYOUT BAG FEE APPLIED TO SINGLE-USE PLASTIC CARRYOUT BAGS IN SECTION 25-17-505, A STORE OR RETAIL FOOD

ESTABLISHMENT MAY PROVIDE A SINGLE-USE PLASTIC CARRYOUT BAG TO A CUSTOMER ON OR BEFORE JUNE 1, 2024, IF THE SINGLE-USE PLASTIC CARRYOUT BAG WAS PART OF THE STORE'S OR RETAIL FOOD ESTABLISHMENT'S INVENTORY BEFORE JANUARY 1, 2024.

(b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.

25-17-505. Carryout bag fee - disposition of money - repeal.

(1) (a) ON AND AFTER JANUARY 1, 2023, AND BEFORE JANUARY 1, 2024, A STORE MAY PROVIDE A CUSTOMER WITH ONE OR MORE RECYCLED PAPER CARRYOUT BAGS OR SINGLE-USE PLASTIC CARRYOUT BAGS AT THE POINT OF SALE ONLY IF THE CUSTOMER PAYS A CARRYOUT BAG FEE OF TEN CENTS PER RECYCLED PAPER CARRYOUT BAG OR SINGLE-USE PLASTIC CARRYOUT BAG, OR A HIGHER FEE IF A MUNICIPALITY OR COUNTY IN WHICH THE STORE IS LOCATED RAISES THE FEE AMOUNT BY ORDINANCE OR RESOLUTION. FOR EACH CARRYOUT BAG FEE COLLECTED PURSUANT TO THIS SUBSECTION (1)(a), THE STORE SHALL:

(I) REMIT, IN ACCORDANCE WITH SUBSECTION (3)(d) OF THIS SECTION, SIXTY PERCENT TO THE MUNICIPALITY WITHIN WHICH THE STORE IS LOCATED OR, IF THE STORE IS NOT LOCATED WITHIN A MUNICIPALITY, TO THE COUNTY WITHIN WHICH THE STORE IS LOCATED, WHICH MUNICIPALITY OR COUNTY SHALL USE THE REMITTED FEE TO PAY:

(A) ITS ADMINISTRATIVE AND ENFORCEMENT COSTS INCURRED AS A RESULT OF THIS SECTION; AND

(B) FOR ANY RECYCLING, COMPOSTING, OR OTHER WASTE DIVERSION PROGRAMS AND RELATED OUTREACH AND EDUCATION ACTIVITIES; AND

(II) RETAIN FORTY PERCENT, WHICH PORTION OF THE FEE DOES NOT COUNT AS REVENUE FOR THE PURPOSE OF CALCULATING SALES TAX.

(b) THE CARRYOUT BAG FEE SET FORTH IN SUBSECTION (1)(a) OF THIS SECTION DOES NOT APPLY TO A CUSTOMER THAT PROVIDES EVIDENCE TO THE STORE THAT THE CUSTOMER IS A PARTICIPANT IN A FEDERAL OR STATE FOOD ASSISTANCE PROGRAM.

(c) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE SEPTEMBER 1,

2024.

(2) (a) ON AND AFTER JANUARY 1, 2024, A STORE MAY PROVIDE A CUSTOMER WITH ONE OR MORE RECYCLED PAPER CARRYOUT BAGS AT THE POINT OF SALE ONLY IF THE CUSTOMER PAYS A CARRYOUT BAG FEE OF TEN CENTS PER RECYCLED PAPER CARRYOUT BAG, OR A HIGHER FEE IF A MUNICIPALITY OR COUNTY IN WHICH THE STORE IS LOCATED RAISES THE FEE AMOUNT BY ORDINANCE OR RESOLUTION. FOR EACH CARRYOUT BAG FEE COLLECTED PURSUANT TO THIS SUBSECTION (2), THE STORE SHALL:

(I) REMIT, IN ACCORDANCE WITH SUBSECTION (3)(d) OF THIS SECTION, SIXTY PERCENT TO THE MUNICIPALITY WITHIN WHICH THE STORE IS LOCATED OR, IF THE STORE IS NOT LOCATED WITHIN A MUNICIPALITY, TO THE COUNTY WITHIN WHICH THE STORE IS LOCATED, WHICH MUNICIPALITY OR COUNTY SHALL USE THE REMITTED FEE TO PAY:

(A) ITS ADMINISTRATIVE AND ENFORCEMENT COSTS INCURRED AS A RESULT OF THIS SECTION; AND

(B) FOR ANY RECYCLING, COMPOSTING, OR OTHER WASTE DIVERSION PROGRAMS AND RELATED OUTREACH AND EDUCATION ACTIVITIES; AND

(II) RETAIN FORTY PERCENT, WHICH PORTION OF THE FEE DOES NOT COUNT AS REVENUE FOR THE PURPOSE OF CALCULATING SALES TAX.

(b) THE CARRYOUT BAG FEE SET FORTH IN SUBSECTION (2)(a) OF THIS SECTION DOES NOT APPLY TO A CUSTOMER THAT PROVIDES EVIDENCE TO THE STORE THAT THE CUSTOMER IS A PARTICIPANT IN A FEDERAL OR STATE FOOD ASSISTANCE PROGRAM.

(c) (I) BEGINNING JANUARY 1, 2024, AND ENDING JUNE 1, 2024, A STORE MAY PROVIDE A CUSTOMER WITH A SINGLE-USE PLASTIC CARRYOUT BAG AT THE POINT OF SALE FOR THE CARRYOUT BAG FEE DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION ONLY IF THE SINGLE-USE PLASTIC CARRYOUT BAG IS WITHIN THE STORE'S REMAINING INVENTORY PURSUANT TO SECTION 25-17-504 (2)(a). THE STORE SHALL REMIT THE FEE COLLECTED PURSUANT TO THIS SUBSECTION (2)(c) IN ACCORDANCE WITH SUBSECTION (2)(a) OF THIS SECTION.

(II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JULY 1, 2024.

(3) IN PROVIDING CARRYOUT BAGS FOR A FEE PURSUANT TO THIS SECTION, A STORE SHALL:

(a) FOR EACH CUSTOMER PROVIDED A CARRYOUT BAG FOR A FEE, PROVIDE ON THE CUSTOMER'S TRANSACTION RECEIPT A RECORD OF THE NUMBER OF CARRYOUT BAGS PROVIDED AS PART OF THE TRANSACTION AND THE TOTAL AMOUNT OF FEES CHARGED FOR THE CARRYOUT BAGS PROVIDED, ITEMIZED BY TYPE OF CARRYOUT BAG;

(b) NOT REFUND TO THE CUSTOMER ANY PORTION OF THE CARRYOUT BAG FEE, EITHER DIRECTLY OR INDIRECTLY, OR ADVERTISE OR OTHERWISE CONVEY TO CUSTOMERS THAT ANY PORTION OF THE CARRYOUT BAG FEE WILL BE REFUNDED;

(c) CONSPICUOUSLY DISPLAY A SIGN IN A LOCATION INSIDE OR OUTSIDE THE STORE, WHICH SIGN ALERTS CUSTOMERS ABOUT THE CARRYOUT BAG FEE; AND

(d)(I) ON A QUARTERLY BASIS STARTING APRIL 1, 2024, REMIT FROM THE TOTAL AMOUNT OF CARRYOUT BAG FEES COLLECTED IN THE PREVIOUS QUARTER THE AMOUNT THAT IS OWED TO THE MUNICIPALITY OR COUNTY:

(A) TO THE FINANCE DEPARTMENT OR DIVISION OR EQUIVALENT AGENCY OF THE MUNICIPALITY WITHIN WHICH THE STORE IS LOCATED; OR

(B) IF THE STORE IS NOT LOCATED WITHIN A MUNICIPALITY, TO THE FINANCE DEPARTMENT OR DIVISION OR EQUIVALENT AGENCY OF THE COUNTY WITHIN WHICH THE STORE IS LOCATED.

(II) A STORE NEED NOT REMIT CARRYOUT BAG FEES COLLECTED IN ANY QUARTER IN WHICH THE COLLECTED FEES TOTAL LESS THAN TWENTY DOLLARS. THE STORE SHALL RETAIN THOSE COLLECTED FEES UNTIL THE STORE HAS MORE THAN TWENTY DOLLARS WORTH OF COLLECTED FEES TO REMIT AND SHALL REMIT THOSE FEES AS PART OF THE NEXT QUARTERLY REMITTANCE.

25-17-506. Prohibition on use of expanded polystyrene food containers. (1) EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, EFFECTIVE JANUARY 1, 2024, A RETAIL FOOD ESTABLISHMENT SHALL NOT DISTRIBUTE AN EXPANDED POLYSTYRENE PRODUCT FOR USE AS A CONTAINER

FOR READY-TO-EAT FOOD IN THIS STATE.

(2) IF A RETAIL FOOD ESTABLISHMENT PURCHASED EXPANDED POLYSTYRENE PRODUCTS BEFORE JANUARY 1, 2024, THE RETAIL FOOD ESTABLISHMENT MAY DISTRIBUTE ANY REMAINING INVENTORY OF THE EXPANDED POLYSTYRENE PRODUCTS THEN PURCHASED FOR USE AS CONTAINERS FOR READY-TO-EAT FOOD IN THIS STATE UNTIL THE INVENTORY IS DEPLETED.

25-17-507. Enforcement - possible penalties. (1) (a) EXCEPT AS PROVIDED IN SUBSECTIONS (1)(b) AND (1)(c) OF THIS SECTION, A LOCAL GOVERNMENT MAY ENFORCE A VIOLATION OF THIS PART 5 AGAINST A STORE OR RETAIL FOOD ESTABLISHMENT THAT IS LOCATED WITHIN THE BOUNDARIES OF THE LOCAL GOVERNMENT IN THE MANNER THAT THE LOCAL GOVERNMENT CHOOSES.

(b) (I) A COUNTY THAT CHOOSES TO ENFORCE A VIOLATION OF THIS PART 5 AGAINST A STORE OR RETAIL FOOD ESTABLISHMENT LOCATED WITHIN THE UNINCORPORATED BOUNDARIES OF THE COUNTY MAY SEEK INJUNCTIVE RELIEF AGAINST THE STORE OR RETAIL FOOD ESTABLISHMENT OR MAY ASSESS THE FOLLOWING CIVIL PENALTIES AGAINST THE STORE OR RETAIL FOOD ESTABLISHMENT:

(A) UP TO FIVE HUNDRED DOLLARS FOR A SECOND VIOLATION; OR

(B) UP TO ONE THOUSAND DOLLARS FOR A THIRD OR SUBSEQUENT VIOLATION.

(II) A COUNTY THAT CHOOSES TO ENFORCE A VIOLATION OF THIS PART 5 MAY BOTH SEEK INJUNCTIVE RELIEF AND IMPOSE A CIVIL PENALTY IN ACCORDANCE WITH THIS SUBSECTION (1)(b).

(c) A LOCAL GOVERNMENT SHALL NOT ENFORCE A VIOLATION OF THIS PART 5 AGAINST A RETAIL FOOD ESTABLISHMENT LOCATED WITHIN A SCHOOL.

(2) FOR PURPOSES OF THIS SECTION, EACH RETAIL SALES TRANSACTION IN WHICH A VIOLATION OF THIS PART 5 IS COMMITTED, REGARDLESS OF WHETHER MULTIPLE VIOLATIONS OF THIS PART 5 ARE COMMITTED IN ONE RETAIL SALES TRANSACTION, CONSTITUTES A SINGLE

VIOLATION OF THIS PART 5.

25-17-508. Local government regulation - preemption. ON AND AFTER JULY 1, 2024, A LOCAL GOVERNMENT MAY ENACT, IMPLEMENT, OR ENFORCE ANY ORDINANCE, RESOLUTION, RULE, OR CHARTER PROVISION THAT IS AS STRINGENT AS OR MORE STRINGENT THAN THIS PART 5.

25-17-509. Exemption for medical products. NOTHING IN THIS PART 5 PROHIBITS OR LIMITS THE USE OF ANY MATERIAL USED IN THE PACKAGING OF A PRODUCT THAT IS REGULATED AS A DRUG, MEDICAL DEVICE, OR DIETARY SUPPLEMENT BY THE FOOD AND DRUG ADMINISTRATION IN THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES UNDER THE "FEDERAL FOOD, DRUG, AND COSMETIC ACT", 21 U.S.C. SEC. 321 ET SEQ., AS AMENDED, OR ANY EQUIPMENT AND MATERIALS USED TO MANUFACTURE SUCH PRODUCTS.

SECTION 3. Effective date. This act takes effect upon passage; except that section 1 of this act takes effect July 1, 2024.

SECTION 4. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Alec Garnett
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Leroy M. Garcia
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO

Town of Silt

Carryout Bag Fee Return Instructions

General Information

Retailers must file a carryout bag fee return quarterly, even if the retailer did not collect over \$20 in carryout bag fees and will not be submitting any money.

The returns and checks should be mailed to the following address:

Town of Silt
P.O. Box 70
Silt, CO 81652

Form Instructions

In preparing a carryout bag fee return, a retailer must include its identifying information (such as legal business name and Colorado account number), the filing period, due date, and authorized representative information and signature.

Retailers must enter their Colorado account number, which includes their eight-digit and four-digit site/location numbers, on each return and check. If a retailer has multiple locations, a separate return must be filed for each location.

Returns are due on the 20th day of the month following the reporting quarter.

1st Quarter (January – March): due April 20

2nd Quarter (April – June) due July 20

3rd Quarter (July – September) due October 20

4th Quarter (October – December) due January 20

The return is due the next business day if the 20th is on a Saturday, Sunday, or legal holiday.

Line 1. Enter the total amount of carryout bag fees collected

Line 2. The percent of carryout bag fees that is to be submitted to the Town of Silt

Line 3. Multiple Line 1 and Line 2 to calculate the dollar amount that is to be submitted to the Town of Silt

The retailer's check submitted to the Town of Silt should equal Line 3.

Town of Silt

Carryout Bag Fee Return

Legal Business Name _____

Colorado Account Number _____

Filing Period _____ Due Date _____

Check here if fees collected are under \$20 and will be remitted next quarter			
1	Total Carryout Bag Fee Revenue collected for the quarter		
2	Fee Revenue owed to the Town (60%)		
3	Total Due		

Authorized Representative

Name _____ Title _____ Phone # _____ Email _____

Signature _____ Date _____



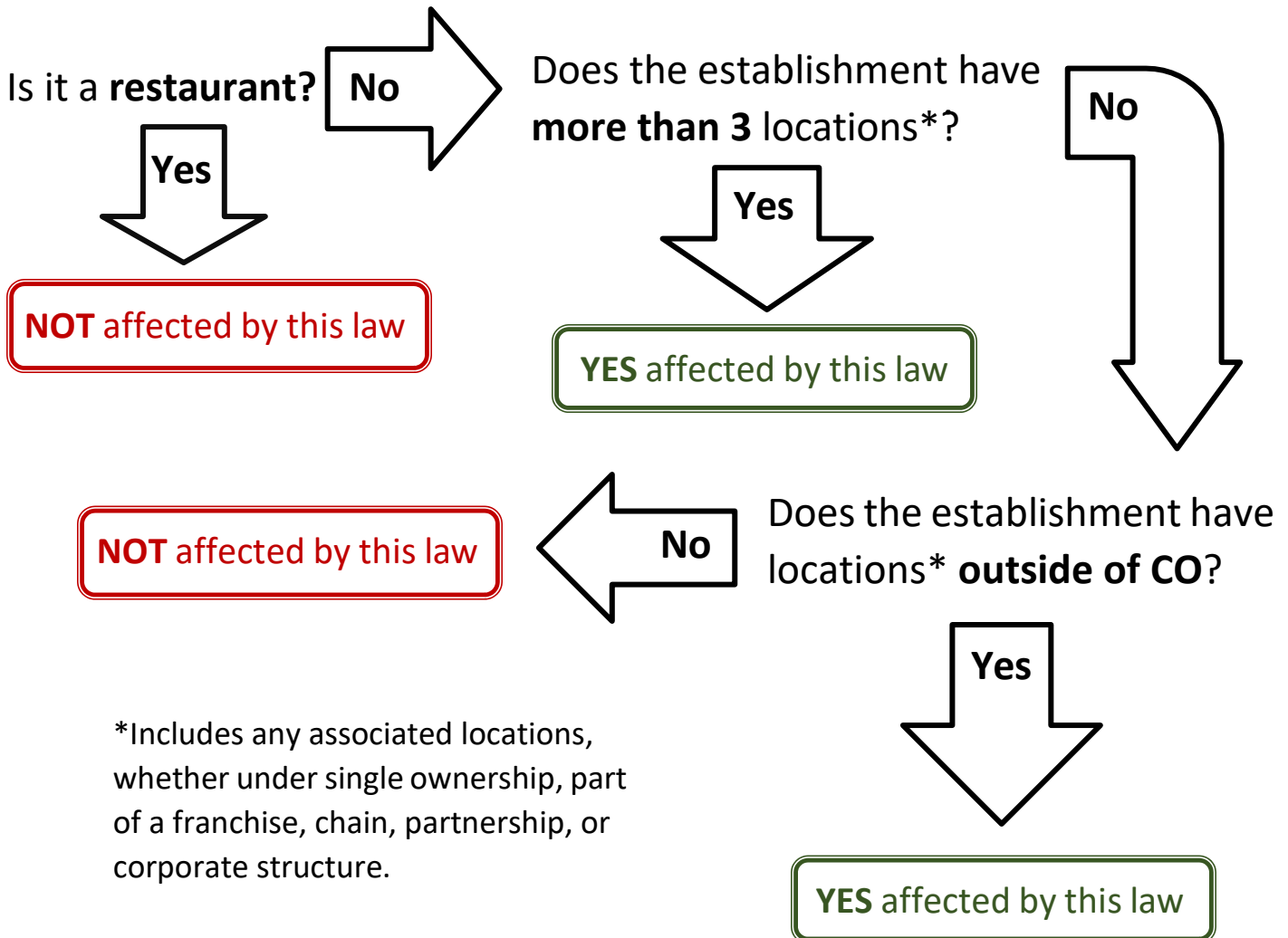
The State of Colorado

Plastic Pollution Reduction Act

Explainer for Town of Silt Businesses

Certain retail stores are required to charge a \$0.10 fee on each single-use carryout **paper or plastic** bag. On a quarterly basis, stores remit (pay) 60% of what they collected to the Town of Silt, and the stores keep 40%.

Will the bag fee affect my retail establishment?



*Includes any associated locations, whether under single ownership, part of a franchise, chain, partnership, or corporate structure.

See the FAQ on the reverse side for more information.



The State of Colorado

Plastic Pollution Reduction Act

FAQ

Are there any additional considerations or requirements for affected stores?

- Paper carry-out bags must be made from 100% recycled material or post-consumer content.
- Stores must keep records of fees collected and include the bag fee as an itemized line on customer receipts.
- Stores must display a sign notifying customers of this program.

When do I need to provide payment to the Town of Silt based on the fees collected at my store?

Stores must remit payment (\$0.06 per bag) to the Town of Silt on a quarterly basis. For example, if your store collected \$100 in bag fees between January 1 and March 31, you would submit a payment of \$60 to the Town of Silt within the first week of April.

Does an affected store have to pay sales tax on the 40% portion of the bag fee they collect?

No. The law explicitly states that the funds kept by the stores from this fee do not count as revenue and are not subject to sales tax. The law does not outline what the store can or should do with this fee revenue.

What will the Town of Silt do with the 60% of the fee revenue?

Proceeds will be applied to costs for our bi-annual Clean Up.

What counts as a single-use carry-out bag, and are there exceptions?

A single-use carry-out bag is just what it sounds like: a paper or plastic bag that customers use to put items in as they leave a store at check-out. These do not include small and lightweight bags to collect items inside a store like produce, bulk food items, deli items, bulk seed/feed, or prescription medications.

Also, any customer that provides evidence they participate in a federal or state assistance program is allowed to be exempt from being charged the bag fee.

My store is not affected by the law, but I want to reduce bag use at my store, what can I do?

The rules for which stores are and are not affected by this law are automatic, and this can make it very confusing for stores that would like to opt-in to a program to discourage single-use carryout bags.

The most effective thing to do would be to look for ways to no longer use single-use carryout bags of any kind at your store. Promoting the use of reusable bags is encouraged as much as possible.

Stores that are not affected by this law are allowed to charge their own self-imposed fee on carryout bags. Your store is allowed to retain 100% of the revenue from this fee, but it would be subject to sales tax.

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
April 24th, 2020**

AGENDA ITEM SUMMARY

SUBJECT: Main Street Phase 7 and Alley block 23 Sewer

PROCEDURE: Information Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

In the meeting on March 27th, the Board approved for the award of the Main Street Phase 7 and Alley Block 23 sewer to be awarded to K5 construction. At the time K5 did not have a complete bid form, and the Board was informed that once completed the bid form would be presented. The form is now completed and attached.

Director Fonner and Project Manager Lundeen have reviewed the bid forms and found them to be accurate and complete. We have given the okay to proceed with construction to start around May 8th, 2023

PRESENTED BY: Director Fonner

DOCUMENTS ATTACHED: Bid form

TOWN ATTORNEY REVIEW [] YES [] NO **INITIALS** _____

SUBMITTED BY:

REVIEWED BY:


Trey Fonner, Public Works Director


Jeff Layman, Town Administrator

BID FORM
Town of Silt-Main Street Phase 7
Boundaries Unlimited Inc. Project: 11104.05
December 18, 2022

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
201-00000	Clearing and Grubbing: Per Section 201 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	900. ⁰⁰	900. ⁰⁰
202-00000	Removal of Structures and Obstructions: Per Section 202, any and all items not itemized and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	2,400. ⁰⁰	2,400. ⁰⁰
203-00000	Unclassified Excavation (General Earthwork): Per Section 203 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	34,070. ⁰⁰	34,070. ⁰⁰
203-00040	Unclassified Excavation (Special, Unsuitable Material): Per Section 203 and PLANS, including all labor and materials, complete and in place for a completed project.	CY	25	36.07	901.75
207-00205	Topsoil: Per Section 207 and PLANS, including all labor and materials, complete and in place for a completed project.	CY	20	151.50	3030. ⁰⁰
208-00000	Erosion Control Per Section 208 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	675. ⁰⁰	675. ⁰⁰
210-01000	Reset Fence Per Section 210 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	150	14.17	2,125.50
210-04000	Adjust Structure (Ex. Valve Box, Observation Well, Hydrant, etc.) Per Section 210 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	4	375. ⁰⁰	1,500. ⁰⁰
210-00810	Reset Ex. Signs on Ex. Post(Class 1) Per Section 210 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	1	240. ⁰⁰	240. ⁰⁰
210-00811	Reset Ex. Sign (New Post Separate, Class 1) Per Section 210 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	1	240. ⁰⁰	240. ⁰⁰

BID FORM
Town of Silt-Main Street Phase 7
Boundaries Unlimited Inc. Project: 11104.05
December 18, 2022

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
210-00812	Reset Sign (Special, Banner Post) Per Section 210 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	1	240. ⁰⁰	240. ⁰⁰
212-01200	Landscape Restoration Per Section 212 and PLANS, including all labor and materials, complete and in place for a completed project.	LS	1	1,600. ⁰⁰	1,600. ⁰⁰
212-00005	Seeding: Per Section 212 and PLANS, including all labor and materials, complete and in place for a completed project.	SY	112	8.74	978.88
213-00212	Root Barrier (Special) (per tree): Per Section 213 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	7	139.92	\$ 979.44
213-00500	Tree Grate: Per Section 213 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	7	4,250. ⁰⁰	29,750. ⁰⁰
214-00225	Deciduous Tree (2.5"Ø Caliper): Per Section 214 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	4	709.75	2,839. ⁰⁰
214-00235	Deciduous Tree (3.5"Ø Caliper): Per Section 214 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	3	746. ⁰⁰	2,238. ⁰⁰
304-06007	Aggregate Base Course (Class 6): Per Section 304 and PLANS, including all labor and materials, complete and in place for a completed project.	CY	230	143. 68	33,046. ⁴⁰
403-34721	Hot Mix Asphalt (Grading SX) (75) (PG 64-28, *Conversion: 1.0 CY = 2.05 Tons): Per Sections 401, 403, 407 and PLANS, including all labor and materials, complete and in place for a completed project.	TONS*	101	189. ⁰⁰	19,089. ⁰⁰
514-00100	Hand Rail: Per Section 514 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	38	230. ⁰⁰	8,740. ⁰⁰
604-19405	Inlet Type-R: Per Section 604 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	1	7,811	7,811

BID FORM
Town of Silt-Main Street Phase 7
Boundaries Unlimited Inc. Project: 11104.05
December 18, 2022

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
608-00004	Concrete Sidewalk (4"): Per Section 608 and PLANS, including all labor and materials, complete and in place for a completed project.	SF	2620	13.40	35,108. ⁰⁰
608-00006	Concrete Sidewalk (6", at Intersections): Per Section 608 and PLANS, including all labor and materials, complete and in place for a completed project.	SF	480	42. ⁰⁰	20,160. ⁰⁰
608-00015	Detectable Warnings: Per Section 608 and PLANS, including all labor and materials, complete and in place for a completed project.	SF	44	13.40	589.60
608-00350	Concrete Sidewalk (4", Colored): Per Section 608 and PLANS, including all labor and materials, complete and in place for a completed project.	SF	560	31.25	17,500. ⁰⁰
608-00600	Concrete ADA Ramp (Whimsical Wagon, including Forms, ADA Tiles and Handrail): Per Section 608 and PLANS, including all labor and materials, complete and in place for a completed project.	SF	160	42. ⁰⁰	6,720. ⁰⁰
609-20020	Curb Type-IIB, IIM & Special: Per Section 609 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	377	54.11	20,400. ⁰⁰
613-00200	2"Ø Electrical Conduit (incl. Pull Boxes): Per Sections 206, 613 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	500	37.23	18,615. ⁰⁰
613-10000	Electrical Service: Per Section 613 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	8	823. ⁰⁰	6,584. ⁰⁰
613-10001	Wiring & Outlets: Per Section 613 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	1	17,996. ⁰⁰	17,996. ⁰⁰
613-40010	Light Standard Foundation: Per Section 613 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	1	2,175. ⁰⁰	2,175. ⁰⁰

BID FORM
Town of Silt-Main Street Phase 7
Boundaries Unlimited Inc. Project: 11104.05
December 18, 2022

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
613-40012	Light Standard Foundation Special (Pedestrian): Per Section 613 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	2	2,280. ⁰⁰	4,560. ⁰⁰
614-00011	Sign Panel (Class 1): Per Section 614 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	7	195. ⁰⁰	1,365. ⁰⁰
614-00041a	Sign Post (Special, Finial): Per Section 614 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	6	204. ⁰⁰	1,224. ⁰⁰
614-00041b	Sign Post (Special, Black): Per Section 614 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	6	395. ⁰⁰	2,370. ⁰⁰
619-77400	2"Ø Water Service, Curb Stop & Meter/Vault (Reduced to 3/4"Ø at meter, including reconnection): Per Section 619, Town Specifications and PLANS, including all labor and materials, complete and in place for a completed project.	Each	3	4,590. ⁰⁰	13,770. ⁰⁰
619-90001	Waterline Joint Encasement Per Section 619 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	4	2,439. ⁰⁰	9,756. ⁰⁰
623-00000	Irrigation Pipe, Fittings, Heads and Controls: Per Section 623 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	7,288. ⁶⁰	7,288. ⁶⁰
624-20018	24"Ø Drainage Pipe: Per Section 624 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	52	383. ⁰⁰	19,916. ⁰⁰
626-00000	Mobilization, Demobilization & Bonds: Per Sections 102, 103, 626 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	7,370	7,370. ⁰⁰
627-00004	Epoxy Pavement Marking: Per Section 627 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	3,025	3,025. ⁰⁰

BID FORM

**Town of Silt-Main Street Phase 7
Boundaries Unlimited Inc. Project: 11104.05
December 18, 2022**

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
630-00000	Construction Traffic Control: Per Section 630 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	5,580. ⁰⁰	5,580. ⁰⁰
900-00014	Force Account (For Minor Contract Revisions): Per Section 900, including all labor and materials, complete and in place for a completed project.	L.S.	1	\$15,000.00	\$15,000.00

Main Street Phase 7 Subtotal: 390,246.17

Three Hundred Ninety Thousand Two Hundred Forty Six dollars ¹⁷/₁₀₀
(Subtotal Price - Words, to be handwritten by the Bidder)

Alternate Hot Mix Asphalt Conversion Factor: 1.0 CY= Tons

BID FORM
Town of Silt-Alley Block 23 Sewer
Boundaries Unlimited Inc. Project: 11106.17
12/18/2022, Rev. 3/16/23

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
202-00220	Removal of Asphalt Mat: Per Section 202, any and all items not itemized and PLANS, including all labor and materials, complete and in place for a completed project.	SY	50	33.00	1,650.00
202-00240	Removal of Asphalt Mat (Planing): Per Section 202, any and all items not itemized and PLANS, including all labor and materials, complete and in place for a completed project.	LF	58	14.00	812.00
203-00910	Soil Excavation & Disposal (Off-Site): Per Section 203 and PLANS, including all labor and materials, complete and in place for a completed project.	CY	499	36.07	17,998.93
206-00065	Structural Backfill (Flow-Fill): Per Section 206 and PLANS, including all labor and materials, complete and in place for a completed project.	LS	1	2,740	2,740.00
206-00100	Structural Backfill (Class 1 or 2): Per Section 206 and PLANS, including all labor and materials, complete and in place for a completed project.	CY	390	65.00	25,350
208-00000	Erosion Control: Per Section 208 and PLANS, including all labor and materials, complete and in place for a completed project.	LS	1	1,300.00	1,300.00
208-00001	Reset Structure (Ex. Irrigation Manhole): Per Section 210 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	4	560.00	2,240.00
304-06007	Aggregate Base Course (Class 6): Per Section 304 and PLANS, including all labor and materials, complete and in place for a completed project.	CY	157	82.00	12,874.00
403-34651	Hot Mix Asphalt (Grading SX) (75) (PG 64-28, *Conversion: 1.0 CY = 2.05 Tons): Per Sections 401, 403, 407 and PLANS, including all labor and materials, complete and in place for a completed project.	TONS*	113	189.00	21,357.00

BID FORM
Town of Silt-Alley Block 23 Sewer
Boundaries Unlimited Inc. Project: 11106.17
12/18/2022, Rev. 3/16/23

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
603-50002	2 Inch Plastic Pipe (Irrigation): Per Section 603 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	282	62.89	\$17,736. ⁵⁰
603-50008	8 Inch Plastic Pipe (Sanitary Sewer): Per Section 603 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	269	180. ⁰⁰	\$48,420. ⁰⁰
603-50018	8 Inch x 4 Inch Plastic Pipe Wye (Sanitary Sewer Service) and Connect to Existing (> 10 LF): Per Section 603 and PLANS, including all labor and materials, complete and in place for a completed project.	Each	6	615.76	\$3,695.76
613-01201	2"Ø Electrical Conduit (incl. Pull Boxes): Per Sections 206, 613 and PLANS, including all labor and materials, complete and in place for a completed project.	LF	500	27.17	\$13,585. ⁰⁰
622-00001	Sewerage Pumping (Bypass)(Contractor to Determine # Days): Per Section 622 and PLANS, including all labor and materials, complete and in place for a completed project.	Day	0	7,920	\$7,920. ⁰⁰
626-00000	Mobilization, Demobilization & Bonds: Per Sections 102, 103, 626 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	7,370.	7,370. ⁰⁰
630-00000	Construction Traffic Control: Per Section 630 and PLANS, including all labor and materials, complete and in place for a completed project.	L.S.	1	1,800. ⁰⁰	1,800. ⁰⁰
900-00014	Force Account (For Minor Contract Revisions): Per Section 900, including all labor and materials, complete and in place for a completed project.	L.S.	1	\$5,000.00	\$5,000.00

Alley Block 23 Sewer Subtotal: \$191,849.19

BID FORM

Town of Silt-Alley Block 23 Sewer
Boundaries Unlimited Inc. Project: 11106.17
12/18/2022, Rev. 3/16/23

Item No.	Contract Item Description	Units	Quant.	Unit Price	Total Price
	<i>One Hundred Ninety One Thousand Eight Hundred Forty Nine Dollars 19/-</i> (Subtotal Price - Words, to be handwritten by the Bidder)				
Alternate Hot Mix Asphalt Conversion Factor:			1.0 CY=		Tons
					<u>BID TOTAL: \$582,095.36</u>
<i>Five Hundred Eighty two Thousand & Ninety Five dollars 36/-cents</i> (Total Price - Words, to be handwritten by the Bidder)					

Town of Silt

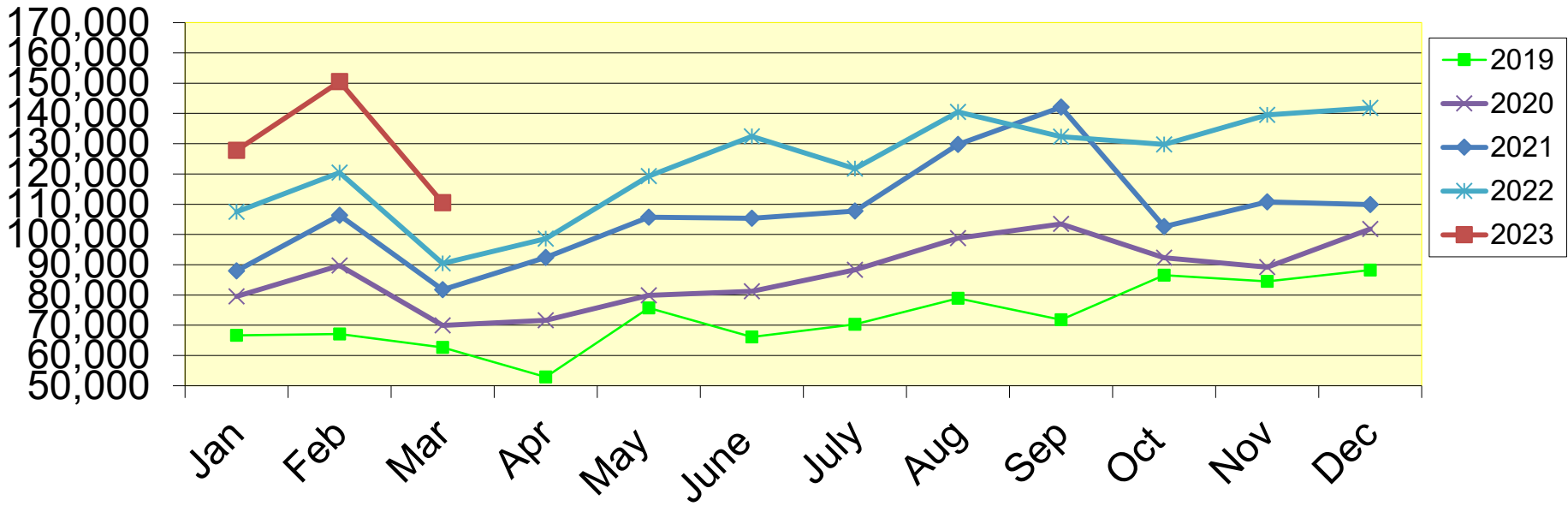
Month Town Received Funds

increase/

decrease

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	%
2019	66,667	67,063	62,651	52,890	75,666	66,144	70,293	78,867	71,805	86,548	84,521	88,243	871,358	6.59
2020	79,495	89,702	69,937	71,613	79,900	81,218	88,277	98,766	103,464	92,270	89,183	101,808	1,045,633	20
2021	87,992	106,303	81,733	92,390	105,699	105,337	107,768	129,723	142,057	102,590	110,788	109,873	1,282,253	22.63
2022	107,452	120,470	90,424	98,562	119,243	132,384	121,773	140,529	132,355	129,730	139,522	141,817	1,474,261	14.9
2023	127,798	150,495	110,482										388,775	22.1

Sales Tax Collected 2019-2023



Y-T-D	Total
196,381	2019 871,358
239,134	2020 1,045,633
276,028	2021 1,282,253
318,346	2022 1,474,261
388,775	2023 388,775

*** \$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 Monthly Financial / Cash Flow Report

March 2023 (25% of the Year has elapsed)

Fund	YTD Revenues	Budgeted Revenues	%	YTD Expenses	Budgeted Expenses	%	Revenues over/under Expenses	Current Fund Balance
General Fund	1,301,173	4,156,951	31.3%	819,543	5,343,470	15.3%	481,630	5,398,635
Conservation Trust Fund	15,129	45,100	33.5%	557	30,000	1.9%	14,572	129,749
Water & Wastewater Fund	712,966	4,412,700	16.2%	613,971	5,155,653	11.9%	98,995	2,803,133
Irrigation Fund	70,752	322,000	22.0%	96,000	413,376	23.2%	-25,248	367,026
Victim Assistance Fund	836	11,000	7.6%	0	15,300	0.0%	836	39,124
Beautification Fund	13,360	170,040	7.9%	30,265	312,000	9.7%	-16,905	182,816
Park Impact Fund	4,775	66,560	7.2%	144,188	160,000	90.1%	-139,413	20,627
Construction Impact Fund	11,495	35,500	32.4%	0	118,000	0.0%	11,495	139,944
Silt Housing Authority	68,207	290,000	23.5%	53,065	307,257	17.3%	15,142	245,650
Economic Devel. Revolving	10,500	18,000	58.3%	0	16,235	0.0%	10,500	59,254
Total	2,209,193	9,527,851		1,757,589	11,871,291		451,604	9,385,958
	YTD Revenue	% of Budget						
Sales Tax	388,775	29.9%						
Use Tax	115,940	29.0%						
	YTD Revenue	% of Budget						
Trash Service Fees	117,696	26.2%						
Water Service Fees	252,033	25.2%						
Wastewater Service Fees	321,780	25.2%						
Irrigation Fees	66,272	25.2%						

Town of Silt Finance Report

Month: March 2023 (25% of year has elapsed)

General Fund

Revenue	\$ 1,301,173	31.3%
Expenditures	\$ 819,543	15.3%

General Fund Revenue

Sales Tax:	\$ 388,775	29.9%
Use Tax:	\$ 115,940	29.0%

Funds Report

Water/Wastewater:

Revenue	\$ 712,966	16.2%
Expense	\$ 613,971	11.9%

Irrigation:

Revenue	\$ 70,752	22.0%
Expense	\$ 96,000	23.2%

Silt Housing Authority:

Revenue	\$ 68,207	23.5%
Expense	\$ 53,065	17.3%

Investments

Cash:	9,167,538
Checking:	154,110 ANB
Money Market:	2,366,337 ANB
CSafe 01	518,722 CSafe
CSafe 02	4,562,528 CSafe
Csafe 03	612,480 CSafe
ColoTrust Gen Fund	37,040 ColoTrust
ColoTrust W/WW	833,196 ColoTrust
ColoTrust Housing	121,789 ColoTrust
Utilities Cash Clearing:	(1,441)
Court Cash Clearing	(10,531)
Returned Check Clearing:	308
W/WW Reserved Cash:	(27,000)

Date: April 24, 2023
To: Mayor Richel & Board of Trustees
From: Jeff Layman, Town Administrator
Subject: Staff Report

Activities, initiatives and news:

- **Silt Water Treatment Plant:** We continue to meet with our entire project design team on a weekly basis to design a plant that reduces costs.

We received word from the Garfield County Federal Mineral Lease District that they had awarded the Town of Silt \$450,000 to be used to construct a new water treatment plant.

Additionally, Senator John Hickenlooper's office notified us that our request for a \$2.1 M earmark had been selected by the Senator to move forward to the Appropriations Committee for review. Senator Hickenlooper expects announcements concerning these awards to be made mid-summer. All awards are contingent on the Congress agreeing to a new budget for 2024.

We have reviewed the JDS Hydro report commissioned by DOLA with DOLA, our consultants and the principals at JDS Hydro. We hope to present this report to the Board of Trustees once it becomes final.

- **Colorado River Fire Rescue:** For many, many years the Town and the Fire District have informally discussed the idea of developing a public safety facility to include the Silt PD and Colorado River Fire Rescue, and potentially the Silt Public Works Department into one facility. While still a long way off, the Fire District is starting to think more seriously about it due to some challenges with their current facility. For Silt, the time may be right because of the growing pains we're feeling at Town Hall and the Police Department.

Because of this, Fire Chief Leif Sackett and I have proposed to establish a subcommittee to include two members from each Board to start a higher-level conversation and to lay out a process for moving forward with planning. My thought would be to have one or two meetings with this group and then perhaps have a joint meeting with both Boards, followed by concrete action, if indicated.

After a conversation with Mayor Richel last week, I've reached out to Trustee Jerry Siefert to serve on that subcommittee, due to his long service in many capacities to the Fire District. Mayor Richel also volunteered.

The group will report to their respective Boards soon with recommendations for next steps, if any.

- **Sustainable Strategies, Debra Figueroa:** I have consulted with Debra over the last week as to whether Sustainable Strategies would be able to assist us in achieving additional grant funds for the water plant project. She asked a series of questions of me

related to our timeline, funding and sources of funding. She knew that I was having conversations with the State Revolving Fund and USDA folks and wanted some specific information from both. I have provided this information to her, but she and I have not been able to meet again this week. More to come on this topic.



Town of Silt to Trim Up and Clean Up Veterans Park Landscaping

The Town of Silt has contracted with a tree service company to do some tree work in Veterans Park on Thursday and Friday, April 13th and 14th. This work will include trimming all the large cottonwoods back to allow for the smaller trees to grow more, also to cut the dead out of the trees. There is one small tree that will be removed completely as it is growing into another small tree and blocks the view of the gazebo from the grass area.

Questions can be directed to Trey Fonner, the Town's Public Works Director, at trey@townofsilt.org.



April 7, 2023

News You Can Use

Alternative Fueling Station Proposed on Town-Owned Lot



Public Hearing on Monday, April 10 on Sale of Property on River Frontage Road

The Town owned property at 1555 River Frontage Road has been listed for sale for several years and now may have a new function as an alternative energy fueling center. A company called Astera and doing business as Silt Energy Development has made the full price offer of \$299,000. Silt realtor Joe Carpenter has the listing.

Carpenter introduced the potential buyers to the Board on April 10. Their presentation represented that the purpose of the property acquisition is to build an upscale travel center for alternative energy including EV, natural gas, and hydrogen fuels. The travel center will also include quality public restroom facilities, a cafe, and coffee shop.

The Board directed Staff to negotiate terms that would compel the buyer to develop the property into a sales tax generating business as soon as possible. Town Attorney Jim New drafted an Option Agreement as a condition of the Real Estate Contract and Closing on the sale of the Property. The potential buyer states in the contract that they will commence construction within 180 days of closing and has agreed to an option that if no building permit is issued and water and sewer taps remain unpaid after 180 days of closing, the Town may repurchase the property for the same price, should it wish to do so.

The Town is required to conduct a public hearing before it sells town-owned property. The meeting will be Monday, April 10 and starts at 7 PM at Silt Town Hall.

Water Rate Structure Options Again on the Agenda

Trustees to Discuss Water Rates Monday at Work Session

Water rate structures will again be the topic of conversation between Trustees at Monday's work session starting at 6:15 PM, immediately prior to the Board's regular Meeting.

At the last BoT meeting, Trustees heard from financial consultant Jim Mann on several options for water rates. Importantly, Mann reviewed some of the basic assumptions in developing the rate models. After discussion, the Trustees asked for more analysis on options including base rates of 2,000 and 3,000 gallons. Mann will be presenting that information.

One major discovery Mann has uncovered is the fact that the water utility runs about \$200,000 in red each year. Water rates are recommended to increase by 86% just to operate the water utility in a fiscally responsible manner. The Board will discuss adjusting rates now to operate the utility to break even OR wait until more is known about the cost of the plant and amount of financing that will be awarded.

More information can be found at www.townofsilt.org on the home page, lower left-hand corner under the button titled "Water Treatment Plant Planning Documents and Information".

The meeting on Monday, April 10 will begin at 6:15 PM at Silt Town Hall.

Town to Offer Incentive Program to Reduce Irrigation Water Use



Town of Silt staff members will offer the first look at a new Town irrigation program designed to help home and business owners reduce their irrigation water usage at the Monday, April 10 meeting. The program, dubbed the Turf Replacement Incentive Program (TRIP), will start this summer. Participants in the program will be offered a 25 cent per square foot cash incentive for replacing their turfgrass with less thirsty native species, other plantings and

xeriscaping. Home and business owners will not only be able to qualify for the incentive, but also may qualify for lower irrigation fees, depending on how much turf they replace.

Tune in Monday night to hear more!



 **COLORADO**
Department of Revenue

Can't get to the DMV??

WE BRING OUR SERVICES TO YOUR COMMUNITY

WHERE:
Town of Silt
231 N 7th St Silt, CO 81652

WHEN:
Wednesday - 4/19/23
9:00 AM - 4:00 PM



RENEW OR REPLACE A DRIVER'S LICENSE, ID, OR PERMIT

NEED A FIRST TIME DRIVERS LICENSE, ID, OR PERMIT? WE GOT YOUR BACK!!



April 14th, 2023

News You Can Use

Town of Silt Water/Wastewater Team Garners Statewide Award



Silt Water/Wastewater Crew at the plant: Public Works Director Trey Fonner, front, with team members, from back to front, Sara Flores, Daryl Back, Victor Tellez and Casey Carbone-Marron

The Town of Silt Water and team was awarded the Colorado Association's "Wastewater Year" award for 2022.

Presented to Public Works Director Trey Fonner and Class A Wastewater Operator Casey Carbone-Marron at the Colorado Association's annual conference, through Thursday last week, it



Wastewater Rural Water System of the

Director Trey Fonner was the Town's Team Lead at the award ceremony held Monday.

second such award in two years. Fonner was awarded the Association's Manager of the Year award last year.

Fonner and Carbone-Marron are joined by Daryl Back, Sara Flores and Victor Tellez in contributing to the team's success.

The event, held annually for 42 years, was held at the Embassy Suites by Hilton Hotel in Loveland.

The Town's wastewater operation will take in nearly \$1.3 million this year in operating revenue and spend about \$1.2 million.

Silt Once Again Named a Tree City USA



The Arbor Day Foundation, in partnership with the U.S. Forest Service and the National Association of State Foresters, recently honored the Town' of Silt's commitment to forest management and the environment by awarding us a 2022 Tree City USA designation! Tree City USA awards are given to towns and cities that maintain a tree department, have tree care ordinances, host Arbor Day observance activities, and dedicate a portion of their budget to community forestry.

Planting trees in communities not only leads to better air quality and less flooding, it also increases happiness and quality of life, and engages volunteers and the public in tree planting, care, and education. Silt has once again confirmed its commitment to creating a brighter, greener future for its citizens!

Further, Silt Mesa resident Adrian Brown will this year contribute 20 Ponderosa Pine seedlings to the Town for the establishment of a "Town Forest", to be planted on 7th Street between the Silt Town Shops and First Mesa Drive.

Arbor Day tree planting this year will be at Flying Eagle Park on Friday, April 21st at 10:00 A.M. Please join us!



Join the Town of Silt in celebrating our
Annual Arbor Day Tree Planting!!!

Date: April 21, 2023

Time: 10:00 AM

Location: Flying Eagle Park (16th Street & Grand Ave)

Thank you to Cub Scout Pack 221, for assisting in our
tree planting this year!!!



Irrigation Watering Begins on May 1st

Use Irrigation Water Wisely

Irrigation water is available from May 1st - October 1st

What Times Of The Day Can I Water?
12:00 a.m. to 12:00 p.m. or 5:00 p.m. to 12:00 a.m.
Maximum of 30 minutes per zone during the allowed irrigation day and season.
*The "irrigation day" is defined as ending by 11 midnight!

What Days Can I Water?
Even Numbered Addresses: Mondays, Wednesdays, and Saturdays
Odd Numbered Addresses: Tuesdays, Thursdays, and Sundays

AUDIT
The Town is conducting a mandatory audit of each property utilizing irrigation water.
Please call Town Hall to schedule your audit at 970-476-3111 x11100.

What Restrictions Does The Town Enforce?
Priority requirements will be written into SR (water) and will exist in the following locations:
- Watering on Fridays (The Town's need a day to rest)
- Watering between the hours of 11:00 a.m. to 5:00 p.m.
- Watering for more than 30 minutes per zone
- Watering more than your allowed irrigable area

EVERY DROP COUNTS
SAVE WATER

The irrigation ditch in town will begin to fill up the week of April 17th and the Town will begin filling the irrigation system. **Please remember to close any open valves on your property so that the irrigation system can be pressurized correctly.** Water will be available for use on May 1st.

Town Trustees Hear About Incentive Program to Reduce Irrigation Water Use; Increase Incentive to \$1 per Foot of Turf Replaced

Town of Silt Trustees heard Town Staff on Monday night present progress on the Town's irrigation system conservation efforts, including offering a new incentive program, dubbed the Turf Replacement Incentive Program (TRIP).

Participants in the program will be offered a 25 cent per square foot cash incentive for replacing their turfgrass with less thirsty native species, other plantings, and xeriscaping. Home and business owners will not only be able to qualify for the incentive, but also may qualify for lower irrigation fees, depending on how much turf they replace. The Town has budgeted \$10,000 in 2023 for this program.

The Board discussed the program's cost-effectiveness, monitoring and enforcement procedures, as well as targeting larger lots, new homeowners and HOA's. In the end, the Board suggested that the incentive be increased to \$1 per square foot and be given a one-year trial period.

Town of Silt Administrator Jeff Layman, starting the conversation, recapped the progress the Town has made in addressing deficiencies in the Town's irrigation service. The Town first developed an action plan and over the last three years has been working toward accomplishing the action items.

The Town first pursued measures to increase supply such as adding a new 8" pipeline, paired with new pumps on the Cactus Valley Ditch to allow the Town to take most of what it is entitled to and transport it to homes on the system. The improvements cost about \$270,000 and the Town benefitted from \$200,000 in grant funds from the Federal Mineral Lease District to use. The Town has also sought better relationships with the various ditch companies so that it would better understand policies that impact its operation.

At the same time, the Town passed an ordinance focused on demand reduction. That ordinance and the resulting education and enforcement is credited with reducing the overall use of irrigation water in Town and keeping water stocks at appropriate levels.

The incentive program will kick off in the next couple of weeks. An announcement will be forthcoming in utility bills, the newsletter, the website and other Town resources.

For more information, please contact Utility Billing Clerk Mary Cleator at mcleator@townofsilt.org.

DMV Will Be at Town Hall on April 19th



COOR
COLORADO
Department of Revenue

Can't get to the DMV??

WE BRING OUR SERVICES TO YOUR COMMUNITY

WHERE:
Town of Silt
231 N 7th St Silt, CO 81652

WHEN:
Wednesday - 4/19/23
9:00 AM - 4:00 PM

RENEW OR REPLACE A DRIVER'S LICENSE, ID, OR PERMIT

NEED A FIRST-TIME DRIVERS LICENSE, ID, OR PERMIT? WE GOT YOUR BACK!

DMV 2GO



Mayor Pro-Tempore Kyle Knott Resigns Seat; Replacement to be Sought

Town of Silt Mayor Pro Tem Kyle Knott resigned his seat on the Board of Trustees on Monday night, citing personal and business reasons. He said that new business opportunities would keep him away from Town more than he thought was right. He thanked the Trustees, staff, and the towns citizens for “allowing him the privilege of sitting on the Board.” He also said that he was not “leaving” Town and would hope to see everyone around.

The Town will announce the process to replace Knott on the Board soon. The Board will vote on a Pro-Tem replacement at the next Board of Trustees meeting.

eBike There Garfield County Program

\$150 e-bikes (Yes, really!)

The eBikeThere Garfield County program offers new e-bikes to income-qualified participants at the highly discounted price of just \$150!

- Magnum Cosmo S or Payload bikes are valued at \$2,000+
- Bike lock, pump, helmet & tuneup included
- Fun, healthy & clean transportation

Apply by May 5, 2023

Quotas are limited

GarfieldCountyEnergy.org/eBikeThere2023



* eBikeThere Garfield County's goal is to make e-bikes accessible to all residents as part of a countywide strategy to increase clean mobility and reduce pollution. Qualified participants must earn 80% or less of Area Median Income. Priority will be given to those who live and work in the same community.

PARTNERS



Flying Eagle Park Ribbon Cutting

Join Us For A Ribbon Cutting



!!! CALLING ALL CHILDREN !!!

The Town of Silt is excited to announce that Flying Eagle Park has undergone many improvements and is now open and ready for use!! There's a new quarter mile bike/walking path that surrounds the 2 block radius of the park, as well as new fencing and basketball courts!!

Date: Friday, April 21st

Time: 10:00am

Location: Flying Eagle Park

DONUTS WILL BE PROVIDED!



Thank you to our basketball hoop sponsor:

Alpine Bank

Silt Clean-Up Happening Soon

SPRING CLEAN-UP

SILT CLEAN-UP EVENT

Where: Silt Town Shop (612 N. 7th)

When: April 24th - April 29th

Time: 8 AM - 4:30 PM

Yard Waste Only

Limbs Up To 4" In Diameter




If you have any questions, please contact Town Hall at 970-870-2353
