



**IGNACIO TOWN BOARD MEETING AGENDA**  
**Monday, October 09, 2023 – 6:00 PM**  
**Abel F. Atencio Community Room, 570 Goddard Avenue**  
**or via Remote Public Meeting**

*The remote meeting is hosted by Zoom and requires Attendees to login to the Zoom meeting website at the following address: <https://us06web.zoom.us/j/83188185318>, or Attendees wishing to participate by phone shall call: [346-248-7799](tel:346-248-7799) and key in Webinar ID Number: [831 8818 5318](tel:831-8818-5318).*

*There is a Zoom Etiquette file on the Town website that details how Zoom meetings work and what is expected of Attendees. All Attendees will be able to hear and/or see the Town Board meeting. Attendees will be muted until the Mayor takes Attendee comments. Attendees wanting to comment must click on the "Raised Hand" tab at the bottom of the screen, or callers will have to enter \*9. The Mayor will acknowledge which Attendee is to speak (by name or phone number) and the meeting host will allow them to speak. The meeting host will unmute the Attendee (or notify the Attendee if they need to unmute themselves by entering \*6). The Attendee shall first provide their name and address before they begin their comments. Failure to follow directions or maintain meeting decorum will result in the muting of your connection.*

- I. CALL REGULAR MEETING TO ORDER:** Pledge of Allegiance
- II. ROLL CALL**
- III. APPROVAL OF AGENDA** – Action Item
- IV. PUBLIC COMMENTS:** *The Town Board values public comment and allows this time for citizens to voice their thoughts and concerns. The Mayor will open the comment period and prior to addressing the Board, state your name and address, and limit your comments to five (5) minutes. Meeting decorum will be maintained and failure to maintain composure and respect will result in the closure of your comment period. The Town Board and/or staff may respond to your comments or take your comments under advisement. Please do not comment on items listed on the Agenda, as opportunity will be given to comment during these discussions. Thank you.*
- V. CONSENT AGENDA** – Action Item
  - A. Regular Town Board Meeting Minutes from September 11, 2023
  - B. Financial Records – September 2023 Accounting Reports
- VI. UNFINISHED BUSINESS**
  - A.
- VII. NEW BUSINESS**
  - A. Town of Ignacio 2024 Draft Budget – Public Hearing
  - B. Dancing Spirit Memorandum of Understanding – Action Item
  - C. Resolution 03-2023 – Opposition to Proposition HH – Action Item
  - D. Ordinance 358 – Zito Holdings, LLC Franchise Agreement – Public Hearing & Action Item
- VIII. STAFF REPORTS**
  - A. Police Department
  - B. Public Works
  - C. Clerk / Treasurer
  - D. Town Manager
  - E. Attorney
- IX. TRUSTEE REPORTS**
- X. MISCELLANEOUS**
- XI. ADJOURNMENT**

**Immediately following the close of the Executive Session, the Town Board will have a work session to begin the 2024 budget discussions. This Work Session is specifically for Town Board Members to be able to have dialogue with and give direction to staff. There will not be opportunity for public comment during Work Sessions. To access the Work Session, you can log in to <https://us06web.zoom.us/j/86316509771>, or call [346 248 7799](tel:346-248-7799) and key in Webinar ID [863 1650 9771](tel:863-1650-9771)**

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Claim Checks			Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
Check #	Type	Vendor #/Name					
-97754	E	737 PITNEY BOWES INC	302.64	09/01/23	_____	CL 16960	302.64
-97753	E	974 LA PLATA ELECTRIC ASSN INC	2123.21	09/01/23	_____	CL 16962	2123.21
-97752	E	845 HOME DEPOT CREDIT SERVICES	134.28	09/01/23	_____	CL 16966	134.28
-97751	E	143 STATE OF COLORADO-SALES TAX	1263.56	09/15/23	_____	CL 16986	1263.56
6874 *	S	1235 4imprint, Inc.	684.49	09/01/23	_____	CL 16963	684.49
6875	S	65 BASIN COOP	2878.00	09/01/23	_____	CL 16976	2878.00
6876	S	1131 CROSSFIRE AGGREGATE SERVICES LLC	3215.69	09/01/23	_____	CL 16975	3215.69
6877	S	326 INTL INSTITUTE OF MUNICIPAL CLERKS	210.00	09/01/23	_____	CL 16965	210.00
6878	S	1228 Lawn Slingers & the Works	4280.00	09/01/23	_____	CL 16971	4280.00
6879	S	394 LEWIS TRUE VALUE MERCANTILE	31.23	09/01/23	_____	CL 16974	31.23
6880	S	1269 McKnight's Towing, Inc.	200.00	09/01/23	_____	CL 16961	200.00
6881	S	1247 Michala Riley	157.20	09/01/23	_____	CL 16969	157.20
6882	S	1192 Mitel Networks, Inc.	430.61	09/01/23	_____	CL 16964	430.61
6883	S	988 OLDCASTLE SW GROUP INC	3192.00	09/01/23	_____	CL 16967	3192.00
6884	S	1268 Second Chance Trucking, LLC	2970.00	09/01/23	_____	CL 16973	2970.00
6885	S	1172 Short Elliott Hendrickson, Inc.	13090.76	09/01/23	_____	CL 16968	13090.76
6886	S	730 SOUTHWEST AG	79.98	09/01/23	_____	CL 16972	79.98
6887	S	1096 TOWN OF BAYFIELD	256.00	09/01/23	_____	CL 16970	256.00
6894 *	S	53 AUTO PARTS INC	57.26	09/15/23	_____	CL 17015	57.26
6895	S	220 BALLANTINE COMMUNICATIONS INC	209.66	09/15/23	_____	CL 16977	209.66
6896	S	91 BRENNAN OIL COMPANY	196.06	09/15/23	_____	CL 16980	196.06
6897	S	99 C & J GRAVEL PRODUCTS INC	100.37	09/15/23	_____	CL 16978	100.37
6898	S	802 CAL STEEL & Sheet Metal	93.90	09/15/23	_____	CL 16990	93.90
6899	S	1187 Cardmember Service (TBK Bank)	10170.54	09/15/23	_____	CL 16998	396.40
						CL 16999	159.34
						CL 17000	1260.75
						CL 17001	90.00
						CL 17002	92.29

10/05/23  
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TOWN OF IGNACIO  
Check Register for Checking  
For the Accounting Period: 9/23

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Claim Checks			
Check #	Type	Vendor #/Name	
Claim Amount	Claim #	Period	Check Amount Date Issued Redeemed

6900	S	1140 ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE	1100.00	09/15/23	CL 17003	296.94
6901	S	1240 Ferguson Waterworks #1116	49.72	09/15/23	CL 17004	547.03
6902	S	257 FOUR CORNERS WELDING & GAS SUPPLY	7.00	09/15/23	CL 17005	772.83
6903	S	756 HONNEN EQUIPMENT	6029.50	09/15/23	CL 17006	71.26
6904	S	1130 IMAGENET CONSULTING LLC	1725.00	09/15/23	CL 17007	338.10
6905	S	999999 JAMES DRAKE	483.59	09/15/23	CL 17008	1185.13
6906	S	999999 JILL NEELY-SMITH	13.10	09/15/23	CL 17009	2070.41
6907	S	894 KRISTIN ROEHRS	600.00	09/15/23	CL 17010	1117.91
6908	S	1247 Michala Riley	542.37	09/15/23	CL 17011	356.09
6909	S	1192 Mitel Networks, Inc.	430.61	09/15/23	CL 17012	1416.06
6910	S	1264 Republic Services #657	2940.62	09/15/23	CL 16991	1100.00
6911	S	590 SAN JUAN BASIN HEALTH DEPARTMENT	35.00	09/15/23	CL 16982	7.00
6912	S	600 SOUTHERN UTE UTILITIES DIVISION	52129.96	09/15/23	CL 16992	6029.50
6913	S	730 SOUTHWEST AG	1225.00	09/15/23	CL 16985	1725.00
6914	S	626 SUMMIT SUPPLY	1927.58	09/15/23	CL 17013	483.59
6915	S	632 TARGET RENTAL	92.96	09/15/23	CL 17014	13.10
6916	S	1218 Ted's Rentals and Sales	312.60	09/15/23	CL 16987	600.00
6917	S	1096 TOWN OF BAYFIELD	8000.00	09/15/23	CL 16995	542.37
6918	S	650 TOWN OF IGNACIO	880.67	09/15/23	CL 16988	430.61
					CL 16996	2940.62
					CL 16997	35.00
					CL 16979	1927.58
					CL 16993	92.96
					CL 16994	312.60
					CL 17017	8000.00
					CL 16984	880.67

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TOWN OF IGNACIO  
Check Register for Checking  
For the Accounting Period: 9/23

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Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
6919	S	675 UTILITY NOTIFICATION CENTER OF CO	46.44	09/15/23		CL 16981	46.44
6920	S	1100 VECTOR DISEASE CONTROL	2058.80	09/15/23		CL 16983	2058.80

Total for Claim Checks  
Count for Claim Checks

126957.96  
45

\* denotes missing check number(s)

# of Checks: 45      Total: 126957.96

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TOWN OF IGNACIO  
Fund Summary for Claim Check Register  
For the Accounting Period: 9/23

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Fund/Account	Amount
100 GENERAL FUND	
110230 Operating Account	\$37,299.18
300 CAPITAL IMPROVEMENT FUND	
110230 Operating Account	\$24,862.03
610 WATER FUND	
110230 Operating Account	\$22,266.50
620 GAS FUND	
110230 Operating Account	\$6,978.13
630 SEWER FUND	
110230 Operating Account	\$35,303.53
640 IRRIGATION FUND	
110230 Operating Account	\$248.59
<b>Total:</b>	<b>\$126,957.96</b>

# TOWN OF IGNACIO

2022			2023	331310		% up/down			% up/down
City Sales Tax	Month	Year-To-Date	City Sales Tax	Month	Difference	from PYM	Year-To-Date	Difference	from PYT
			<i>hit bank</i>						
		-	1 Jan	50,873.14					
Jan	50,799.76	50,799.76	2 Feb	59,491.23	8,691.47	17.11%	59,491.23	8,691.47	17.11%
Feb	41,290.95	92,090.71	3 Mar	46,445.64	5,154.69	5.60%	105,936.87	13,846.16	15.04%
Mar	43,286.70	135,377.41	4 Apr	44,651.23	1,364.53	1.01%	150,588.10	15,210.69	11.24%
Apr	44,081.72	179,459.13	5 May	48,413.47	4,331.75	2.41%	199,001.57	19,542.44	10.89%
May	43,055.54	222,514.67	6 Jun	48,118.71	5,063.17	2.28%	247,120.28	24,605.61	11.06%
Jun	47,274.66	269,789.33	7 Jul	51,416.18	4,141.52	1.54%	298,536.46	28,747.13	10.66%
Jul	47,798.20	317,587.53	8 Aug	47,069.92	-728.28	-0.23%	345,606.38	28,018.85	8.82%
Aug	51,699.44	369,286.97	9 Sep	51,249.72	-449.72	-0.12%	396,856.10	27,569.13	7.47%
Sep	50,334.22	419,621.19	10 Oct						
Oct	50,282.82	469,904.01	11 Nov						
Nov	49,555.69	519,459.70	12 Dec						
Dec	50,873.14	570,332.84	Jan						
City Total Total	570,332.84		City Total	447,729.24					11.53%
2022 BUDGET	460,000.00		2023 BUDGET			108.70% Budget Incr	500,000.00		

2022			2023	331330		% up/down			% up/down
County Sales Tax	Month	Year-To-Date	County Sales Tax	Month	Difference	from PYM	Year-To-Date	Difference	from PYT
			<i>hit bank</i>						
		-	1 Jan	97,118.00					
		-	2 Feb	115,286.00					
Jan	86,662.00	86,662.00	3 Mar	87,867.00	1,205.00	1.39%	87,867.00	1,205.00	1.39%
Feb	83,423.00	170,085.00	4 Apr	89,282.00	5,859.00	3.44%	177,149.00	7,064.00	4.15%
Mar	100,800.00	270,885.00	5 May	98,894.00	-1,906.00	-0.70%	276,043.00	5,158.00	1.90%
Apr	93,125.00	364,010.00	6 Jun	93,396.00	271.00	0.07%	369,439.00	5,429.00	1.49%
May	106,167.00	470,177.00	7 Jul	105,714.00	-453.00	-0.10%	475,153.00	4,976.00	1.06%
Jun	115,145.00	585,322.00	8 Aug	118,127.00	2,982.00	0.51%	593,280.00	7,958.00	1.36%
Jul	116,545.00	701,867.00	9 Sep	119,823.00	3,278.00	0.47%	713,103.00	11,236.00	1.60%
Aug	118,060.00	819,927.00	10 Oct						
Sep	111,831.00	931,758.00	11 Nov						
Oct	103,265.00	1,035,023.00	12 Dec						
Nov	97,118.00	1,132,141.00	Jan						
Dec	115,286.00	1,247,427.00	Feb						
County Total	1,247,427.00			925,507.00					1.85%
2022 BUDGET	1,000,000.00		2023 BUDGET			110.00% Budget Incr	1,100,000.00		

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TOWN OF IGNACIO  
Cash Report  
For the Accounting Period: 9/23

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Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
100 GENERAL FUND						100.00
110100 Petty Cash	100.00	0.00	0.00	0.00	0.00	-630,695.25
110230 Operating Account	-492,950.18	313,651.07	2.82	275,183.33	176,215.63	49,943.83
110250 Savings Account	99,937.26	6.57	0.00	50,000.00	0.00	2,394,146.39
110270 Investment Account	2,109,662.70	284,483.69	0.00	0.00	0.00	1,813,494.97
<b>Total Fund</b>	<b>1,716,749.78</b>	<b>598,141.33</b>	<b>2.82</b>	<b>325,183.33</b>	<b>176,215.63</b>	
300 CAPITAL IMPROVEMENT FUND						301,422.25
110230 Operating Account	300,659.42	25,624.86	175.00	0.00	25,037.03	451,765.01
110270 Investment Account	449,725.57	2,039.44	0.00	0.00	0.00	753,187.26
<b>Total Fund</b>	<b>750,384.99</b>	<b>27,664.30</b>	<b>175.00</b>		<b>25,037.03</b>	
400 CONSERVATION TRUST FUND						20,130.19
110230 Operating Account	17,917.26	2,212.93	0.00	0.00	0.00	81,483.96
110270 Investment Account	81,116.10	367.86	0.00	0.00	0.00	101,614.15
<b>Total Fund</b>	<b>99,033.36</b>	<b>2,580.79</b>				
500 ECONOMIC DEVELOPMENT FUND						49,138.98
110230 Operating Account	49,138.98	0.00	0.00	0.00	0.00	18,540.54
110270 Investment Account	18,025.19	515.35	0.00	0.00	0.00	67,679.52
<b>Total Fund</b>	<b>67,164.17</b>	<b>515.35</b>				
610 WATER FUND						82,901.27
110230 Operating Account	75,892.68	29,758.68	0.00	483.59	22,266.50	46,702.09
110270 Investment Account	46,491.27	210.82	0.00	0.00	0.00	129,603.36
<b>Total Fund</b>	<b>122,383.95</b>	<b>29,969.50</b>		<b>483.59</b>	<b>22,266.50</b>	
620 GAS FUND						195,611.93
110230 Operating Account	170,292.08	32,311.65	0.00	13.67	6,978.13	143,520.46
110270 Investment Account	142,872.57	647.89	0.00	0.00	0.00	339,132.39
<b>Total Fund</b>	<b>313,164.65</b>	<b>32,959.54</b>		<b>13.67</b>	<b>6,978.13</b>	
630 SEWER FUND						154,324.09
110230 Operating Account	140,231.14	49,957.48	0.00	561.00	35,303.53	202.02
110270 Investment Account	201.12	0.90	0.00	0.00	0.00	154,526.11
<b>Total Fund</b>	<b>140,432.26</b>	<b>49,958.38</b>		<b>561.00</b>	<b>35,303.53</b>	
640 IRRIGATION FUND						27,380.62
110230 Operating Account	20,613.49	7,015.72	0.00	0.00	248.59	10,858.56
110270 Investment Account	10,809.53	49.03	0.00	0.00	0.00	38,239.18
<b>Total Fund</b>	<b>31,423.02</b>	<b>7,064.75</b>			<b>248.59</b>	
910 PAYROLL CLEARING FUND						19,934.87
110230 Operating Account	9,542.23	0.00	139,113.63	128,720.99	0.00	137,469.91
930 CLAIMS CLEARING FUND						
110230 Operating Account	10,511.95	0.00	126,957.96	0.00	0.00	
<b>Totals</b>	<b>3,260,790.36</b>	<b>748,853.94</b>	<b>266,249.41</b>	<b>454,962.58</b>	<b>266,049.41</b>	<b>3,554,881.72</b>

\*\*\* Transfers In and Transfers Out columns should match, with the following exceptions:  
 1) Cancelled electronic checks increase the Transfers In column. Disbursed column will be overstated by the same amount and will not balance to the Redeemed Checks List.  
 2) Payroll Journal Vouchers including local deductions with receipt accounting will reduce the Transfers Out column by the total amount of these checks.

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18:29:18

TOWN OF IGNACIO  
Statement of Revenue Budget vs Actuals  
For the Accounting Period: 9 / 23

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Fund	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
100 GENERAL FUND	257,530.98	1,830,657.96	2,283,836.00	453,178.04	80 %
300 CAPITAL IMPROVEMENT FUND	27,664.30	322,863.30	3,752,498.00	3,429,634.70	9 %
400 CONSERVATION TRUST FUND	2,580.79	11,535.37	80,800.00	69,264.63	14 %
500 ECONOMIC DEVELOPMENT FUND	515.35	4,264.19	241,010.00	236,745.81	2 %
610 WATER FUND	-272.77	213,815.81	318,200.00	104,384.19	67 %
620 GAS FUND	634.22	673,351.77	506,150.00	-167,201.77	133 %
630 SEWER FUND	4,041.98	417,653.91	629,600.00	211,946.09	66 %
640 IRRIGATION FUND	82.58	29,090.64	44,700.00	15,609.36	65 %
Grand Total:	292,777.43	3,503,232.95	7,856,794.00	4,353,561.05	45 %



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TOWN OF IGNACIO  
Statement of Expenditure - Budget vs. Actual Report  
For the Accounting Period: 9 / 23

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Fund	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	Committed %
100 GENERAL FUND	164,902.37	1,823,488.26	2,150,979.00	2,150,979.00	327,490.74	85 %
300 CAPITAL IMPROVEMENT FUND	24,862.03	209,435.81	4,250,000.00	4,250,000.00	4,040,564.19	5 %
400 CONSERVATION TRUST FUND	0.00	0.00	120,000.00	120,000.00	120,000.00	0 %
500 ECONOMIC DEVELOPMENT FUND	0.00	0.00	248,226.00	248,226.00	248,226.00	0 %
610 WATER FUND	22,266.50	119,008.32	309,191.00	309,191.00	190,182.68	38 %
620 GAS FUND	6,978.13	397,221.25	456,316.00	456,316.00	59,094.75	87 %
630 SEWER FUND	35,303.53	329,334.05	580,931.00	580,931.00	251,596.95	57 %
640 IRRIGATION FUND	248.59	5,242.11	44,266.00	44,266.00	39,023.89	12 %
Grand Total:	254,561.15	2,883,729.80	8,159,909.00	8,159,909.00	5,276,179.20	35 %

10/05/23  
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TOWN OF IGNACIO  
Payroll Summary For Payrolls from 09/01/23 to 09/30/23

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Total for Payroll Checks  
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	Employee	Employer	Amount
	-----	-----	-----
COMA HOURS (Comp Time Accumulated)	31.50		
COMP HOURS (Comp Time Used)	16.50		615.03
HOL HOURS (Holiday Pay)	152.00		5,209.34
J004 HOURS (CELL PHONE ALLO)	0.00		166.14
*Non Taxable (added to gross wages, no addition to SS, Med, FIT & SIT bases)			
J015 HOURS (IN LIEU OF INSU)	0.00		1,261.02
LV2 HOURS (HFWA Hrs for PT Employees)	25.00		692.50
OVER HOURS (Overtime)	118.00		5,801.82
REG HOURS (Regular Time)	2,569.50		84,809.38
SICK HOURS (Sick Time)	124.00		4,352.75
VACA HOURS (Vacation Time Used)	221.00		10,230.56
GROSS PAY	113,138.54	0.00	
NET PAY	79,220.33	0.00	
NET PAY (CHECKS)	10,774.39		
NET PAY (DIRECT DEPOSIT)	68,445.94		
AFLAC-AFTERTAX	355.32	1,138.74	
AFLAC-PRETAX	1,038.96	60.08	
CEBT DENTAL	0.00	732.00	
CEBT HEALTH	4,508.32	11,636.68	
CEBT LIFE	136.45	45.78	
CEBT VISION	0.00	102.00	
EMPL WEAPONS AD	200.00	0.00	
FIT	9,771.85	0.00	
FPPA	5,371.58	4,252.50	
FPPA DROP	1,097.08	0.00	
FPPA-457	982.52	0.00	
FPPA-AD&D	0.00	1,277.28	
GARNISHMENT2	46.14	0.00	
MEDICARE	1,555.70	1,555.70	
MISSIONSQUARE/I	2,036.12	1,934.96	
SIT	3,804.73	0.00	
SOCIAL SECURITY	3,013.44	3,013.44	
UNEMPL. INSUR.	0.00	225.93	
BANK 4	4,080.48	0.00	
BANK 8-SAVINGS	2,776.40	0.00	
COMM BANK OF CO	9,342.34	0.00	
CU OF COLORADO	4,216.50	0.00	
SANDIA LAB FCU	150.00	0.00	
THK BANK	6,800.12	0.00	
USAA	5,569.49	0.00	
VECTRA BANK CO	69.26	0.00	
WELLS FARGO	33,121.12	0.00	
WELLS FARGO N.A	138.52	0.00	
WELLS FARGO NEV	69.26	0.00	
WELLS FARGO OR	2,112.45	0.00	
FIT/SIT BASE	97,801.37	0.00	
MEDICARE BASE	107,288.67	0.00	
SOC SEC BASE	48,603.92	0.00	

10/05/23  
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TOWN OF IGNACIO  
Payroll Summary For Payrolls from 09/01/23 to 09/30/23

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UN BASE	112,972.40	0.00
Total		25,975.09
Total Payroll Expense (Gross Pay + Employer Contributions):		139,113.63

Check Summary

Payroll Checks Prev. Out.	\$177.91
Payroll Checks Issued	\$10,820.53
Payroll Checks Redeemed	\$0.00
Payroll Checks Outstanding	\$10,998.44
Electronic Checks	\$128,720.99

Deductions Accrued	Carried Forward From Previous Month	Deduction Checks Issued	Difference	Liab Account
Social Security		6026.88		221700
Medicare		3111.40		221710
Unempl. Insur.	427.91	653.82	0.02	221760
FIT		9771.85		221720
SIT		3804.73		221730
FPPA		9624.08		221742
AFLAC-PRETAX		1099.04		221757
EMPL WEAPONS AD		200.00		221782
FPPA-457		982.52		221742
FPPA-AD&D		1277.28		221743
MISSIONSQUARE/I		3971.08		221741
AFLAC-AFTERTAX		1494.06		221757
CEBT DENTAL		732.00		221754
CEBT HEALTH	16145.00	16145.00		221751
CEBT LIFE		182.23		221755
CEBT VISION		102.00		221756
GARNISHMENT2		46.14		221781
FPPA DROP		1097.08		221742
Total Ded.	59893.30	427.91	60321.19	0.02

\*\*\*\* Carried Forward column only correct if report run for current period.

GENERAL FUND REVENUES							
<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes	
	Fund #100						
	GENERAL GOVERNMENT REVENUES						
	Taxes / Unrestricted County-State:						
	100.331100	Property Tax	38,956	41,600	43,000	45,600	1
	100.331120	Tribe Pmt in Lieu of Taxes	648	500	700	700	
	100.331200	Specific Ownership Tax	4,372	3,500	3,555	4,000	
	100.331310	Town Sales Tax	579,024	500,000	597,901	580,000	2
	100.331330	County Sales Tax	1,247,427	1,100,000	1,258,663	1,200,000	3
	100.331420	Cigarette Tax	1,216	1,500	1,237	1,200	
	100.331510	CO HUTF Highway Users	30,744	31,000	27,807	30,609	
	100.331520	LP Co Motor Vehicle License	4,058	5,000	3,433	5,000	
	100.331530	LP County Road & Bridge	3,101	3,000	3,922	3,500	
	100.331810	Severance Tax	73,519	5,000	36,846	37,000	4
	100.331820	Franchise Tax	790	500	551	600	
	100.331830	Co Fed Mineral Dist. Tax	16,865	10,000	12,463	13,000	5
	Total Taxes/Unrestricted County-State:	2,000,720	1,701,600	1,990,079	1,921,209		
	Licenses & Permits:						
	100.332100	Business License Fee	2,503	2,200	1,320	2,200	
	100.332110	Liquor License Fee	2,543	2,500	3,260	2,550	
	100.332210	Building Permit & Inspection Fee	6,883	5,200	10,458	5,200	
	100.332250	Vendor Permit Fee	75	200	-	75	
	100.332260	Animal License Fee	600	400	443	400	
	100.332270	Business Service License	3,520	3,000	3,400	3,000	
	100.332275	Excavation Permit Fee	10	-	428	-	
	100.332290	Other Permit Fee		100	307	450	
	Total Licenses and Permits:	16,134	13,600	19,615	13,875		
	Grants / Restricted Funds:						
	100.333150	State-Imposed Bag Fees		500	2,000	2,000	6
	100.333158	HIDTA	105,194	95,000	95,000	95,000	7
	100.333400	LGGF Gaming Grant	32,834	22,400	22,390	23,000	8
	100.333405	DS (Drug & Seizure) Monies	-	5,000	-	5,000	
	100.333530	Snow Removal	2,750	2,200	2,600	2,500	9
	100.333590	DOLA Coronavirus Relief Fund		-	-	-	
	100.333591	DOLA American Rescue Plan Act		228,226	228,226	-	10
	Total Grants / Restricted Funds:	140,778	353,326	350,216	127,500		
	Fines / Fees:						
	100.334110	Court Costs/Fines/Citations	410	1,000	526	1,000	
	100.334130	Plan / Zone Fees	-	1,500	100	1,500	
	100.334140	Reproduction Fees	-	20	-		
	100.334160	NSF Fees	385	100	233	100	
	100.334170	Notary Public Fees	30	100	60	100	
	100.334240	VIN Inspections	110	150	67	150	
	100.334400	Residential Trash	40,877	41,280	37,998	41,280	11
	100.334401	Recycling	5,080	5,760	5,280	5,760	12
	Total for Fines / Fees:	46,892	49,910	44,264	49,890		
	Other Income:						
	100.336040	Equipment Sales	8,010	-	-	-	
	100.336050	Misc. Income	70,942	100	-	100	
	100.336060	Police Department Reimbursemer	2,430	4,000	12,917	4,000	

GENERAL FUND REVENUES							
<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes	
<b>Fund #100</b>							
100.336061	School Resource Officers	144,000	151,200	151,200	158,760	13	
100.336100	Interest Income	27,598	10,000	90,408	50,000		
100.336300	Building Space Rental	15	100	3,115	500		
	<b>Total Other Income:</b>	<b>252,996</b>	<b>165,400</b>	<b>257,640</b>	<b>213,360</b>		
<b>In House Transfers:</b>							
100.339100	Transfers In	-			-		
	<b>Total In House Transfers In:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
	<b>Total Administration Revenues &amp; Transfers:</b>	<b>2,457,519</b>	<b>2,283,836</b>	<b>2,661,813</b>	<b>2,325,834</b>		

GENERAL FUND - ADMINISTRATION EXPENSES							
	<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
	<b>Fund #100</b>						
	<b>Administration Expenses</b>						
	<b>Legislative:</b>						
	100.411000.1150	Town Board Salaries	7,500	7,200	7,200	7,200	
	100.411000.2200	FICA	465	450	496	450	
	100.411000.2250	Medicare	109	104	116	104	
	100.411000.2500	Unemployment Insurance	15	14	16	14	
	100.411000.5800	Travel, Training, Meetings	3,085	4,000	5,340	4,000	
	100.411000.5810	Hosting Joint Meetings	652	1,500	-	1,500	
	100.411000.8500	Town Board Cost Allocation Offset	(2,025)	(1,960)	(1,960)	(2,000)	
		<b>Total Legislative:</b>	<b>9,801</b>	<b>11,308</b>	<b>11,209</b>	<b>11,269</b>	
	<b>Judicial:</b>						
	100.412000.3200	Professional Service - Judge	-	1,650		1,650	
	100.412000.5800	Travel, Training, Meetings	2,685	1,050		1,050	
		<b>Total Judicial:</b>	<b>2,685</b>	<b>2,700</b>	<b>-</b>	<b>2,700</b>	
	<b>Elections:</b>						
	100.414000.1105	Election Judges	1,000		-	1,200	
	100.414000.4600	Election Supplies	662		-	700	
		<b>Total Elections:</b>	<b>1,662</b>	<b>-</b>	<b>-</b>	<b>1,900</b>	
	<b>Administration Salaries &amp; Benefits:</b>						
	100.415000.1100	Salaries Manager	-	87,360	75,835	130,000	
	100.415000.1101	Salaries Clerk/Treasurer	63,186	65,749	66,381	65,749	
	100.415000.1102	Salaries Deputy Clerk/Treasurer	40,384	45,864	47,098	45,864	
	100.415000.1103	Salaries Admin Assist/Fin Coord	46,970	58,710	46,793	58,710	
	100.415000.1200	Overtime	120	2,293	-	2,293	14
	100.415000.2100	Health Insurance	15,426	19,944	22,805	19,944	
	100.415000.2101	Life Insurance	62	67	88	67	
	100.415000.2102	Dental Insurance	798	912	963	912	
	100.415000.2103	Vision Insurance	95	120	157	120	
	100.415000.2104	Aflac	1,216	-	312	312	
	100.415000.2200	FICA	9,265	10,789	14,519	10,789	
	100.415000.2250	Medicare	2,167	2,503	3,398	2,503	
	100.415000.2300	Retirement	5,853	5,581	9,057	5,581	
	100.415000.2500	Unemployment Insurance	300	345	470	345	
		<b>Total Administration Salaries &amp; Benefits:</b>	<b>185,842</b>	<b>300,237</b>	<b>287,876</b>	<b>343,189</b>	
	<b>Administration Operating:</b>						
	100.416000.2600	Workers Compensation Ins.	13,345	33,089	33,894	33,894	15
	100.416000.2700	Insurance / PC	15,192	39,065	40,509	40,509	16
	100.416000.3000	Contract Work	110,740	10,000	49,410	10,000	
	100.416000.3201	Legal Service - Attorney	6,658	15,000	28,653	15,000	
	100.416000.3203	Prof. Service - Audit	6,290	17,000	18,322	18,322	
	100.416000.4110	Utilities - Water	1,193	3,300	4,295	3,300	
	100.416000.4120	Utilities - Sewer	1,100	2,800	3,724	2,800	
	100.416000.4130	Utilities - Electric	2,253	7,500	4,613	7,500	
	100.416000.4150	Utilities - Gas	1,728	2,200	9,545	2,200	
	100.416000.4155	Irrigation Expense	130	3,607	145	3,607	
	100.416000.4160	Telephone	2,011	5,912	5,259	5,912	
	100.416000.4162	Cell Phone - AT&T	2,540	7,100	7,432	7,100	
	100.416000.4164	IT Services & Maintenance	10,554	33,400	46,791	44,526	17

GENERAL FUND - ADMINISTRATION EXPENSES							
<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes	
<b>Fund #100</b>							
100.416000.4165	Internet Line	625	2,315	6,436	2,315		
100.416000.4166	IT Equipment & Supplies	1,735	15,000	20,013	38,276	18	
100.416000.4191	Recording Fees	284	400	35	400		
100.416000.4304	Building R & M	283	2,500	1,406	2,500		
100.416000.4444	Intergovernmental Payments	27,008	28,308	28,308	28,308	19	
100.416000.4950	Misc. Expense	25,222	1,200	1,556	1,200		
100.416000.4951	Community Christmas	39	200	207	200		
100.416000.4952	Community Support	856	1,000	1,948	1,000		
100.416000.5400	Advertising / Public Notices	804	2,500	1,182	2,500		
100.416000.5420	Cleaning Service	3,591	3,600	6,021	6,000		
100.416000.5430	Office Equipment L & M	1,392	1,500	900	1,500		
100.416000.5440	Publication Legal Notice	261	1,000	41	1,000		
100.416000.5500	Printing Services	2,010	5,000	4,837	5,000		
100.416000.5550	Bank Service Charges	958	1,500	2,234	1,500		
100.416000.5600	Office Supplies	1,407	7,000	3,677	7,000		
100.416000.5650	Operating Supplies	1,867	4,000	2,786	4,000		
100.416000.5800	Travel, Training, Meetings	2,577	3,000	5,045	3,000		
100.416000.5820	Special Events / Swag	2,760	2,000	913	2,000		
100.416000.6150	Postage	674	4,500	5,072	4,500		
100.416000.6260	Gas, Oil, Etc.	3,664	1,500	1,912	1,500		
100.416000.6450	Membership Fees / Subscriptions	8,513	7,411	12,679	7,411	20	
100.416000.6453	Flexile Spending Account (FSA)	-					
100.416000.8501	Admin Salaries & Benefits Offset	(157,160)	(198,865)	(198,865)	(228,864)		
100.416000.9000	Capital Outlay	324,945		366,667	366,667	21	
100.416000.9140	Transfer Out						
	<b>Total Administration Operating:</b>	<b>427,385</b>	<b>76,542</b>	<b>527,602</b>	<b>453,583</b>		
	<b>Community Development:</b>						
100.419000.1104	Building Inspect/Code Enforcem						
100.419000.1200	Overtime						
100.419000.2100	Health Insurance						
100.419000.2101	Life Insurance						
100.419000.2102	Dental Insurance						
100.419000.2103	Vision Insurance						
100.419000.2104	Aflac						
100.419000.2200	FICA						
100.419000.2250	Medicare						
100.419000.2300	Retirement						
100.419000.2500	Unemployment Insurance						
100.419000.2501	Prof. Services Planning Services	33,748	20,000		20,000	22	
100.419000.5650	Operating Supplies		500		500	23	
100.419000.5800	Travel, Training, Meetings		1,000	200	1,000		
100.419000.6450	Membership Fees/Subscriptions		250		250	24	
100.419000.9140	Transfer Out		238,226	238,226	10,000	25	
	<b>Total Community Development:</b>	<b>33,748</b>	<b>259,976</b>	<b>238,426</b>	<b>31,750</b>		
	<b>Total Administration Expenses:</b>	<b>661,123</b>	<b>650,763</b>	<b>1,065,112</b>	<b>844,391</b>		



GENERAL FUND - PUBLIC SAFETY EXPENSES							
	<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
	<b>Fund #100</b>						
	<b>Public Safety Salaries &amp; Benefits:</b>						
	100.420000.1106	Salaries Chief	122,307	118,851	131,156	118,851	
	100.420000.1107	Salaries Sergeant	95,128	93,558	103,304	93,558	
	100.420000.1108	Salaries Officers	361,607	357,344	366,767	357,344	26
	100.420000.1110	School Resource Officer	139,014	131,019	136,756	158,760	27
	100.420000.1180	P/T Clerk	2,234	2,312	2,825	2,312	
	100.420000.1200	Overtime	48,725	58,192	40,061	60,966	28
	100.420000.2100	Health Insurance	91,436	95,748	87,555	95,748	
	100.420000.2101	Life Insurance	281	302	296	302	
	100.420000.2102	Dental Insurance	6,720	6,660	7,347	6,660	
	100.420000.2103	Vision Insurance	852	876	975	876	
	100.420000.2104	Aflac	1,515	370	218	370	
	100.420000.2130	Legal Insurance	1,592	1,592	-	1,592	
	100.420000.2200	FICA	139	144	175	144	
	100.420000.2250	Medicare	10,471	11,039	10,625	11,481	
	100.420000.2350	Police Pension	49,690	55,283	73,711	57,918	
	100.420000.2450	Death & Disability	18,439	19,431	19,782	20,319	
	100.420000.2500	Unemployment Insurance	1,535	1,523	1,598	1,584	
	<b>Total Public Safety Salaries &amp; Benefits:</b>		<b>951,684</b>	<b>954,244</b>	<b>983,151</b>	<b>988,785</b>	
			962,424				
	<b>Public Safety Operating:</b>						
	100.421000.3415	Clinic & Hospital	-	600	900	600	
	100.421000.4306	Vehicle R & M	3,837	7,000	5,046	7,000	
	100.421000.4444	Intergovernmental Payments	11,481	16,862	16,862	16,862	29
	100.421000.4950	Misc. Expense	47,001	300	300	300	
	100.421000.4980	Animal Control	-	300	-	300	
	100.421000.5420	Cleaning Service	634	585	1,063	585	
	100.421000.5650	Operating Supplies	8,491	10,000	11,391	10,000	
	100.421000.5800	Travel, Training, Meetings	5,803	3,000	3,393	3,000	30
	100.421000.6110	Uniforms	3,527	3,000	3,000	3,000	
	100.421000.6140	Other DS Costs	364	-	-	-	
	100.421000.6160	Dispatch (Radio) Services	-	10,000	-	10,000	
	100.421000.6230	Firearm Supplies	1,202	1,500	1,807	1,500	
	100.421000.6260	Gas, Oil, Etc.	21,653	17,000	19,740	17,000	
	100.421000.6450	Membership Fees/Subscriptions	5,014	10,082	10,082	10,082	31
	100.421000.8400	Contributions to Institutions	100	200		200	
		Cost Allocations	38,807		39,000	40,000	
	100.421000.9000	Capital Outlay		60,000	60,000	4,829	32
	100.421000.9010	Capital Outlay - Vehicles		40,000		110,000	33
	<b>Total Public Safety Operating:</b>		<b>147,914</b>	<b>180,429</b>	<b>172,583</b>	<b>235,258</b>	
	<b>Total Public Safety Expenses:</b>		<b>1,099,598</b>	<b>1,134,673</b>	<b>1,155,734</b>	<b>1,224,043</b>	



GENERAL FUND PUBLIC WORKS - PARKS EXPENSES							
<i>Draft</i>			2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
Fund #100							
<b>Public Works Salaries &amp; Benefits:</b>							
100.430000.1109	Salaries Public Works Director		73,312	76,440	86,092	76,440	
100.430000.1111	Salaries Foreman		51,803	52,250	56,100	52,250	
100.430000.1112	Salaries Maintenance Worker I		81,257	-	43,038	-	
100.430000.1113	Salaries Maintenance Worker II		31,567	132,787	93,743	132,787	
100.430000.1200	Overtime		7,656	9,252	17,982	9,252	34
100.430000.2100	Health Insurance		33,739	27,611	38,184	27,611	
100.430000.2101	Life Insurance		143	168	177	168	
100.430000.2102	Dental Insurance		807	912	963	912	
100.430000.2103	Vision Insurance		95	120	127	120	
100.430000.2104	Aflac		3,663	3,613	14,235	3,613	
100.430000.2200	FICA		15,113	16,921	19,239	16,921	
100.430000.2250	Medicare		3,535	3,926	4,498	3,926	
100.430000.2300	Retirement		11,887	13,074	13,408	13,074	
100.430000.2500	Unemployment Insurance		494	541	631	541	
100.430000.2502	Enterprise Salary / Benefit Alloc.		-	(183,556)			
<b>Total Public Works Salaries &amp; Benefits:</b>			<b>315,070</b>	<b>154,059</b>	<b>388,415</b>	<b>337,614</b>	
<b>Public Works Operating:</b>							
100.431000.3000	Contract Work / Hydro Excavation		36,289	12,500	281		
100.431000.3415	Clinic & Hospital		506	500	852	500	
100.431000.3910	Residential Trash		25,798	32,910	33,885	33,000	35
100.431000.3911	Recycle		3,920	5,400	6,240	5,500	
100.431000.4130	Utilities - Electric		1,211	300	1,327	1,400	
100.431000.4225	Rental Equipment / Supplies		4,140	1,000	1,164	1,000	
100.431000.4300	Equipment R & M		10,071	12,000	30,880	15,000	
100.431000.4304	Building R & M				196	200	
100.431000.4306	Vehicle R & M		8,146	9,500	11,949	10,000	
100.431000.4308	Bldg. & Prop. R & M		4,206	500	3,419	1,500	
100.431000.4309	Mosquito Control		9,845	9,560	10,437	10,000	
100.431000.4313	Street Repairs		21,528	50,000	77,678	50,000	36
100.431000.4316	Street Lights - Electric		14,902	20,000	17,791	20,000	
100.431000.4318	Street Signs		1,664	2,000	-	2,000	
100.431000.4365	Seasonal Decorations		35	500	300	500	
100.431000.4950	Miscellaneous Expense		4,266		14		
100.431000.5600	Office Supplies		609	1,000	1,148	1,000	
100.431000.5650	Operating Supplies				100	1,500	
100.431000.5800	Travel, Training, Meetings		3,442	1,000	650	1,000	
100.431000.6003	R & M Supplies		2,246	4,000	1,270	4,000	
100.431000.6004	Tools		7,887	1,000	5,924	3,500	
100.431000.6005	Shop Supplies			2,500	5,469	4,500	
100.431000.6110	Uniforms		2,866	3,000	1,231	3,000	
100.431000.6260	Gas, Oil, Etc.		17,550	14,000	19,963	20,000	
100.431000.6450	Memberships / Subscriptions		-	1,000	584	600	37
100.431000.6453	Flexible Spending Account (FSA)		-	764			
100.431000.7450	Small Equip/Vehicle Purchases		5,331	5,000	4,714	5,500	38
100.431000.8520	Enterprise Salary / Benefit Alloc.		(181,840)		(183,556)	(184,000)	
100.431000.9010	Capital Outlay - Vehicles		44,945		125,700	80,000	39
<b>Total Public Works Operating:</b>			<b>49,563</b>	<b>189,934</b>	<b>179,610</b>	<b>91,200</b>	
<b>Parks Expenses:</b>							
100.452000.1114	Salaries Seasonal Worker		(18)				
100.452000.1200	Overtime						
100.452000.2200	FICA						
100.452000.2250	Medicare						
100.452000.2500	Unemployment Insurance						
100.452000.6003	R & M Supplies		2,168	1,000	3,487	2,000	
100.452000.7110	Grounds Improvement / Tree Care		15,000	22,500	22,500	22,500	
100.452000.7180	Trails		-	2,500	-	2,500	
<b>Total Parks Operating:</b>			<b>17,150</b>	<b>26,000</b>	<b>25,987</b>	<b>27,000</b>	
<b>Total Public Works and Parks Expenses:</b>			<b>381,783</b>	<b>369,993</b>	<b>594,013</b>	<b>455,814</b>	

GENERAL FUND SUMMARY				
<i>Draft</i>	2022 Actual	2023 Budget	2023 Estimates	2024 Budget
Fund #100				
BEGINNING FUND BALANCES	1,574,503	1,916,515	1,889,518	1,736,472
Total Gen Fund Revenues & Transfers In:	2,457,519	2,283,836	2,661,813	2,325,834
Administration Expenses	661,123	646,313	1,065,112	844,391
Public Safety Expenses	1,099,598	1,134,673	1,155,734	1,224,043
Public Works and Parks Expenses	381,783	369,993	594,013	455,814
HB Prior Period Adjustment				
Total Gen Fund Expenses & Transfers Out	2,142,504	2,150,979	2,814,859	2,524,248
Total General Fund Net Revenues	315,015	132,857	-153,046	-198,414
ENDING FUND BALANCE	1,889,518	2,049,372	1,736,472	1,538,058
TABOR Reserve (3% of Expenditures)	64,275	64,529	84,446	75,727
Unallocated Operating Reserve	1,825,243	1,984,843	1,652,027	1,462,331
TOTAL ENDING FUND BALANCE	1,889,518	2,049,372	1,736,472	1,538,058

CAPITAL IMPROVEMENT FUND							
<i>Draft</i>			2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
Fund #300							
REVENUES							
Grants / Restricted Funds							
300.333000	DOLA Grant / Restricted Funds			199,998	50,000	149,998	40
	DOH - Rock Creek			2,600,000	600,000	1,400,000	
300.333415	Sales Tax Revenue	289,512		250,000	353,610	300,000	41
	La Plata County - Rock Creek			700,000	10,000	690,000	
300.333500	Additional Grants / Monies				50,000		42
Total Grants / Restricted Funds:			289,512	3,749,998	1,063,610	2,539,998	
Other Income:							
300.336100	Interest Income		6,311	2,500	22,500	15,000	
Total Other Income:			6,311	2,500	22,500	15,000	
In House Transfers:							
300.339100	Transfer In Utility Funds						
Total In House Transfers:			-	-	-	-	
Total Capital Fund Revenues			295,823	3,752,498	1,086,110	2,554,998	
EXPENSES							
Capital Improvement:							
300.930000.3204	Prof Svs - Engineer/Consultant	7,004		100,000	12,129	100,000	43
300.930000.6010	Sidewalk R & M					209,000	44
300.930000.6454	CIP Transfer Out						
300.930000.9202	Project / Labor Match	7,663		-			45
300.930000.9230	Cap. Projects - Browning Storm Drain				400,000		
300.930000.9230	Capital Projects - Rock Creek	18,184		4,150,000	205,938	3,094,062	
Total Capital Improvement Expenses			32,850	4,250,000	618,067	3,403,062	
Capital Improvement Fund Beginning Balance			431,969	655,942	694,942	1,162,985	
	Revenues		295,823	3,752,498	1,086,110	2,554,998	
	Expenses		32,850	4,250,000	618,067	3,403,062	
ENDING FUND BALANCE			694,942	158,440	1,162,985	314,921	
	Restricted Operating Reserve		694,942	158,440	1,162,985	314,921	
Capital Improvement Fund Total Ending Balance:			694,942	158,440	1,162,985	314,921	

CONSERVATION TRUST FUND						
<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
	Fund #400					
	REVENUES					
	Grants / Restricted Funds:					
	400.333100	GOCO Grant	72,000	-	72,000	
	400.333580	Lottery Funds	10,897	8,400	11,322	12,000
	Total Grants / Restricted Funds:	10,897	80,400	11,322	84,000	
	Other Income:					
	400.336100	Interest Income	1,266	400	4,057	2,500
	Total Other Income:	1,266	400	4,057	2,500	
	Total Conservation Trust Fund Revenue	12,163	80,800	15,379	86,500	
	EXPENSES					
	Conservation Trust:					
	400.700452.9000	GOCO Grant Expenditure	-	120,000	-	120,000
	Total Conservation Trust Fund Expenses	-	120,000	-	120,000	
	Conservation Trust Fund Beginning Fund Balance	77,916	69,162	90,079	105,458	
		Revenues	12,163	80,800	15,379	86,500
		Expenses	-	120,000	-	120,000
	CTF Ending Fund Balance	90,079	29,962	105,458	71,958	
	Conservation Trust Fund Total Ending Balance:	90,079	29,962	105,458	71,958	

ECONOMIC DEVELOPMENT FUND							
<i>Draft</i>			2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
Fund #500							
REVENUES							
Grants / Restricted Funds:							
500.333851	DOLA Grant	48,547					48
	REDI Grant					150,000	49
Total Grants / Restricted Funds:		48,547	-	-	-	150,000	
Other Income:							
500.336100	Interest Income	1,392	2,784	5,686	2,900		
Total Other Income:		1,392	2,784	5,686	2,900		
In House Transfers:							
500.339100	Transfers In		238,226	238,226	10,000		50
Total In House Transfers:		-	238,226	238,226	10,000		
Total Economic Development Fund Revenues		49,939	241,010	243,912	162,900		
EXPENSES							
500.500463.3207	Planning Grants	-	10,000		10,000		51
	REDI Grant expense				150,000		
500.500463.6454	Transfer Out		10,000	10,000	10,000		52
500.500463.9202	Project/Labor Match		228,226	228,226			53
Total		-	248,226	238,226	170,000		
Total Economic Development Fund Expenses		-	248,226	238,226	170,000		
Economic Development Fund Beginning Balance		13,476	60,663	63,415	69,101		
Revenues		49,939	241,010	243,912	162,900		
Expenses		-	248,226	238,226	170,000		
Ending Fund Balance		63,415	53,447	69,101	62,001		
Economic Development Fund Total Ending Balance:		63,415	53,447	69,101	62,001		

WATER FUND							
<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes	
<b>Fund #610</b>							
<b>REVENUES</b>							
<b>Fines / Fees / Utilities:</b>							
610.334120	Late Fees	10,482	6,000	5,600	6,000		
610.334419	Reconnect Fees	4,700	1,500	3,893	3,000		
610.334420	Metered Water Sales	261,475	286,000	256,188	286,000		
610.334430	Tap Fees	3,450	7,600	7,050	7,600		
610.334440	Ready to Serve Fees	11,953	13,000	10,813	13,000		
610.334495	Special Meter Read						
	<b>Total Fines / Fees / Utilities:</b>	<b>292,060</b>	<b>314,100</b>	<b>283,545</b>	<b>315,600</b>		
<b>Other Income:</b>							
610.336100	Interest Income	464	100	2,326	1,000		
	<b>Total Other Income:</b>	<b>464</b>	<b>100</b>	<b>2,326</b>	<b>1,000</b>		
<b>In House Transfers:</b>							
610.339100	Transfers In		4,000	4,000	4,000	54	
	<b>Total In House Transfers:</b>	<b>-</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>		
	<b>Total Water Revenue</b>	<b>292,524</b>	<b>318,200</b>	<b>289,871</b>	<b>320,600</b>		
<b>EXPENSES</b>							
<b>Water Operations:</b>							
610.610416.3000	Contract Work / Hydro Excavation	2,480	1,000	-	1,000		
610.610416.3204	Prof. Service - Engineer	-	1,000	-	1,000		
610.610416.5800	Training, Travel & Meetings	2,632	3,000	4,782	3,000		
610.610416.5901	Enterprise Salary & Benefit Allocation	95,297	101,771	101,771	103,000		
610.610416.5902	Enterprise General Services Allocation	20,752	21,645	21,645	25,000		
610.610416.6003	R & M Supplies	28,025	25,000	20,451	25,000		
610.610416.6004	Tools	162	2,500	300	2,500		
610.610416.6025	Water Tests	2,172	3,000	1,898	3,000		
610.610416.6100	Purchased Water	124,307	150,000	140,952	156,000	55	
610.610416.6450	Membership Fees/Subscriptions	523	275	1,302	275		
610.610416.7450	Small Equipment Purchases						
610.610416.9000	Capital Outlay						
610.610416.9010	Capital Outlay - Vehicles	1,087					
	<b>Total Water Operations:</b>	<b>277,436</b>	<b>309,191</b>	<b>293,100</b>	<b>319,775</b>		
	<b>Total Water Expenses</b>	<b>277,436</b>	<b>309,191</b>	<b>293,100</b>	<b>319,775</b>		
	<b>Water Fund Beginning Fund Balance</b>	<b>44,652</b>	<b>14,727</b>	<b>42,406</b>	<b>39,177</b>		
	<b>Revenues</b>	<b>292,524</b>	<b>318,200</b>	<b>289,871</b>	<b>320,600</b>		
	<b>Expenses</b>	<b>277,436</b>	<b>309,191</b>	<b>293,100</b>	<b>319,775</b>		
	<b>Water Fund Subtotal</b>	<b>59,739</b>	<b>23,736</b>	<b>39,177</b>	<b>40,002</b>		
	<b>Water Fund Total Ending Balance:</b>	<b>42,406</b>	<b>23,736</b>	<b>39,177</b>	<b>40,002</b>		



GAS FUND							
<i>Draft</i>			2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
<b>Fund #620</b>							
<b>REVENUES</b>							
<b>Fines / Fees / Utilities:</b>							
620.334412	Gas Residential		365,451	305,000	410,275	400,000	
620.334413	Gas Commercial		197,437	150,000	265,177	200,000	
620.334415	Gas Stand-By Fees		11,715	11,700	11,431	11,900	
620.334430	Tap Fees		3,562		6,890	6,500	
620.334470	Gas Taxes		35,214	35,000	54,396	35,500	
	<b>Total Fines / Fees / Utilities:</b>		<b>613,380</b>	<b>501,700</b>	<b>748,168</b>	<b>653,900</b>	
<b>Other Income:</b>							
620.336050	Misc Income			-			
620.336100	Interest Income		1,726	450	7,148	4,000	
	<b>Total Other Income:</b>		<b>1,726</b>	<b>450</b>	<b>7,148</b>	<b>4,000</b>	
<b>In House Transfers:</b>							
620.339100	Transfers In			4,000	4,000	4,000	56
	<b>Total In House Transfers:</b>		<b>-</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	
	<b>Total Gas Fund Revenue</b>		<b>615,106</b>	<b>506,150</b>	<b>759,316</b>	<b>661,900</b>	
<b>EXPENSES</b>							
<b>Gas Fund Operations:</b>							
620.620416.3000	Contract Work / Hydro Excavation		2,758	1,000	7,114	1,000	
620.620416.3204	Prof. Service - Engineer				640	500,000	
620.620416.3410	CDOT Physicals, Drug Tests		-	500	-	500	
620.620416.4300	Equipment R & M		-	3,000	-	3,000	
620.620416.4306	Vehicle R & M		-	1,500	200	1,500	
620.620416.4950	Misc Exp - depreciation/net change		168,308	500	20	500	
620.620416.5800	Travel, Training, Meetings		3,119	3,000	3,519	3,000	
620.620416.5901	Enterprise Salary & Benefit Allocation		102,104	101,771	101,771	102,000	
620.620416.5902	Enterprise General Services Allocatio		20,407	21,645	21,645	25,000	
620.620416.6003	R & M Supplies		19,552	20,000	3,519	20,000	
620.620416.6004	Tools		7,025	2,500	3,220	2,500	
620.620416.6210	Natural Gas Purchases		292,890	275,000	302,527	280,000	57
620.620416.6220	Gas Sales Tax		19,542	20,000	43,351	45,000	
620.620416.6250	Energy Outreach Colorado		1,019	1,700	1,804	1,700	58
620.620416.6260	Gas, Oil, Etc.		2,200	4,000	2,496	4,000	
620.620416.6450	Membership Fees / Subscriptions		1,986	200	545	200	
620.620416.8400	Contribution						
620.620416.9000	Capital Outlay - Gas Line						
620.620416.9010	Capital Outlay - Vehicle		44,945				59
620.620416.9140	Transfer Out						
	<b>Total Gas Fund Operations:</b>		<b>685,854</b>	<b>456,316</b>	<b>492,370</b>	<b>989,900</b>	
	<b>Total Gas Fund Expenses &amp; Transfers</b>		<b>685,854</b>	<b>456,316</b>	<b>492,370</b>	<b>989,900</b>	
	<b>Gas Fund Beginning Fund Balance</b>		<b>137,226</b>	<b>73,955</b>	<b>66,478</b>	<b>333,425</b>	
	<b>Revenues</b>		<b>615,106</b>	<b>506,150</b>	<b>759,316</b>	<b>661,900</b>	
	<b>Expenses</b>		<b>685,854</b>	<b>456,316</b>	<b>492,370</b>	<b>989,900</b>	
	<b>Gas Fund Subtotal</b>		<b>66,478</b>	<b>123,789</b>	<b>333,425</b>	<b>5,425</b>	
	<b>Gas Fund Total Ending Balance:</b>		<b>66,478</b>	<b>123,789</b>	<b>333,425</b>	<b>5,425</b>	

SEWER FUND							
<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes	
<b>Fund #630</b>							
<b>REVENUES</b>							
<b>Fines / Fees / Utilities:</b>							
630.334430	Tap Fees	1,850	2,500	2,400	2,500		
630.334460	Sewage Collection	592,870	550,000	508,085	550,000		
	<b>Total Fines / Fees / Utilities:</b>	<b>594,720</b>	<b>552,500</b>	<b>510,485</b>	<b>552,500</b>		
<b>Other Income:</b>							
630.336000	Other Income - Burns Avenue		27,500	6,000	21,500		60
	Other Income - Goddard Avenue		47,500	67,431	47,644		61
630.336100	Interest Income	1	100	10	50		
	<b>Total Other Income:</b>	<b>1</b>	<b>75,100</b>	<b>73,442</b>	<b>69,194</b>		
<b>In House Transfers:</b>							
630.339100	Transfer In		2,000	2,000	2,000		62
	<b>Total In House Transfers:</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>		
	<b>Total Sewer Operating Revenue</b>	<b>594,721</b>	<b>629,600</b>	<b>585,927</b>	<b>623,694</b>		
<b>EXPENSES</b>							
<b>Sewer Operations:</b>							
630.630416.3000	Contract Work / Hydro Excavation	2,480	1,000	-	1,000		
630.630416.3204	Prof. Service - Engineer/Filming	-	1,000	-	1,000		
	Depreciation	16,255					
630.630416.5800	Travel, Training, Meetings	-	500	-	500		
630.630416.5901	Enterprise Salary & Benefit Allocatio	94,918	91,759	91,759	95,000		
630.630416.5902	Enterprise General Services Allocat	10,376	10,822	10,822	12,500		
630.630416.6003	R & M Supplies	7,608	25,000	3,000	25,000		
630.630416.6004	Tools	-	500	1,000	500		
630.630416.6240	SUIT - Treatment	362,960	400,000	360,294	400,000		63
630.630416.6450	Membership Fees / Subscriptions	333	350	500	350		
630.630416.6452	Reimbursable Exp (Burns Ave Proj)	25,700		-	-		64
630.630416.6452	Goddard		50,000	166,881	40,000		65
630.630416.7450	Small Equipment Purchases						
630.630416.9010	Capital Outlay - Vehicles	3,688					66
	<b>Total Sewer Operations</b>	<b>524,317</b>	<b>580,931</b>	<b>634,256</b>	<b>575,850</b>		
	<b>Total Sewer Fund Expense:</b>	<b>524,317</b>	<b>580,931</b>	<b>634,256</b>	<b>575,850</b>		
<b>Sewer Fund Beginning Fund Balance</b>		<b>193</b>	<b>-</b>	<b>86,171</b>	<b>37,841</b>		
	<b>Revenues</b>	<b>594,721</b>	<b>629,600</b>	<b>585,927</b>	<b>623,694</b>		
	<b>Expenses</b>	<b>524,317</b>	<b>580,931</b>	<b>634,256</b>	<b>575,850</b>		
	<b>Sewer Fund Subtotal</b>	<b>70,598</b>	<b>48,669</b>	<b>37,841</b>	<b>85,685</b>		
	<b>Sewer Fund Total Ending Balance:</b>	<b>86,171</b>	<b>48,669</b>	<b>37,841</b>	<b>85,685</b>		



IRRIGATION FUND							
	<i>Draft</i>		2022 Actual	2023 Budget	2023 Estimates	2024 Budget	Notes
	Fund #640						
	REVENUES						
	Fines / Fees / Utilities:						
	640.334430	Tap Fees	574	600	574	600	
	640.334480	Irrigation Water Charges	39,736	44,000	40,283	44,000	
		Total Fines / Fees / Utilities:	40,310	44,600	40,857	44,600	
	Other Income:						
	640.336100	Interest Income	181	100	541	350	
		Total Other Income:	181	100	541	350	
	In House Transfers:						
	640.339100	Transfer In					
		Total In House Transfers:	-	-	-	-	
		Total Irrigation Fund Revenue	40,491	44,700	41,398	44,950	
	EXPENSES						
	Irrigation Operations:						
	640.640416.3000	Contract Work / Hydro Excavation	-	2,000	-	2,000	
	640.640416.3204	Prof. Service - Engineer	-	500	-	500	
	640.640416.4130	Utilities - Electric (Pumphouse)		258	500	258	
	640.640416.4315	BIA Water Rights	3,459	3,500	3,607	3,500	67
	640.640416.5400	Advertising/Public Notices			-		
	640.640416.5901	Enterprise Salary & Benefit Allocation	23,893	28,679	28,679	29,000	
	640.640416.5902	Enterprise General Services Allocation	4,150	4,329	4,329	4,500	
	640.640416.6003	R & M Supplies	4,508	5,000	2,313	5,000	
	640.640416.9000	Capital Outlay - Infrast. Impr. Proj.					
		Total Irrigation Operations:	36,011	44,266	39,429	44,758	
		Total Irrigation Fund Expenses	36,011	44,266	39,429	44,758	
		Irrigation Fund Beginning Fund Balance	10,373	13,715	15,269	17,238	
		Revenues	40,491	44,700	41,398	44,950	
		Expenses	36,011	44,266	39,429	44,758	
		Irrigation Fund Subtotal	14,853	14,149	17,238	17,430	
		Irrigation Fund Total Ending Balance:	15,269	14,149	17,238	17,430	

2024 FUNDS SUMMARY				
<i>Draft</i>	Estimated Beginning Fund Balance	2024 REVENUES	2024 EXPENSES	Estimated Ending Fund Balance
<b>FUND</b>				
General	1,736,472	2,325,834	2,524,248	1,538,058
Capital Improvement	1,162,985	2,554,998	3,403,062	314,921
Conservation Trust	105,458	86,500	120,000	71,958
Economic Development	69,101	162,900	170,000	62,001
<b>Total Governmental Funds</b>	<b>3,074,015</b>	<b>5,130,232</b>	<b>6,217,310</b>	<b>1,986,937</b>
<b>ENTERPRISE</b>				
Water	39,177	320,600	319,775	40,002
Gas	333,425	661,900	989,900	5,425
Sewer	37,841	623,694	575,850	85,685
Irrigation	17,238	44,950	44,758	17,430
<b>Total Enterprise Funds</b>	<b>427,682</b>	<b>1,651,144</b>	<b>1,930,283</b>	<b>148,543</b>
<b>TOTAL ALL FUNDS:</b>	<b>3,501,697</b>	<b>6,781,376</b>	<b>8,147,593</b>	<b>2,135,480</b>

Note #	BUDGET NOTES
1	2022 mill levy was 4.448. 2023 mill levy is 4.783. 2024 mill levy will be xxx.
2	Town sales tax rate is 2%.
3	Town receives 3.55% of the 2% La Plata County sales tax.
4	Annual DOLA payment of nonrenewable natural resources that are removed from the earth like oil, gas, coal, etc.
5	Annual Federal Mineral Lease non-bonus payments.
6	Collection begin 2023, Town 60% and store 40%; Town 60% allotted to enforcement, recycle, compost. Can not waive.
7	Grant funding for one (1) full-time officer including salary, benefits and overtime hours.
8	Local Government Limited Gaming Impact Grant.
9	Snow removal compensation from CDOT and Library.
10	ARPA funds must be obligated no later than the end of 2024 and fully expended no later than the end of 2026.
11	Residential trash billing revenue.
12	Residential recycling billing revenue.
13	Reimbursement from Ignacio School District for 2 School Resource Officers.
14	Overtime calculated at 5% of Deputy Clerk's salary.
15	CIRSA Worker's Compensation Insurance for Town and Enterprise Funds.
16	CIRSA Property & Casualty Insurance for Town and Enterprise Funds.
17	IT for Town Administration, Public Safety, Public Works and Enterprise Funds.
18	IT for Town Administration, Public Safety, Public Works and Enterprise Funds.
19	2021: SOCO \$15,000, Axis \$1000, Comm Conn \$2500, HF \$1808, ICD \$1000, SASO \$1700; 2022: SoCoCAA \$15,000, Axis \$1000, Comm Conn \$2500, Homesfund \$1808, ICD \$5000, SASO \$2700; 2023: SoCoCAA \$18,000, Axis \$1000, Comm Conn \$2500, HF \$1808, ICD \$5000.
20	CML, R9, La Plata Economic Alliance, RHA, Ignacio Chamber of Commerce, POB renewal, IIMC, CMCA, Durango Herald, Fort Lewis CSBDC, CCCMA, CGFOA, Amazon Prime.
21	2022: Goddard Avenue lot purchases; 2023-2025 ELHI purchase.
22	Contract Planning Services.
23	Census materials.
24	Colorado/International Code Council Membership (building inspection duties/support and training for Garry.)
25	2023: Transfer Out to ECD 228,226 ARPA and \$10K for tap fee waivers; 2024: Transfer Out to ECD 10K (to be distributed to Water, Gas and Sewer for tap fee waivers as needed in the respective amounts \$4K, \$4K, \$2K both years.)
26	Salaries for 5 full-time officers with one position funded through HIDTA.
27	Two School Resource Officer for Ignacio School District (approximate 5% increase each year.)
28	Overtime is calculated at 10% of sergeant's and officers' salaries.
29	2022: IGA Detox \$5362.50, Youth Services Contributions \$8800; 2023: IGA Detox \$5362.50, La Plata Youth Services \$8500, SASO \$3000.
30	99% of Public Safety travel, training and meetings reimbursed by grant monies annually which can be seen in General Revenue portion of budget.
31	RMS eForce, CCNC, Wolfcom, Lexipol, CPPA, NTOA, Sams Club, Justice Clearinghouse, and Colorado Association of Chiefs (CACF), Axon added in 2023 \$3916.80 for cloud-based storage of body cam information.
32	Public Safety Department 2023: \$60K radios - chief working on grant to be fully reimbursed; 2024: 6 taser upgrades.
33	Public Safety Department vehicles (two \$45K/each trucks and \$10K/each accessories ordered in 2023 to arrive and expend in March)
34	Overtime is calculated at 5% of salaries except PW Director who is exempt (exceptions approved by Town Manager).
35	Trash hauling fees charged to the Town.
36	Street paving, patching, crack sealing.
37	Environmental Systems Research Institute (ESRI) gis mapping.
38	Used trucks purchased in 2022 expensed to Water and Sewer Funds equally.
39	2022: Vac Truck purchase split \$45K General Fund and \$45K Gas Fund; 2023: Mini Excavator \$117,700 and Jet Rodder \$8K; 2024:
40	2023: DOLA \$199,998K for Browning Storm Drain project.
41	Beginning July 2018, sales tax revenue of 1% restricted for Capital Improvement Projects.
42	2023: LPEDA Alliance Catalyst Fund Grant.
43	2023: Browning Storm Drain construct planning.
44	2023: \$150K sidewalk improvements increased to \$209K with TB approval 4/10/23, CDOT does work; 2024: TOI pays.
45	Goddard Becker Crosswalk reclassified to 2021.
46	GOCO Planning Grant for Ben Nighthorse Campbell Park (60%/40% funding match) extended to 2024.
47	GOCO Grant expenditure in 2023 extended to 2024.
48	2022: DOLA Broadband and Housing Study Grant monies for 2021.
49	2023: Mark is working to secure REDI Grant money, to be confirmed before budget adoption.
50	2023: Transfer In from Gen Fund ARPA money (tranche 1 and 2, \$114,113 each=\$228,226), and Transfer in \$10K to be used for potential Tap Fee Waivers in Enterprise Funds.
51	University of Colorado Technical Assistance Program.
52	2023: Transfer out \$4K to Water Fund, \$4K to Gas Fund, and \$2K to Sewer for potential tap fee waivers.

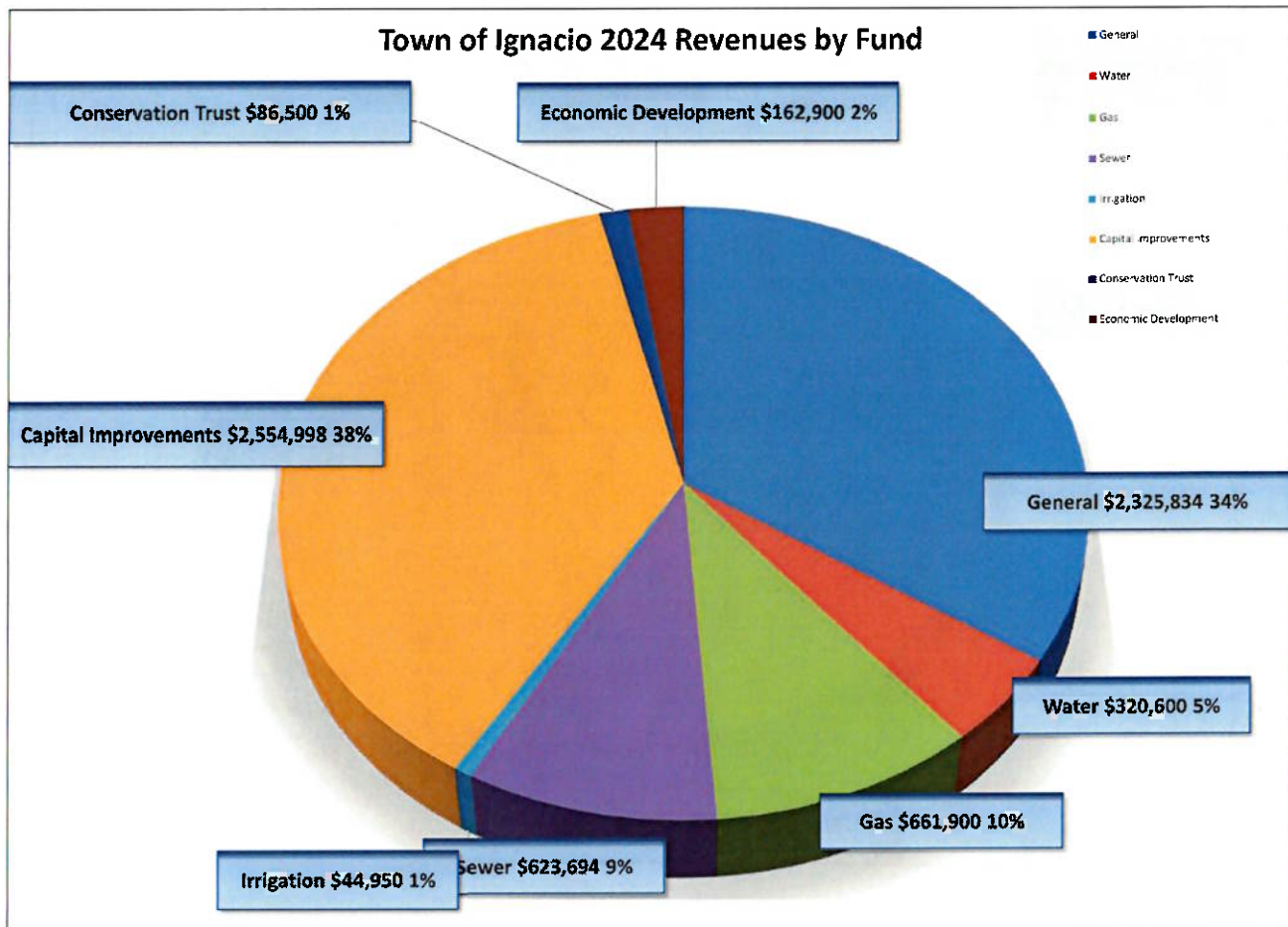
Note #	BUDGET NOTES
53	2023: Expense out ARPA restricted funds thru DOLA to be used for affordable housing groundbreaking or broadband. ARPA funds must be obligated no later than the end of 2024 and fully expended no later than the end of 2026.
54	2023: Transfer In \$4K from ECD Fund for potential tap fee waivers.
55	Purchased water expense from Southern Ute Utility Department.
56	2023: Transfer In \$4K from ECD for potential tap fee waivers.
57	Natural gas purchased from Southern Ute Utility Department.
58	Energy Outreach contributions for low income customer gas bill payment assistance.
59	2022 Vac Truck purchase to be split as follows: \$45K General Fund and \$45K Gas Fund.
60	Burns Avesewer services replacement expenses to be reimbursed by residents within one year of being invoiced by the Town.
61	Goddard Ave sewer services replacement expenses to be reimbursed by residents within one year of being invoiced by the Town.
62	2023: Transfer in \$2K from ECD for potential tap fee waivers.
63	Wastewater treatment cost from Southern Ute Utility Department.
64	2022: Burns Ave project \$27.5K expenses to be reimbursed by 3 resident accounts within one year of being invoiced by the Town.
65	2023: Goddard Sewer services replacements total is still in progress. Resident accounts to reimburse Town expense within one year of being invoiced by the Town.
66	2022: Half of PW used trucks purchase.
67	Raw water irrigation charge from the Bureau of Indian Affairs.

2024 Enterprise Salary & Benefit and General Service Allocations						
<i><b>Draft</b></i>						
<b>Manager Salary &amp; Benefits</b>	156,435	Admin - 59%	92,297	<b>General Service Expenses</b>		<b>Amounts</b>
		Water - 12%	18,772	Town Board		7,769
		Gas - 12%	18,772	Audit		18,322
		Sewer - 12%	18,772	Workman Comp		33,894
		Irrigation - 5%	7,822	Insurance / PC		40,509
<b>Clerk/Treasurer Salary &amp; Benefit</b>	83,863	Admin - 59%	49,479	Attorney		15,000
		Water - 12%	10,064	Utilities Water		3,300
		Gas - 12%	10,064	Utilities Sewer		2,800
		Sewer - 12%	10,064	Utilities Electric		7,500
		Irrigation - 5%	4,193	Utilities Gas		2,200
<b>Dep Clerk/Treasurer Salary &amp; Be</b>	61,403	Admin - 59%	36,228	Telephone		5,912
		Water - 12%	7,368	Cell Phone		7,100
		Gas - 12%	7,368	IT Services & Maitnenance		44,526
		Sewer - 12%	7,368	Internet Line		2,315
		Irrigation - 5%	3,070	IT Equipment & Supplies		38,276
<b>Admin Assist/Fin Cord Salary &amp; B</b>	66,313	Admin - 45%	29,841	Advertising/Public Notice		2,500
		Water - 17%	11,273	Office Equipment L&M		1,500
		Gas - 17%	11,273	Printing Services		5,000
		Sewer - 17%	11,273	Bank Service Charges		1,500
		Irrigation - 4%	2,653	Uniforms		6,000
<b>PW Director Salary &amp; Benefits</b>	95,939	Public Works - 45%	43,173	Office Supplies		4,000
		Water - 18%	17,269	Postage		4,500
		Gas - 18%	17,269	<b>Total</b>		<b>254,423</b>
		Sewer - 15%	14,391			
		Irrigation - 4%	3,838	<b>2024 General Services Allocation</b>		
<b>Foreman</b>	68,616	Public Works - 45%	30,877	Administration	37%	94,136
		Water - 18%	12,351	Public Work (Streets&Parks)	16%	40,708
		Gas - 18%	12,351	Public Safety	20%	50,885
		Sewer - 15%	10,292	<b>Irrigation</b>	<b>2%</b>	<b>5,088</b>
		Irrigation - 4%	2,745	<b>Sewer</b>	<b>5%</b>	<b>12,721</b>
<b>MW I (1 FTE)</b>	0	Public Works - 45%	0	<b>Gas</b>	<b>10%</b>	<b>25,442</b>
		Water - 18%	0	<b>Water</b>	<b>10%</b>	<b>25,442</b>
		Gas - 18%	0	<b>Total</b>	<b>100%</b>	<b>254,423</b>
		Sewer - 15%	0			
		Irrigation - 4%	0	<b>Enterprise General Sevice Allocat</b>	<b>27%</b>	<b>68,694</b>
<b>MW II (2FTE)</b>	169,183	Public Works - 45%	76,132			
		Water - 18%	30,453	<b>2024 Enterprise Salary &amp; Benefit Allocation</b>		
		Gas - 18%	30,453	Admin (non-Enterprise)		207,845
		Sewer - 15%	25,377	<b>Admin (Enterprise)</b>		<b>160,170</b>
		Irrigation - 4%	6,767	Public Works (non-Enterprise)		150,182
<b>Total:</b>	<b>701,753</b>		<b>701,753</b>	<b>Public Works (Enterprise)</b>		<b>183,556</b>
				<b>Total:</b>		<b>701,753</b>
				<b>Water</b>		<b>107,550</b>
				<b>Gas</b>		<b>107,550</b>
				<b>Sewer</b>		<b>97,538</b>
				<b>Irrigation</b>		<b>31,087</b>



## Town of Ignacio 2024 Revenues by Fund

General	\$2,325,834
Water	\$320,600
Gas	\$661,900
Sewer	\$623,694
Irrigation	\$44,950
Capital Improvements	\$2,554,998
Conservation Trust	\$86,500
Economic Development	\$162,900
TOTAL:	\$6,781,376

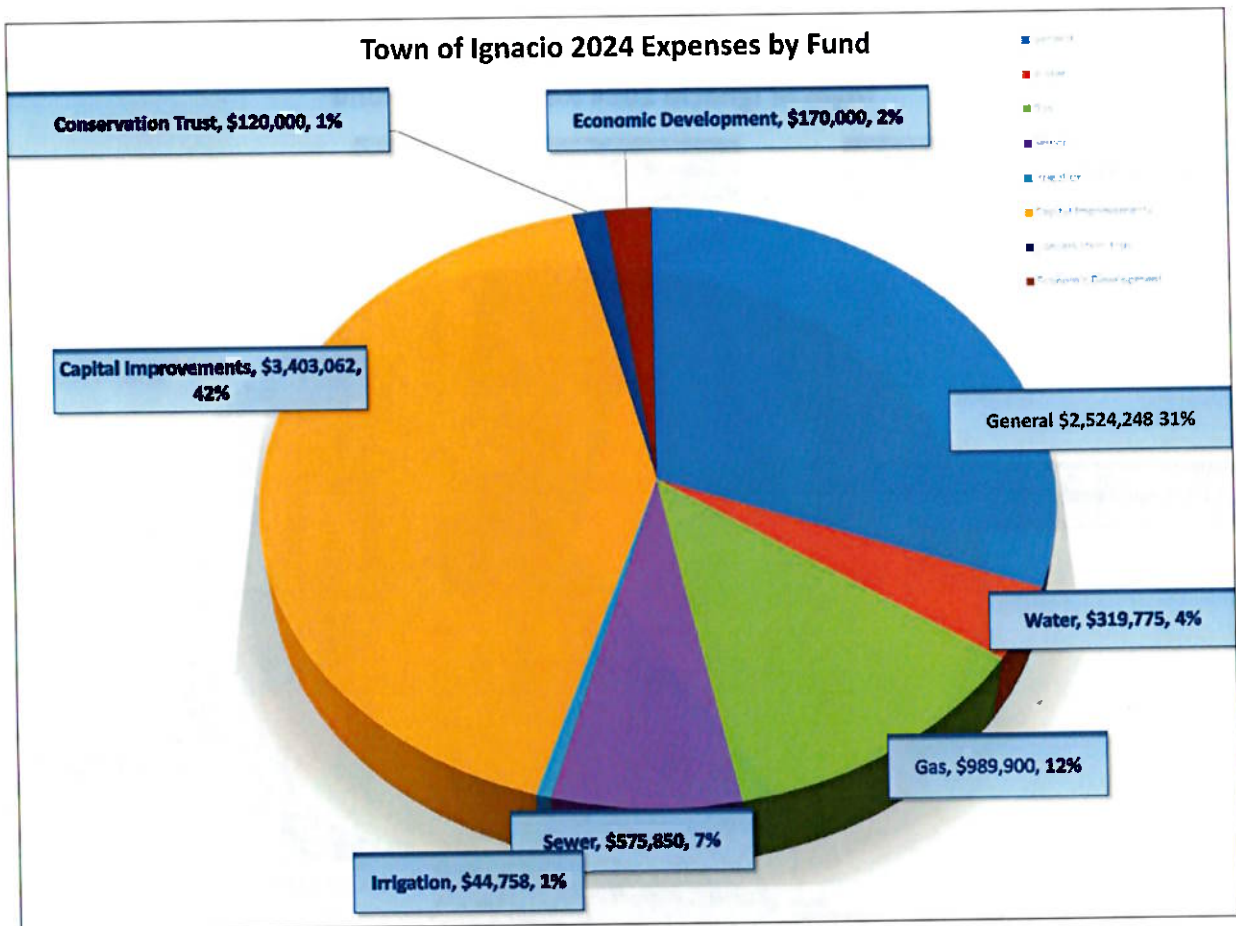






## Town of Ignacio 2024 Expenses by Fund

General	\$2,524,248
Water	\$319,775
Gas	\$989,900
Sewer	\$575,850
Irrigation	\$44,758
Capital Improvements	\$3,403,062
Conservation Trust	\$120,000
Economic Development	\$170,000
<b>TOTAL:</b>	<b>\$8,147,593</b>



## **RESOLUTION NO. 03-2023**

### **RESOLUTION OF THE TOWN OF IGNACIO OPPOSING PROPOSITION HH, AN UNDUE LIMITATION ON MUNICIPAL BUDGETS AND LOCAL CONTROL OF PROPERTY TAX RELIEF**

WHEREAS, the Town of Ignacio annually prepares a budget and certifies a property tax mill levy through an open and public process under existing law;

WHEREAS, the Town of Ignacio relies on property tax revenue denoted in the annual budget to provide essential services for Town citizens;

WHEREAS, by Senate Bill 23-303, the Colorado General Assembly referred to voters Proposition “HH” that, among other things, would:

- lower property taxes compared to what would be owed under current law by temporarily lowering the assessment rates for residential and certain types of nonresidential property, applying value reductions for certain types of residential properties, and by creating new property tax exemptions;
- impose an unnecessary and arbitrary limit on the growth of property tax revenue for certain local governments (excluding school districts and home rule local governments) unless the governing body votes to exceed the limit after a public hearing and does not provide any opportunity for reimbursement of revenues lost due to the limit;
- permit the state to retain money that would be otherwise refunded to taxpayers under the Taxpayer’s Bill of Rights to be used for education, partial reimbursements to local governments for reduced property tax revenue, and rental assistance programs;

WHEREAS, after factoring in partial reimbursements of lost revenue, Proposition HH is estimated to decrease revenue to local governments statewide, on net, by at least \$100 million in 2024, \$350 million in 2025, and \$550 million in 2026;

WHEREAS, the long-term fiscal impact of Proposition HH on the Town of Ignacio and other local Special Districts who depend on property tax revenue serving our community is unclear and will cause uncertainty in our budgeting process.



**NOW, THEREFORE, be it resolved that the Board of Trustees of the Town of Ignacio opposes Proposition HH and strongly urges a vote of NO this November. Resolved this 9<sup>th</sup> day of October, 2023.**

TOWN OF IGNACIO

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Clark Craig, Mayor

Attest:

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Tuggy Dunton, Town Clerk

## **ORDINANCE 358**

### **AN ORDINANCE AUTHORIZING A NEW CABLE FRANCHISE AGREEMENT WITH ZITO WEST HOLDINGS, LLC, AND AUTHORIZING THE MAYOR AND TOWN CLERK TO EXECUTE A CABLE FRANCHISE AGREEMENT**

#### **THE BOARD OF TRUSTEES OF THE TOWN OF IGNACIO, COLORADO, ORDAINS:**

##### **ARTICLE 1 – AUTHORITY**

The Town of Ignacio (the "Town") is a statutory municipality operating under the laws of the State of Colorado and a Municipal Code, codified and adopted on February 08, 2011. Pursuant to State law and the Municipal Code, the Town may adopt and amend Ordinances.

##### **ARTICLE 2 – DECLARATION OF POLICY AND FINDINGS OF FACT**

A. In accordance with State and Federal law, the Town Board of Trustees may grant a cable franchise to a cable operator to use the streets, public places, and property of the Town and establish conditions and compensation to be paid the Town therefor; and

B. The Town is authorized generally pursuant to C.R.S § 31-15-702, to regulate and manage the use, maintenance, and repair of public streets, roads, sidewalks, and public places under its jurisdiction; and

C. The Town previously granted a non-exclusive License Agreement for the construction, maintenance, and operation of a cable television system within the Town to Microwave Distribution Services, Inc (d/b/a Rural Route Video) on January 28, 1987, and amended on March 9, 1999; and

D. The Town previously granted the transfer of the License Agreement to CAP Cable, LLC (d/b/a USA Communications) by Resolution No. 04-2014, with an effective date of March 20, 2014; and

E. The Town previously granted the transfer of the License Agreement to Zito Holdings West, LLC, ("Zito"), by Resolution No. 02-2019, with an effective date of March 18, 2019, and Zito is the successor in interest to CAP Cable, LLC, and currently operates the cable television system within the Town; and

F. Zito is agreeable to continue providing cable television service in the Town; and

G. Zito seeks a new cable television franchise, and a proposed new Cable Franchise Agreement acceptable to both the Town and Zito has been prepared (“Agreement”), a copy of which is marked **Attachment A**, attached hereto, and incorporated herein by reference; and

H. The Town has reviewed Zito’s performance under the prior franchise and the quality of service during the prior franchise term, has identified the future cable-related needs and interests of the Town and its citizens, has considered the financial, technical and legal qualifications of Zito, and has determined that Zito’s plans for operating and maintaining its Cable System are adequate, in a full public proceeding affording due process to all parties; and

I. The public has had adequate notice and opportunity to comment on Grantee's proposal to provide cable television service within the Zito; and

J. The Town has a legitimate and necessary regulatory role in ensuring the availability of cable communications service, and reliability of cable systems in its jurisdiction, the availability of local programming and quality customer service; and

K. Diversity in cable service programming is an important policy goal and the Zito’s cable system should offer a wide range of programming services; and

L. The Board of Trustees of the Town of Ignacio considered this Ordinance authorizing the cable television system franchise and the Agreement; and

M. The Board of Trustees hereby finds that the public has had adequate notice and opportunity to comment upon the proposed cable television system franchise and the Agreement; and

N. The Board of Trustees hereby finds that it serves the public interest of the citizens of the Town of Ignacio to grant the cable television franchise to Zito pursuant to the terms of the Agreement.

### **ARTICLE 3 – SAFETY CLAUSE**

The Board of Trustees hereby finds, determines and declares that this Ordinance is promulgated under the general police power of the Town, that it is promulgated for the health, safety and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare.

### **ARTICLE 4 – APPROVAL OF FRANCHISE AGREEMENT**

A. The Cable Franchise Agreement by and between Zito West Holdings, LLC and the Town of Ignacio, Colorado, which is incorporated herein as if set forth in full, is approved by the Board of Trustees. The Cable Franchise Agreement shall be

available for public inspection during normal business hours from the Town Clerk at the offices of the Town of Ignacio.

B. The Board of Trustees directs the Town Clerk to maintain a copy of this Ordinance and the Franchise Agreement in the office of the Town Clerk and to keep such documents open and accessible for public inspection.

#### **ARTICLE 5 – REPEAL**

All previously adopted ordinances in conflict herewith are hereby repealed.

#### **ARTICLE 6 – SEVERABILITY**

If any part or provision of this Ordinance, or its application to any person or circumstance, is adjudged to be invalid or unenforceable, the invalidity or unenforceability of such part, provision, or application shall not affect any of the remaining parts, provisions or applications of this Ordinance that can be given effect without the invalid provision, part or application, and to this end the provisions and parts of this Ordinance are declared to be severable.

#### **ARTICLE 7 – EFFECTIVE DATE**

This Ordinance shall take effect thirty (30) days following publication.

**PASSED, APPROVED, ADOPTED AND ORDERED PUBLISHED THIS 9<sup>th</sup> DAY OF OCTOBER, 2023**

**TOWN OF IGNACIO, COLORADO**

---

Clark Craig, Mayor

**ATTEST:**

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Tuggy Dunton, Town Clerk

**ATTACHMENT A  
ZITO HOLDINGS WEST, LLC AND  
THE TOWN OF IGNACIO, COLORADO  
CABLE FRANCHISE AGREEMENT**

DRAFT

**RESOLUTION NO. 02 – 2019**

**RESOLUTION OF THE TOWN OF IGNACIO APPROVING THE TRANSFER OF CABLE TELEVISION LICENSE FROM CAP CABLE TO ZITO WEST HOLDING LLC AND THE EXTENSION OF EXPIRATION DATE**

WHEREAS, the Town of Ignacio, Colorado, previously passed and adopted License Agreement (“License”) dated January 28, 1987, as assigned and amended by Amendment to License Agreement on March 9, 1999, which granted to Microwave Distribution Services, Inc., a Colorado Corporation d/b/a Rural Route Video the right to a License to install, operate and maintain a cable television system with data transmission service in Ignacio, Colorado; and

WHEREAS, Microwave Distribution Services, Inc. d/b/a Rural Route Video and CAP Cable, LLC (d/b/a USA Communications) entered into an Asset Purchase Agreement whereby CAP Cable, LLC (“CAP Cable”) was acquiring all or substantially all of Rural Route Video’s assets used in the operation of its cable system in the Town; and

WHEREAS, Rural Route Video requested in writing that the Town consent to the transfer of the License, as amended, to CAP Cable, and to change the License expiration date thereof to extend for an additional five (5) year term, immediately following the expiration of the current term, and

WHEREAS, the Town of Ignacio approved Resolution 04-2014 on March 20, 2014, officially transferring the License, as amended, to CAP Cable and extending the expiration to June 20, 2019; and

WHEREAS, CAP Cable has requested in writing that the Town consent to the transfer of the License, as amended, to Zito West Holdings, LLC (“Zito”) and to extend the expiration date for an additional five (5) year term, immediately following the expiration of the current term; and

WHEREAS, Zito has represented that they have the financial, technical and legal ability to fulfill the terms of the License, as amended, and will serve the public interest.

NOW, THEREFORE, be it resolved by the Town of Ignacio that subject to CAP Cable and Zito West Holding, LLC closing the underlying sale of the cable and data transmission service system in the Town, the Town hereby consents to the assignment and transfer of the License, as amended, from CAP Cable to Zito West Holding, LLC and hereby approves the change of expiration date to June 20, 2024. The transfer and extension of term is subject to Zito agreeing in writing to assume all obligations in the License Agreement, as amended, and to perform all duties and obligations previously required by Cap Cable. Nothing in this Resolution constitutes any waiver of any rights by the Town to approve any subsequent transfer, assignment or sale of the License.

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

(SEAL)

ATTEST:

BY: \_\_\_\_\_  
Stella Cox, Mayor

By: \_\_\_\_\_  
Tuggy Dunton, Town Clerk

**ZITO WEST HOLDINGS, LLC AND  
THE TOWN OF IGNACIO, COLORADO  
CABLE FRANCHISE AGREEMENT**

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**ZITO WEST HOLDINGS. LLC AND  
TOWN OF IGNACIO, COLORADO**

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**CABLE FRANCHISE AGREEMENT**

**SECTION 1. DEFINITIONS AND EXHIBITS**

**(A) 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 “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.

1.2 “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.

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

1.4 “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.

1.5 “Basic Service” is the level of programming service which includes, at a minimum, all Broadcast Channels, all PEG SD 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.

1.6 “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.

1.7 “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.

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

1.9 “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.

1.10 “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.

1.11 “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.

1.12 “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).

1.13 “Grantor” is the Town of Ignacio, Colorado, a body politic and corporate under the laws of the State of Colorado.

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

1.15 “Colorado Communications and Utility Alliance” or “CCUA” means the non-profit entity formed by franchising authorities and/or local governments in Colorado or its successor entity, whose purpose is, among other things, to communicate with regard to franchising matters collectively and cooperatively.

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

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

1.18 “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.

1.19 “FCC” means the Federal Communications Commission.

1.20 “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.

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

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

1.23 “Franchise Fee” means that fee payable to the Grantor described in subsection 3.1 (A).

1.24 “Grantee” means Zito West Holdings, LLC, a Delaware Limited Liability Company, or its lawful successor, transferee or assignee.

1.25 “Gross Revenues” means, and shall be construed broadly to include all revenues derived directly or indirectly from the operation of the System within the franchise area including but not limited to Basic Cable Services, Cable Service fees, Cable Programming Service fees, optional video programming service tiers, pay per channel and pay per view and video on demand services, install, reconnect, downgrade and upgrade fees, equipment sale and rental fees, late fees, revenue from program guides, 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 and advertising revenues. For the purposes of “Gross Revenues” the term “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. The term Gross Revenues shall not include franchise fees, the FCC User Fee or any tax collected by the Grantee from Subscribers for pass-through to a government agency. If there is a change in federal or state law subsequent to the Effective Date of this Franchise, such change shall not impact this definition unless the change specifically preempts the affected portion of the definition above.

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 Grantor reserves its right to review and to challenge Grantee's calculations.

1.26 "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.

1.27 "Manager" means the Town Manager of the Grantor or designee.

1.28 "Person" means any individual, sole proprietorship, partnership, association, or corporation, or any other form of entity or organization.

1.29 "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.

1.30 "Residential Subscriber" means any Person who receives Cable Service delivered to Dwelling Units or Multiple Dwelling Units.

1.31 "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, rights-of-way and similar public property and areas.

1.32 "Service Area" means the present boundaries of the Town of Ignacio, and shall include any additions thereto by annexation or other legal means.

1.33 "State" means the State of Colorado.

1.34 "Subscriber" means any Person or entity who or which elects to subscribe to, for any purpose, Cable Service offered by Grantee by means of or in connection with the Cable System and whose premises are physically wired and lawfully Activated to receive Cable Services offered by Grantee from Grantee's Cable System, and who is in compliance with Grantee's regular and nondiscriminatory terms and conditions for receipt of service. In the case of multiple family dwellings, multiple dwelling properties (such as mobile home parks, office buildings and other multiple occupant situations), each dwelling unit or office unit shall be treated as a separate subscriber, regardless of how services are shared or billed.

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

1.36 “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)).

1.37 “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)).

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

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

## **(B) EXHIBITS**

The following document, which is occasionally referred to in this Franchise, is formally incorporated and made a part of this Franchise by this reference:

*Exhibit A*, entitled Customer Service Standards.

## **SECTION 2. GRANT OF FRANCHISE**

### **2.1 Grant**

(A) The Grantor 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 Grantor ordinance existing as of the Effective Date, 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 Grantor, and the ordinances and regulations enacted pursuant thereto. The Charter and Municipal Code of the Grantor, 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 Grantor may not unilaterally alter the material rights and obligations of Grantee under this Franchise.

(D) This Franchise shall not be interpreted to prevent the Grantor from imposing additional lawful conditions for use of the Rights-of-Way.

(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 Grantor's ordinances and laws;

(2) Any permit, agreement, or authorization required by the Grantor 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 Grantor 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 Grantor 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.

## **2.2 Use of Rights-of-Way**

(A) Subject to the Grantor's supervision and control, Grantee may erect, install, construct, repair, replace, reconstruct, and retain in, on, over, under, upon, across, and along the Rights-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 Grantor's Rights-of-Way in compliance with all applicable Grantor construction codes and procedures. As trustee for the public, the Grantor 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 Grantor established nondiscriminatory requirements for placement of Cable System facilities in Rights-of-Way, including the specific location of facilities in the Rights-of-Way, and must in any event install Cable System facilities in a manner that minimizes interference with the use of the Rights-of-Way by others, including others that may be installing communications facilities. Within limits reasonably related to the Grantor's

role in protecting public health, safety and welfare, the Grantor 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 Grantor'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 Grantor, or which is installed without prior Grantor 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 Rights-of-Way through joint trenching and other arrangements.

### **2.3 Effective Date and Term of Franchise**

This Franchise and the rights, privileges and authority granted hereunder shall take effect on \_\_\_\_\_, 2023 (the "Effective Date"), and shall terminate on \_\_\_\_\_, 2033 unless terminated sooner as hereinafter provided.

### **2.4 Franchise Nonexclusive**

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

While Grantee recognizes that this franchise is non-exclusive, Grantor agrees not to grant an additional franchise to another multi-channel video provider on terms or conditions that taken as a whole, result in obligations or conditions that are more favorable or less burdensome than those of this franchise.

### **2.5 Police Powers**

Grantee's rights hereunder are subject to the police powers of the Grantor 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 Grantor or any other legally constituted governmental unit having lawful jurisdiction over the subject matter hereof. The Grantor 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 Grantor's police powers shall be resolved in favor of the latter.



## **2.6 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.

## **2.7 Effect of Acceptance**

By accepting the Franchise, the Grantee: (1) acknowledges and accepts the Grantor'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 Grantor's Rights-of-Way, Grantee shall continue to pay as a Franchise Fee to the Grantor, 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 Grantor shall be computed semi-annually and shall be due and payable within forty-five (45) days from January 31<sup>st</sup> and July 31<sup>st</sup> of each year.

### **3.3 Acceptance of Payment and Recomputation**

No acceptance of any payment shall be construed as an accord by the Grantor 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 Grantor may have for further or additional sums payable or for the performance of any other obligation of Grantee.

### **3.4 Semi-Annual Franchise Fee Reports**

Each payment shall be accompanied by a written report to the Grantor, 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**

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

### **3.6 Audit Rights; Protection of Confidential Information.**

The Town Manager, or his or her designee, shall have access to the applicable books and records of Grantee during normal business hours upon reasonable notice for the purpose of auditing to ascertain that the franchise fee has been correctly computed and paid. Such records will be provided to the Grantor by the Grantee either electronically or physically within the Town limits. "Applicable books and records" 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 Grantor subscribers during the audit period. To the extent that the Grantor does not believe that the relevant data supplied is sufficient for the Grantor to complete its audit/review, the Grantor 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 Grantor to recompute the Gross Revenue determination. Subject to and consistent with the requirements of Colorado law as set forth in Section 7, all information obtained by the Town Manager, or his or her designee, during a franchise fee audit shall be kept confidential and shall be utilized for the sole purpose of verifying that the franchise fee has been correctly computed and paid.

### **3.7 Underpayments**

On a maximum annual basis, upon thirty (30) days prior written notice, the Grantor shall have the right to conduct an independent audit of Grantee's records reasonably related to the calculation and payment of franchise fees. In the event of an underpayment of franchise fees, interest shall be calculated at the then-current prime rate, as published by the Wall Street Journal, and shall be added to the amount of Franchise Fee revenue due to the Grantor. If the audit shows that Franchise Fee payments have been underpaid by ten percent (10%) or more, Grantee shall pay the total cost of the audit, such cost not to exceed \$5,000 per audit year. The Grantor's right to audit 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 Grantor.

### **3.8 Alternative Compensation**

In the event the obligation of Grantee to compensate the Grantor through Franchise Fee payments is lawfully suspended or eliminated, in whole or part, then Grantee shall comply with any other Applicable Law related to the right to occupy the Grantor's Rights-of-Way and compensation therefore.

### **3.9 Additional Commitments Not Franchise Fee Payments**

Any charges incidental to the awarding or enforcing of this Franchise (including, without limitation, payments for bonds, security funds, letters of credit, 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 Grantor 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 payments from Franchise Fees, consistent with Applicable Law. The Grantor 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 the 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 Grantor ninety (90) days' advance written notice.

### **3.10 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 Grantor, 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 Grantor. 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.

### **3.11 Financial Records**

Grantee agrees to meet with a representative of the Grantor upon request to review Grantee's methodology of record-keeping, reporting and computing of Franchise Fee obligations. Grantee shall be required to provide financial information or access to its books and records only for the purpose of verifying the accuracy of franchise fee payments and any other financial obligations of this Franchise.

### **3.12 Payment on Termination**

If this Franchise terminates for any reason, the Grantee shall file with the Grantor 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.

## **SECTION 4. ADMINISTRATION AND REGULATION**

### **4.1 Authority**

(A) The Grantor shall be vested with the power and right to reasonably regulate the exercise of the privileges permitted by this Franchise in the public interest, or to delegate that power and right, or any part thereof, to the extent permitted under Federal, State and local law, to any agent including, but not limited to, the CCUA, in its sole discretion.

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

### **4.2 Rate Discrimination**

All of Grantee's rates and charges shall 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.

(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.

### **4.3 Filing of Rates and Charges**

(A) Throughout the term of this Franchise, Grantee shall, upon request, provide the Grantor 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 Grantor, 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.

#### **4.4 Reserved Authority**

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

#### **4.5 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 Grantor 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 Board of Trustees for its approval. If so approved by the 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.

#### **4.6 Force Majeure**

The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of the Grantee to anticipate and control. This provision includes, but is not limited to, work delays caused by waiting for utility providers to service or monitor their utility poles to which the Grantee's Cable System is attached; unavailability of materials and/or qualified labor to perform the work necessary; acts of God; acts of public enemies; including terrorist attacks; orders of any kind of the government of the United States of America, the State of Colorado, or any of their departments, agencies, political subdivisions, or officials; or any civil or military authority; insurrections; riots; labor strikes; pandemics; epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; explosions; unavailability of materials or equipment; partial or entire failure of utilities; or any other act outside the control of Grantee. Furthermore, the parties hereby agree that it is not the Grantor's intention to subject the Grantee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on the Subscribers within the Service Area, or where strict performance would result in practical difficulties and hardship to the Grantee which outweigh the benefit to be derived by the Grantor and/or Subscribers.

### **SECTION 5. FINANCIAL AND INSURANCE REQUIREMENTS**

#### **5.1 Indemnification**

(A) General Indemnification. Grantee shall indemnify, defend and hold the Grantor, 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 Grantor while conducting its defense of the Grantor. Grantee shall not be obligated to indemnify the Grantor to the extent of the Grantor's negligence or willful misconduct.

(B) Indemnification for Relocation. Grantee shall indemnify the Grantor for any damages, claims, additional costs or reasonable expenses assessed against, or payable by, the Grantor 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 Grantor.

(C) Additional Circumstances. Grantee shall also indemnify, defend and hold the Grantor 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 Grantor 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) 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.

(E) Expenses. If separate representation to fully protect the interests of both parties is or becomes necessary, such as a conflict of interest between the Grantor and the counsel selected by Grantee to represent the Grantor, Grantee shall pay, from the date such separate representation is required forward, all reasonable expenses incurred by the Grantor 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 Grantor desires to hire counsel or any other outside experts or consultants and desires Grantee to pay those expenses, then Grantor 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 Grantor'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 Grantor Attorney or his/her assistants or any employees of the Grantor or its agents but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided the Grantor 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, but in no event shall occurrence basis minimum limits be less than provided for by C.R.S. §24-10-114(1)(b):

(1) Commercial General Liability insurance with limits of no less than one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000.00) general aggregate. Such insurance shall name the Grantor, its officers, officials and employees as additional insureds.

(2) Commercial Automobile Liability insurance with minimum combined single limits of one million dollars (\$1,000,000.00) 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 Grantor, 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.

## **5.3 Deductibles / Certificate of Insurance**

Any deductible of the policies shall not in any way limit Grantee's liability to the Grantor.

(A) Endorsements.

(1) All policies shall contain, or shall be endorsed so that:

(a) The Grantor, its officers, officials, boards, commissions, employees and agents are to be covered as, and have the rights of, additional insureds with respect to liability arising out of activities performed by, or on behalf of, Grantee under this Franchise or Applicable Law, or in the construction, operation or repair, or ownership of the Cable System;

(b) Grantee's insurance coverage shall be primary insurance with respect to the Grantor, its officers, officials, boards, commissions, employees and agents. Any insurance or self-insurance maintained by the Grantor, its officers, officials, boards, commissions, employees and agents shall be in excess of the Grantee's insurance and shall not contribute to it; and

(c) Grantee's insurance shall apply separately to each insured against whom a claim is made or lawsuit is brought, except with respect to the limits of the insurer's liability.

(B) Acceptability of Insurers. The insurance obtained by Grantee shall be placed with insurers with a Best's rating of no less than "A VII."

(C) Verification of Coverage. Upon request, the Grantee shall furnish the Grantor with certificates of insurance and endorsements or a copy of the page of the policy reflecting blanket additional insured status. The certificates and endorsements for each insurance policy are to be signed by a Person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for each insurance policy are to be on standard forms or such forms as are consistent with standard industry practices.

(D) Self-Insurance. In the alternative to providing a certificate of insurance to the Grantor certifying insurance coverage as required above, Grantee may provide self-insurance in the same amount and level of protection for Grantee and Grantor, its officers, agents and employees as otherwise required under this Section. The adequacy of self-insurance shall be subject to the periodic review and approval of the Grantor.

## **SECTION 6. CUSTOMER SERVICE**

### **6.1 Customer Service Standards**

Grantee shall comply with Customer Service Standards of the Grantor, as the same may be amended from time to time by the Board of Trustees in its sole discretion, acting by ordinance. When considering new customer service standards, Grantor will notify and provide a copy to Grantee, provide ample opportunity for discussion, and make a good faith effort to address any concerns raised by Grantee. Any requirement in Customer Service Standards for a "local" telephone number may be met by the provision of a toll-free number. The Customer Services Standards in effect as of the Effective Date of this Franchise are attached as Exhibit A. Grantee reserves the right to challenge any customer service ordinance which it believes is inconsistent with its contractual rights under this Franchise.

### **6.2 Subscriber Privacy**

Grantee shall fully comply with any provisions regarding the privacy rights of Subscribers contained in federal, State, or local law.

### **6.3 Subscriber Contracts**

Grantee shall not enter into a contract with any Subscriber which is in any way inconsistent with the terms of this Franchise, or any Exhibit hereto, or the requirements of any applicable Customer Service Standard. Upon request, Grantee will provide to the Grantor a sample of the Subscriber contract or service agreement then in use.



#### **6.4 Advance Notice to Grantor**

The Grantee shall use reasonable efforts to furnish information provided to Subscribers or the media in the normal course of business to the Grantor in advance.

#### **6.5 Identification of Local Franchise Authority on Subscriber Bills**

Within sixty (60) days after written request from the Grantor, Grantee shall place the Grantor's phone number on its Subscriber bills, to identify where a Subscriber may call to address escalated complaints.

### **SECTION 7. REPORTS 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 Grantor. The Grantor, including the Grantor'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 Grantor 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 Grantor may, in writing, request copies of any such records or books and Grantee shall provide such copies within thirty (30) days of the transmittal of such request. One (1) copy of all reports and records required under this or any other subsection shall be furnished to the Grantor, at the sole expense of Grantee. 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 Grantor 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 Grantor upon written request as set forth above, and if the Grantor determines that an examination of such records is necessary or appropriate for the performance of any of the Grantor'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.

#### **7.2 Confidentiality**

The Grantor 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 Grantor 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 Grantor 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 Grantor receives a demand from any Person for disclosure of any information designated by Grantee as confidential, the Grantor 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 Grantor 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. Grantee shall reimburse the Grantor for all reasonable costs and attorneys fees incurred in any legal proceedings pursued under this Section.

### **7.3 Records Required**

(A) Grantee shall at all times maintain, and shall furnish to the Grantor upon 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. Upon request, 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. Grantee shall have 60 days after such request to make the As-built maps or comparable GIS files available to Grantor.

(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 Board of Trustees;

(3) Current Subscriber Records and information, subject to subscriber rights of privacy;

(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.

## **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 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.

## **8.3 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.

## **8.4 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. 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 Grantor, 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.

## **8.5 Services for the Disabled**

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

## **SECTION 9. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION**

### **9.1 Right to Construct**

Subject to Applicable Law, regulations, rules, resolutions and ordinances of the Grantor 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.

### **9.2 Joint Trenching/Boring Meetings**

Grantee will attend and participate in planning meetings of the Grantor, when noticed, to anticipate joint trenching and boring. Whenever it is possible and reasonably practicable to joint trench or share bores or cuts, Grantee shall work with other providers, licensees, permittees, and franchisees so as to reduce so far as possible the number of Right-of-Way cuts within the Grantor.

### **9.3 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.

### **9.4 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 Grantor. As part of the permitting process, the Grantor 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

for the requisite Grantor permits received by Grantee.

## **9.5 Emergency Permits**

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

## **9.6 Compliance with Applicable Codes**

(A) Grantor Construction Codes. Grantee shall comply with all applicable Grantor construction codes, including, without limitation, all adopted International Code Council (ICC) codes and other codes such as 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 Grantor 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.

## **9.7 GIS Mapping**

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

## **9.8 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.

### **9.9 Prevent Injury/Safety**

Grantee shall provide and use any equipment and facilities necessary to control and carry Grantee's signals so as to prevent injury to the Grantor's property or property belonging to any Person. Grantee, at its own expense, shall repair, renew, change and improve its facilities to keep them in good repair, and safe and presentable condition. All excavations made by Grantee in the Rights-of-Way shall be properly safeguarded for the prevention of accidents by the placement of adequate barriers, fences or boarding, the bounds of which, during periods of dusk and darkness, shall be clearly designated by warning lights.

### **9.10 Hazardous Substances**

(A) 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.

(B) Upon reasonable notice to Grantee, the Grantor may inspect Grantee's facilities in the Rights-of-Way to determine if any release of hazardous substances has occurred, or may occur, from or related to Grantee's Cable System. In removing or modifying Grantee's facilities as provided in this Franchise, Grantee shall also remove all residue of hazardous substances related thereto.

(C) Grantee agrees to indemnify the Grantor against any claims, costs, and expenses, of any kind, whether direct or indirect, incurred by the Grantor arising out of a release of hazardous substances caused by Grantee's Cable System.

### **9.11 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.

Within forty-eight (48) hours after any Grantor bureau or franchisee, licensee or permittee notifies Grantee of a proposed Right-of-Way excavation, Grantee shall, at Grantee's expense:

(A) Mark on the surface all of its located underground facilities within the area of the proposed excavation;

(B) Notify the excavator of any unlocated underground facilities in the area of the proposed excavation; or

(C) Notify the excavator that Grantee does not have any underground facilities in the vicinity of the proposed excavation.

#### **9.12 Notice to Private Property Owners**

Grantee shall give notice to private property owners of work on or adjacent to private property in accordance with the Grantor's Customer Service Standards, as the same may be amended from time to time by the Board of Trustees acting by ordinance or resolution.

#### **9.13 Underground Construction and Use of Poles**

(A) When required by general ordinances, resolutions, regulations or rules of the Grantor 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 Grantor 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 Grantor'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 Grantor 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 Grantor or any other Person. Copies of agreements for the use of poles, conduits or other utility facilities must be provided upon request by the Grantor.

#### **9.14 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 financially and technologically feasible in agreement with the owners and/or owner's association of the Multiple Dwelling Units.

### **9.15 Cable Drop Bonding**

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

### **9.16 Prewiring**

Any ordinance or resolution of the Grantor which requires prewiring of subdivisions or other developments for electrical and telephone service shall be construed to include wiring for Cable Systems.

### **9.17 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 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, the Grantor 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 Grantor.

(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 five (5) days or other such time as agreed to between the Grantee and property owner, considering the nature of the work that must be performed. Grantee shall also perform such restoration in accordance with the Grantor's Customer Service Standards, as the same may be amended from time to time by the Board of Trustees acting by ordinance or resolution. Notwithstanding the provisions of this Section, the time to complete restoration shall be subject to Force Majeure provisions in Section 4.6 above.

### **9.18 Acquisition of Facilities**

Upon Grantee's acquisition of Cable System-related facilities in any Grantor Right-of-Way, or upon the addition to the Grantor of any area in which Grantee owns or operates any such facility, Grantee shall, at the Grantor's request, submit to the Grantor a statement describing all



such facilities involved, whether authorized by franchise, permit, license or other prior right, and specifying the location of all such facilities to the extent Grantee has possession of such information. Such Cable System-related facilities shall immediately be subject to the terms of this Franchise.

#### **9.19 Discontinuing Use/Abandonment of Cable System Facilities**

Grantee may not abandon the System or any portion thereof without having first given six (6) months written notice to Grantor.

In the event of abandonment, termination, or forfeiture of the Franchise, the Town shall have the right to require Grantee to remove all or any portion of the System from all Streets and public property within the Town. If Grantee has failed to commence removal of System, or such part thereof as was designated by the Town, within thirty (30) days or such other time period as agreed to between the Town and Grantee, the Town shall have the right to do so at the cost of Grantee.

Grantee shall not be required to remove its Cable System or to sell the Cable System, or any portion thereof as a result of revocation, denial or renewal, or any other lawful action to forbid or disallow Grantee from providing Cable Service, if the Cable System is actively being used to facilitate any other services not governed by the Cable Act, or any portion hereof [47 U.S.C. §621(b)].

#### **9.20 Movement of Cable System Facilities For Grantor Purposes**

The Grantor 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 Grantor 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 Grantor for public purposes). Such work shall be performed at the Grantee's expense. Except during an emergency, the Grantor 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 \$500,000 in expenditures by the Grantor which requires the removal, replacement, modification or disconnection of Grantee's facilities or equipment, the Grantor shall provide at least sixty (60) days' written notice to Grantee. Following notice by the Grantor, 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 Grantor. If the Grantor requires Grantee to relocate its facilities located within the Rights-of-Way, the Grantor shall make a reasonable effort to provide Grantee with an alternate location within the Rights-of-Way. If necessary, Grantee may request additional time to make the relocation, removal, replacement, modification or disconnection of facilities and equipment located in the Rights-of-Way or on any other property of Grantor, which request shall not be unreasonably withheld, so long as Grantee is working in good faith to comply with the provisions of this Section and so long as the Town

suffers no financial or other consequences caused by Grantee's movement of facilities. 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 Grantor's satisfaction, the Grantor 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 Grantor due to Grantee's delay provided, however, Grantor shall take no such action and impose no penalty so long as Grantee is working diligently, continuously, and in good faith to restore the surface as herein required, so long as Grantee is working in good faith to comply with the provisions of this Section and so long as the Town suffers no financial or other consequences caused by Grantee's movement of facilities. In such event, the Grantor shall not be liable for any damage to any portion of Grantee's Cable System.

#### **9.21 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 Grantor franchise holder, Grantee shall, 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.

#### **9.22 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.

#### **9.23 Reservation of Grantor Use of Right-of-Way**

Nothing in this Franchise shall prevent the Grantor or public utilities owned, maintained or operated by public entities other than the Grantor 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.

#### **9.24 Tree Trimming**

Grantee may prune or cause to be pruned, using proper pruning practices, any tree in the Grantor's Rights-of-Way which interferes with Grantee's Cable System. Grantee shall comply with any general ordinance or regulations of the Grantor 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.

## **9.25 Inspection of Construction and Facilities**

The Grantor may inspect any of Grantee's facilities, equipment or construction at any time upon at least seventy-two (72) hours' notice, or, in case of emergency, upon demand without prior notice. The Grantor shall have the right to charge generally applicable inspection fees therefore. If an unsafe condition is found to exist, the Grantor, 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 Grantor establishes. The Grantor has the right to correct, inspect, administer and repair the unsafe condition if Grantee fails to do so, and to charge Grantee therefore.

## **9.26 Stop Work**

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

(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.

## **9.27 Work of Contractors and Subcontractors**

Grantee's contractors and subcontractors shall be licensed and bonded in accordance with the Grantor'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.

### **9.28 Completion of Requirements in this Section**

If necessary, Grantee may request additional time in which to complete the foregoing requirements of this Section, which request shall not be unreasonably withheld. If Grantee's request would amount to a violation of the Town Code or other Applicable Law, it shall be reasonable to withhold approval. Upon failure of Grantee to comply and Grantor having notified Grantee in writing of the actions required, Grantor may cause such work to be completed and the expense of such work shall be paid by Grantee upon demand by Grantor; provided, however, Grantor shall take no such action and impose no penalty so long as Grantee is working diligently, continuously, and in good faith to complete the work in compliance with the provisions of this Section and so long as the Town suffers no financial or other consequences.

## **SECTION 10. CABLE SYSTEM, TECHNICAL STANDARDS AND TESTING**

### **10.1 Subscriber Network**

(A) Grantee provides the TV2Go Platform, 5 GHz with two-way capability and 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 (broadcast and Access) are retransmitted in those same formats.

(C) All construction shall be subject to the Grantor'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.

### **10.2 Technology Assessment**

(A) The Grantor may notify Grantee on or after five (5) years after the Effective Date, that the Grantor will conduct a technology assessment of Grantee's Cable System for the purpose of determining whether the Grantee's technology and performance meet community needs and interests and whether it complies with Applicable Law, including, without limitation, safety

codes and FCC regulations.

(B) Grantee shall cooperate with the Grantor to provide necessary non-confidential and proprietary information upon the Grantor's reasonable request as part of the technology assessment.

(C) At the discretion of the Grantor, findings from the technology assessment may be included in any proceeding commenced for the purpose of identifying future cable-related community needs and interests undertaken by the Grantor pursuant to 47 U.S.C. §546.

### **10.3 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 Grantor no later than thirty (30) days following receipt of a request.

### **10.4 Emergency Alert Capability**

Grantee shall provide an operating Emergency Alert System ("EAS") throughout the term of this Franchise in compliance with FCC standards. Grantee shall test the EAS as required by the FCC.

### **10.5 Technical Performance**

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

### **10.6 Cable System Performance Testing**

(A) Upon request, Grantee shall provide to the Grantor 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 Grantor 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 Grantor for a period of at least one (1) year, and individual Subscriber complaints from the Grantor for a period of at least three (3) years, and make such information available to the Grantor 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 Grantor upon reasonable request.

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

## **10.7 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 11. SERVICE AVAILABILITY**

As of the Effective Date of this Agreement, Grantee's Cable System shall be capable of serving all potential residential subscribers at standard rates, however, any future requests for line extensions must be, in the Company's judgment, technically and economically feasible.

## **SECTION 12. FRANCHISE VIOLATIONS**

### **12.1 Procedure for Remedying Franchise Violations.**

In the event that the Grantor believes that the Grantee has not complied with any term of the Franchise, the Grantor shall informally discuss the matter with Grantee. If these discussions do not lead to resolution of the problem, the Grantor shall notify the Grantee in writing of the exact nature of any franchise violation, breach, claim, failure, neglect, liability or other obligation, (hereinafter "violation"). The Grantee shall have thirty (30) days from receipt of such notice to cure the violation on which Grantor's claim is based. Grantor shall grant additional time beyond the initial cure period in the event that the Grantee has made a good faith effort towards cure and such additional time is necessary to completely cure the alleged violation or Grantee has submitted to Grantee, in writing, a plan and timetable for curing the violation. If Grantee denies

that a violation exists or if Grantor and Grantee are unable to come to a mutually acceptable solution for cure of the violation, each Party reserves all rights to seek any remedies available.

## **SECTION 13. FRANCHISE TRANSFER**

### **13.1 Transfer of Ownership or Control**

(A) Grantee shall not transfer, or assign, through its own action or by operation of law, its right, title or interest in the Cable System or in this Agreement without the prior written consent of the Grantor, provided that such consent shall not be unreasonably withheld. Grantee shall not change, transfer or assign, through its own action or by operation of law, its control of the Cable System or of this Agreement without the prior written consent of the Grantor, provided that such consent shall not be unreasonably withheld. The Grantee shall promptly notify the Grantor of any actual or proposed change in, or transfer of, or acquisition by any other party of control of the Grantee. The word "control" as used herein is not limited to majority stockholders but includes actual working control in whatever manner exercised. Every change, transfer or acquisition of control of the Grantee shall make this Franchise subject to cancellation unless and until the Grantor shall have consented in writing thereto.

(B) Notwithstanding anything to the contrary in this Section, the prior approval of the Grantee shall not be required for any sale, assignment or transfer of the Agreement or Cable System for cable television system usage to an entity controlling, controlled by or under the same common control as Grantee. No consent shall be required for a transfer in trust, by mortgage, or by other hypothecation, by assignment of any rights, title, interest of Grantee in the Franchise or Cable System in order to secure indebtedness.

(C) Grantee shall make written application to the Grantor of any transfer, assignment or change in control as described above and shall provide all information required by FCC Form 394 and any other applicable federal, state, and local statutes and regulations regarding transfer or assignment. The Grantor shall have thirty (30) days from the receipt of FCC Form 394 to notify Grantee of any additional information it needs to make an informed decision on the transfer or assignment. The Grantor shall have one hundred twenty (120) days from the receipt of all required information to take action on the transfer or assignment. Any consent by the Grantor for any transfer or assignment described above shall not be effective until the proposed transferee or assignee shall have executed a legally binding document stating that it shall be bound by all the terms and conditions contained in this Agreement.

(D) In reviewing a request for sale or transfer, the Grantor may inquire into the legal, technical and financial qualifications of the prospective controlling party or transferee, and Grantee shall assist the Grantor in so inquiring. The Grantor may condition said sale or transfer upon such terms and conditions as it deems reasonably appropriate, in accordance with Applicable Law.

## **SECTION 14. 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 15. MISCELLANEOUS PROVISIONS**

### **15.1 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.—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.

### **15.2 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 or USPS Certified Mail to such respective address and such notices shall be effective upon the date of mailing. These addresses may be changed by the Grantor or the Grantee by written notice at any time. At the Effective Date of this Franchise:

Grantee's address shall be:

ZITO WEST HOLDINGS, LLC  
Attn: Colin Higgin, Esq.  
102 S. Main Street  
Coudersport, PA 16915

The Grantor's address shall be:

Town of Ignacio  
540 Goddard Avenue  
PO Box 459  
Ignacio, Colorado 81137



### **15.3 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.

### **15.4 Publication Costs to be Borne by Grantee**

Grantee shall reimburse the Grantor for all costs incurred in publishing this Franchise, if such publication is required.

### **15.5 Binding Effect**

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

### **15.6 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.

### **15.7 Waiver**

The failure of the Grantor at any time to require performance by the Grantee of any provision hereof shall in no way affect the right of the Grantor hereafter to enforce the same. Nor shall the waiver by the Grantor 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.

### **15.8 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.

### **15.9 Jurisdiction**

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

IN WITNESS WHEREOF, this Franchise is signed in the name of the Town of Ignacio, Colorado this \_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

**TOWN OF IGNACIO, COLORADO:**

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

Accepted and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

**ZITO WEST HOLDINGS, LLC:**

\_\_\_\_\_  
Public Notary

\_\_\_\_\_  
Name/Title: \_\_\_\_\_

**EXHIBIT A:**  
**CUSTOMER SERVICE STANDARDS**

Customer Service Standards under this Agreement shall be the federal standards published by the FCC, including, without limitation, the obligations listed in 47 CFR § 76.309, unless otherwise amended by the Town of Ignacio in accordance with Applicable Law.

## **Ignacio Police Department**

**October – 2023**

KP

### **Finger Printing Update:**

The company that will provide the equipment for us to offer finger printing capabilities, will be here on October 18, 2023 to train and install the scanner to provide this service to the Ignacio community and surrounding residents.

We are looking to update our Tasers in 2024 and our IPD in-house instructor, Officer Casey Martin will be at the Board meeting to give a brief demonstration on how these devices work and are utilized and to answer any questions you might have regarding the Taser.

I am in the process of updating our Special Events Permit request form. We average five (5) parades per year. The Colorado Department of Transportation (CDOT) has always had the right to review and to have approval and denial authority over any event that takes place on Goddard Avenue/State Highway 172. CDOT has recently indicated that they wish to be a part of the review process going forward. The reason for this information being relayed to you, the Board, is that I want your input as to the revisions that will be incorporated into the new request for. Attached for your review is the current request form that we use now.

If you have any questions, please contact me at 970/563-4206 ex. 3001. Thanks.



Town of Ignacio

P.O. Box 459  
540 Goddard Ave  
Ignacio, CO 81137

970/563-9494   
townofignacio.com 

# Public works Department Staff Report

10/6/2023

## Compliance

Code enforcement for last month.

920 Browning – Over growing trees and weeds around property. Owner was called and message was left to notify them.

120 Romero – Fowls not allowed in town limits. Talked with home owner about issue, they are going to move fowls soon.

120 Maple – Blue SUV on street needs to be moved before winter for snow removal. Talked with home owner on issue.

415, 425, 435, 445 Browning – Over growing weeds and trees on to alley way. Letters were hand delivered to properties.

385 Browning – Person living in tent behind property.

East of 595 Burns on the side of the hill – Person living in tent, issues was reported to the Police Department.

Lionel Flores  
Town of Ignacio





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### Natural Gas System

Monthly meter reads, re-reads and Shut offs  
Leak Survey  
Mercaptan Testing  
Energy World Net operator qualification Compliance for D.O.T. compliance  
State compliance and filing  
DOT training  
OQ training  
System maintenance and repair  
Working with Brad Bean on compliance issues with the State of Colorado  
Install anodes on steel pipelines

### Sewer and Storm Drain System

Monthly line flushing  
System maintenance and repair  
State compliance training and filing  
Have identified several problem areas in the Sanitary sewer system that need repaired

### Drinking Water system

Monthly meter reads, re-reads and shut offs  
Monthly water sampling  
System maintenance and repair  
State compliance training and filing  
New water meter installs and pit repairs  
Meter inventory and leak survey  
Lead and Copper water sampling  
Ray Sanchez completed and passed cross connection assembly inspection course





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### Irrigation System

System maintenance and repair  
Monitor irrigation pond levels  
Irrigation will Be shut down by 10/13/2023

### Parks

Repair two levies on the river inlet for Town Park  
Replaced irrigation pump at Campbell Park  
Irrigation main repair at Town Park  
Low water level at the pond inlet addressed

### Roadways and Alleys

Drainage maintenance and repair  
Street sweeping  
Pot hole repair

### General Maintenance

UNCC locates completed filed and reported  
Daily and weekly trash collection  
Daily Utilities issues and complaint call outs addressed  
Maintain and clean up the burn pile area  
Tree removal

### Equipment and Vehicles

Daily maintenance  
Monthly maintenance  
Repair vehicles and equipment  
Purchased Jet Rodding Truck from the Town of Bayfield





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## Building code enforcement

**Subject:**

**10/05/2023**

**Town of Ignacio Building Construction / Inspection  
Cross Connection Control Program**

From: Garry Montoya

To: Jeremy Mickey

- 610 Browning Exterior panel and window replacement. Permit issued and approved on 4/24/2022 Estimated completion Oct. 2022 (Owner: Luis Valenzuela) Note: Pending investigation (IPD -CBI) 10/05/23 No change. Inquire from
- New Residence for Rokfur, LLC. Lot 4 Walker First Add. 150 County Road 320A. Building permit issued on 3/24/22. Build plans on hold per per-Jeff Seales (Owner- Contractor) New inquiry on building 2/7/23. Owner wants to revise initial build process. Scheduled Meeting on 2/8/23 Building permit application submitted on 3/27/2023. Under review. Building permit approved on 3/29/03. Under construction. Inspected footing for concrete on 4/11/23. As of 5/01/23 Framing is in process. Framing inspected on 6/29/23. Inspected insulation on 7/06/23. Drive way footing n process 10/05/23
- 457 Burns Ave. Jeremy Schultz (Owner) Residence remodel... Build permit issued on 9/14/22 (No current information or status or progress as of 2/6/23) Contacted Owner on 3/15/2023. Work in process. Estimated completion May 2023. Status has not changed 6/29/23. Demolition permit issued on 7//12/23, Project completed. Residence is near completion 10/05/23
- 110 Maple Ave Jordan Larsen (Owner) New rear attached cover patio. Build permit approved and issued on 11/15/22. Contacted owner 3/13/2023







waiting on weather to improve to continue. 5/01/23 No change. Status has not changed 10/05/23

- 500 Tranquilo Ct. New construction. Single Family Residence Shane Roukema (Owner -Contractor. Building permit application approved on 12/14/22  
Permit paid and issued on 1/11/23 Footing inspected on 3/20/23 Stem wall inspected on 3/27/2023. As of 5/01/23 Framing is in process. Roof inspected on 5/4/23. Framing inspected on 5/9/23. Rough in plumbing has been inspected on 6/5/23 Sheet rock inspected on 6/22/23. Build is near completion. Waiting on sewer, water and gas taps to be paid. 8/03/23. Residence completed COO issued on 8/14/23
- 355 Goddard Ave. Restaurant Interior remodel, Cuevas and J. Rosas (Owner Contractor) Building permit Issued on 12/15/22. Excavation permit issued on 1/20/23 for new gas line install. Note: New gas line installed and inspected on 2/01/23. Interior remodel near completion. San Juan Basin Health is scheduled mid-June for inspection. No status changes 10/05/23
- 455 Shoshone Margret and Butch Gomez (Owner) Residence remodel. Building Permit Issued on 1/26/23. Contractor Gary Hansen. As of 5/01/23 Remodel in process. Sewer was filmed on 10/04/23 awaiting results.
- 465 Goddard Dancing Spirit. Build plans are final and approved as of 6/01/20/23 Excavation permit issued on 5/24/23. Building permit issued on 6/1/23 Concrete footing inspected on 6/27/23 Stem wall form inspected on 6/28/23. Framing in process 10/05/23
- 535 Goddard Farmers Fresh Market Ezra and Brook Lee. Tortilleria addition to the building. Building permit issued on 6/27/23. Complete, now in full operation. 10/02/23
- 515 Burns Ave. Roger Kimsey contractor. Remodel and renovation. Building permit and excavation permit issued on 7/20/23. No progress 10/5/23
- 107 Piedra Ave Craton Godac. New back yard shed construction. Excavation permit issued on 5/25/23. Building permit issued on 6/1/23. Inspected footing on 6/1/23. Inspected framing on 7/7/23. Near completion 10/5/23



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- 630 Goddard Ave. Travis Kirkpatrick Owner. KP Venture properties Remodel. Interior wall removal for access to 640 Goddard KW Pawn shop. Building permit approved and issued on 9/29/23. Renovation in process 10/5/23

### Cross Connection Control Program

#### CDPHE Regulation 11.39 (3) Cross Connection Control

Meeting with CDPHE. Water Quality control Division. KC Kay (Environmental Protection Specialist). The meeting in general was an audit for the Back Flow Cross Connection contamination control program. Overall, the audit comprised of compliance issues, monitoring schedule, Test results, Commercial customer compliance within the scope of the regulation. Survey results. There are non-compliance issues that have must be rectified.

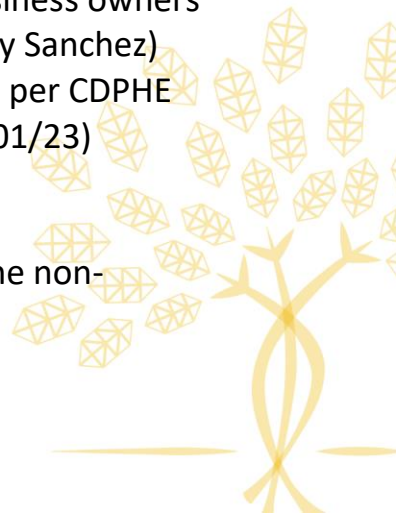
All assemblies that are not in compliance have been recognized and the owners have been notified. 14 Assemblies of 14 not tested in 2022 have been tested. 6 business remain non-compliant. A date has been established. All business owners that are non-compliant have 30 days (March 31) for compliance. (Ray Sanchez)

Note: Testing compliance ratio has been achieved (90 %). Acceptable per CDPHE Requirements, goal is to achieve 100% compliance. (Ray Sanchez) 5/01/23

Note:

All information has been submitted to CDPHE on 6/2/23

Currently the compliance ratio is at 93% and CDPHE has closed out the non-compliance violation. 8/03/23





# Town Clerk / Treasurer Report

October 2023

Honorable Mayor and Trustees,

The following is a report of my activities since the last Town Board Meeting.

## **Clerk:**

- The minutes from the September 11 Board Meeting are on the drive for your review.

## **Treasurer:**

- The Accounting Reports for September are included in the consent agenda.
- The Draft 2024 Budget is in your packet

## **Utilities:**

- The rate for September was set at the Tribal rate plus 10%; the same will be true for the October rate.

## **Licenses:**

- Animal: 54 current licenses
- Business: 73 current licenses
- Business Service Licenses: 67 current licenses
- Liquor Licenses: None this month

## **Human Resources:**

- Work is continuing on the Policies and Procedures Manual. I hope to be able to have this on the November agenda as an action item.

## **Events:**

- November 2 – Joint Work Session with La Plata Board of County Commissioners at 6:00 PM in the Abel F Atencio Community Room
- November 10 – Town Hall closed in observance of Veteran's Day
- November 13 – Next Board Meeting at 6:00 PM in the Abel F Atencio Community Room
- December 8 – Annual Holiday Party at 5:30 PM at the Casino

## **Meetings Attended:**

- Ignacio Creative District Board Meeting & Work Session, Chamber of Commerce General Membership Meeting.

Please contact me with any questions. Thank you.

Tuggy



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## Town Managers Report

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**DATE:** October 06, 2023

**REPORT PERIOD:** September 12, 2023 – October 6, 2023

This report focuses on items within the Town Board Meeting Agenda and also on work completed during the report period listed above.

### **TOWN BOARD MEETING AGENDA ITEMS**

#### **VII. NEW BUSINESS:**

- A. The draft 2024 Town of Ignacio Budget: State Statute requires a draft budget be prepared and submitted by October 15<sup>th</sup> for review by the public. The draft budget denotes anticipated 2024 revenues and expenditures. The initial draft budget was presented to the Town Board during a September work session and work has continued with work by Dee, Tuggy and me on the initial draft budget. A public hearing should be executed for comments on this draft budget. A work session is scheduled for review of the budget after the regular meeting. Please contact Dee, Tuggy or me with any questions.
- B. Dancing Spirit Memorandum of Understanding (MOU): The Town facilitated a grant application for Dancing Spirit and they were awarded \$150,000. The Town has executed a contract with DOLA for these funds and is the fiscal agent. This MOU is necessary to detail the requirements for both parties and is necessary to ensure contract compliance. I have facilitated a few of these grant/fiscal agent agreements and the MOU is critical. Kasey Corriea will be in attendance to give a project update and answer any questions. This project is not fully funded and fund raising continues. Work on the MOU continues and I hope to have a draft to you on Monday. The Town can execute this MOU in November but I think we hear from Kasey on overall project funding and project status. The MOU will require that no contract funds will be sought for reimbursement until all project funds (\$1,486,924) have been committed and are verifiable. Please contact Tuggy and I with any questions.
- C. Resolution 03-2023 – Opposition to Proposition HH: This resolution details the Town's opposition to Proposition HH. There is information in your packet from CML on the negative impacts of this proposition.
- D. Ordinance 358 – Zito Holdings West Franchise Agreement: This is an ordinance adopting a new franchise agreement for Zito who provides cable services within the Town corporate boundaries. The old license agreement dates back to Rural Route Video (1987) and Town has since approved agreement transfers to USA Communications and Zito. The old agreement

has expired and with it had a lot of dated details and requirements. The Town has been working on a new franchise agreement with assistance from Ken Feldman and David and the new franchise agreement has specific language that is consistent with new legislation and laws pertaining to cable services. The Town will continue to receive a franchise fee from Zito and these estimated revenues are denoted in the budget. Please contact David or me with any questions.

#### **VII.D TOWN MANAGER REPORT**

Rock Creek Housing Project: The Town completed a ground breaking on site on September 21<sup>st</sup>. Mayor Craig facilitated the ceremony which was well attended and included attendance by Trustees deKay and Maez. Town staff have burned the remaining burn pile and the site is ready for Canyon Construction who plan to mobilize later in October. A kickoff meeting has not been scheduled but likely will be in the next couple of weeks. I continue to work with Fading West, the Growth Fund and other interested contractors on this project. I have also been in discussions with Homes Fund and they have provided information on the maximum housing price that we can build and still meet the required 120% Area Medium Income limits for this project. This information is in your packet. I also have initiated discussion on utilization of our IHOI and LPC funding for housing costs being we have adequate infrastructure funding. I will report back on what I learn in these discussions. Success in programming these funds will help in reducing the final affordable housing costs for future homebuyers. This project is my focus and requires most of my time. Please contact me with any questions.

Town Storm Drainage Project: The Town was required to submit additional information to CDOT for our permit and they have since approved our calculations and we anticipate a permit shortly. Jeremy can report on plans for this project. Please contact Jeremy or me with any questions.

Grants: I continue to work on a number of potential grants for the Town and they include Downtown Redevelopment Planning, ELHI Planning, CR 320 Rebuild, Housing Development, Storm Sewer Project-Phase 2 and more. There is a lot of grant funding available and it is a full-time job staying on top of grants and associated submittal deadlines. Please contact me with any questions.

Broadband Initiatives: The Town has approved the Excavation Permit for Bonfire Construction and they should start their network construction project in October. Town staff will work with construction crews to ensure compliance with Town regs and the safety of underground Town utilities. Please contact me with any questions.

ELHI Lease Purchase Agreement: The Town continues to work on title issues with the school district and title company. We do not have any new information to report at this time. The superintendent and I will continue to work on this issue and I'll report back when I have news to share. Please contact me with any questions.

2024 Budget: We will be conducting a work session after the regular meeting to walk you through the draft 2024 budget. This draft reflects additional work by Dee and Tuggy on the 2022 Actuals and verification with the 2022 audited data and information; the 2023 Estimated data is updated in this draft and we will continue to refine the Estimated data as we close out the year in

preparation for the final budget approval; and the 2024 Budget is updated to reflect 2023 funds that will rollover into 2024 and other updated information. We can go into detail during the work session and will need to spend time refining estimated revenue, departmental and utility budget revenues and expenses and proposed Capital Improvement project revenues and expenses. Staff salaries and insurance coverages and benefits will also require discussion. Please look this draft budget over and supporting information in you packet. Please contact Dee, Tuggy or I on Monday with any questions.

Meetings Attended – I continue to attend numerous conference calls and webinars remotely on a variety of matters, as well as on multiple grant opportunities. I continually exchange multiple emails and phone calls on related town matters and projects.

Please contact me with any questions on the above material or if in need of anything. Thanks!



P.O. Box 2179, Durango CO 81302-2179  
150 E. 9<sup>th</sup> Street, Suite 207, Durango CO 81301  
P: 970.259.1418 | F: 970.259.1298

## MEMORANDUM

**DATE:** September 29, 2023  
**TO:** Builders, Developers, and Supporters of Deed Restricted Housing in Ignacio  
**FROM:** Lisa Bloomquist, Executive Director of HomesFund  
**RE:** Pricing Guide for Affordable Homeownership Housing in Ignacio

This memo is to provide home pricing guidance to builders, developers, and supporters of affordable homeownership in Ignacio. It applies to pricing of affordable homeownership units that are restricted by deed restrictions or other means of preserving affordability.

Please note that there are many variables involved in a home purchase, and each homebuyer brings a different set of variables to their transaction. After the pricing guidance there are notes about some of the variables that can impact affordability and pricing.

Affordable homeownership homes that have restricted resale (through a deed restriction or other method) should be priced at a level that is affordable to the households eligible for purchasing the homes, that accounts for the market prices for homes and the discount needed because of the affordability restrictions, and that accounts for comparable rental prices. The following gives guidance for assessing these data points as of September 29, 2023. The guidance will change as the variables change, and the HomesFund staff are happy to adjust the guidance and variables as needed.

### Pricing Using the Household Eligibility Method

Affordability restricted (deed restricted) homes should be priced at a level that is affordable for the target buyers of the homes.

To ensure that the pricing is affordable to the largest number of buyers possible, the pricing should not be based on the highest income possible, it should be based on the incomes of people 20% or more below the maximum income. For example, if a home (or community) is available for purchase for households with incomes up to 120% AMI, the pricing should be based on the income for households at 100% AMI. If pricing is based on households with incomes of 120% AMI the market will be too small because households with incomes of 120% AMI will be the only ones able to purchase the home.

Interest rates are variable and should be adjusted prior to completing any analysis. Daily interest rates can be obtained from [bankrate.com](https://www.bankrate.com):

[bankrate.com/mortgages/mortgage-rates/?disablePre=1&mortgageType=Purchase&partnerId=br3&pid=br3&pointsChanged=false&purchaseDownPayment=150000&purchaseLoanTerms=30yr%2C5-1arm%2C5-6arm&purcha...](https://www.bankrate.com/mortgages/mortgage-rates/?disablePre=1&mortgageType=Purchase&partnerId=br3&pid=br3&pointsChanged=false&purchaseDownPayment=150000&purchaseLoanTerms=30yr%2C5-1arm%2C5-6arm&purcha...)

Bankrate

Banking Homes Investing Credit cards Personal loans Business Auto

## Compare current mortgage rates for today

[Advertiser Disclosure](#)

Written by [Jeff Ostrowski](#) | Reviewed by [Greg McBride, CFA](#)

On Thursday, September 28, 2023, the national average 30-year fixed mortgage APR is 7.84%. The average 15-year fixed mortgage APR is 6.94%, according to Bankrate's latest survey of the nation's largest mortgage lenders.

At Bankrate we strive to help you make smarter financial decisions. While we adhere to strict [editorial integrity](#), this post may contain references to products from our partners. Here's an explanation for [how we make money](#).

For this analysis, and to have interest rate cushion, I have rounded up to 8.0% for a 30-year fixed mortgage.

	# People in Household	100% AMI	Income Available for Housing (Monthly)	Estimated Taxes	Estimated Insurance	Estimated HOA	Estimated Mortgage Insurance	Available for P&I	Estimated Interest Rate	Home Price
2-Bedroom	3	\$93,600	\$2,600	\$150	\$150	\$150	\$75	\$2,075	8.0%	\$283,000
3-Bedroom	4	\$103,900	\$2,886	\$150	\$150	\$150	\$75	\$2,361	8.0%	\$322,000

**Using the household eligibility method, pricing for a 2-bedroom home should not exceed \$283,000, and pricing for a 3-bedroom home should not exceed \$322,000.**

As noted above, interest rates fluctuate, and interest rates have a significant effect on the calculation above. Higher interest rates will result in lower home prices, and lower interest rates will result in higher home prices.

#### Pricing Using the Market Comparable Method

Homes that are affordability restricted need to be priced 20-30% below market-rate comparable units. This is because affordability restricted homes limit the appreciation that homeowners can gain, and they limit the potential buyers for the affordable unit. For a buyer to accept these restrictions, affordable units need to be priced below comparable market-rate units.

To determine the market rate for the units, it is recommended that a Realtor who is familiar with the area be contacted and presented with sketches of the proposed homes/units. The Realtor should be able to provide an estimate of value that will establish the market price for the units. The deed restricted price should be 20-30% below the market price.

An estimate may also be done if there are comparable properties listed on Realtor.com or Zillow.com. As of September 29, 2023 there are no comparable properties in Ignacio listed on Realtor.com or Zillow.com.

A marker for guiding prices in the deed restricted communities in both Ignacio and Bayfield is the Fox Farm community. The following advice was provided to the Bayfield developers of affordable housing:

*Additional comparable units include the townhomes in Fox Farm Village. Though the Fox Farm Village units are deed restricted, the deed restriction does not limit the sale price of the homes. As of September 28, 2023 there are two Fox Farm Village homes listed for sale – 721 Jacobs Lane is a 3-bed 2.5-bath townhome listed for \$315,900, and 698 Foxfarm Circle is a 3-bed 2-bath townhome listed for \$312,000. Though homes in Cinnamon Heights or Pine River Commons will be nicer and newer than the Fox Farm homes, they will have more significant deed restrictions, and thus the pricing should be similar to the prices that the Fox Farm homes are being sold at.*

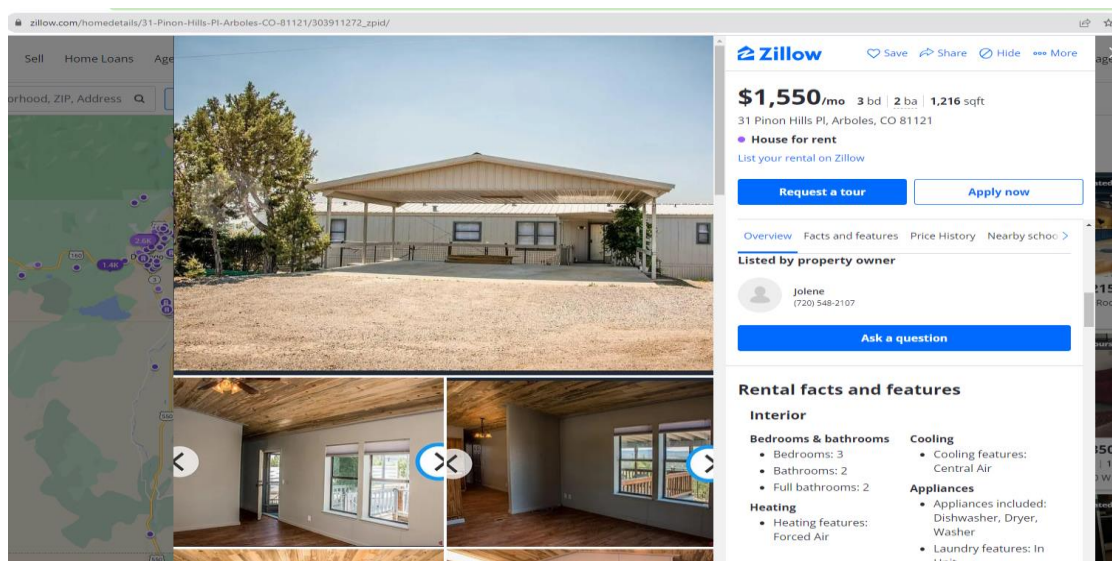
#### Pricing Using the Rental Comparable Method

Deed restrictions diminish some of the benefits of homeownership, including the ability to gain equity at market rates. Because deed restricted homes don't have the same benefits as market rate homes, eligible households will compare the cost of deed restricted homeownership to the cost of renting, but with people being willing to pay slightly more for deed restricted homeownership because some of the benefits of homeownership remain. The monthly cost of a deed restricted home should not be more than 110% of the monthly cost of a comparable rental home.

As of September 29, 2023 there are no comparable rental units in Ignacio. It is recommended that parties performing this analysis work with a Realtor or property manager to determine comparable rental unit prices.

As an estimate, and for the sake of example, the following rental in Arboles is roughly comparable to the proposed deed restricted townhomes in Ignacio:





Rent of \$1,550 x 110% = \$1,705/month.

\$1,705/month translates to a purchase price of \$160,000.

The example above is not directly comparable to the deed restricted homes in Ignacio, so the other methods for determining price should be given more weight.

### Conclusion

The household eligibility method is the most precise, and it is recommended that the pricing guideline of, **“Using the household eligibility method, pricing for a 2-bedroom home should not exceed \$283,000, and pricing for a 3-bedroom home should not exceed \$322,000”** be followed. It is recommended that the Rock Creek homes be priced as low as possible to accommodate for as many low- and moderate-income residents as possible, and to overcome the affordability gap caused by high interest rates.

### Variables

Every variable noted above is subject to change. Interest rates will change, as will the AMI level incomes of eligible homebuyers; comparable sales will vary, as will comparable rentals. The pricing recommendations above are for a snapshot in time on September 29, 2023. It is recommended that this analysis be re-performed regularly. The HomesFund staff may assist in any way requested.

### Other Factors

There are a variety of other factors that affect how much an eligible household may be able to pay for a deed restricted house. Households that meet the eligibility criteria for purchasing a deed restricted house may have assets, gifts, or other assistance programs that impact their ability to purchase a home. Though some eligible households may have these resources, many won't, and they should not be assumed or counted on.

### Mortgage/Downpayment Assistance

HomesFund has a Mortgage/Downpayment Assistance program through which loans of up to 30% of the purchase price (up to \$150,000) are available to eligible homebuyers with incomes below 100% AMI. These assistance loans are shared appreciation loans that have 0% interest and no monthly payments—they are due along with a proportional share of the appreciation gained when a homeowner household sells, transfers, or refinances the property with cash out, or if they are no longer the primary residents of the homeowner. HomesFund's Mortgage/Downpayment Assistance program has helped more than 370 households to purchase homes. The HomesFund Mortgage/Downpayment Assistance Program is currently available to eligible homebuyers, but funding is limited, and the program may not be available when the Rock Creek project is completed. It is suggested that the HomesFund Mortgage/Downpayment Assistance programs be viewed as a way to supplement the affordability of the homes to help get lower-income families into them, rather than as a way to increase the price of the homes. However, if you

need to count on Mortgage/Downpayment Assistance, it is likely that \$43,700 in assistance will be available to households with incomes under 100% AMI.

#### Special First Mortgage Programs

Special first mortgage programs with low interest rates may be created, and those programs may facilitate the purchase of deed restricted homes by low- and moderate-income households. As of September 29, 2023 these programs have not yet been created, and they cannot yet be counted on.

If you have any questions or concerns about this memo, please contact Lisa Bloomquist at [lisa@homesfund.org](mailto:lisa@homesfund.org) or 970-259-1418x5. Thank you.