

**TOWN OF MEAD, COLORADO
ORDINANCE NO. 819**

AN ORDINANCE OF THE TOWN OF MEAD, COLORADO, GRANTING A FRANCHISE BY THE TOWN OF MEAD TO PUBLIC SERVICE COMPANY OF COLORADO, ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO FURNISH, SELL AND DISTRIBUTE NATURAL GAS TO THE PUBLIC SERVICE COMPANY'S CERTIFICATED SERVICE AREA WITHIN THE TOWN AND TO ALL PERSONS, BUSINESSES, AND INDUSTRY WITHIN SAID SERVICE AREA AND THE RIGHT TO ACQUIRE, CONSTRUCT, INSTALL, LOCATE, MAINTAIN, OPERATE AND EXTEND INTO, WITHIN AND THROUGH SAID SERVICE AREA ALL FACILITIES REASONABLY NECESSARY TO FURNISH, SELL AND DISTRIBUTE NATURAL GAS AND THE RIGHT TO MAKE REASONABLE USE OF ALL STREETS, PUBLIC EASEMENTS AND OTHER PUBLIC PLACES AS HEREIN DEFINED AS MAYBE NECESSARY, AND FIXING THE TERMS AND CONDITIONS OF THE FRANCHISE.

WHEREAS, the Public Service Company of Colorado (PSC) submitted a notice of its intention to apply for a public utility franchise for natural gas services, to the governing body of the Town of Mead, Colorado (Town) and requested passage of an ordinance granting such a franchise; and

WHEREAS, PSC caused proper notice to be published in the Longmont Times-Call, a daily newspaper of general circulation within the Town, on October 8, 15 and 22, 2016, and by posting at three locations within the Town, in accordance with C.R.S. 31-32-102, and proof of compliance has been provided to the Board of Trustees in the form of an Affidavit of Publication from the Longmont Times-Call and a certificate and attestation by the Town Clerk of said publication by posting; and

WHEREAS, PSC and the Town have met and negotiated the terms and conditions under which the natural gas utility franchise for the Town should be granted, titled the "2016 Natural Gas Utility Franchise Agreement Between the Town of Mead, Colorado and the Public Service Company" (hereinafter called "Franchise Agreement"); and

WHEREAS, it is proposed to grant the franchise in accordance with the terms and conditions of the Franchise Agreement, which provides for a term of twenty (20) years from the date of issuance and a fee to be paid to the Town of three percent (3%) of all revenues received for the sale of natural gas, as well as from the transportation of natural gas, to their customers within the Town, to be paid in monthly payments; and

WHEREAS, following a public hearing on Monday, October 31, 2016, held pursuant to the published notice and at which the public was given the opportunity to comment upon the proposed grant of the franchise and the terms of the Franchise Agreement, it is the desire the Board of Trustees to grant a nonexclusive franchise for the provision of natural gas within the corporate boundaries of the Town of Mead to Public Service Company of Colorado, under the terms of the proposed Franchise Agreement; and

WHEREAS, the Board of Trustees has determined that the proposed Franchise Agreement conforms to the statutory requirements for public utility franchises, and that said Franchise Agreement preserves the health, safety, welfare and interests of the citizens of the Town of Mead, Colorado;

NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Mead, Weld County, Colorado, that:

Section 1. Grant of Franchise. There is hereby granted by the Town of Mead to the Public Service Company of Colorado, a franchise for the nonexclusive right and duty to furnish, sell and distribute natural gas to its certificated service area within the Town by means of underground pipes, under, along, across, and through the public ways in the Town of Mead and within its PUC certificated service area as may hereafter be included in the boundaries of the Town of Mead.

Section 2. Term; Effective Date. This Franchise shall become effective as provided by law, thirty (30) days after its publication and upon acceptance in writing by the Public Service Company of Colorado within said period, and the terms, conditions and covenants thereof shall remain in full force and effect for a term of twenty (20) calendar years from the effective date of the Agreement. Furthermore, it is agreed that the parties shall initiate the negotiation of a new franchise, no later than January 1, 2035.

Section 3. Approval of Franchise Agreement and Authorization of Execution. The natural gas franchise granted hereby, shall be generally in the form and substance of the "2016 Natural Gas Utility Franchise Agreement Between the Town of Mead, Colorado and the Public Service Company of Colorado," approved by the Board of Trustees at the first reading of this ordinance. The Mayor and Town Clerk are authorized and directed to affix their signatures to the Franchise Agreement and to complete all the necessary procedures required for publication of this ordinance.

Section 4. Validity. The provisions of this ordinance are hereby declared to be severable and if any section, provision or part thereof shall be held unconstitutional or invalid, the remainder of this ordinance shall continue in full force and effect, it being the intent of the Board of Trustees that this ordinance would have been adopted even if such unconstitutional or invalid matter had not been included herein. It is further declared that if any section, provision or part of this ordinance or the application thereof to any person or circumstances, if held invalid, the remainder of this ordinance and the application thereof to other persons or circumstances shall not be affected thereby.

Section 5. Necessity. In the opinion of the Board of Trustees of the Town of Mead, this ordinance is necessary for the preservation and protection of the health, safety, welfare and property of the inhabitants and owners of property in the Town of Mead.

Section 6. Certification and Recording. The Town Clerk shall certify to the passage of this ordinance and make not less than three copies of the adopted ordinance and the Franchise Agreement available for inspection by the public during regular business hours. Copies of this ordinance and the Franchise Agreement shall be recorded in the office of the Weld County Clerk and Recorder.

INTRODUCED, READ IN FULL AND ADOPTED ON FIRST READING THIS 31st DAY OF October, 2016, BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD AND ORDERED PUBLISHED BY POSTING AND BY PUBLICATION IN THE LONGMONT TIME-CALL NEWSPAPER. ADOPTED UPON A ROLL CALL VOTE WITH THE FOLLOWING VOTES RECORDED:

AYES: 6
NAYS: 0



ATTEST:

TOWN OF MEAD

By Linda Blackston
Linda Blackston, MMC, Town Clerk

By Herman Schranz
Herman Schranz, Mayor Pro Tem

PUBLISHED IN FULL IN BY POSTING ON THE 1st DAY OF November, 2016, AND BY PUBLICATION EACH DAY IN THE LONGMONT TIMES-CALL NEWSPAPER, BEGINNING NOVEMBER 5, AND ENDING NOVEMBER 19, 2016.

READ IN FULL, PASSED AND ADOPTED ON SECOND READING THIS 28th DAY OF November, 2016, BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD, ORDERED PUBLISHED BY POSTING AND BY PUBLICATION IN THE LONGMONT TIME-CALL AND ORDERED TO BECOME EFFECTIVE 30 DAYS FROM THE DATE OF PUBLICATION. ADOPTED UPON A ROLL CALL VOTE WITH THE FOLLOWING VOTES RECORDED:

AYES: 7
NAYS: 0

PUBLISHED IN FULL BY POSTING ON THE 29th DAY OF November, 2016 AND BY PUBLICATION IN THE LONGMONT TIMES-CALL NEWSPAPER ON THE 3rd DAY OF DECEMBER, 2016.

ATTEST:

TOWN OF MEAD

By Linda Blackston
Linda Blackston, MMC, Town Clerk

By Gary R. Shields
Gary R. Shields, Mayor





**2016 FRANCHISE AGREEMENT BETWEEN THE TOWN OF MEAD, COLORADO
AND PUBLIC SERVICE COMPANY OF COLORADO**

- ARTICLE 1 DEFINITIONS
- ARTICLE 2 GRANT OF FRANCHISE
- ARTICLE 3 CITY POLICE POWERS
- ARTICLE 4 FRANCHISE FEE
- ARTICLE 5 ADMINISTRATION OF FRANCHISE
- ARTICLE 6 SUPPLY, CONSTRUCTION, AND DESIGN
- ARTICLE 7 RELIABILITY
- ARTICLE 8 COMPANY PERFORMANCE OBLIGATIONS
- ARTICLE 9 BILLING AND PAYMENT
- ARTICLE 10 PURCHASE OR CONDEMNATION
- ARTICLE 11 TRANSFER OF FRANCHISE
- ARTICLE 12 CONTINUATION OF UTILITY SERVICE
- ARTICLE 13 INDEMNIFICATION AND IMMUNITY
- ARTICLE 14 BREACH
- ARTICLE 15 AMENDMENTS
- ARTICLE 16 EQUAL OPPORTUNITY
- ARTICLE 17 MISCELLANEOUS

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS..... 1

 §1.1 “Company” 1

 §1.2 “Company Facilities” 1

 §1.3 “Council” or “Town Council” 1

 §1.4 “Force Majeure” 1

 §1.5 “Gross Revenues” 1

 §1.6 “Industry Standards” 1

 §1.7 “Other Town Property” 2

 §1.8 “Private Project” 2

 §1.9 “Public Project” 2

 §1.10 “Public Utilities Commission” or “PUC” 2

 §1.11 “Public Utility Easement” 2

 §1.12 “Relocate,” “Relocation,” or “Relocated” 2

 §1.13 “Residents” 2

 §1.14 “Streets” or “Town Streets” 2

 §1.15 “Supporting Documentation” 2

 §1.16 “Tariffs” 3

 §1.17 “Town” 3

 §1.18 “Utility Service” 3

ARTICLE 2 GRANT OF FRANCHISE 3

 §2.1 Grant of Franchise..... 3

 §2.2 Conditions and Limitations..... 3

 §2.3 Effective Date and Term..... 4

ARTICLE 3 CITY POLICE POWERS 4

 §3.1 Police Powers..... 4

 §3.2 Regulation of Streets or Other Town Property 4

 §3.3 Compliance with Laws 4

ARTICLE 4 FRANCHISE FEE 4

 §4.1 Franchise Fee..... 4

 §4.2 Remittance of Franchise Fee..... 5

 §4.3 Franchise Fee Payment not in Lieu of Permit or Other Fees..... 7

ARTICLE 5 ADMINISTRATION OF FRANCHISE..... 7

 §5.1 Town Designee 7

 §5.2 Company Designee 7

 §5.3 Coordination of Work..... 7

ARTICLE 6 SUPPLY, CONSTRUCTION, AND DESIGN..... 8

 §6.1 Purpose..... 8

 §6.2 Supply 8

 §6.3 Charges to the Town for Service to Town Facilities. 8



§6.4	Restoration of Service.....	8
§6.5	Obligations Regarding Company Facilities.....	8
§6.6	Excavation and Construction.....	10
§6.7	Restoration.....	10
§6.8	Relocation of Company Facilities.....	11
§6.9	New or Modified Service Requested by Town.....	13
§6.10	Service to New Areas.....	13
§6.11	Town Not Required to Advance Funds if Permitted by Tariffs.....	13
§6.12	Technological Improvements.....	13
ARTICLE 7 RELIABILITY.....		13
§7.1	Reliability.....	13
§7.2	Franchise Performance Obligations.....	13
§7.3	Reliability Reports.....	13
ARTICLE 8 COMPANY PERFORMANCE OBLIGATIONS.....		14
§8.1	New or Modified Service to Town Facilities.....	14
§8.2	Adjustments to Company Facilities.....	14
§8.3	Third Party Damage Recovery.....	15
ARTICLE 9 BILLING AND PAYMENT.....		15
§9.1	Billing for Utility Services.....	15
§9.2	Payment to Town.....	16
ARTICLE 10 PURCHASE OR CONDEMNATION.....		16
§10.1	Municipal Right to Purchase or Condemn.....	16
ARTICLE 11 TRANSFER OF FRANCHISE.....		17
§11.1	Consent of Town Required.....	17
§11.2	Transfer Fee.....	17
ARTICLE 12 CONTINUATION OF UTILITY SERVICE.....		17
§12.1	Continuation of Utility Service.....	17
ARTICLE 13 INDEMNIFICATION AND IMMUNITY.....		18
§13.1	Town Held Harmless.....	18
§13.2	Immunity.....	18
ARTICLE 14 BREACH.....		18
§14.1	Change of Tariffs.....	18
§14.2	Breach.....	18
ARTICLE 15 AMENDMENTS.....		20
§15.1	Proposed Amendments.....	20
§15.2	Effective Amendments.....	20

ARTICLE 16 EQUAL OPPORTUNITY	20
§16.1 Economic Development.....	20
§16.2 Employment.....	20
§16.3 Contracting.....	21
§16.4 Coordination	22
ARTICLE 17 MISCELLANEOUS	22
§17.1 No Waiver.....	22
§17.2 Successors and Assigns.....	22
§17.3 Third Parties.....	22
§17.4 Notice.....	22
§17.5 Examination of Records.....	23
§17.6 List of Utility Property.....	23
§17.7 PUC Filings.....	23
§17.8 Information	244
§17.9 Payment of Taxes and Fees.....	244
§17.10 Conflict of Interest.....	244
§17.11 Certificate of Public Convenience and Necessity.....	244
§17.12 Authority	244
§17.13 Severability	25
§17.14 Force Majeure	25
§17.15 Earlier Franchises Superseded	25
§17.16 Titles Not Controlling.....	25
§17.17 Applicable Law.....	25
§17.18 Payment of Expenses Incurred by Town in Relation to Franchise Agreement.....	25
§17.19 Costs of Compliance with Franchise	25
§17.20 Conveyance of Town Streets, Public Utility Easements or Other Town Property.....	25
§17.21 Audit	26
§17.22 Land Use Coordination.....	26
SIGNATURE PAGE	27

ARTICLE 1 DEFINITIONS

For the purpose of this franchise agreement (“Franchise”), the following words and phrases shall have the meaning given in this Article. When not inconsistent with context, words used in the present tense include the future tense, words in the plural include the singular, and words in the singular include the plural. The word “shall” is mandatory and “may” is permissive. Words not defined in this Article shall be given their common and ordinary meaning.

- §1.1 “Company” refers to Public Service Company of Colorado, a Colorado corporation, and an Xcel Energy company and its successors and assigns including affiliates or subsidiaries that undertake to perform any of the obligations under this Franchise.
- §1.2 “Company Facilities” refer to all facilities of the Company reasonably necessary or desirable to provide gas service into, within and through the Town, including but not limited to plants, works, systems, distribution structures and systems, lines, equipment, pipes, mains, gas compressors, meters, meter reading devices, communication and data transfer equipment, control equipment, and gas regulator stations as well as all associated appurtenances.
- §1.3 “Council” or “Town Council” refers to and is the legislative body of the Town.
- §1.4 “Force Majeure” means the inability to undertake an obligation of this Franchise due to a cause that could not be reasonably anticipated by a party or is beyond its reasonable control after exercise of best efforts to perform, including but not limited to fire, strike, war, riots, terrorist acts, acts of governmental authority, acts of God, floods, epidemics, quarantines, labor disputes, unavailability or shortages of materials or equipment or failures or delays in the delivery of materials. Neither the Town nor the Company shall be in breach of this Franchise if a failure to perform any of the duties under this Franchise is due to a Force Majeure condition.
- §1.5 “Gross Revenues” refers to those amounts of money that the Company receives from the sale of gas within the Town under rates authorized by the Public Utilities Commission, as well as from the transportation of gas to its customers within the Town and those amounts of money, excluding expense reimbursements, which the Company receives from the use of Company Facilities in Streets and other public places (unless otherwise preempted by applicable federal or state law), as adjusted for refunds, net write-offs of uncollectible accounts, corrections, or regulatory adjustments. Regulatory adjustments include, but are not limited to, credits, surcharges, refunds, and pro-forma adjustments pursuant to federal or state regulation. “Gross Revenues” shall exclude any revenues from the sale of gas to the Town or the transportation of gas to the Town.
- §1.6 “Industry Standards” refers to standards developed by government agencies and generally recognized organizations that engage in the business of developing utility industry standards for materials, specifications, testing, construction, repair, maintenance, manufacturing, and other facets of the gas utility industries. Such agencies and

organizations include, but are not limited to the U.S. Department of Transportation, the Federal Energy Regulatory Commission (FERC), the Colorado Public Utilities Commission, the American National Standards Institute (ANSI), the American Society for Testing and Materials (ASTM), the Pipeline Research Council International, Inc. (PRCI), the American Society of Mechanical Engineers (ASME), the Gas Technology Institute (GTI), and the National Fire Protection Association.

- §1.7 "Other Town Property" refers to the surface, the air space above the surface and the area below the surface of any property owned by the Town or directly controlled by the Town due to the Town's real property interest in the same or hereafter owned by the Town, that would not otherwise fall under the definition of "Streets," but which provides a suitable location for the placement of Company Facilities as specifically approved in writing by the Town. Other Town Property does not include Public Utility Easements.
- §1.8 "Private Project" refers to any project which is not covered by the definition of Public Project.
- §1.9 "Public Project" refers to (1) any public work or improvement within the Town that is wholly owned by the Town; or (2) any public work or improvement within the Town where fifty percent (50%) or more of the funding is provided by any combination of the Town, the federal government, the State of Colorado, or any Colorado county, but excluding all entities established under Title 32 of the Colorado Revised Statutes.
- §1.10 "Public Utilities Commission" or "PUC" refers to the Public Utilities Commission of the State of Colorado or other state agency succeeding to the regulatory powers of the Public Utilities Commission.
- §1.11 "Public Utility Easement" refers to any platted easement over, under, or above public or private property, expressly dedicated to, and accepted by, the Town for the use of public utility companies for the placement of utility facilities, including but not limited to Company Facilities.
- §1.12 "Relocate," "Relocation," or "Relocated" refers to the definition assigned such terms in Section 6.8.A of this Franchise.
- §1.13 "Residents" refers to all persons, businesses, industries, governmental agencies, including the Town, and any other entity whatsoever, presently located or to be hereinafter located, in whole or in part, within the territorial boundaries of the Town.
- §1.14 "Streets" or "Town Streets" refers to the surface, the air space above the surface and the area below the surface of any Town-dedicated or Town-maintained streets, alleys, bridges, roads, lanes, access easements, and other public rights-of-way within the Town, which are primarily used for vehicle traffic. Streets shall not include Public Utility Easements and Other Town Property.
- §1.15 "Supporting Documentation" refers to all information reasonably required or needed in order to allow the Company to design and construct any work performed under the provisions of this Franchise. Supporting Documentation may include, but is not limited to,

construction plans, a description of known environmental issues, the identification of critical right-of-way or easement issues, the final recorded plat for the property, the date the site will be ready for the Company to begin construction, the date gas service and meter set are needed, and the name and contact information for the Town's project manager.

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

§1.17 "Town" refers to the Town of Mead, a municipal corporation of the State of Colorado.

§1.18 "Utility Service" refers to the sale of gas to Residents by the Company under rates and Tariffs approved by the PUC, as well as the delivery of gas to Residents by the Company.

ARTICLE 2 GRANT OF FRANCHISE

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

A. to provide Utility Service to the Town and to its Residents under the Tariffs;
and

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

§2.2 Conditions and Limitations.

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

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

C. Prior Grants Not Revoked. This grant and Franchise is not intended to revoke any prior license, grant, or right to use the Streets, Other Town Property or Public Utility Easements and such licenses, grants or rights of use are hereby affirmed. Such rights shall, however, be governed by the terms of this Franchise where applicable.

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

§2.3 Effective Date and Term. This Franchise shall take effect on August 4, 2016, and shall supersede any prior Franchise grants to the Company by the Town. This Franchise shall terminate on August 3, 2036, unless extended by mutual consent.

ARTICLE 3 CITY POLICE POWERS

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

§3.2 Regulation of Streets or Other Town Property. The Company expressly acknowledges the Town's right to enforce regulations concerning the Company's access to or use of the Streets and Other Town Property including requirements for permits, as applicable, prior to commencing any work contemplated by this Franchise Agreement.

§3.3 Compliance with Laws. The Company shall promptly and fully comply with all laws, regulations, permits and orders enacted by the Town that are consistent with Industry Standards. Nothing herein provided shall prevent the Company from legally challenging or appealing the enactment of any laws, regulations, permits and orders enacted by the Town.

ARTICLE 4 FRANCHISE FEE

§4.1 Franchise Fee.

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

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

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

D. Utility Service Provided to the Town. No Franchise fee shall be charged to the Town for Utility Service provided directly or indirectly to the Town for its own consumption, unless otherwise directed by the Town in writing and in a manner consistent with Company policy.

§4.2 Remittance of Franchise Fee.

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

B. Correction of Franchise Fee Payments. In the event that either the Town or the Company discovers that there has been an error in the calculation of the Franchise fee payment to the Town, either party shall provide written notice of the error to the other party. If the party receiving written notice of the error does not agree with the written notice of error, that party may challenge the written notice of error pursuant to Section 4.2.D of this Franchise; otherwise, the error shall be corrected in the next monthly payment. However, subject to the terms of the Tariff, if the error results in an overpayment of the Franchise fee to the Town, and said overpayment is in excess of Five Thousand Dollars (\$5,000.00), correction of the overpayment by the Town shall take the form of a credit against future Franchise fees and shall be spread over the same period the error was undiscovered or the Town shall make a refund payment to the Company. If such period would extend beyond the term of this Franchise, the Company may elect to require the Town to provide it with a refund instead of a credit, with such refund to be spread over the

same period the error was undiscovered, even if the refund will be paid after the termination date of this Franchise. All Franchise fee underpayments shall be corrected in the next monthly payment, together with interest computed at the rate set by the PUC for customer security deposits held by the Company, from the date when due until the date paid. Subject to the terms of the Tariffs, in no event shall either party be required to fund or refund any overpayment or underpayment made as a result of a Company error which occurred more than five (5) years prior to the discovery of the error.

C. Audit of Franchise Fee Payments.

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

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

(3) If the results of a Town audit conducted pursuant to subsection C(2) concludes that the Company has underpaid the Town by five percent (5%) or more, in addition to the obligation to pay such amounts to the Town, the Company shall also pay all reasonable costs of the Town's audit. The Company shall not be responsible for any errors in third party data that is used in association with audits, including without limitation, Geotax data.

D. Fee Disputes. Either party may challenge any written notification of error as provided for in Section 4.2.B of this Franchise by filing a written notice to the other party within thirty (30) days of receipt of the written notification of error. The written notice shall contain a summary of the facts and reasons for the party's notice. The parties shall make good faith efforts to resolve any such notice of error before initiating any formal legal proceedings for the resolution of such error.

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

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

ARTICLE 5 ADMINISTRATION OF FRANCHISE

- §5.1 Town Designee. The Town Manager shall be the Town official having full power and authority to administer this Franchise. The Town Manager may also designate one or more Town representatives to act as the primary liaison with the Company as to particular matters addressed by this Franchise and shall provide the Company with the names and telephone numbers of said Town representatives. The Town Manager may change these designations by providing written notice to the Company. The Town's designee shall have the right, at all reasonable times, to inspect any Company Facilities in Town Streets and Other Town Property.
- §5.2 Company Designee. The Company shall designate a representative to act as the primary liaison with the Town and shall provide the Town with the name, address, and telephone number for the Company's representative under this Franchise. The Company may change its designation by providing written notice to the Town. The Town shall use this liaison to communicate with the Company regarding Utility Service and related service needs for Town facilities.
- §5.3 Coordination of Work. The Company agrees to coordinate its activities in Town Streets, Public Utility Easements and Other Town Property with the Town. The Town and the Company will meet annually upon the written request of the Town designee to exchange their respective short-term and long-term forecasts and/or work plans for construction and other similar work which may affect Town Streets, including but not limited to any planned Town Streets paving projects. The Town and Company shall hold such meetings as either deems necessary to exchange additional information with a view toward coordinating their respective activities in those areas where such coordination may prove beneficial and so that the Town will be assured that all applicable provisions of this Franchise, applicable building and zoning codes, and applicable Town air and water pollution regulations are complied with, and that aesthetic and other relevant planning principles have been given due consideration.

ARTICLE 6
SUPPLY, CONSTRUCTION, AND DESIGN

- §6.1 Purpose. The Company acknowledges the critical nature of the municipal services performed or provided by the Town to the Residents that require the Company to provide prompt and reliable Utility Service and the performance of related services for Town facilities. The Town and the Company wish to provide for certain terms and conditions under which the Company will provide Utility Service and perform related services for the Town in order to facilitate and enhance the operation of Town facilities. They also wish to provide for other processes and procedures related to the provision of Utility Service to the Town.
- §6.2 Supply. Subject to the jurisdiction of the PUC, the Company shall take all reasonable and necessary steps to provide a sufficient supply of gas to Residents at the lowest reasonable cost consistent with reliable supplies.
- §6.3 Charges to the Town for Service to Town Facilities. No charges to the Town by the Company for Utility Service (other than gas transportation which shall be subject to negotiated contracts) shall exceed the lowest charge for similar service or supplies provided by the Company to any other similarly situated customer of the Company. The parties acknowledge the jurisdiction of the PUC over the Company's regulated intrastate gas rates. All charges to the Town shall be in accord with the Tariffs.
- §6.4 Restoration of Service.
- A. Notification. The Company shall provide to the Town daytime and nighttime telephone numbers of a designated Company representative from whom the Town designee may obtain status information from the Company on a twenty-four (24) hour basis concerning interruptions of Utility Service in any part of the Town.
- B. Restoration. In the event the Company's gas system within the Town, or any part thereof, is partially or wholly destroyed or incapacitated, the Company shall use due diligence to restore such system to satisfactory service within the shortest practicable time, or provide a reasonable alternative to such system if the Company elects not to restore such system.
- §6.5 Obligations Regarding Company Facilities.
- A. Company Facilities. All Company Facilities within Town Streets and Other Town Property shall be maintained in good repair and condition.
- B. Company Work within the Town. All work within Town Streets and Other Town Property performed or caused to be performed by the Company shall be done:
- (1) in a high-quality manner that is in accordance with Industry Standards;
 - (2) in a timely and expeditious manner;



- (3) in a manner that reasonably minimizes inconvenience to the public;
- (4) in a cost-effective manner, which may include the use of qualified contractors; and
- (5) in accordance with all applicable laws, ordinances, regulations and permits that are consistent with Industry Standards and the Tariffs.

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

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

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

F. As-Built Drawings. Within thirty (30) days after written request of the Town designee, but no sooner than fourteen (14) days after project completion, the Company shall commence its internal process to permit the Company to provide, on a project by project basis, as-built drawings of any Company Facility installed within the Town Streets or contiguous to the Town Streets. If the requested information must be limited or cannot be provided pursuant to regulatory requirements or Company data privacy policies, the Company shall promptly notify the Town of such restrictions. The

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

- §6.6 Excavation and Construction. The Company shall be responsible for obtaining, paying for, and complying with all applicable permits, in the manner required by the laws, ordinances, and regulations of the Town, to the extent consistent with Industry Standards. Although the Company shall be responsible for obtaining and complying with the terms of such permits when performing Relocations requested by the Town under Section 6.8 of this Franchise, the Town will not require the Company to pay the fees charged for such permits. Upon the Company submitting a construction design plan, the Town shall promptly and fully advise the Company in writing of all requirements for restoration of Town Streets in advance of Company excavation projects in Town Streets, based upon the design submitted.
- §6.7 Restoration. Subject to the provisions of Section 6.5.D, when the Company does any work in or affecting the Town Streets or Other Town Property, or any landscaping or improvements therein disturbed by Company activities, it shall, at its own expense, promptly remove any obstructions placed thereon or therein by the Company and restore such Town Streets or Other Town Property and landscaping and other improvements therein disturbed by Company activities to a condition that is substantially the same as existed before the work, and that meets applicable Town standards. If weather or other conditions do not permit the complete and prompt restoration required by this Section, the Company may with the approval of the Town, temporarily restore the affected Town Streets or Other Town Property, provided that such temporary restoration is not at the Town's expense and provided further that the Company promptly undertakes and completes the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration. Upon the request of the Town, the Company shall restore the Streets or Other Town Property to a better condition than existed before the Company work was undertaken, provided that the Town shall be responsible for any incremental costs of such restoration not required by then-current Town standards, and



provided the Town seeks and/or grants, as applicable, any additional required approvals. If the Company fails to promptly restore the Town Streets or Other Town Property and landscaping and improvements disturbed by Company activities as required by this Section, and if, in the reasonable discretion of the Town immediate action is required for the protection of public health, safety or welfare, the Town may restore such Streets or Other Town Property, or remove the obstruction therefrom; provided however, Town actions do not interfere with Company Facilities. The Company shall be responsible for the actual cost incurred by the Town to restore such Town Streets or Other Town Property and landscaping and improvements therein disturbed by Company activities or to remove any obstructions therefrom. In the course of its restoration of Town Streets, Public Utility Easements or Other Town Property under this Section, the Town shall not perform work on Company Facilities unless specifically authorized by the Company in writing on a project-by-project basis and subject to the terms and conditions agreed to in such authorization.

§6.8 Relocation of Company Facilities.

A. Relocation Obligation. The Company shall temporarily or permanently relocate, change or alter the position of any Company Facility (collectively, “Relocate(s),” “Relocation(s)” or “Relocated”) in Town Streets or in Other Town Property at no cost or expense to the Town whenever such Relocation is necessary for the completion of any Public Project. In the case of Relocation that is necessary for the completion of any Public Project in a Public Utility Easement, the Company shall not be responsible for any Relocation costs. In the event of any Relocation contemplated pursuant to this Section 6.8.A, the Company and the Town agree to cooperate on the location and Relocation of the Company Facilities in the Town Streets or Other Town Property in order to achieve Relocation in the most efficient and cost-effective manner possible. Notwithstanding the foregoing, once the Company has Relocated any Company Facility at the Town’s direction, if the Town requests that the same Company Facility be Relocated within two (2) years, the subsequent Relocation shall not be at the Company’s expense. Nothing provided herein shall prevent the Company from obtaining reimbursement of its Relocation costs from third parties.

B. Private Projects. Subject to Section 6.8.F, the Company shall not be responsible for the expenses of any Relocation required by Private Projects, and the Company has the right to require the payment of estimated Relocation expenses from the party causing, or responsible for, the Relocation before undertaking the Relocation.

C. Relocation Performance. The Relocations set forth in Section 6.8.A of this Franchise shall be completed within a reasonable time, not to exceed one hundred twenty (120) days from the later of the date on which the Town designee requests, in writing, that the Relocation commence, or the date when the Company is provided all Supporting Documentation. The Company shall receive an extension of time to complete a Relocation where the Company’s performance was delayed due to Force Majeure or the failure of the Town to provide adequate Supporting Documentation. The Company has the burden of presenting evidence to reasonably demonstrate the basis for the delay. Upon written request of the Company, the Town may also grant the Company reasonable extensions of

time for good cause shown and the Town shall not unreasonably withhold or condition any such extension.

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

E. Completion. Each such Relocation shall be complete only when the Company actually Relocates the Company Facilities, restores the Relocation site in accordance with Section 6.7 of this Franchise or as otherwise agreed with the Town, and Company has removed from the site or properly abandons on site all unused Company Facilities, equipment, material and other impediments.

F. Scope of Obligation. Notwithstanding anything to the contrary in this Franchise, the Company shall not be required to Relocate any Company Facilities from property (a) owned by the Company in fee; or (b) in which the Company has a property right, grant or interest, including without limitation an easement.

G. Underground Relocation. Underground Company Facilities shall be Relocated underground. Above ground Company Facilities shall be Relocated above ground unless the Company is paid for the amount by which the underground cost would exceed the above ground cost of Relocation.

H. Coordination.

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

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

I. Proposed Alternatives or Modifications. Upon receipt of written notice of a required Relocation, the Company may propose an alternative to or modification of the Public Project requiring the Relocation in an effort to mitigate or avoid the impact of the required Relocation of Company Facilities. The Town shall in good faith review the proposed alternative or modification. The acceptance of the proposed alternative or modification shall be at the sole discretion of the Town. In the event the Town accepts the

proposed alternative or modification, the Company agrees to promptly compensate the Town for all additional costs, expenses or delay that the Town reasonably determines resulted from the implementation of the proposed alternative.

- §6.9 New or Modified Service Requested by Town. The conditions under which the Company shall install new or modified Utility Service to the Town as a customer shall be governed by this Franchise and the Company's Tariffs and the Tariffs shall control in the event of a conflict.
- §6.10 Service to New Areas. If the territorial boundaries of the Town are expanded during the term of this Franchise, the Company shall, to the extent permitted by law, extend service to Residents in the expanded area at the earliest practicable time if the expanded area is within the Company's PUC-certificated service territory. Service to the expanded area shall be in accordance with the terms of the Tariffs and this Franchise, including the payment of Franchise fees.
- §6.11 Town Not Required to Advance Funds if Permitted by Tariffs. Upon receipt of the Town's authorization for billing and construction, the Company shall install Company Facilities to provide Utility Service to the Town as a customer, without requiring the Town to advance funds prior to construction. The Town shall pay for the installation of Company Facilities once completed in accordance with the Tariffs. Notwithstanding anything to the contrary, the provisions of this Section allowing the Town to not advance funds prior to construction shall only apply to the extent permitted by the Tariffs.
- §6.12 Technological Improvements. The Company shall use its best efforts to incorporate, as soon as practicable, technological advances in its equipment and service within the Town when such advances are technically and economically feasible and are safe and beneficial to the Town and its Residents.

ARTICLE 7 RELIABILITY

- §7.1 Reliability. The Company shall operate and maintain Company Facilities efficiently and economically, in accordance with Industry Standards, and in accordance with the systems, methods and skills consistent with the provision of adequate, safe and reliable Utility Service.
- §7.2 Franchise Performance Obligations. The Company recognizes that, as part of its obligations and commitments under this Franchise, the Company shall carry out each of its performance obligations in a timely, expeditious, efficient, economical and workmanlike manner.
- §7.3 Reliability Reports. Upon written request, the Company shall provide the Town with a report regarding the reliability of Company Facilities and Utility Service.

ARTICLE 8
COMPANY PERFORMANCE OBLIGATIONS

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

A. Performance. The Company shall complete each project requested by the Town within a reasonable time. The parties agree that a reasonable time shall not exceed one hundred eighty (180) days from the date upon which the Town designee makes a written request and provides the required Supporting Documentation for all Company Facilities other than traffic facilities. The Company shall be entitled to an extension of time to complete a project where the Company's performance was delayed due to Force Majeure. Upon request of the Company, the Town designee may also grant the Company reasonable extensions of time for good cause shown and the Town shall not unreasonably withhold any such extension.

B. Town Revision of Supporting Documentation. Any revision by the Town of Supporting Documentation provided to the Company that causes the Company to substantially redesign and/or substantially change its plans regarding new or modified service to Town facilities shall be deemed good cause for a reasonable extension of time to complete the Relocation under this Franchise. At the request of the Town, the Company shall promptly advise the Town of any claimed extension under this provision, including the estimated length of the claimed exemption.

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

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

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

B. Completion/Restoration. Each such adjustment shall be complete only when the Company actually adjusts and, if required, readjusts, Company Facilities to

accommodate Town operations in accordance with Town instructions following Town paving operations.

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

§8.3 Third Party Damage Recovery.

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

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

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

**ARTICLE 9
BILLING AND PAYMENT**

§9.1 Billing for Utility Services.

A. Monthly Billing. Unless otherwise provided in the Tariffs, the rules and regulations of the PUC, or the Public Utility Law, the Company shall render bills monthly to the offices of the Town for Utility Service and other related services for which the Company is entitled to payment.

B. Address for Billing. Billings for service rendered during the preceding month shall be sent to the person(s) designated by the Town and payment for same shall be made as prescribed in this Franchise and the applicable Tariffs.

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

D. Annual Meetings. The Company agrees to meet with the Town designee on a reasonable basis at the Town's request, but no more frequently than once a year, for the purpose of developing, implementing, reviewing, and/or modifying mutually beneficial and acceptable billing procedures, methods, and formats which may include, without limitation, electronic billing and upgrades or beneficial alternatives to the Company's current most advanced billing technology, for the efficient and cost effective rendering and processing of such billings submitted by the Company to the Town.

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

ARTICLE 10 PURCHASE OR CONDEMNATION

§10.1 Municipal Right to Purchase or Condemn.

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

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

ARTICLE 11 TRANSFER OF FRANCHISE

- §11.1 Consent of Town Required. The Company shall not transfer or assign any rights under this Franchise to an unaffiliated third party, except by merger with such third party, or, except when the transfer is made in response to legislation or regulatory requirements, unless the Town approves such transfer or assignment in writing. Approval of the transfer or assignment shall not be unreasonably withheld, conditioned or delayed.
- §11.2 Transfer Fee. In order that the Town may share in the value this Franchise adds to the Company's operations, any transfer or assignment of rights granted under this Franchise requiring Town approval, as set forth herein, shall be subject to the condition that the Company shall promptly pay to the Town a transfer fee in an amount equal to the proportion of the Town's then-population provided Utility Service by the Company to the then-population of the City and County of Denver provided Utility Service by the Company multiplied by one million dollars (\$1,000,000.00). Except as otherwise required by law, such transfer fee shall not be recovered from a surcharge placed only on the rates of Residents.

ARTICLE 12 CONTINUATION OF UTILITY SERVICE

- §12.1 Continuation of Utility Service. In the event this Franchise is not renewed at the expiration of its term or is terminated for any reason, and the Town has not provided for alternative utility service, the Company shall have no obligation to remove any Company Facilities from Streets, Public Utility Easements or Other Town Property or discontinue providing Utility Service unless otherwise ordered by the PUC, and shall continue to provide Utility Service within the Town until the Town arranges for utility service from another provider. The Town acknowledges and agrees that the Company has the right to use Streets, Other Town Property and Public Utility Easements during any such period. The Company further agrees that it will not withhold any temporary Utility Services necessary to protect the public. The Town agrees that in the circumstances of this Article, the Company shall be entitled to monetary compensation as provided in the Tariffs and the Company shall be entitled to collect from Residents and, upon the Town's compliance with applicable provisions of law, shall be obligated to pay the Town, at the same times and in the same manner as provided in this Franchise, an aggregate amount equal to the amount which the Company would have paid as a franchise fee as consideration for use of the Town's Streets and Other Town Property. Only upon receipt of written notice from the Town stating that the Town has adequate alternative utility service for Residents and upon order of the PUC

shall the Company be allowed to discontinue the provision of Utility Service to the Town and its Residents.

**ARTICLE 13
INDEMNIFICATION AND IMMUNITY**

- §13.1 Town Held Harmless. The Company shall indemnify, defend and hold the Town harmless from and against claims, demands, liens and all liability or damage of whatsoever kind on account of or directly arising from the grant of this Franchise, the exercise by the Company of the related rights, but in both instances only to the extent caused by the Company, and shall pay the costs of defense plus reasonable attorneys' fees. The Town shall (a) give prompt written notice to the Company of any claim, demand or lien with respect to which the Town seeks indemnification hereunder; and, (b) unless in the Town's judgment a conflict of interest may exist between the Town and the Company with respect to such claim, demand or lien, shall permit the Company to assume the defense of such claim, demand, or lien with counsel reasonably satisfactory to the Town. If such defense is assumed by the Company, the Company shall not be subject to liability for any settlement made without its consent. If such defense is not assumed by the Company or if the Town determines that a conflict of interest exists, the parties reserve all rights to seek all remedies available in this Franchise against each other. Notwithstanding any provision hereof to the contrary, the Company shall not be obligated to indemnify, defend or hold the Town harmless to the extent any claim, demand or lien arises out of or in connection with any negligent or intentional act or failure to act of the Town or any of its officers, agents or employees or to the extent that the Town is acting in its capacity as a customer of record of the Company.
- §13.2 Immunity. Nothing in this Section or any other provision of this Franchise shall be construed as a waiver of the notice requirements, defenses, immunities and limitations the Town may have under the Colorado Governmental Immunity Act (§24-10-101, C.R.S., *et. seq.*) or of any other defenses, immunities, or limitations of liability available to the Town by law.

**ARTICLE 14
BREACH**

- §14.1 Change of Tariffs. The Town and the Company agree to take all reasonable and necessary actions to assure that the terms of this Franchise are performed. The Company reserves the right to seek a change in its Tariffs, including but not limited to the rates, charges, terms, and conditions of providing Utility Service to the Town and its Residents, and the Town retains all rights that it may have to intervene and participate in any such proceedings.
- §14.2 Breach.
- A. Notice/Cure/Remedies. Except as otherwise provided in this Franchise, if a party (the "Breaching Party") to this Franchise fails or refuses to perform any of the terms or conditions of this Franchise (a "Breach"), the other party (the "Non-Breaching Party")

may provide written notice to the Breaching Party of such Breach. Upon receipt of such notice, the Breaching Party shall be given a reasonable time, not to exceed thirty (30) days in which to remedy the Breach or, if such Breach cannot be remedied in thirty (30) days, such additional time as reasonably needed to remedy the Breach, but not exceeding an additional thirty (30) day period, or such other time as the parties may agree. If the Breaching Party does not remedy the Breach within the time allowed in the notice, the Non-Breaching Party may exercise the following remedies for such Breach:

- (1) specific performance of the applicable term or condition to the extent allowed by law; and
- (2) recovery of actual damages from the date of such Breach incurred by the Non-Breaching Party in connection with the Breach, but excluding any special, punitive or consequential damages.

B. Termination of Franchise by Town. In addition to the foregoing remedies, if the Company fails or refuses to perform any material term or condition of this Franchise (a "Material Breach"), the Town may provide written notice to the Company of such Material Breach. Upon receipt of such notice, the Company shall be given a reasonable time, not to exceed ninety (90) days in which to remedy the Material Breach or, if such Material Breach cannot be remedied in ninety (90) days, such additional time as reasonably needed to remedy the Material Breach, but not exceeding an additional ninety (90) day period, or such other time as the parties may agree. If the Company does not remedy the Material Breach within the time allowed in the notice, the Town may, at its sole option, terminate this Franchise. This remedy shall be in addition to the Town's right to exercise any of the remedies provided for elsewhere in this Franchise. Upon such termination, the Company shall continue to provide Utility Service to the Town and its Residents (and shall continue to have associated rights and grants needed to provide such service) until the Town makes alternative arrangements for such service and until otherwise ordered by the PUC and the Company shall be entitled to collect from Residents and, upon the Town complying with applicable provisions of law, shall be obligated to pay the Town, at the same times and in the same manner as provided in this Franchise, an aggregate amount equal to the amount which the Company would have paid as a franchise fee as consideration for use of the Town Streets and Other Town Property. Unless otherwise provided by law, the Company shall be entitled to collect such amount from Residents.

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

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

ARTICLE 15 AMENDMENTS

- §15.1 Proposed Amendments. At any time during the term of this Franchise, the Town or the Company may propose amendments to this Franchise by giving thirty (30) days written notice to the other of the proposed amendment(s) desired, and both parties thereafter, through their designated representatives, will, within a reasonable time, negotiate in good faith in an effort to agree upon mutually satisfactory amendment(s). However, nothing contained in this Section shall be deemed to require either party to consent to any amendment proposed by the other party.
- §15.2 Effective Amendments. No alterations, amendments or modifications to this Franchise shall be valid unless executed in writing by the parties, which alterations, amendments or modifications shall be adopted with the same formality used in adopting this Franchise, to the extent required by law. Neither this Franchise, nor any term herein, may be changed, modified or abandoned, in whole or in part, except by an instrument in writing, and no subsequent oral agreement shall have any validity whatsoever.

ARTICLE 16 EQUAL OPPORTUNITY

- §16.1 Economic Development. The Company is committed to the principle of stimulating, cultivating and strengthening the participation and representation of persons of color, women and members of other under-represented groups within the Company and in the local business community. The Company believes that increased participation and representation of under-represented groups will lead to mutual and sustainable benefits for the local economy. The Company is committed also to the principle that the success and economic well-being of the Company is closely tied to the economic strength and vitality of the diverse communities and people it serves. The Company believes that contributing to the development of a viable and sustainable economic base among all Company customers is in the best interests of the Company and its shareholders.
- §16.2 Employment.
- A. Programs. The Company is committed to undertaking programs that identify, consider and develop persons of color, women and members of other under-represented groups for positions at all skill and management levels within the Company.
- B. Businesses. The Company recognizes that the Town and the business community in the Town, including women and minority owned businesses, provide a valuable resource in assisting the Company to develop programs to promote persons of color, women and members of under-represented communities into management positions, and agrees to keep the Town regularly advised of the Company's progress by providing the Town a copy of the Company's annual affirmative action report upon the Town's written request.

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

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

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

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

§16.3 Contracting.

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

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

C. Community Development. The Company shall maintain and support partnerships with local chambers of commerce and business organizations, including those representing predominately minority owned, women owned and disadvantaged businesses,

to preserve and strengthen open communication channels and enhance opportunities for minority owned, women owned and disadvantaged businesses to contract with the Company.

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

ARTICLE 17 MISCELLANEOUS

- §17.1 No Waiver. Neither the Town nor the Company shall be excused from complying with any of the terms and conditions of this Franchise by any failure of the other, or any of its officers, employees, or agents, upon any one or more occasions, to insist upon or to seek compliance with any such terms and conditions.
- §17.2 Successors and Assigns. The rights, privileges, and obligations, in whole or in part, granted and contained in this Franchise shall inure to the benefit of and be binding upon the Company, its successors and assigns, to the extent that such successors or assigns have succeeded to or been assigned the rights of the Company pursuant to Article 11 of this Franchise. Upon a transfer or assignment pursuant to Article 11, the Company shall be relieved from all liability from and after the date of such transfer.
- §17.3 Third Parties. Nothing contained in this Franchise shall be construed to provide rights to third parties.
- §17.4 Notice. Both parties shall designate from time to time in writing representatives for the Company and the Town who will be the persons to whom notices shall be sent regarding any action to be taken under this Franchise. Notice shall be in writing and forwarded by certified mail, reputable overnight courier or hand delivery to the persons and addresses as hereinafter stated, unless the persons and addresses are changed at the written request of either party, delivered in person or by certified mail. Notice shall be deemed received (a) three (3) days after being mailed via the U.S. Postal Service, (b) one (1) business day after mailed if via reputable overnight courier, or (c) upon hand delivery if delivered by courier. Until any such change shall hereafter be made, notices shall be sent as follows:

To the Town:

Town Manager
Town of Mead
P.O. Box 626
Mead, Colorado 80542

With a copy to:

Town Attorney
Town of Mead
Richard E. Samson
P.O. Box 1079
Longmont, CO 80502

To the Company:

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

With a copy to:

Legal Department
Public Service Company of Colorado
P.O. Box 840
Denver, Colorado 80201

and

Area Manager
Public Service Company of Colorado
2655 North 63rd Street
Boulder, Colorado 80301

- §17.5 Examination of Records The parties agree that any duly authorized representative of the Town and the Company shall have access to and the right to examine any directly pertinent non-confidential books, documents, papers, and records of the other party involving any activities related to this Franchise. All such records must be kept for a minimum of the lesser of three (3) years or the time period permitted by a party's record retention policy. To the extent that either party believes in good faith that it is necessary in order to monitor compliance with the terms of this Franchise to examine confidential books, documents, papers, and records of the other party, the parties agree to meet and discuss providing confidential materials, including but not limited to providing such materials subject to a reasonable confidentiality agreement that effectively protects the confidentiality of such materials and complies with PUC rules and regulations.
- §17.6 List of Utility Property The Company shall provide the Town, upon request not more than once every two (2) years, a list of utility-related real property owned in fee by the Company within Weld County. All such records must be kept for a minimum of three (3) years or such shorter duration if required by Company policy.
- §17.7 PUC Filings. Upon written request by the Town, the Company shall provide the Town non-confidential copies of all applications, advice letters and periodic reports, together with any accompanying non-confidential testimony and exhibits, filed by the Company with the Public Utilities Commission. Notwithstanding the foregoing, notice regarding

any gas filings that may affect Utility Service rates in the Town shall be sent to the Town upon filing.

§17.8 Information. Upon written request, the Company shall provide the Town Manager or the Town Manager's designee with:

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

B. Maps or schematics indicating the location of specific Company Facilities (subject to Town executing a confidentiality agreement as required by Company policy), including gas lines, located within the Town, to the extent those maps or schematics are in existence at the time of the request and related to an ongoing project within the Town. The Company does not represent or warrant the accuracy of any such maps or schematics; and

C. A copy of any report required to be prepared for a federal or state agency detailing the Company's efforts to comply with federal and state air and water pollution laws.

§17.9 Payment of Taxes and Fees.

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

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

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

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

§17.12 Authority. Each party represents and warrants that except as set forth below, it has taken all actions that are necessary or that are required by its ordinances, regulations, procedures, bylaws, or applicable law, to legally authorize the undersigned signatories to execute this

authorization to execute this Franchise. The Town acknowledges that notwithstanding the foregoing, the Company requires a Certificate of Public Convenience and Necessity from the PUC in order to operate under the terms of this Franchise.

- §17.13 Severability. Should any one or more provisions of this Franchise be determined to be unconstitutional, illegal, unenforceable or otherwise void, all other provisions nevertheless shall remain effective; provided, however, to the extent allowed by law, the parties shall forthwith enter into good faith negotiations and proceed with due diligence to draft one or more substitute provisions that will achieve the original intent of the parties hereunder.
- §17.14 Force Majeure. Neither the Town nor the Company shall be in breach of this Franchise if a failure to perform any of the duties under this Franchise is due to Force Majeure, as defined herein.
- §17.15 Earlier Franchises Superseded. This Franchise shall constitute the only franchise between the Town and the Company related to the furnishing of Utility Service, and it supersedes and cancels all former franchises between the parties hereto.
- §17.16 Titles Not Controlling. Titles of the paragraphs herein are for reference only, and shall not be used to construe the language of this Franchise.
- §17.17 Applicable Law. Colorado law shall apply to the construction and enforcement of this Franchise. The parties agree that venue for any litigation arising out of this Franchise shall be in the District Court for Weld County, State of Colorado.
- §17.18 Payment of Expenses Incurred by Town in Relation to Franchise Agreement. The Company shall pay for expenses reasonably incurred by the Town for the adoption of this Franchise, including the publication of notices, publication of ordinances, the cost of an election, and photocopying of documents.
- §17.19 Costs of Compliance with Franchise. The parties acknowledge that PUC rules, regulations and final decisions may require that costs of complying with certain provisions of this Franchise be borne by customers of the Company who are located within the Town.
- §17.20 Conveyance of Town Streets, Public Utility Easements or Other Town Property. In the event the Town vacates, releases, sells, conveys, transfers or otherwise disposes of a Town Street, or any portion of a Public Utility Easement or Other Town Property in which Company Facilities are located, the Town shall reserve an easement in favor of the Company over that portion of the Street, Public Utility Easement or Other Town Property in which such Company Facilities are located. The Company and the Town shall work together to prepare the necessary legal description to effectuate such reservation. For the purposes of Section 6.8.A of this Franchise, the land vacated, released, sold, conveyed, transferred or otherwise disposed of by the Town shall no longer be deemed to be a Street or Other Town Property from which the Town may demand the Company temporarily or permanently Relocate Company Facilities at the Company's expense.



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

§17.22 Land Use Coordination. The Town shall coordinate with the Company regarding its land use planning. This coordination shall include meeting with the Company and identifying areas for future utility development.

(Signature pages follow.)



IN WITNESS WHEREOF, the parties have caused this Franchise to be executed as of the day and year first above written.

TOWN OF MEAD, a Municipal Corporation

[Seal]



ATTEST:



Linda Blackston, MMC Town Clerk

By: 

Gary R. Shields, Mayor

APPROVED AS TO FORM:



Town Attorney, Town of Mead



**PUBLIC SERVICE COMPANY OF
COLORADO, a Colorado corporation**

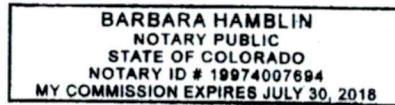
By: *Jerome Davis*
Jerome Davis, Regional Vice President,
Customer and Community Relations

STATE OF COLORADO)
)SS.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 21st day of July, 2017 by Jerome Davis, Regional Vice President, Customer and Community Relations of Public Service Company of Colorado, a Colorado corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

Barbara Hamblin
Notary Public



My Commission expires 7/30/2018.

Reviewed
Legal

[Signature]

AFFIDAVIT OF PUBLICATION

TIMES-CALL

State of Colorado
County of Boulder

I, the undersigned agent, do solemnly swear that the LONGMONT TIMES-CALL is a daily newspaper printed, in whole or in part, and published in the City of Longmont, County of Boulder, State of Colorado, and which has general circulation therein and in parts of Boulder and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper for the period of 15 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated November 5, 2016, and that the last publication of said notice was in the issue of said newspaper dated November 19, 2016.


Agent

Subscribed and sworn to before me this 27th day of March, 2017 in the County of Boulder, State of Colorado.


Notary Public

Account # 1051153
Ad #1220856
Fee \$1,482.57

MELISSA L NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20094249234
MY COMMISSION EXPIRES DEC. 31, 2018

TOWN OF MEAD, COLORADO
ORDINANCE NO. 113
AN ORDINANCE OF THE TOWN OF MEAD, COLORADO, GRANTING A FRANCHISE BY THE TOWN OF MEAD TO PUBLIC SERVICE COMPANY OF COLORADO, ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO PURCHASE, SELL AND DISTRIBUTE NATURAL GAS TO THE PUBLIC SERVICE COMPANY'S CERTIFICATED SERVICE AREA WITHIN THE TOWN AND TO ALL PERSONS, BUSINESSES, AND INDUSTRIES WITHIN SAID SERVICE AREA AND THE RIGHT TO ACQUIRE, CONSTRUCT, INSTALL, LOCATE, MAINTAIN, OPERATE AND EXTEND INTO, WITHIN AND THROUGH SAID SERVICE AREA AND FACILITIES REASONABLY NECESSARY TO FURNISH, SELL AND DISTRIBUTE NATURAL GAS AND THE RIGHT TO MAKE REASONABLE USE OF ALL STREETS, PUBLIC EASEMENTS AND OTHER PUBLIC PLACES AS HEREIN DEFINED AS MAY BE NECESSARY, AND FIXING THE TERMS AND CONDITIONS OF THE FRANCHISE.
WHEREAS, the Public Service Company of Colorado (PSC) submitted a notice of its intention to apply for a public utility franchise for natural gas services, to the governing body of the Town of Mead, Colorado (Town) and requested passage of an ordinance granting such a franchise; and
WHEREAS, PSC caused proper notice to be published in the Longmont Times-Call, a daily newspaper of general circulation within the Town, on October 8, 15 and 22, 2016, and by posting at three locations within the Town in accordance with C.R.S. 25-32-102, and proof of compliance has been provided to the Board of Trustees in the form of an Affidavit of Publication from the Clerk of said publication by posting; and
WHEREAS, PSC and the Town have met and negotiated the terms and conditions under which the natural gas utility franchise for the Town should be granted, titled the "2016 Natural Gas Utility Franchise Agreement Between the Town of Mead, Colorado and the Public Service Company" (hereinafter called "Franchise Agreement");
WHEREAS, it is proposed to grant the franchise in accordance with the terms and conditions of the Franchise Agreement, which provides for a term of twenty (20) years from the date of issuance and a fee to be paid to the Town of three percent (3%) of all revenues received for the sale of natural gas, as well as from the transportation of natural gas, to their customers within the Town, to be paid in monthly payments; and
WHEREAS, following a public hearing on Monday, October 11, 2016, held pursuant to the published notice and at which the public was given the opportunity to comment upon the proposed grant of the franchise and the terms of the Franchise Agreement, it is the desire of the Board of Trustees to grant a nonexclusive franchise for the provision of natural gas within the corporate boundaries of the Town of Mead to Public Service Company of Colorado, under the terms of the proposed Franchise Agreement; and
WHEREAS, the Board of Trustees has determined that the proposed Franchise Agreement conforms to the statutory requirements for public utility franchises, and that said Franchise Agreement promotes the health, safety, welfare and interests of the citizens of the Town of Mead, Colorado;
NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Mead, Weld County, Colorado, that:
Section 1. Grant of Franchise. There is hereby granted by the Town of Mead to the Public Service Company of Colorado, a franchise for the nonexclusive right and duty to furnish, sell and distribute natural gas to its certificated service area within the Town by means of underground pipes, under, along, across, and through public ways in the Town of Mead and within its PUC certificated service area as may hereafter be included in the boundaries of the Town of Mead.
Section 2. Term; Effective Date. This Franchise shall become effective as provided by law, thirty (30) days after its publication and upon acceptance in writing by the Public Service Company of Colorado, this said period, and the terms, conditions and covenants thereof shall remain in full force and effect for a term of twenty (20) calendar years from the effective date of the Agreement. Furthermore, it is agreed that the parties shall initiate the negotiation of a new franchise no later than January 1, 2035.
Section 3. Approval of Franchise Agreement and Authorization of Execution. The natural gas franchise granted hereby, shall be generally in the form and substance of the "2016 Natural Gas Utility Franchise Agreement Between the Town of Mead, Colorado and the Public Service Company of Colorado," approved by the Board of Trustees at the first reading of this ordinance. The Mayor and Town Clerk are authorized and directed to affix their signatures to the Franchise Agreement and to complete all the necessary procedures required for publication of this ordinance.
Section 4. Validity. The provisions of this ordinance are hereby declared to be severable and if any section, provision or part thereof shall be held unconstitutional or invalid, the remainder of this ordinance shall continue in full force and effect, it being the intent of the Board of Trustees that this ordinance would have been adopted even if such unconstitutional or invalid matter had not been included herein. It is further declared that if any section, provision or part of this ordinance or the application thereof to any person or circumstances, if held invalid, the remainder of this ordinance and the application thereof to other persons or circumstances shall not be affected thereby.
Section 5. Necessary. In the opinion of the Board of Trustees of the Town of Mead, this ordinance is necessary for the preservation and protection of the health, safety, welfare and property of the inhabitants and owners of property in the Town of Mead.
Section 6. Certification and Recording. The Town Clerk shall certify to the passage of this ordinance and make not less than three copies of the adopted ordinance and the Franchise Agreement available for inspection by the public during regular business hours. Copies of this ordinance and the Franchise Agreement shall be recorded in the office of the Weld County Clerk and Recorder.
THIS 27th DAY OF October 2016, BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD AND ORDERED PUBLISHED BY POSTING AND BY PUBLICATION IN THE LONGMONT TIME-CALL NEWSPAPER, ADOPTED UPON A ROLL CALL VOTE WITH THE FOLLOWING VOTES RECORDED:
AYES: 1
NAYS: 0
ATTEST:
By /s/ Linda Blackston, Town Clerk
By /s/ Herman Schwanz, Mayor Pro Tem
TOWN OF MEAD
PUBLISHED IN FULL IN BY POSTING ON THE 27th DAY OF November 2016, AND BY PUBLICATION EACH DAY IN THE LONGMONT TIMES-CALL NEWSPAPER, BEGINNING NOVEMBER 5, AND ENDING NOVEMBER 19, 2016.
READ IN FULL, PASSED AND ADOPTED ON SECOND READING THIS 28th DAY OF November 2016, BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD, ORDERED PUBLISHED BY POSTING AND BY PUBLICATION IN THE LONGMONT TIME-CALL AND ORDERED TO BECOME EFFECTIVE 30 DAYS FROM THE DATE OF PUBLICATION, ADOPTED UPON A ROLL CALL VOTE WITH THE FOLLOWING VOTES RECORDED:
AYES: 1
NAYS: 0
PUBLISHED IN FULL BY POSTING ON THE 29th DAY OF November 2016 AND BY PUBLICATION IN THE LONGMONT TIMES-CALL NEWSPAPER ON THE 3rd DAY OF DECEMBER, 2016.
ATTEST:
By Linda Blackston, MMC, Town Clerk
By Gary R. Shields, Mayor
Published: Longmont Times-Call November 5-19, 2016 - 1220856

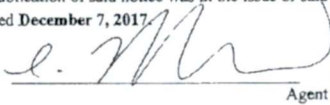
AFFIDAVIT OF PUBLICATION

TIMES-CALL

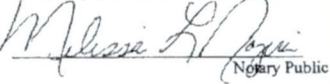
State of Colorado
County of Boulder

I, the undersigned agent, do solemnly swear that the LONGMONT TIMES-CALL is a daily newspaper printed, in whole or in part, and published in the City of Longmont, County of Boulder, State of Colorado, and which has general circulation therein and in parts of Boulder and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated December 7, 2017.


Agent

Subscribed and sworn to before me this 7th day of
March, 2017 in the County of Boulder, State of Colorado.


Notary Public

Account #1051153
Ad # 1238211
Fee \$132.24

MELISSA L NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064049036
MY COMMISSION EXPIRES DEC. 11, 2018

TOWN OF MEAD, COLORADO
ORDINANCE NO. 219
AN ORDINANCE OF THE TOWN OF MEAD, COLORADO, GRANTING A FRANCHISE BY THE TOWN OF MEAD TO PUBLIC SERVICE COMPANY OF COLORADO, ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO FURNISH, SELL AND DISTRIBUTE NATURAL GAS TO THE PUBLIC SERVICE COMPANY'S CERTIFICATED SERVICE AREA WITHIN THE TOWN AND TO ALL PERSONS, BUSINESSES, AND INDUSTRY WITHIN SAID SERVICE AREA AND THE RIGHT TO ACQUIRE, CONSTRUCT, INSTALL, LOCATE, MAINTAIN, OPERATE AND EXTEND INTO, WITHIN AND THROUGH SAID SERVICE AREA ALL FACILITIES REASONABLY NECESSARY TO FURNISH, SELL AND DISTRIBUTE NATURAL GAS AND THE RIGHT TO MAKE REASONABLE USE OF ALL STREETS, PUBLIC EASEMENTS AND OTHER PUBLIC PLACES AS HEREIN DEFINED AS MAY BE NECESSARY AND FROM THE TERMS AND CONDITIONS OF THE FRANCHISE.
WHEREAS, the Public Service Company of Colorado (PSC) submitted a notice of its intention to apply for a public utility franchise for natural gas services, to the governing body of the Town of Mead, Colorado (Town) and requested passage of an ordinance granting such a franchise; and
WHEREAS, PSC caused proper notice to be published in the Longmont Times-Call, a daily newspaper of general circulation within the Town, on October 5, 15 and 27, 2016, and by posting at three locations within the Town, in accordance with C.R.S. 31-32-102, and proof of compliance has been provided to the Board of Trustees in the form of an Affidavit of Publication from the Longmont Times-Call and a certificate and attestation by the Town Clerk of said publication by posting; and
WHEREAS, PSC and the Town have met and negotiated the terms and conditions under which the natural gas utility franchise for the Town should be granted, titled the "2016 Natural Gas Utility Franchise Agreement between the Town of Mead, Colorado and the Public Service Company" (hereinafter called "Franchise Agreement"); and
WHEREAS, it is proposed to grant the franchise in accordance with the terms and conditions of the Franchise Agreement, which provides for a term of twenty (20) years from the date of issuance and a fee to be paid to the Town of three percent (3%) of revenues received for the sale of natural gas, as well as from the transportation of natural gas, to their customers within the Town, to be paid in monthly payments; and
WHEREAS, following a public hearing on Monday, October 31, 2016, held pursuant to the published notice and at which the public was given the opportunity to comment upon the proposed grant of the franchise and the terms of the Franchise Agreement, it is the desire of the Board of Trustees to grant a non-exclusive franchise for the provision of natural gas within the corporate boundaries of the Town of Mead to Public Service Company of Colorado, under the terms of the proposed Franchise Agreement; and
WHEREAS, the Board of Trustees has determined that the proposed Franchise Agreement conforms to the statutory requirements for public utility franchises, and that said Franchise Agreement preserves the health, safety, welfare and interests of the citizens of the Town of Mead, Colorado;
NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Mead, Weld County, Colorado, that:
Section 1. Grant of Franchise. There is hereby granted by the Town of Mead to the Public Service Company of Colorado, a franchise for the non-exclusive right and duty to furnish, sell and distribute natural gas to its certificated service area within the Town by means of underground pipes, under, along, across, and through the public ways in the Town of Mead and within its PUC-certificated service area as may hereafter be included in the boundaries of the Town of Mead.
Section 2. Terms, Effective Date. This Franchise shall become effective as provided by law, thirty (30) days after its publication and upon acceptance in writing by the Public Service Company of Colorado within said period, and the terms, conditions and covenants thereof shall remain in full force and effect for a term of twenty (20) calendar years from the effective date of the Agreement. Furthermore, it is agreed that the parties shall initiate the negotiation of a new franchise, no later than January 1, 2035.
Section 3. Approval of Franchise Agreement and Authorization of Execution. The natural gas franchise granted hereby shall be generally in the form and substance of the "2016 Natural Gas Utility Franchise Agreement between the Town of Mead, Colorado and the Public Service Company of Colorado," approved by the Board of Trustees at the first reading of this ordinance. The Mayor and Town Clerk are authorized and directed to affix their signatures to the Franchise Agreement and to complete all the necessary procedures required for publication of this ordinance.
Section 4. Validity. The provisions of this ordinance are hereby declared to be severable and if any section, provision or part thereof shall be held unconstitutional or invalid, the remainder of this ordinance shall continue in full force and effect, it being the intent of the Board of Trustees that this ordinance would have been adopted even if such unconstitutional or invalid matter had not been included herein. It is further declared that if any section, provision or part of this ordinance or the application thereof to any person or circumstances, if held invalid, the remainder of this ordinance and the application thereof to other persons or circumstances shall not be affected thereby.
Section 5. Necessity. In the opinion of the Board of Trustees of the Town of Mead, this ordinance is necessary for the preservation and protection of the health, safety, welfare and property of the inhabitants and owners of property in the Town of Mead.
Section 6. Certification and Recording. The Town Clerk shall certify to the passage of this ordinance and make not less than three copies of the adopted ordinance and the Franchise Agreement available for inspection by the public during regular business hours. Copies of this ordinance and the Franchise Agreement shall be recorded in the office of the Weld County Clerk and Recorder.
INTRODUCED, READ IN FULL AND ADOPTED ON FIRST READING THIS 31ST DAY OF OCTOBER, 2016, BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD AND ORDERED PUBLISHED BY POSTING AND BY PUBLICATION IN THE LONGMONT TIMES-CALL NEWSPAPER, ADOPTED UPON A ROLL CALL VOTE WITH THE FOLLOWING VOTES RECORDED:
AYES: 5
NAYS: 0
ATTEST: TOWN OF MEAD
By: s/ Linda Blackstone, Town Clerk By: s/ Herman Schranz, Mayor Pro Tem
Linda Blackstone, MMC, Town Clerk Herman Schranz, Mayor Pro Tem
PUBLISHED IN FULL BY POSTING ON THE 1ST DAY OF NOVEMBER, 2016, AND BY PUBLICATION EACH DAY IN THE LONGMONT TIMES-CALL NEWSPAPER BEGINNING NOVEMBER 5, AND ENDING NOVEMBER 18, 2016.
READ IN FULL, PASSED AND ADOPTED ON SECOND READING THIS 29th DAY OF NOVEMBER, 2016, BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD, ORDERED PUBLISHED BY POSTING AND BY PUBLICATION IN THE LONGMONT TIMES-CALL AND ORDERED TO BECOME EFFECTIVE 30 DAYS FROM THE DATE OF PUBLICATION ADOPTED UPON A ROLL CALL VOTE WITH THE FOLLOWING VOTES RECORDED:
AYES: 7
NAYS: 0
PUBLISHED IN FULL BY POSTING ON THE 29th DAY OF November, 2016 AND BY PUBLICATION IN THE LONGMONT TIMES-CALL NEWSPAPER ON THE 3rd DAY OF DECEMBER, 2016.
ATTEST: TOWN OF MEAD
By: s/ Linda Blackstone, Town Clerk By: s/ Gary R. Shields, Mayor
Linda Blackstone, MMC, Town Clerk Gary R. Shields, Mayor
Published, Longmont Times-Call December 7, 2016 - 000128211

AFFIDAVIT OF PUBLICATION

TIMES-CALL

State of Colorado
County of Boulder

I, the undersigned agent, do solemnly swear that the LONGMONT TIMES-CALL is a daily newspaper printed, in whole or in part, and published in the City of Longmont, County of Boulder, State of Colorado, and which has general circulation therein and in parts of Boulder and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any, amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once each week, on the same day of each week for the period of 2 insertions; and that the first publication of said notice was in the issue of said newspaper dated **October 8, 2016** and that the last publication of said notice was in the issue of said newspaper dated **October 22, 2016**.

Agent

Subscribed and sworn to before me this 24th day of **October, 2016** in the County of Boulder, State of Colorado.

Notary Public

ACCOUNT # 221844
AD # 5681294
FEE \$40.72

MELISSA L NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064049936
MY COMMISSION EXPIRES DEC. 11, 2018

TOWN OF MEAD, COLORADO
NOTICE OF APPLICATION FOR FRANCHISE
BY PUBLIC SERVICE COMPANY OF COLORADO
NOTICE IS HEREBY GIVEN that Public Service Company of Colorado, 1800 Larimer Street, Suite 1100, Denver, CO 80202, in conformance with C.R.S. § 31-32-102, will make application to the Town of Mead, Colorado, for the passage of an ordinance granting the Company a franchise to use the streets within the Town to furnish, sell, transmit and distribute natural gas to residents within the Company's certificated service area. The application will be presented at the regular meeting of the Board of Trustees to be held on Monday, October 31, 2016, at 7:00 p.m., at the Mead Town Hall, 441 - 3rd Street, Mead, Colorado.
The franchise to be applied for will be for a term of twenty (20) years and shall provide as a franchise fee to be paid to the Town, a sum equal to three percent (3%) of all gross revenues. The Company shall collect this fee from a surcharge upon Town residents who are customers of the Company.
Dated this 5th day of October 2016.
PUBLIC SERVICE COMPANY OF COLORADO
Published: Longmont Times-Call
October 8, 15, 22, 2016 - 5681294

4390662 Pages: 38 of 38
04/13/2018 09:20 AM R Fee:\$198.00
Carly Koppes, Clerk and Recorder, Weld County, CO

