PREFATORY SYNOPSIS

The Home Rule Charter Commission for the Town of Keystone, Colorado hereby submits to the voters a proposed Home Rule Charter which has been framed in accordance with Article XX of the Colorado Constitution and the Municipal Home Rule act of 1971. This document is designed to embody the principles of self-governance, transparency, responsiveness to community needs, efficiency, flexibility, growth promotion and a cherished family orientation.

PREAMBLE

The primary objectives of the Town of Keystone Home Rule Charter are:

- To create a lasting, non-restrictive charter allowing the Town of Keystone government the most autonomy and power of self government allowable by the Colorado Constitution.
- To allow for a robust system of local governance, driven by elected representatives and community input, to ensure decisions are made collectively and reflect the perspectives and aspirations of our the entire community.
- Provide a framework that allows for open communication channels, ensuring all community members have a process for their voice to be heard, access to comprehensive information about municipal affairs, policies and decisions that is attentive to the specific needs of this unique mountain community.

To accomplish these goals this commission provides for a Council-Manager form of government. Town Council is to be made up of 6 elected councilmembers and the elected Mayor. The Councilmembers and Mayor are residents of the town and are elected by the town residents. Policymaking and legislative powers are vested with the Town Council. Councilmembers and the Mayor will be elected for 4 year overlapping terms. A Town Manager will be appointed and will serve at the pleasure of the Town Council. The Town Manager will be the chief executive and administrative officer of the Town.

In order to embrace community responsiveness, provisions are established for the recall of elected officers, for control of legislation by the people through initiative and referendum and for the amendment of this charter by popular vote of the town residents.

To ensure every member of the Keystone Community's voice is considered in all decisions, service to the town by all community members is encouraged by participation on various commissions and boards and by providing input to the town's elected officials.

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ARTICLE I GENERAL PROVISIONS

Section 1.1. Name and Boundaries.

The municipal corporation shall be known as the Town of Keystone, with boundaries the same as established upon initial incorporation, until the boundaries are changed in a manner authorized by law.

Section 1.2. Powers.

The Town shall hold and may exercise all the power of local self-government and home rule and all power possible for a town to hold and exercise under the Constitution and the laws of the State of Colorado. The enumeration of powers under this Charter is not exclusive to other powers.

Section 1.3. Rights and Liabilities.

By the name of the Town of Keystone, the municipal corporation shall have perpetual succession; shall own, possess, and hold all property, real and personal owned, possessed, and held by the Town and does assume and shall manage and dispose of all trusts in any way connected therewith; shall acquire all benefits and does assume and shall pay all bonds, obligations and indebtedness of the Town; may sue and defend; may purchase, lease, receive, hold and enjoy or sell and dispose of real and personal property; may establish public works and provide public utilities and other public services as permitted by law; and shall have a common seal and alter the same at the Town's pleasure.

Section 1.4. Form of Government.

The municipal government provided by this Charter shall be a "Council-Manager" form of government. Pursuant to the Charter provisions and subject only to limitations imposed by the Constitution of the State of Colorado, all powers shall be vested in an elected Town Council, which shall enact local legislation, adopt budgets, determine policies, and appoint the Town Manager, who shall execute the laws and administer the Town government. All powers of the Town shall be exercised in the manner prescribed by this Charter or, if the manner is not so prescribed, then in such manner as may be prescribed by ordinance, resolution, or motion, or as provided by other applicable law.

Section 1.5. Definitions. The following terms as used in this Charter shall have the assigned meaning.

"Colorado Open Meetings Law" shall mean C.R.S. § 24-6-401, et seq., as may be amended or relocated.

"C.R.S." shall mean the Colorado Revised Statutes.

"Emergency Ordinance" shall mean an Ordinance adopted in accordance with the provisions of Section 6.6 of this Charter.

"Motion" shall mean a formal step to introduce a matter for consideration or action of the Town Council on matters that are of a non-permanent nature.

"Ordinance" shall mean a form of action of the Town Council adopting laws or legislative enactments of a permanent nature or other actions required by this Charter or by applicable law to be by ordinance, which acts must follow the procedure for passage required by this Charter or by applicable law and shall include Ordinances adopted through the process of initiative as provided in this Charter.

"Primary Resident" or "Primary Residency" shall have the same meaning as set forth in C.R.S. § 31-10-201(3), as may be amended or relocated.

"Quorum" shall mean a majority number of the members of Town Council in office.

"Regular Town Election" shall mean the election held pursuant to Section 4.2(a) of this Charter.

"Resolution" shall mean a written form of action of the Town Council on matters of a non-permanent nature.

"Special Election" shall mean any election other than a Regular Town Election.

"TABOR" shall mean the Taxpayer's Bill of Rights as set forth in Article X, Section 20, of the Colorado Constitution, as may be amended.

"Town" shall mean the Town of Keystone, Colorado, or the area within the territorial limits of the Town of Keystone, Colorado, and such territory outside of the town over which the town has jurisdiction by virtue of any constitutional or statutory provision.

"Town Council" shall mean the Mayor and the Councilmembers.

"Town Elective Offices or Officer" shall mean the offices or officers of Town Council except as specifically addressed in this Charter.

ARTICLE II ELECTIVE OFFICES

Section 2.1. Town Council and Mayor.

Except for the application of term limits as set forth in Section 2.3, the Town Council shall consist of the Mayor and six (6) Councilmembers. One (1) Councilmember shall serve as Mayor Pro-Tem. The Mayor and Councilmembers shall be elected at large from the entire Town except that Town Council may establish districts by ordinance for the purpose of designating and electing representation of Councilmembers to each district. The Mayor shall be elected by the registered electors.

Section 2.2. Limits on Elective Offices.

In addition to the limits on other elective offices set forth in Section 2.6 of this Charter, no person shall be eligible to stand for election for more than one Town Elective Office at any single Town election. For purposes of this Section of the Charter only, "Town Elective Office" shall not include any office on a new charter commission to be formed in accordance with Part 2 of Article 2 of Title 31, C.R.S., as may be amended or relocated. A person may hold any Town Elective Office of any kind and run as a candidate in an election for another Town Elective Office of any kind at the same time, but if elected, the candidate must resign such candidate's current Town Elective Office and fill the Town Elective Office to which the candidate was subsequently elected.

Section 2.3. Terms of Office--Town Elective Offices.

(a) At the first election of Town Elective Officers, for the Councilmember position, the persons receiving the three highest numbers of votes shall be elected and shall serve until a successor is elected at the Regular Town Election in April 2028 and the successor is duly qualified. At that election, the persons receiving the next three highest number of votes for the Councilmember

positions shall be elected and shall serve until a successor is elected at the Regular Town Election in April 2026 and the successor is duly qualified. The purpose of this paragraph is to create staggered terms of office for the Councilmember positions. The first-elected Mayor shall hold office until the first Regular Town Election in April 2028.

- (b) The term of office for each person holding Town Elective Office shall commence upon their taking the oath of office at either the first regular or special meeting of the Town Council following the election and shall continue during the term for which they shall have been elected until their successors shall have been elected and duly qualified.
- (c) Except as stated in paragraph (a) above and paragraph (d) below, the Mayor and each Councilmember shall be elected for a term of four (4) years.
- (d) In order to maintain staggered terms on the Town Council, in the event that in any election there are more than three (3) councilmember positions to be filled, the persons receiving the three highest numbers of votes shall be elected to four-year terms and all others shall be elected to two-year terms. In the event of a tie in the number of votes such that the persons with the three highest number of votes cannot be determined, the Town Clerk shall hold a lot drawing open to the public to assign terms to the persons tied with the three highest number of votes.
- (e) If two or more candidates for the Mayor office receive an equal and the highest number of votes, the Town Clerk shall determine by lot the person who shall be elected to the Mayor office. The lot drawing will be open to the public and reasonable notice of the drawing will be provided to the candidates.
- (f) The limitations on terms imposed by Article XVIII, §11 of the Colorado Constitution, as amended, shall govern term limits in the Town: "no [Mayor or Councilmember] shall serve more than two consecutive terms in office, except that with respect to terms of office which are two years or shorter in duration, no such elected official shall serve more than three consecutive terms in office." For clarity, Mayor and Councilmember shall be considered the same office for the purpose of calculating terms of office allowed under Article XVIII, §11 of the Colorado Constitution. A partial term of office shall not be considered a term for purposes of calculating term limitations. A partial term of office is defined as any term served by the Mayor or Councilmember that is twenty-five (25) months or less.

Section 2.4. Mayor--Powers and Duties.

The Mayor shall preside at all meetings of the Town Council and shall exercise such powers and perform such other duties as are or may be conferred and imposed upon the Mayor by this Charter or the Ordinances or the Resolutions of the Town. The Mayor shall have all the powers, rights, and privileges of a Councilmember. The Mayor shall have no power of veto. The Mayor shall be recognized as the head of the Town government for all ceremonial, dignitary and legal purposes, and the Mayor may execute and authenticate legal instruments requiring the Mayor's signature as such official.

Section 2.5. Mayor Pro-Tem.

The Town Council shall, at a regular meeting following the Regular Town Election, in May of each year, elect one of its Councilmembers to serve as Mayor Pro-Tem for a term of approximately one (1) year, commencing and expiring at the first regular meeting of the Town Council scheduled for June of each year. The Mayor Pro-Tem shall be elected by a majority of the members of Town Council present at said meeting and may be removed by a majority of members of Town Council in office. In the absence or disability of the Mayor, the Mayor Pro-Tem shall preside at meetings of Town Council and shall have all powers and duties of the Mayor. The Mayor Pro-Tem shall have all the powers, rights, and privileges of a Councilmember.

Section 2.6. Qualifications.

- (a) To be eligible to hold Town Elective Office, either by election or by appointment, a person, at the time of nomination and election or appointment, shall be a Primary Resident as defined by the laws of the State of Colorado and registered elector of the Town. To be eligible to hold Town Elective Office, a person shall have Primary Residency, as residency is defined in C.R.S. § 31-10-201(3), within the Town at the time of election or appointment for one (1) year immediately preceding such election or appointment.
- (b) No person who has been convicted of a felony of embezzlement of public moneys, bribery, perjury, solicitation of bribery, or subornation of perjury shall be eligible to hold Town Elective Office.
- (c) Each person holding Town Elective Office, either by election or by appointment, shall maintain Primary Residency in the Town throughout such person's term of office. If any person holding Town Elective Office shall move from the Town during such person's term of office, such person's seat shall be vacant and such vacancy shall be filled by the Town Council as provided by this Charter.
- (d) No person holding Town Elective Office, either by election or by appointment, shall be an employee of the Town during such person's term of office or perform personal services for the Town for which such elected official is compensated other than as provided in this Charter.
- (e) No person holding Town Elective Office, either by election or by appointment, shall hold any other elective position with a federal, state, county, special district, or municipal governmental entity, excluding an office on a new charter commission to be formed in accordance with Part 2 of Article 2 of Title 31, C.R.S., as may be amended or relocated, during such person's term of office.

Section 2.7. Vacancies.

- (a) A Town Elective Official shall continue to hold a Town Elective Office until the official's successor is duly qualified except when such office is vacated as set forth in this Section. A Town Elective Office shall become vacant whenever any officer fails to qualify within thirty (30) days after the date of the officer's election or the date of the officer's appointment or retain qualification for Town Elective Office as set forth in Section 2.6, or is recalled, removed, dies, becomes incapacitated, resigns, refuses to serve, or is judicially declared incompetent or ceases to be a resident of the Town.
- (b) In the event of a vacancy in a Town Elective Office, the Town Council may fill the vacancy by appointment or by calling for a Special Election as soon as practicable.

- (1) If the Town Elective Office is filled by appointment, the person appointed to fill the vacated Town Elective Office shall hold such office only until the term of office of a successor elected at the next Regular Town Election has commenced.
- (2) If the Town Elective Office is filled by Special Election, the person elected to fill the vacated Councilmember office shall hold office only until the expiration of the term of office held by the Councilmember whose office was vacated.
- (c) If the Town Council, at the time a vacancy occurs or within sixty days thereafter, lacks a sufficient number of members to establish a quorum to fill the vacancy as provided in subsection (b), the Town Clerk shall, without further action by the Town Council, call a Special Election to be held as soon as practicable to fill the vacancy. The person elected to fill the vacated Town Elective Office shall hold office only until the term of office of a successor elected at the next Regular Town Election has commenced. The Town Council may cancel such election if the Town Council is able to fill the vacancy prior to the date of the Special Election.

Section 2.8. Compensation.

The compensation of the Mayor shall be \$1000 per month. The compensation for a Councilmember shall be \$500 per month. Town Council may, by Ordinance, increase or decrease such compensation by Ordinance; provided, however, that the compensation of any person holding Town Elective Office shall not be increased or decreased in any term of office during which the increase or decrease is approved by the Town Council. All persons holding Town Elective Offices may, upon order of the Town Council, be paid their actual and necessary expenses incurred in the performance of their duties of office.

Section 2.9. Powers of Town Council.

The Town Council shall constitute the legislative and governing body of the Town and shall have all legislative powers and functions of municipal government, except as otherwise provided in the Constitution of the State of Colorado or this Charter and shall have the power and authority to adopt such Ordinances, Resolutions, and Motions, as it shall deem proper.

Section 2.10. Oath of Office.

Every person holding elected office, before entering upon the duties of such office, shall take an oath or affirmation of office that the officer will support the Constitution and the laws of the United States and of the State of Colorado and this Charter and the Ordinances of the Town and will faithfully perform the duties of the office upon which the officer is about to enter in accordance with the requirements of Article 12, Title 24, C.R.S., as may be amended or relocated.

Section 2.11. Standards of Conduct.

By April of 2026, the Town Council shall adopt an Ordinance governing disclosure of conflicts of interest (to include personal interests), recusals from voting and other standards or code of conduct or ethics that supersede statutory or constitutional provisions governing or addressing the same matters. To the extent not superseded by or conflicting with this Charter or such local Ordinance, the Town Council shall be governed by the Standards of Conduct as contained in Title 24, Article 18 of the C.R.S., as may be amended or relocated.

Section 2.12. Removal from Office.

By an affirmative roll call vote of two-thirds (2/3) of the members of the Town Council in office at the time of such vote, the Mayor or any Councilmember may be removed from office for good cause. Good cause is defined to include but not be limited to a felony conviction for

embezzlement, bribery, perjury, solicitation of bribery, subornation of perjury, or other felony involving a breach of public trust, dereliction of duty as a member of Town Council, or an excessive number of unexcused absences at meetings; No removal shall be made without notice to such elected official which contains the charge in writing and the facts upon which the charge is based and an opportunity of a hearing before the Town Council, which hearing shall be held no sooner than ten (10) days after the date the notice is given.

ARTICLE III MEETINGS OF TOWN COUNCIL

Section 3.1. Regular Town Council Meetings.

The Town Council shall meet regularly at least once each month at a day and hour and place to be fixed by the procedures and rules of order of each Town Council adopted by Resolution. The intent is that the Town Council will conduct in person meetings, unless circumstances necessitate another form of meeting. The procedures for in person meetings and the circumstances necessitating another form of meeting shall be defined by the procedures and rules of order of the Town Council.

Section 3.2. Special Meetings.

Special meetings of the Town Council shall be called by the Town Clerk on the oral request of two (2) or more members of Town Council with at least twenty-four (24) hours' notice to each member of the Town Council and to the public, delivered in accordance with the procedures and rules of order of the Town Council and the requirements of this Charter and the Colorado Open Meetings Law.

Section 3.3. Emergency Meetings.

Emergency meetings of the Town Council shall be called by the Town Clerk on the oral request of two (2) or more members of Town Council with less than twenty-four (24) hours' notice. An emergency meeting may be called in the event of an immediate danger or threat to the public health, welfare, peace, safety or property for the purpose of preservation or protection of the public health, welfare, peace, safety or property. Unless it is impractical, all members of the Town Council shall be notified of such meeting and such meeting may be held if a Quorum consents. Maximum practical notice, including posted notice, shall be given to the public stating the purpose, time, place and manner of any such meeting.

Section 3.4. Study or Work Sessions.

The Town Council may hold study or work sessions as deemed necessary in accordance with its procedures and rules of order, as may be adopted. No Quorum shall be required at any study or work session and no legally binding or formal action shall be taken at any such session.

Section 3.5. Open Meetings.

All meetings of the Town Council shall be open to the public except as permitted by law. At Town Council meetings, members of the public shall have a reasonable opportunity to be heard except for those meetings that are designated as study or work sessions. In compliance with the Colorado Open Meetings Law, the Town Clerk shall keep a record of the proceedings of each meeting. The intent is that, when feasible, Town Council will allow for a remote meeting option for the public's attendance at open meetings.

Section 3.6. Executive Sessions.

Executive sessions may be held in compliance with the Colorado Open Meetings Law.

Section 3.7. Quorum.

In order for the Town Council to conduct business, a Quorum shall be required at all meetings of the Town Council except for study or work sessions. In the absence of a Quorum, a lesser number may reschedule any meeting to a later date and time and take other action as permitted by Town Council's adopted procedures and rules of order.

Section 3.8. Procedures and Rules of Order.

The Town Council may prescribe the procedures and rules of order governing meetings, which rules shall remain in effect until amended in accordance with the provisions of the adopted procedures and rules of order.

Section 3.9. Attendance Required.

Three (3) or more unexcused absences by a member of the Town Council in any one (1) calendar year shall constitute grounds for sanctions or removal. The Mayor and Town Councilmembers are expected to attend Town Council meetings in person unless a different form of attendance is authorized or in person attendance is excused. The procedures for excusing absences, including which types of meetings require attendance, excusing in person attendance, and appropriate sanctions shall be as set forth in procedures and rules of order of the Town Council, as may be adopted and amended.

Section 3.10. Posting of Meetings.

The Town Council shall adopt a Resolution that establishes public notice and posting requirements in accordance with the Colorado Open Meetings Law including designating the Town official site for posting the agenda at least 24 hours in advance of the public meeting (except for emergency meetings as governed by Section 3.3) and such designation shall be deemed automatically readopted at the Town Council's first regular meeting of each calendar year unless otherwise determined by the Town Council.

ARTICLE IV ELECTIONS

Section 4.1. Laws Governing Elections.

Special Elections and Regular Town Elections shall be governed by the Colorado Municipal Election Code of 1965, C.R.S. §§ 31-10-101, *et seq.*, as may be amended or relocated, the Town Home Rule Charter, and Town Council Ordinances and Resolutions.

Section 4.2. Municipal Elections.

- (a) The first election of Town Elective Offices shall be conducted in accordance with C.R.S. § 31-2-104. Thereafter, beginning in April 2026, a regular municipal election shall be held on the first Tuesday in April of each even-numbered year. There will not be a Regular Town Election in April 2024.
- (b) Except for a Special Election called by the Town Clerk pursuant to Section 2.7(c) of this Charter, any Special Election may be called by Resolution or Ordinance of the Town Council at least thirty (30) days in advance of such election. The Resolution or Ordinance calling a Special Election shall set forth the purpose or purposes of such election.

Section 4.3. Qualification of Electors.

To be eligible to vote in municipal elections, every person must meet the qualifications as set forth in C.R.S. § 31-10-201.

Section 4.4 Nonpartisan Elections.

All municipal elections shall be nonpartisan. No municipal election ballot shall contain any language referring to any political party affiliation.

Section 4.5. Campaign Finance.

- (a) Reports setting forth the information required by C.R.S. § 1-45-108, as may be amended or relocated, shall be filed with the Town Clerk sixty (60), thirty (30) and fifteen (15) days before and thirty (30) days after any Town election. Nothing contained herein shall preclude the Town Council from adopting an Ordinance requiring more frequent campaign finance disclosure reporting. The Town Council may provide by Ordinance for penalties for the violation of campaign finance disclosure requirements. The Town Council may provide by Ordinance a process for publicizing campaign finance disclosure reports.
- (b) Campaign contributions shall be limited as set forth in C.R.S. § 1-45-103.7, as may be amended or relocated; except that, Town Council may adopt an ordinance to implement campaign contribution limits for Town municipal elections.

ARTICLE V RECALL, INITIATIVE AND REFERENDUM

Section 5.1. Right of Recall.

- (a) Any person holding Town Elective Office may be recalled at any time after six (6) months in office by the electors entitled to vote for a successor of such incumbent.
- (b) The procedures for recall shall be those set forth in Title 31, Article 4, Part 5, C.R.S., as now in effect and as may be amended or relocated, except that the Town Council may, by Ordinance and consistent with this Charter, amend such procedures.
- (c) A recall petition shall be signed by registered electors entitled to vote for a successor to the incumbent in number equal to at least twenty-five percent (25%) of the entire vote cast at the last preceding Regular Town Election for all candidates for the office (either Mayor or Councilmember as relevant) to which the incumbent sought to be recalled was elected.
- (d) After the first recall petition and election, a subsequent recall petition against the same Town Elective Officer in the same term shall be signed by registered electors entitled to vote for a successor to the incumbent in a number equal to at least fifty percent (50%) of the entire vote cast in the last preceding Regular Town Election for all candidates for the office (either Mayor or Councilmember as relevant) to which the incumbent sought to be recalled was elected.
- (e) A recall petition may not be circulated or filed against a Town Elective Officer whose office is up for election within six months.

Section 5.2. Right of Initiative.

- (a) The power of initiative to propose any legislative Ordinance to the Town Council is reserved to the voters of the Town in accordance with the provisions of Article V, Section 1 of the Constitution of the State of Colorado insofar as such provisions are applicable.
- (b) A petition for an Ordinance by initiative shall be signed in a number equal to at least ten percent (10%) of the registered electors for Ordinances to be referred to a Regular Town Election. If a petition for an Ordinance by initiative is submitted to a Special Town Election, the petition for

an Ordinance by initiative shall be signed in a number equal to at least fifteen percent (15%) of the registered electors.

(c) After a final determination of petition sufficiency, the Town Council shall have thirty-five (35) days to adopt the proposed Ordinance or refer the proposed Ordinance to the registered electors of the Town at an election.

Section 5.3. Right of Referendum.

- (a) The power of referendum to require reconsideration by the Town Council of any legislative Ordinance, except an Emergency Ordinance passed in accordance with this Charter, is reserved to the voters of the Town in accordance with the provisions of Article V, Section 1 of the Constitution of the State of Colorado insofar as such provisions are applicable.
- (b) A petition for a referendum shall be signed in a number equal to at least ten percent (10%) of the registered electors of the Town.

Section 5.4. Procedures for Initiative and Referendum.

The procedures for initiative and referendum shall be those set forth in Title 31, Article 11, C.R.S., as may be amended or relocated, except that the Town Council may, by Ordinance and consistent with this Charter, amend such procedures.

ARTICLE VI LEGISLATIVE ACTIONS

Section 6.1. Legislative Actions.

The Town Council shall act only by Ordinance, Resolution, or Motion.

Section 6.2. Action by Ordinance.

In addition to such acts of the Town Council as are required by other provisions of this Charter to be by Ordinance, every act authorizing the borrowing of money, levying any new tax, increasing any existing tax, creating new taxing authorities, increasing existing franchise fees, creating new franchise fees or establishing any rule or regulation for the violation of which a penalty is imposed, shall be by Ordinance.

Section 6.3. Voting.

For passage, every Ordinance shall require the affirmative roll call vote by "Yes" of a majority of the Town Council present and eligible to vote, except that Ordinances authorizing the borrowing of money, creating new taxing authorities, increasing existing franchise fees, creating new franchise fees, or referring to the voters any levy of any new tax or increase of any existing tax, shall require the affirmative roll call vote by "Yes" of a majority of the Town Council in office. Except as otherwise specifically provided in this Charter or by applicable law, Resolutions and Motions shall require the affirmative vote of a majority of the Town Council present in such form as set forth in the procedures and rules of order of the Town Council, as may be amended or relocated. Each member of Town Council eligible to vote on a motion shall vote either "yes" or "no." A member of Town Council shall not abstain from voting. Abstention from voting is considered a dereliction of the duty to represent the public.

Section 6.4. Form of Ordinance.

The enacting clause of all Ordinances shall be: "THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, ORDAINS".

Section 6.5. Procedure for Passage of Ordinances.

The procedure for the passage of an Ordinance, other than an Emergency Ordinance, shall be as follows:

- (a) Introduction (first reading) of the Ordinance at any regular or special meeting and vote by the Town Council in accordance with the voting requirements established by this Charter to move the proposed legislation forward to the second reading. Introduction and first reading of the Ordinance may be by placement on the Town Council's consent agenda for such meeting.
- (b) If the Ordinance is passed upon first reading, publicizing by title only and in accordance with the requirements, methods, and procedures for publicizing Ordinances as adopted by the Town Council by Ordinance.
- (c) Consideration of the Ordinance on second reading at a meeting not earlier than six (6) days after the first reading.
- (d) Public hearing on the Ordinance.
- (e) Roll call vote of the Town Council on the Ordinance following the public hearing.
- (f) Any ordinance may be amended before final passage by a roll call of the Town Council.
- (g) After final passage, the Town Clerk shall publicize the Ordinance by title only with the statement that the full text is available for public inspection and acquisition in the office of the Town Clerk. Whenever possible, publicizing shall be within ten (10) days after final passage.
- (h) Unless a later date is specified in the text of the Ordinance, an Ordinance other than an Emergency Ordinance shall take effect and be enforced thirty (30) days after final publication.

Section 6.6. Procedure for Passage of Emergency Ordinances.

- (a) Emergency Ordinances for which immediate effectiveness is deemed necessary for the immediate preservation of the public peace, health, or safety, shall take effect immediately upon passage by an affirmative roll call vote of three-fourths (3/4) of the members of the Town Council in office at the time of such vote and shall require only one (1) reading at a meeting of the Town Council. Publicizing of the passage of the Ordinance by the title only shall be as soon as possible, but in any event no later than ten (10) days after passage, in accordance with the procedures and methods for publicizing as adopted by the Town Council by Ordinance.
- (b) The Town Council may not create new taxing authorities, increase existing franchise fees, create new franchise fees, or refer to the voters the levy of any new taxes or increases of any existing tax rates, by Emergency Ordinance. Subject to these limitations, a recitation in any Emergency Ordinance that the Town Council deems the passage of said Ordinance to be for the immediate preservation of public peace, health or safety shall be conclusive.

Section 6.7. Enactment of Codes and Amendments Thereof by Reference.

In accordance with statutes relative to adoption by reference now or hereafter in effect, the Town Council may enact any appropriate Colorado statute or any standard code promulgated or enacted by any municipality, county, state, or federal agency, or by a recognized trade or professional organization, by reference thereto in an enacting Ordinance and without publishing such statutes or codes in full. If any such statute or code, after being adopted by reference, is revised or amended by the agency or organization by which it was enacted or promulgated, then

any such revision or amended version may be adopted by reference by an Ordinance passed in the usual manner without strict compliance with the requirements relative to notices and public hearings.

Section 6.8. Severability of Ordinances.

Unless an Ordinance shall expressly provide to the contrary, if any portion of an Ordinance or the application thereof to any person or circumstances shall be found to be invalid or to be unconstitutional, such invalidity or unconstitutionality shall not affect, impair or invalidate the remaining portions or applications of the Ordinance which can be given effect without the invalid or the unconstitutional portion or application, provided such remaining portions or applications are not determined by the court to be inoperable.

Section 6.9. Official Records of Legislative Enactments.

- (a) A true copy of every Resolution as hereafter adopted shall be numbered and recorded in the official records of the Town.
- (b) All Ordinances shall be kept and maintained by the Town Clerk in such form as is sufficient to assure reasonable access to the public. It shall be the duty of the Mayor and Town Clerk to authenticate such records by their official signatures thereon, but the failure to so authenticate any Ordinance shall not invalidate it or suspend its operation.
- (c) The Town Council shall cause the permanent Ordinances to be codified. Such codification may be of the entire body of permanent Ordinances or of the Ordinances on some particular subject and may be reenacted by the Town Council or authenticated in such other manner as may be designated by Ordinance. Subsequent codification shall be updated as deemed necessary by the Town Council.

ARTICLE VII ADMINISTRATIVE AND OTHER OFFICIALS

Section 7.1. Appointment and Qualifications of Town Manager.

The Town Council shall hire a Town Manager who shall be the chief administrative officer of the Town and who shall serve at the pleasure of the Town Council. The Town Manager shall be chosen by the Town Council based on executive and administrative qualifications with particular emphasis on experience and training with respect to the duties of the office and shall have the minimum qualifications, if any, as may be set by the Town Council by Ordinance. The Town Manager shall reside in Summit County, Colorado, or within reasonable proximity to Summit County. The Town Council may provide for an exception to this residency requirement. No person holding or who has held Town Elective Office shall be hired as Town Manager during or within one (1) year after the termination of the term of such elected official.

Section 7.2. Absence of Town Manager.

The Town Manager shall designate by letter filed with the Town Clerk, a qualified administrative Town employee to perform the Town Manager's duties during a temporary absence or disability. In the event of a failure of the Town Manager to make such a designation, the Mayor may designate a qualified administrative Town employee to perform the duties of the Town Manager until the Town Manager returns or the disability ceases. At the next meeting of the Town Council, the Town Council shall ratify the Mayor's designation or appoint an alternative qualified administrative Town employee to perform the duties of the Town Manager until the Town Manager returns or the disability ceases.

Section 7.3. Dismissal of Town Manager.

The Town Council may terminate the employment of the Town Manager upon the affirmative vote of a majority of the Town Council in office at any regular or special meeting called for that purpose and subject to the Town Manager's employment agreement, if any. The action of the Town Council in removing the Town Manager shall be final; it is the intention to vest all authority and fix all responsibility for such removal in the Town Council.

Section 7.4. Powers and Duties of Town Manager.

The Town Manager shall be responsible to and report directly to the Town Council on the proper administration of all affairs of the Town placed in the Town Manager's charge, and to that end, the Town Manager shall have the powers and duties as set forth by the Town Council by Ordinance, including, but not limited to:

- (a) Enforcing or supervising the enforcement of all laws of the Town; and
- (b) Supervising and overseeing all aspects of Town functions and activities, services, contracts, personnel, and departments that report to the Town Manager; and
- (c) Performing or supervising the performance of budget-related duties, accounting duties and financial and risk planning, reporting, and management; and
- (d) Reporting regularly to the Town Council on the functioning of all Town departments, services, activities, and financial matters; and
- (e) Attend Town Council meetings unless attendance is excused; and
- (f) Performing such other duties as set forth in the Ordinances of the Town or by direction of the Town Council.

Section 7.5. Clerk, Treasurer, and Police Chief.

The Town Manager shall appoint and may remove the Town Clerk, Town Treasurer/Finance Director and Police Chief. The decisions to appoint and to remove the the Police Chief must be ratified by resolution of the Town Council.

Section 7.6. Bonding of Employees.

All Town officers and employees dealing directly with municipal funds shall post bond or furnish other security in an amount and under such conditions as required by the Town Council, and at the expense of the Town.

Section 7.7. Relationship of Town Council to Administrative Service.

Neither the Town Council nor any member thereof shall have the authority to require the hiring, promotion, suspension, transfer, or termination of any person by the Town Manager. Except for the purpose of making specific inquiries, all members of the Town Council shall deal with administrative personnel or consultants solely through the Town Manager or the Town Manager's designee and no member of the Town Council shall give orders to any employee of the Town.

ARTICLE VIII JUDICIARY AND LEGAL

Section 8.1. Municipal Court.

- (a) There shall be a Municipal Court of record that shall have jurisdiction to hear and determine all cases arising under this Charter or the Ordinances of the Town. The powers of and the procedure in such Municipal Court and the manner of enforcement of its orders and judgments shall be such as is provided for under this Charter, the laws of the State of Colorado, and the Ordinances of the Town with respect to municipal courts of records. The Town Council shall provide a suitable place and all supplies and personnel necessary for the proper functioning of the Court.
- (b) In accordance with state law, the Municipal Court shall be presided over, and its functions exercised by one (1) or more municipal judges, who shall be attorney(s)-at-law authorized to practice in Colorado and otherwise qualified and appointed by the Town Council as established by Ordinance. By the Town Council's Resolution or Ordinance, a municipal judge shall receive compensation not dependent upon the outcome of the matters to be decided by such judge.
- (c) The Town Council shall provide for the enforcement of its Ordinances by fine or imprisonment or both, within the limits established by State law.

Section 8.2. Town Attorney.

- (a) The Town Attorney shall be appointed by and shall serve at the pleasure of a majority of the Town Council in office. The Town Attorney shall be the legal representative of the Town as directed by the Town Council.
- (b) The Town Attorney shall be an attorney-at-law authorized to practice in Colorado and shall have the minimum number of years of experience in the practice of law as may be set forth by Ordinance or Resolution.
- (c) The Town Attorney may supervise one (1) or more assistant attorneys to handle any matter in which the Town has an interest or to assist and counsel with the Town Attorney therein.

ARTICLE IX BOARDS AND COMMISSIONS

Section 9.1. Right to Establish.

To the extent not otherwise required by this Charter, the Town Council shall have authority to create and disband boards, commissions, and committees and confer upon the same such powers and duties as it deems advisable by Resolution or by Ordinance.

Section 9.2. Membership.

To the extent the number and qualifications of members of any board, commission or committee is not otherwise required by this Charter, members of such boards, commissions, and committees shall be appointed by the Town Council in accordance with an Ordinance or Resolution setting forth the number of members, qualifications, terms, appointment procedures and compensation, if any, for each board, commission or committee. The Town Council may establish residency requirements, if any, for members of boards, commissions, and committees. The intent is that boards, commissions, and committees are representative of the entire Keystone community. Town Councilmembers and the Mayor shall only sit as advisory members or liaison memberson a board, commission, or committee unless Town Council is designated as serving the role and

purpose of a particular board, commission, or committee. Full time town employees may not serve on a board, commission, or committee related to their work functions. Members shall serve at the pleasure of the Town Council and may be removed at any time, with or without cause, by an affirmative vote of the majority of Town Council in office. The Town Council shall make appointments to fill vacancies for the unexpired terms.

Section 9.3. Planning and Zoning Commission.

There is hereby created a Planning and Zoning Commission to assist the Town Council, in such manner as provided by the Council, in planning the development of the Town. Councilmembers, the Mayor, or full-time employees shall not serve on the Planning Commission. At least a majority of the membership of the Planning and Zoning Commission shall consist of Primary Residents. However, if there is an insufficient number of qualified Primary Residents to fill the open positions or vacancies, then the Town Council may appoint any Town property owner or Town business owner to fill the vacancy. The Town Council shall further prescribe by ordinance the powers and duties of the Planning and Zoning Commission, the qualifications of the members, and the appointment procedure.

ARTICLE X FINANCIAL MANAGEMENT

Section 10.1. Revenue.

Subject to applicable limitations in the Colorado Constitution (including without limitation applicable provisions of TABOR) and in this Charter, the Town Council shall have all powers now or hereafter granted to municipalities of any kind in the State to raise revenue by any power of any kind, including but not limited to taxes, rates, fees, licenses, tolls, penalties and charges.

Section 10.2. Prior Voter Approval for Taxes.

No tax rate increase or levy of any new tax shall be effective without prior voter approval in an election.

Section 10.3. Setting Fees for Town Services.

In setting or adjusting any Town-imposed fee (specifically excluding franchise fees), the Town Council shall determine the amount of such fee by considering the direct and indirect costs incurred by the Town in providing the service for which the fee is charged.

Section 10.4. Fiscal Year.

The fiscal year of the Town and all of its agencies shall begin on the first day of January and end on the thirty-first (31st) day of December of each year.

Section 10.5. Proposed Annual Budget.

The Town Manager shall present to the Town Council a proposed budget for the ensuing fiscal year on or before the fifteenth (15th) day of October of each year.

Section 10.6. Budget Hearing.

The Town Council shall hold a public hearing on the proposed budget each year. Notice of the time and place of such hearing shall be published at least once seven (7) days prior to such hearing and copies of the proposed budget shall be made available to the public by depositing them in the office of the Town Clerk. The Town Council may, at any time before final adoption of the budget, increase, decrease, add or strike out any item in the budget.

Section 10.7. Scope of Annual Budget.

- (a) The budget adopted by the Town Council shall contain:
 - (1) an estimate of anticipated revenue from all sources for the ensuing year;
- (2) an estimate of the general fund cash surplus at the end of the current fiscal year or of the deficit to be made up by appropriation;
- (3) the estimate of expenditures for the operation of the departments, offices and agencies of the Town;
 - (4) debt service requirements for the ensuing fiscal year;
- (5) an estimate of the sum required to be raised by any tax levy for the ensuing fiscal year and the rate of levy necessary to produce such sum; and
- (6) a balance between the total estimated expenditures, including any deficit to be met and monies set aside for public improvements, and total anticipated revenue, plus any surplus.
- (b) All estimates shall be in detail showing revenues by source and expenditures by departments, organizational units, activities, character and object.

Section 10.8. Certification of Tax Levy.

In accordance with the requirements of Colorado law, the Town Council shall fix the amount of tax levy, if any, which shall be assessed upon each dollar of assessed valuation of all taxable property within the corporate limits of the Town and shall cause the same to be certified to the County as required by law. If the Town Council should fail in any year to make such levy as above provided, the rate last fixed shall be the rate for the ensuing fiscal year, which rate shall be levied as provided by law.

Section 10.9. General Fund.

There is hereby established a fund to be known as the general fund. All revenues not specifically allocated to any other fund shall be placed in the general fund. All general functions of the Town shall be financed by expenditures from the general fund.

Section 10.10. Contingencies.

The general fund shall contain a line item for contingencies.

Section 10.11. Special Funds.

Additional funds, which shall be known as special funds, may be created by Ordinance to provide for monies to be held or used for special purposes as the Town Council may determine, including but not limited to enterprise funds or special purpose funds.

Section 10.12. Adoption of Budget and Appropriation.

Not later than the fifteenth (15th) day of December of each year, the Town Council shall adopt an Ordinance or a Resolution for the budget and for the annual appropriations. No budget shall be deemed adopted unless a public hearing is held prior to the vote of the Town Council and there is an affirmative vote of a majority of the Town Council to adopt such budget and appropriations. Copies of the budget as adopted shall be public records and shall be made available to the public in the office of the Town Clerk and shall be publicized in accordance with an Ordinance adopted by the Town Council. If the Town Council fails to adopt a budget by this date, the amounts appropriated for the operation of the various departments of the Town during the prior fiscal year shall be deemed adopted for the current fiscal year on a month to month basis, with all items prorated accordingly until such time as the Town Council adopts the budget for the current fiscal year.

Section 10.13. Amendments to Appropriations.

- (a) The Town Council may make additional appropriations by Ordinance or Resolution during the fiscal year for unanticipated expenditures required of the Town, but such additional appropriations shall:
- (1) not exceed the amount of actual and anticipated revenues of the year and any surplus, unless the appropriations are necessary to relieve an emergency endangering the public peace, health or safety;
- (2) be authorized only following a public hearing prior to the vote of the Town Council; and
 - (3) require an affirmative vote of a majority of the Town Council in office.
- (b) If at any time during the fiscal year it appears probable to the Town Manager that the revenues available will be insufficient to meet amounts appropriated, the Town Manager shall provide a report to the Town Council without delay indicating the estimated amount of deficit and recommendations as to any steps to be taken. The Town Council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may by Ordinance or Resolution reduce one or more appropriations.

Section 10.14. Publicizing of Expenditures.

Expenditures authorized to be made need not be published, but the Town Clerk shall maintain a record on file of same, which shall at all times be available for public inspection and shall publicize the same in accordance with an Ordinance adopted by the Town Council.

Section 10.15. Independent Audits.

The Town Council shall provide for an annual independent audit of all accounts of the Town to be performed by a certified public accountant experienced in municipal accounting. The Town Council may provide for more frequent audits as deemed necessary. The auditor selected to perform any audit on behalf of the Town shall have no direct personal interest in the financial affairs of the Town or of any person holding Town Elective Office or the Town Manager or the Town Treasurer/Finance Director. Unless another date is provided by Ordinance, the annual audit shall be completed within six (6) months of the close of the fiscal year. Copies of any audit undertaken in accordance with this Section shall be available for public inspection or review and publicized in accordance with an Ordinance adopted by the Town Council.

ARTICLE XI BONDED INDEBTEDNESS

The Town may, subject to applicable limitations in the Colorado Constitution (including without limitation applicable provisions of TABOR), borrow money or enter into other obligations and issue securities or other evidences of such obligations in such form and manner as determined by the Town Council to be in the best interests of the Town.

ARTICLE XII EMINENT DOMAIN

The Town shall have the power of eminent domain, within and without the limits of the Town, for public purposes as provided by the Constitution of the State of Colorado. In invoking the power of eminent domain, the Town Council shall recognize that the taking of private property for a public purpose is a serious action that should be invoked only after careful consideration of its effect on the rights of affected property owners. Whenever the Town Council exercises the power of eminent domain by Ordinance, the Ordinance shall recite and thoroughly describe the public purpose for such action.

ARTICLE XIII FRANCHISES

Section 13.1. Term; Non-exclusivity.

No franchise shall be granted for a period of longer than twenty (20) years. Upon the expiration of any franchise, the right to use the public streets, ways or places granted thereby shall cease unless a new or extended franchise is granted. No exclusive franchise shall ever be granted.

Section 13.2. Franchise Fees Not an Exemption.

Nothing contained herein shall exempt any grantee or assignee of a franchise from any lawful assessment upon such grantee's property or from any lawful licenses, charges or other impositions levied by the Town Council not related to the franchise privilege. Failure to pay any franchise fee may result in forfeiture of the franchise at the option of the Town Council.

ARTICLE XIV MISCELLANEOUS PROVISIONS

Section 14.1. Bequests, Gifts and Donations.

The Town Council, on behalf of the Town, may receive bequests, gifts and donations of all kinds of property in fee simple or in trust, for public, charitable or other purposes, and do all things and acts necessary to carry out the purposes of such bequests, gifts and donations, with the power to manage, sell, lease or otherwise dispose of the same in accordance with the terms of the bequest, gift or trust.

Section 14.2. Contracts for Purchases, Leases, Services and Construction of Public Works.

The Town Council may establish by Ordinance the procedure for entering into contracts for purchases, contracts for leases, contracts for services and contracts for construction of public works.

Section 14.3. Conveyance of Interests in Real Property.

The Town Council by Ordinance may purchase, sell or exchange any fee interest in real property. Any conveyance of real property interests less than a fee interest shall be effected in the manner as set forth by Ordinance adopted by the Town Council.

Section 14.4. Amendment.

This Charter may be amended in the manner provided by Article XX of the Constitution of the State of Colorado at any Regular Town Election or Special Election called for such purpose (1) upon questions that may be submitted to the electors by a majority of the Town Council or (2) upon questions that may be submitted by the electors. Unless the procedures are amended by the Town Council by Ordinance, the Charter may be amended in accordance with the procedures set forth in State statute. If provisions of two (2) or more proposed amendments adopted or approved at the same election conflict, the amendment receiving the highest affirmative vote shall become effective.

Section 14.5. Severability.

If any provision, article, section, sentence, clause or part of this Charter, or the application thereof to any person or circumstances shall be found to be invalid or to be unconstitutional, such invalidity or unconstitutionality shall not affect, impair or invalidate the Charter as a whole or any part hereof other than the part so held to be invalid or to be unconstitutional, and to this end the provisions of this Charter are declared to be severable.

Section 14.6. Interpretation.

Where any question exists as to the meaning of any portion of this Charter, it shall be interpreted consistently with the Charter's purpose to reserve to the Town and its citizens the broadest possible powers of home rule and self-government available under the Constitution of the State of Colorado, as limited only by the specific language of this Charter and the Constitution of the State of Colorado.

Section 14.7. Effective Date of Charter.

This Charter shall become effective immediately upon voter approval and canvassing at a Regular Town Election or Special Election held for the purpose of considering this Charter.