



Keystone Town Council Agenda

The Keystone Town Council will have a Regular Meeting on October 28, 2025, at 7:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

The Town of Keystone conducts hybrid meetings. This meeting will be held in person at Keystone Town Hall and will also be broadcast live over Teams. [Join the live broadcast available by computer here.](#) If you will need special assistance in order to attend any of the Town's public meetings, please notify the Town Clerk's Office at (970) 450-3500x1 via phone, or clerk@keystoneco.gov via e-mail, at least 72 hours in advance of the meeting.

I. CALL TO ORDER, ROLL CALL

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF AGENDA

IV. COMMUNICATIONS TO COUNCIL

V. CONSENT

A. FIRST READING OF ORDINANCES

- 1. Ordinance 2025-O-18, An Ordinance of Town Council of the Town of Keystone, Colorado, Amending Ordinance No. 2025-o-06, Adopted March 11, 2025, to Modify Section 3 Regarding the Definition of Wildlife-proof Refuse Containers**

B. MEETING MINUTES

- 1. October 14, 2025 – Meeting Minutes**

C. EXCUSED ABSENCES

D. OTHER

- 1. Accounts Payable List**

VI. DISCUSSION

A. SECOND READING / CONSIDERATION OF ORDINANCES

- 1. Ordinance 2025-O-17, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting a Code of Ethics and Establishing Penalties and Fines for Violations Thereof**

B. RESOLUTIONS

- 1. Resolution 2025-36, A Resolution of Town Council of the Town of Keystone, Colorado, Authorizing Purchase of a Skid-Steer**

VII. PLANNING MATTERS

VIII. REPORT OF TOWN MANAGER AND STAFF

IX. REPORT OF MAYOR AND COUNCIL

X. OTHER MATTERS (Town Manager/Mayor/Councilmember may bring up items on other matters that are not on the agenda)

XI. SCHEDULED MEETINGS

XII. EXECUTIVE SESSION

Executive session pursuant to C.R.S. section 24-6-402(4)(f)(I) for a discussion of a personnel matter involving evaluation of the Town Manager. The Town Manager has consented to the executive session.

XIII. ADJOURNMENT

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH:
FROM: John Crone, Town Manager
DATE: October 28, 2025
SUBJECT: Bear-Proof Refuse Container

Executive Summary:

This is the first reading of the amended bear-proof ordinance that was discussed in the October 14 meeting.

Background:

On March 11, 2025, Town Council passed an ordinance requiring most residents to have bear-proof refuse containers. This ordinance went into effect in August 2025 for individuals and August 2026 for dumpster enclosures.

Town staff has recommended the following change regarding the definition of a wildlife-proof refuse container:

WILDLIFE-PROOF REFUSE CONTAINER: A container used for the storage of refuse that has been certified to be wildlife-proof by the Colorado division of wildlife, the U.S. Park Service, **Interagency Grizzly Bear Committee**, or the U.S. Forest Service. ~~A container not so certified, is considered a wildlife-proof refuse container if it is fully enclosed, of sturdy construction, and includes a latching mechanism suitable to prevent wildlife from opening the container. Latching mechanisms shall allow a gap~~

~~between the container lid of no more than one-half inch ($\frac{1}{2}$ "). Latching mechanisms shall keep the lid closed in the event the container is turned on its side or upside down.~~ Wildlife-proof refuse containers may include drain holes no larger than one inch (1") in any dimension.

Next Steps:

If the Council approves of the ordinance on the first reading, a public hearing will be held on November 11, 2025 for a second reading and adoption of the amended ordinance..

**TOWN OF KEYSTONE
ORDINANCE NO. 2025-O-18**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE,
COLORADO, AMENDING ORDINANCE NO. 2025-O-06, ADOPTED MARCH 11,
2025, TO MODIFY SECTION 3 REGARDING THE DEFINITION OF WILDLIFE-
PROOF REFUSE CONTAINERS**

WHEREAS, the Town of Keystone, Colorado ("Town") is a home rule municipality, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, the Town of Keystone Town Charter article 2.9 grants the Keystone Town Council the right to exercise all legislative powers and functions of municipal government; and

WHEREAS, the Town of Keystone Town Council previously adopted Ordinance 2025-O-06 on March 11, 2025; and

WHEREAS, the Town of Keystone Town Council finds it necessary and in the public interest to amend such ordinance to clarify the definition of a wildlife-proof refuse container..

NOW THEREFORE, BE IT ORDAINED by the Town Council of the Town of Keystone, Colorado, as follows:

Section 1. The Town Council adopts the items in attached Exhibit A, with the amended definition of wildlife-proof refuse containers in section 3, as the Town's ordinance regarding dumpster enclosures, wildlife-proof refuse containers, and the feeding of wildlife operating within the town limits of the Town of Keystone.

Section 2. Should any one or more sections or provisions of this Ordinance or of the Code provisions enacted hereby be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance or of such Code provision, the intention being that the various sections and provisions are severable.

Section 3. Any and all Ordinances or Codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such Ordinance or Code or part thereof shall not revive any other section or part of any Ordinance or Code provision heretofore repealed or superseded.

Section 4. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 5. Effective Date. After adoption by the Town Council, this ordinance shall take effect on December 11, 2025.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON NOVEMBER 11, 2025, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS

28th DAY OF OCTOBER, 2025.

Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF ____ IN FAVOR AND ____ OPPOSED ON SECOND READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2025.

Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

Exhibit A
Town of Keystone Wildlife-Proof Refuse Container Ordinance

Section 1. – Title.

This ordinance shall be known as the *WILDLIFE-PROOF REFUSE CONTAINER ORDINANCE*.

Section 2. - Purpose.

The purpose of this Ordinance is to require wildlife-proof enclosures and/or wildlife-proof containers for all refuse that might be considered a wildlife attractant in order to protect the property, health, welfare, peace or safety of its citizens, inhabitants and visitors.

Section 3. - Definitions.

For the purpose of this chapter, the following definitions shall apply:

ATTRACTANT: Any substance which could reasonably be expected to attract wildlife or does attract wildlife, including, but not limited to, food products, pet food, feed, compost, grain or salt.

DUMPSTER: A single refuse container that is greater than 1 cubic yard in volume. This excludes wildlife-proof containers that hold multiple containers smaller than one cubic yard.

DUMPSTER ENCLOSURE: A fully enclosed structure consisting of four (4) sides, a roof, and a secure door or cover, which shall have a latching device of sufficient strength and design to prevent access by wildlife. Dumpster enclosures are subject to all planning and zoning requirements and building codes.

REFUSE: Any waste that could reasonably attract wildlife which includes, but shall not be limited to, kitchen, organic waste, food, food packaging, toothpaste, deodorant, cosmetics, spices, seasonings and grease.

REFUSE CONTAINER: Any trash can, dumpster, or similar device used for the collection and storage of solid waste.

RESIDENT: Any person, firm, corporation or organization within the town of Keystone or on town-controlled land.

SPECIAL EVENT: An outdoor gathering such as a concert, conference or festival, whether occurring on public land or private.

WILDLIFE: Any undomesticated animal, including, but not limited to, elk, deer, sheep, lynx, skunks, magpies, crows, bears, raccoons, coyotes, beavers, porcupines, mountain lions, bobcats and foxes.

WILDLIFE-PROOF REFUSE CONTAINER: A container used for the storage of refuse that has been certified to be wildlife-proof by the Colorado division of wildlife, the U.S. Park Service, **Interagency Grizzly Bear Committee**, or the U.S. Forest Service. Wildlife-proof refuse containers may include drain holes no larger than one inch (1") in any dimension.

Section 4. – Residential Refuse Disposal

A. All residential containers that receive refuse that may be considered an attractant must be secured inside the home or garage. Residents unable to keep their refuse container inside the home or garage shall store their refuse in a wildlife-proof refuse container or enclosure approved by the town of Keystone.

B. Residents with curbside pick-up shall place refuse containers at the curb, alley, or public right of way at or after six o'clock (6:00) A.M. on the morning of scheduled pick up. After pick-up, all containers must be removed from the curb, alley or public right of way by eight o'clock (8:00) P.M. on the same day.

C. Other household waste that cannot reasonably be considered "refuse" or an "attractant" as defined in this chapter, including, but not limited to: nonedible yard maintenance waste, household items, and cardboard, shall not require the use of wildlife-proof containers when not commingled with refuse or any other attractant.

D. Multi-family housing developments and other types of clustered residential housing, utilizing centralized refuse containers, must use a wildlife-proof dumpster enclosure for all refuse. The enclosure shall be kept closed in a secure manner except when refuse is being deposited.

E. Multi-family housing developments and other types of clustered residential housing, utilizing centralized refuse containers that cannot construct a dumpster enclosure may petition the Town Manager to allow the use of a wildlife-proof refuse container as an alternative.

F. Multi-family housing developments and other types of clustered residential housing may use wildlife-proof refuse containers that are smaller than one cubic yard in volume for day-to-day public use in addition to the required enclosure.

Section 5. – Commercial Refuse Disposal:

A. All refuse containers receiving refuse from commercial establishments and restaurants shall be secured in a dumpster enclosure.

B. If a commercial establishment cannot construct a dumpster enclosure, it may petition the Town Manager to allow the use of a wildlife-proof refuse container as an alternative.

C. Container lids and dumpster enclosure doors shall be kept closed and latched at all times except when loading or removing refuse or when the enclosure is being actively monitored. The area around the container or enclosure must be kept free from refuse at all times.

D. Commercial establishments may use wildlife-proof refuse containers that are smaller than one cubic yard in volume for day-to-day public use in addition to the required enclosure.

Section 6. – Special Event Refuse Disposal:

Outdoor special event sites shall be kept free from the accumulation of refuse. Refuse must be collected from the grounds at the close of each day's activities and shall be deposited into appropriate wildlife-proof containers or dumpster enclosures, as provided in this chapter, or shall be removed to an appropriate disposal site.

Section 7. – Construction Site refuse Disposal:

All construction sites must have a designated refuse container which receives "refuse" or attractants as defined by this chapter. This container shall be a wildlife-proof refuse container.

Section 8. – Maintenance and Operation of all Refuse Containers and Enclosures:

A. All refuse containers defined in this chapter shall be kept closed and secured when refuse is not being deposited. Any container which is overfilled so as to

prevent a container's designed latching is not a wildlife resistant or wildlife-proof refuse container within the meaning of this chapter.

B. If a container or enclosure is damaged, allowing access by wildlife, repairs must be made within forty-eight (48) hours after written notification by town of Keystone personnel.

C. All enclosures defined in this ordinance shall keep all doors closed and latched at all times when the enclosure is not being actively accessed.

Section 9. - Compactors:

Trash compactors are compliant with this chapter when no refuse is exposed. Compactor doors must be kept closed at all times, except when loading or removing refuse and the area around the compactor must be kept clean of refuse and debris.

Section 10. – Feeding of Wildlife:

Intentional Or Unintentional: No person shall intentionally or unintentionally feed or provide food in any manner for wildlife on public or private property within the town of Keystone. A person will be considered to be in violation of this chapter if they leave or store any garbage, refuse or attractant in a manner which would create or does create a lure or enticement for wildlife.

Section 11. - Exceptions:

A. The following entities or actions are exempt from the requirements of this chapter:

1. Any individual, company or corporation that is duly licensed by the state of Colorado or is entitled under law to possess wildlife of any kind.
2. Any action that is officially sanctioned by the state of Colorado, federal agencies, or the town of Keystone that would require feeding, baiting, or luring of wildlife (i.e., capturing and tagging wildlife for relocation or scientific projects and study).
3. Bird feeders are allowed provided that, between April 1 and December 1 of each year, all bird feeders must be suspended on a cable or other device at a height above the ground or structure so as to be inaccessible to bears.

Section 12. - Enforcement:

A. Compliance with this chapter notwithstanding, the town of Keystone may issue a "notice of violation" and order any resident to purchase and use a wildlife-proof refuse container for all storage of refuse that is attractive to or edible by wildlife if the town receives a documented, substantiated report that any animal, whether wild or domestic, has entered into or removed refuse from a refuse container located on the property or placed at the property curbside for pick up. Such order shall:

1. State that a wildlife-proof container shall be obtained for the property within seven (7) days.
2. Shall be served either personally or by means of posting on the premises upon which the nuisance exists. If notice is served by posting, a copy of the notice shall also be mailed by certified mail, return receipt requested, to the owner of record of the property given to any town of Keystone or Summit County government office. If the identity of the resident is not known, the entity responsible for payment of the garbage removal services for the subject location will be held responsible for complying with this chapter and for any penalties assessed pursuant to the same.

Section 13. – Violations and Penalties; Penalty Assessment:

A. Second Notice Of Violation: Offenders who continue to violate this chapter or continue to fail in achieving timely compliance as set forth in any previous notice of violation may be issued a second notice of violation, which shall be in the form of an administrative citation or summons. Such summons shall be subject to a graduated fine schedule as set forth below.

B. Penalties: Any person who or entity that is issued a citation or summons shall be punished as follows:

1. A fine to be set by resolution of the Town Council for a first offense.
2. A fine to be set by resolution of the Town Council for a second offense.
3. A third violation shall constitute a misdemeanor and will require a mandatory appearance in municipal court.

Section 14. – Violator's Responsibility:

In addition to the penalties outlined in this Chapter, violators may be required to perform all necessary actions to remove or abate attractants of wildlife. This may include, but shall not be limited to: immediate clean-up of any refuse disturbed by wildlife, the removal of bird feeders or pet food, cleaning or appropriate storage of barbecue grills, additional storage requirements for refuse containers and/or the required use of Wildlife-proof Containers and/or Dumpster Enclosures.

Section 15. – Compliance Required and Time Period:

Any container required by this Chapter shall be brought into conformity with the provision of this Chapter by August 15, 2025.

Any enclosure required by this Chapter shall be brought into conformity with the provision of this Chapter by August 15, 2026. Upon application to the Town Manager, showing hardship by an owner of an enclosure or container required hereunder, the Town Manager may grant an extension, for a reasonable period of time, with which to comply with the provision of this Chapter. If a party cannot provide an enclosure by the date required, it must provide a wildlife-proof container within the timeframe herein.



Keystone Town Council Minutes

The Keystone Town Council held a Special Meeting on October 14, 2025, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435. Full and timely notice of the meeting had been posted, and a quorum was present.

I. Call to Order, Roll Call

Mayor Ken Riley called the meeting to order at 4:10 p.m. The roll was called, and it was found there were present and participating at that time the following members: Councilmember Jonathan Hagenow, Councilmember Carol Kerr, Councilmember Steve Martin (remote), Councilmember Aaron Parmet, Councilmember Dan Sullivan, and Mayor Ken Riley.

II. Pledge of Allegiance

Mayor Riley led the Town Council in reciting the Pledge of Allegiance.

III. Approval of Agenda

Mayor Riley presented the agenda.

Councilmember Hagenow moved to approve the agenda as presented.
Councilmember Sullivan seconded.

By voice vote, the motion passed unanimously, and the agenda was approved as presented.

IV. Town Council Member Vacancy

A. Council Member Vacancy Interviews

Mayor Riley provided an overview of the Town Council Member interview process.

1. Interview of Applicant Christy Camp

The Town Council interviewed applicant Christy Camp.

2. Interview of Applicant Blaine Rhoden

The Town Council interviewed applicant Blaine Rhoden.

3. Interview of Applicant Jay Ron Allen

The Town Council interviewed applicant Jay Ron Allen.

4. Interview of Applicant Don Thomas

The Town Council interviewed applicant Don Thomas.

B. Nomination of Candidates and Voting

Mayor Riley opened the floor for nominations.

Councilmember Hagenow nominated Christy Camp, Blaine Rhoden, Jay Ron Allen, and Don Thomas.

Mayor Riley closed the floor for nominations.

Town Council discussed the voting process before proceeding with voting. By consensus, they decided if one candidate did not receive a majority of votes during the first vote, a revote would be held. If one candidate did not receive a majority of votes during the revote, the candidate with the lowest number of votes would be eliminated and another revote would be conducted.

Councilmember Martin would submit his votes electronically to the Town Clerk. The remaining Town Councilmembers completed written ballots identifying their

name and the name of the applicant they voted for. These ballots will be filed with the minutes for this meeting and are available by request from the Town Clerk's Office.

Each Councilmember received a ballot to conduct the first vote to fill the vacancy with one of the four nominees.

The Town Clerk collected the ballots and tallied the results.

Mayor Riley requested the Town Clerk read the results of the vote into the record.

There were two votes for Christy Camp, two votes for Jay Ron Allen, one vote for Blaine Rhoden, and one vote for Don Thomas.

No nominee received a majority of the votes, and a revote was held.

Each Councilmember received a ballot to conduct the revote to fill the vacancy with one of the four nominees.

The Town Clerk collected the ballots and tallied the results.

Mayor Riley requested the Town Clerk read the results of the vote into the record.

There were four votes for Jay Ron Allen, one vote for Christy Camp, and one vote for Blaine Rhoden.

Jay Ron Allen received a majority of the votes and was selected to fill the Town Council vacancy.

C. Resolution 2025-34, A Resolution of Town Council of the Town of Keystone, Colorado, Appointing an Individual to Fill a Councilmember Vacancy on Town Council

Councilmember Sullivan moved to approve Resolution 2025-34, Appointing Jay Ron Allen to Fill a Councilmember Vacancy on Town Council. Councilmember Hagenow seconded.

By Roll Call, the result was:

Ayes: Hagenow, Kerr, Martin, Parker, Sullivan, Riley (6)

Nays: (0)

Absent: (0)

The motion passed, and Resolution 2025-34 was approved.

Town Council entered a recess at 6:55 p.m.

Mayor Riley called the meeting back to order at 7:20 p.m.

D. Oath of Office

Mayor Riley swore in Jay Ron Allen as a Keystone Town Councilmember.

V. Communications to Council

Mayor Riley opened the public comment period.

Seeing no members of the public wishing to speak, Mayor Riley closed the floor for public comment.

VI. Discussion

A. Discussion of Speed Limits

Mayor Riley recognized Town Manager John Crone and Acting Town Attorney Wynetta Massey to discuss speed limits within the Town of Keystone. At the direction of Town Council, staff will bring forward an ordinance with new speed limits at an upcoming meeting.

B. Discussion of Bear Ordinance Changes

Mayor Riley recognized Town Manager Crone to discuss potential changes to the bear ordinance. At the direction, staff will bring forward an ordinance revising the definition of wildlife-proof trash container at a future meeting.

C. Discussion of A51 Plans

Mayor Riley recognized Town Manager Crone to discuss Keystone Resort's plans for the A-51 Chairlift. Town Council directed staff to formally express support to Keystone Resort for this plan to encourage future collaboration.

D. Discussion Regarding Certain Charitable Donations

Mayor Riley recognized Town Manager Crone to discuss several upcoming opportunities for the Town Council to provide charitable donations to different organizations in Summit County.

VII. Consent

A. First Reading of Ordinances

- 1. Ordinance 2025-O-17, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting a Code of Ethics and Imposing Penalties for Violations Thereof**

B. Resolutions

C. Meeting Minutes

- 1. September 23, 2025 – Meeting Minutes**

D. Excused Absences

E. Other

Mayor Riley presented the consent agenda.

Councilmember Hagenow moved to approve the consent agenda.

Councilmember Sullivan seconded.

By voice vote, the motion passed unanimously, and the consent agenda was

approved.

VIII. Business

A. Consideration of Ordinances

1. [First Reading] Ordinance 2025-O-16, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting Regulations Related to Natural Medicine

Mayor Riley recognized Town Manager Crone and Community Development Director Lindsay Hirsh to introduce Ordinance 2025-O-16, Adopting Regulations Related to Natural Medicine.

Councilmember Hagenow moved to approve Ordinance 2025-O-16 on first reading. Councilmember Sullivan seconded.

By Roll Call, the result was:

Ayes: Allen, Hagenow, Kerr, Martin, Parker, Sullivan, Riley (7)

Nays: (0)

Absent: (0)

The motion passed, and Ordinance 2025-O-16, was approved on first reading.

B. Resolutions

1. Resolution 2025-35, A Resolution of Town Council of the Town of Keystone, Colorado, Supporting the Acquisition of a Post Office and a Unique Zip Code

Mayor Riley recognized Town Manager Crone to introduce Resolution 2025-35, Supporting the Acquisition of a Post Office and a Unique Zip Code.

Councilmember Hagenow moved to approve 2025-35 with an amendment to include support for enhanced mail delivery services and a ranking of council priorities related to postal service. Councilmember Sullivan seconded.

By voice vote, the motion passed unanimously, and Resolution 2025-35 was approved as amended.

C. Other

IX. Planning Matters

X. Report of Town Manager and Staff

Due to time constraints, the Town Manager indicated that his report would be shared with the Town Council via e-mail.

XI. Report of Mayor and Council

Due to time constraints, the Mayor and Council indicated that their reports would be shared via e-mail as well.

XII. Other Matters (Town Manager/Mayor/Councilmember may bring up items on other matters that are not on the agenda)

Councilmember Kerr requested an evening session for the November Brews with Council event.

Councilmember Sullivan indicated that Dillon is likely to receive a new post-master within the next few weeks.

Councilmember Hagenow requested police presence along Highway 6 to assist with issues when I-70 is closed and traffic is re-directed over Loveland Pass.

Mayor Riley shared that there is an upcoming HOA meeting for Ironwood Townhomes on November 5th that the Town has been invited to speak at.

XIII. Scheduled Meetings

XIV. Executive Session

XV. Adjournment

Seeing no further business to discuss, Mayor Riley adjourned the meeting at 9:28 p.m.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager
FROM: Council Member Steve Martin
Jennifer Madsen, Town Attorney
DATE: October 28, 2025
SUBJECT: [PUBLIC HEARING AND SECOND READING] Ordinance 2025-O-17 Adopting A Code Of Ethics And Imposing Penalties For Violations Thereof

Executive Summary:

Town Council is asked to consider, on second reading, Ordinance 2025-O-17 regarding the adoption of a local Code of Ethics. This proposed Code is intended to guide the conduct of elected officials, appointed officials, board and commission members, and employees.

The draft Code of Ethics reflects Keystone's home rule authority under its Charter and establishes clear standards, enforcement processes, and procedures for addressing ethical concerns locally. Adoption of this Code will align Keystone's practices with best governance standards, ensure consistency across all roles in Town government, and provide residents with confidence in the fairness of decision-making.

Background:

Introduction

In 2006, Colorado voters approved Article XXIX of the state constitution, establishing a "gift ban" and statewide ethics standards for public officials and the state's Independent Ethics Commission (IEC). Section 7 of Article XXIX provides that these state provisions do not apply to home-rule municipalities that adopt their own charter or ordinance

addressing the same matters. In effect, this allows a municipality to create and enforce its own ethics code rather than remain under the jurisdiction of the state's IEC.

For background, municipalities that do not adopt their own ethics code fall under the jurisdiction of the five-member IEC, which investigates and decides complaints related to the state's gift ban. The IEC process has proven frustrating for many public officials because the commission typically meets only once a month, and it can take a significant amount of time for decisions to be issued. As a result, ethics complaints often remain unresolved for extended periods, creating prolonged uncertainty for both the officials involved and the public.

Section 2.11 of the Town of Keystone's Home Rule Charter, "Standards of Conduct," contemplated that the Town Council would adopt its own code of ethics. Section 2.11 of the Charter requires the Town Council to adopt, by April 2026, an ordinance governing conflicts of interest, recusals from voting, and other standards of conduct or ethics that supersede state or constitutional provisions on the same topics. Until that ordinance is enacted, the Keystone public officials must comply with the standards in state law.

Rationale for a Local Code

Adopting a local ethics code provides several advantages. It preserves local control and autonomy, allowing the Town to design standards that reflect its governance structure and community expectations rather than relying on a statewide body. A local code also offers clarity and flexibility by defining key issues such as conflicts of interest, gifts, and recusals in more precise terms than the broad constitutional provisions enforced by the IEC. Finally, a municipal process can be more efficient, timely, and accessible than state-level investigations.

Benefits of Exemption from the IEC

In addition, a properly adopted local code avoids duplication of authority and conflicting outcomes by ensuring ethics matters are handled exclusively at the municipal level. It

also insulates local officials from statewide political dynamics, keeping disputes closer to the community. Importantly, recent case law confirms that once a home-rule municipality adopts a code addressing the matters in Article XXIX, the IEC no longer has jurisdiction.

Overview of the Draft Code of Ethics

Division 1 – Legislative Intent and Definitions

- **Purpose:** Establishes the Town’s intent that all Public Servants maintain high standards of honesty, integrity, and accountability.
- **Authority:** Adopted under Keystone’s Home Rule Charter, superseding conflicting provisions of state law.
- **Applicability:** Applies to elected officials (Mayor and Council), appointed officials, Town Manager, Town Attorney, employees, and all board/commission members.
- **Definitions:** Provides precise definitions for terms such as *business*, *direct official action*, *employee*, *financial interest*, *gift*, *immediate family*, *personal interest*, *public body*, and *relative*. These definitions create clarity and consistency when interpreting the Code.

Division 2 – Prohibited Acts

Establishes clear boundaries on conduct that is not allowed. Key provisions include:

- **Gifts:** Prohibits Public Servants from accepting gifts from parties with business before the Town. Includes exceptions (e.g., campaign contributions, low-value tokens, family gifts, professional awards, nonprofit event tickets).
- **Fraudulent Activity:** Prohibits bribery, misappropriation of Town funds, falsification of records, forgery, or improper benefits from vendors.
- **Nepotism:** Restricts hiring or supervising immediate family members without an approved waiver.
- **Conflicts of Interest:** Requires disclosure and prohibits participation in decisions where a Public Servant or their relative has a financial or personal interest.

- **Employment Restrictions:** Establishes “cooling-off” periods for matters involving former employers.
- **Outside Employment:** Requires written disclosure of outside jobs, business interests, or board service that may intersect with Town responsibilities. Prohibits use of Town resources for outside activities.
- **Discrimination & Harassment:** Explicitly bans bias or prejudice in official duties, covering protected characteristics (race, gender, religion, disability, etc.).
- **Criminal Conduct:** Conviction of crimes involving fraud, theft, or government operations may constitute an ethics violation.
- **Special Consideration:** Forbids special treatment or favoritism not available to the public at large.
- **Misuse of Resources/Position:** Prohibits using Town property, time, or confidential records for private gain, or leveraging official position for personal benefit.
- **Aiding Violations:** Prohibits knowingly assisting others in violating the Code.

Division 3 – Discouraged Acts

Encourages higher standards by addressing situations that may not be formal violations but still risk undermining public confidence.

- **Post-Employment Restrictions:** Former Public Servants should avoid accepting roles tied directly to matters they handled while in office for six months after leaving.
- **Appearances of Impropriety:** Even without a formal conflict, Public Servants are encouraged to disclose and recuse themselves when impartiality might reasonably be questioned (e.g., involving close friends, property interests, or previously stated biases).

Division 4 – Disclosure and Recusal Procedures

Provides mechanisms for transparency and fairness.

- **Disclosure:** Outlines how Public Servants must disclose conflicts or potential improprieties, depending on their role (Council, staff, board members).
- **Recusal:** Requires abstaining from decisions where conflicts exist, including leaving the room during deliberations. Provides a quorum exception when necessary.
- **Challenges:** Allows residents or officials to challenge a failure to disclose or recuse. Council, Manager, or boards then determine whether a conflict exists.
- **Advisory Opinions:** Public Servants can request written advice from the Town Attorney, which provides safe-harbor protection if followed.
- **Waivers:** Council or Town Manager may grant waivers if serving the Town's best interest.

Division 5 – Enforcement

Establishes processes for handling ethics complaints.

- **Filing a Complaint:** Any person may file a verified complaint; it must include specific facts, supporting evidence, and a sworn statement.
- **Initial Review:** The Board of Ethics (Town Council) reviews complaints to determine jurisdiction, merit, and next steps. Complaints may be dismissed if frivolous, moot, or outside jurisdiction.
- **Enforcement Options:**
 - **Informal Administrative Review:** A streamlined process for resolving most complaints with proportional penalties.
 - **Investigation:** Independent review with subpoena powers for complex or fact-intensive cases.
 - **Formal Hearing:** For serious or contested allegations; may include appointment of a Hearing Officer or panel, presentation of evidence, cross-examination, and formal findings.
- **Penalties:** Range from oral/written reprimands and restitution to suspension, removal from appointed positions, or financial penalties. Removal from elected office requires a 2/3 Council vote.

- **Employee Cases:** Enforcement against employees is handled by the Town Manager under the Charter, with guidance from the Code.

The draft Keystone Code of Ethics addresses the key matters in Article XXIX of the Colorado Constitution by prohibiting improper gifts, conflicts of interest, and misuse of office, while establishing clear disclosure, recusal, and enforcement processes under the Town's home rule authority.

Alternatives:

Town Council may propose alternative directions for the Code of Ethics.

Financial Considerations:

There are no financial considerations applicable to this ordinance.

Previous Council Actions:

Town Attorney Jennifer Madsen worked with Councilmember Steve Martin on the drafting of this Code of Ethics. Council discussed the Code of Ethics at the work session on September 23, 2025. The Code of Ethics was approved on first reading on October 14, 2025.

Next Steps:

If Council approves this Ordinance on second reading, the effective date of the ordinance is thirty days after the date of publication. Town staff and the Town Attorney will work to train members of boards and commissions regarding the adopted code of ethics.

Suggested Motions:

Approval:

- I move to APPROVE Ordinance 2025-O-17 Adopting A Code Of Ethics And Imposing Penalties For Violations Thereof

Denial:

- I move to DENY Ordinance 2025-O-17 Adopting A Code Of Ethics And Imposing Penalties For Violations Thereof

Attachment:

- Ordinance 2025-O-17 Adopting A Code Of Ethics And Imposing Penalties For Violations Thereof

**TOWN OF KEYSTONE
ORDINANCE NO. 2025-O-17**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE
TOWN OF KEYSTONE, COLORADO,
ADOPTING A CODE OF ETHICS AND
IMPOSING PENALTIES FOR VIOLATIONS THEREOF**

WHEREAS, the Town of Keystone (the “Town”) is a Colorado home rule municipality organized pursuant to Article 20, Section 6, of the Colorado Constitution; and

WHEREAS, Article 20, Section 6 of the Colorado Constitution confers upon a home rule municipality the authority to regulate the jurisdiction, power, and duties of the municipality’s municipal court; and

WHEREAS, Article 20, Section 6 of the Colorado Constitution confers upon a home rule municipality the authority to impose, enforce, and collect fines and penalties for the violation of the municipality’s charter or adopted ordinances; and

WHEREAS, pursuant to Section 2.11 of the Home Rule Charter of the Town of Keystone (“Town”), the Town Council is authorized to adopt an ordinance governing conflicts of interest, recusals from voting, and other standards or code of conduct or ethics; and

WHEREAS, the Town Council has determined that the adoption of this ordinance is legislative in nature and will further the public health, safety, and welfare of the residents of the Town; and

WHEREAS, it is the intent of the Town that its elected officials, appointees, and employees adhere to high levels of ethical conduct, honesty, integrity, and accountability so that the public will have confidence that persons in positions of public responsibility are acting for the benefit of the public; and

WHEREAS, the Code of Ethics is intended to clarify which actions are permitted and which constitute a breach of public trust, specifically relating to the use of public office for private gain, employment and supervision of family members, gifts, conflicts of interest, prior employment, outside employment, subsequent employment, improper use of confidential information or records, and other ethics matters consistent with the Charter; and

WHEREAS, the Code of Ethics is intended to establish a system that enables citizens to report possible wrongdoing and seek local enforcement so that any breach of public trust may be discovered and appropriately addressed; and

WHEREAS, the Code of Ethics is hereby deemed to be a matter exclusively within the Town’s home rule authority and a proper exercise of the Town Council’s legislative authority on behalf of the Town; and

WHEREAS, the Code of Ethics supersedes any other applicable Colorado law;
and

WHEREAS, the Code of Ethics is in compliance with, addresses all matters raised in, and therefore supersedes by its own terms, Colorado Constitution, Article XXIX; and

WHEREAS, the Town Council, through a proper exercise of its legislative authority, considered and evaluated all topics addressed in the Colorado Constitution, Article XXIX, "Ethics in Government;" and

WHEREAS, in legislatively enacting the Keystone Code of Ethics, the Town Council intended to and did address each provision addressed in the Colorado Constitution, Article XXIX, "Ethics in Government," and rendered a decision to incorporate the provision, modify the provision, or not incorporate or modify the provision.

NOW THEREFORE, THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, ORDAINS:

Section 1. The foregoing recitals are affirmed and incorporated herein.

Section 2. The Town Council adopts the following Code of Ethics.

TOWN OF KEYSTONE

Code of Ethics

Division 1 - Legislative Intent and Definitions

Sec. 1. Legislative intent.

It is the intent of the Town that its elected officials, appointees, and employees uphold the highest standards of ethical conduct, honesty, integrity, and accountability. By doing so, the Town seeks to ensure that the public has confidence that those serving in positions of public trust are acting in the best interests of the community.

All officials, appointees, and employees are expected to comply with both the letter and the spirit of this Code of Ethics and to actively avoid situations that may result in ethical conflicts or the appearance of impropriety.

Recognizing that ethical challenges may arise in the course of public service, the purpose of this Code of Ethics is to:

- (1) Define acceptable conduct and identify actions that constitute a breach of the public trust, particularly in areas such as the use of public office for private gain, employment or supervision of family members, gifts, conflicts of interest, prior and outside employment, post-employment restrictions, improper use of confidential information, and other ethical matters consistent with the Town Charter;

- (2) Establish a clear and accessible process that allows residents and stakeholders to report potential ethical violations and pursue local enforcement, ensuring that any breach of the public trust can be properly investigated and addressed.

In accordance with the Town of Keystone Home Rule Charter Section 2.11, the Town of Keystone Code of Ethics is adopted as an exercise of the Town's exclusive home rule authority and reflects a proper exercise of the Town Council's legislative power on behalf of the Town. This Code supersedes any conflicting provisions of Colorado state law, including those found in Article XXIX of the Colorado Constitution ("Ethics in Government").

The Town Council has deliberately considered and evaluated all subject areas addressed in Article XXIX. Where this Code addresses the same topics, it does so intentionally and with the purpose of governing them under local law. Where this Code omits or addresses such topics differently, the Council has likewise acted intentionally, having reviewed and determined an alternative local approach is appropriate.

Sec. 2. Applicability.

This Code of Ethics applies to Public Servants of the Town of Keystone. A "Public Servant" means:

- (1) The elected or appointed Mayor; and
- (2) Any elected or appointed council member; and
- (3) Officials appointed by the Town Council to serve such as: Town Manager and Town Attorney; and
- (4) Employees of the Town; and
- (5) Appointed officials including all members of all boards, commissions, and bodies regardless of whether such member is a regular, or alternate member.

Sec. 3. No private right of action.

Nothing in this Code of Ethics is intended to, or does, create a private right of action against the Town or against any Public Servant based upon noncompliance with its provisions. Authority to enforce compliance with this Code of Ethics is vested exclusively in the Town pursuant to the provisions of the Code.

Sec. 4. Definitions.

For purposes of this Article, the following terms have the assigned meaning:

- (a) *Business* means a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, activity or entity.
- (b) *Town* means the Town of Keystone, Colorado.

(c) *Direct official action* means any action which involves:

- (1) Approving, disapproving, administering, negotiating, enforcing, or recommending for or against an application, contract, purchase order, lease, concession, franchise, grant, vendor, concessionaire, land use, or any other matter to which the Town is a party.
- (2) Enforcing laws or regulations or issuing, enforcing, or administering permits and licenses;
- (3) Appointing, supervising, managing, and terminating employees, temporary workers, and independent contractors.

Direct official action does not include acts that are purely ministerial and mandated by law, including *pro forma* or perfunctory signing of documents on behalf of the Town and approval of documents as to form. Also, a person who abstains from a vote is not exercising direct official action.

(d) *Employee* means any person in the employ of the Town or of any of its agencies or departments but excluding the Mayor, Town Council Members, Town Manager and Town Attorney. Independent contractors and volunteers are not deemed employees.

(e) *Financial interest* means any interest equated with money or its equivalent. Financial interest shall not include the interest that a Public Servant or relative has as:

- (1) an employee of a business, or as a holder of an ownership interest in such business, in a decision of any public body, when the decision financially benefits or otherwise affects such business but entails no foreseeable, measurable financial benefit to the officer, employee or relative;
- (2) a non-salaried officer or member of a nonprofit corporation or association or of an educational, religious, charitable, fraternal or civic organization in the holdings of such corporation, association or organization;
- (3) a recipient of public services when such services are generally provided by the Town on the same terms and conditions to all similarly situated citizens, regardless of whether such recipient is a Public Servant or relative;
- (4) a recipient of a commercially reasonable loan made in the ordinary course of business by a lawfully established financial or lending institution;
- (5) a shareholder in a mutual or common investment fund in the holdings of such fund unless the shareholder actively participates in the management of such fund;
- (6) a policyholder in an insurance company, a depositor in a duly established savings association or bank, or a similar interest-holder, unless the discretionary act of such person, as a Public Servant, could immediately, definitely and measurably affect the value of such policy, deposit or similar interest;

- (7) an owner of government-issued securities unless the discretionary act of such owner, as a Public Servant, could immediately, definitely and measurably affect the value of such securities; or
 - (8) the interest that a Public Servant has in the compensation received from the Town for services provided to the Town as a Public Servant.
- (f) *Gift* means a payment, subscription, advance, favor, promise of future employment, forbearance, discount, promise of future employment, or deposit of money, goods, services, or anything of value given, unless consideration of equal or greater value is received in exchange.
- (g) *Immediate family* means a spouse, civil union partner, domestic partner, fiancé/fiancée, parents, children, brothers, sisters, aunts, uncles, nieces, nephews, grandparents, grandchildren, great grandparents, great grandchildren, first cousins, including step relatives and in-laws, and any person with whom he or she is cohabiting.
- (h) *Personal interest* means any interest (other than a financial interest) by reason of which a Public Servant, or a relative of such Public Servant, would, in the judgment of a reasonably prudent person, realize or experience some direct and substantial benefit or detriment different in kind from that experienced by the general public. Personal interest shall not include:
- (1) The interest that a Public Servant or relative has as a member of a board, commission, committee, or authority of another governmental entity, nonprofit corporation, association, or civic organization shall not be considered a personal interest unless the circumstances suggest that the Public Servant could realize a direct and substantial benefit or detriment distinct from that of the general public, such as holding a leadership position or when the organization is directly affected by the matter under consideration;
 - (2) the interest that a Public Servant or relative has in the receipt of public services when such services are generally provided by the Town on the same terms and conditions to all similarly situated citizens; or
 - (3) the interest that a Public Servant has in the compensation, benefits, or terms and conditions of his or her employment with the Town.

Examples of personal interest include an increase in the value of a real property interest or advancement of an employment opportunity.

- (i) *Public body* means the Town Council or any authority, board, committee, commission, department, or office of the Town.
- (j) *Relative* means the spouse, civil union partner, or minor child of the Public Servant, any person claimed by the officer or employee as a dependent for income tax purposes, or any person residing in and sharing with the Public Servant the expenses of the household.

Division 2 - Prohibited Acts

Sec. 1. Gifts.

(a) Gifts Prohibited: A Public Servant shall not accept any gift (as defined) if:

- (1) The Public Servant is in a position to take direct official action with regard to the giver of the gift; or
- (2) The Town has or is known to be likely to have a transactional, business, or regulatory relationship with the giver of the gift.

A gift made to a relative of the Public Servant shall be considered a gift made to the Public Servant notwithstanding the Public Servant's knowledge of such gift.

(b) Exceptions and Items not Considered Gifts: Provided that the gift could not be reasonably considered a bribe or a means of improper influence on a direct official action, the following shall not be considered gifts for purposes of this section:

- (1) Campaign contributions as permitted by law.
- (2) An unsolicited item or items of value less than the dollar amount established and adjusted in Colorado Constitution, article XXIX, Section 3(6), per vendor or third-party per year. As of January 1, 2023, that amount is seventy-five dollars (\$75.00) and the amount increases periodically in accordance with Colorado Constitution, article XXIX, Section 3(6). In valuing the unsolicited item or items:
 - a. The cost of the gift is the retail value of the item unless the receiver has knowledge that the giver paid more than the retail value, in which case the cost is the amount actually paid.
 - b. For a charity event, the cost of the event is the amount the event organizer reports to the Internal Revenue Service as the non-deductible portion of the event.
 - c. It is not permissible to pay part of the cost of a gift that is offered with a value exceeding the amount set forth in subsection (b)(2) of this section to reduce the value to less than the amount set forth in subsection (b)(2) of this section in order to accept the gift.
- (3) An unsolicited token or award of appreciation that is reasonable in value and purpose given the position and responsibility of the Public Servant, such as plaques and professional awards.
- (4) Items of perishable or nonpermanent value, including but not limited to meals, lodging, travel expenses, or tickets to sporting, recreational, education, or cultural events provided that the value of the item is reasonable and would be customarily accepted when considering the Public Servant's position, responsibility, and role in the Town.

- (5) Tickets or entry fees to an event expressly advertised for the purpose of benefiting and advancing the purpose of a non-profit organization, *e.g.*, greens fees for a golf event benefiting a recognized local charity.
- (6) Unsolicited informational material, publications, or subscriptions related to the recipient's performance of duties within the scope of elected or appointed office or employment.
- (7) Admission to, and the cost of food or beverages consumed at, a reception, meal or meeting by an organization before whom the recipient appears in an official, representative capacity to speak or to answer questions as part of a scheduled program.
- (8) Reasonable expenses paid by a nonprofit organization or federal, state, or local government for attendance at a convention, fact-finding mission or trip, or other meeting if the person is scheduled to deliver a speech, make a presentation, participate on a panel, or represent the state or local government, provided that the non-profit organization receives less than five percent (5%) of its funding from for-profit organizations or entities.
- (9) A gift from an individual who is an immediate family member or personal friend on a special occasion.
- (10) A component of compensation paid or other recognition given in the normal course of employment, appointment, volunteer services, or business.
- (11) Any scholarship or grant or other financial aid for education given to any Public Servant or immediate family member for any reason.
- (12) Awards or prizes given at competitions or drawings at events open to the public.
- (13) Discounts that are similarly available to all employees of the Town, or discounts that are offered to the public generally or to a large segment of the public (*i.e.*, all uniformed personnel, all government employees, or all first responders).
- (14) Any exemption granted or exception recognized pursuant to Federal or State law.
- (15) Any other exceptions as may be specified in an Advisory Opinion as described in Section 2 of Division 4.

Sec. 2. Fraudulent activity.

- (a) A Public Servant shall not engage in any of the following activities:
 - (1) Receipt of a bribe or kickback, or willing participation in a scheme of bribery;
 - (2) Misappropriation of Town funds, supplies, assets, or resources;
 - (3) Falsification of Town records, including personnel records;

- (4) Forgery or alteration of any public record;
- (5) Accepting, requesting, or seeking any material item or pecuniary benefit from contractors, vendors, or parties providing services or materials to the Town where such item or benefit may be reasonably viewed as intending to improperly influence the Public Servant.

Sec. 3. Employment and supervision of immediate family members.

- (a) Unless he or she obtains a waiver pursuant to Section 2 of Division 4, a Public Servant shall not appoint or hire a member of his or her immediate family for any type of employment, including, but not limited to, full time employment, part time employment, permanent employment, and temporary employment.
- (b) A Public Servant shall not supervise or be in a direct line of supervision over a member of his or her immediate family. If a Public Servant comes into a direct line of supervision whether by employment or contractual relationship of a member of his or her immediate family, he or she shall have six (6) months to come into compliance or to obtain a waiver pursuant to Section 2 of Division 4.

Sec. 4. Conflict of interest.

- (a) *Conflicts of Interest* as defined by this Section are prohibited.
- (b) Sales to the Town. A Public Servant, or relative of such Public Servant, shall not have a financial interest in the sale to the Town of any real or personal property, equipment, material, supplies or services, except personal services provided to the Town as a Public Servant, if:
 - (1) such Public Servant is a member of Town Council;
 - (2) such Public Servant exercises, directly or indirectly, any decision-making authority on behalf of the Town concerning such sale; or
 - (3) in the case of services, such Public Servant exercises any supervisory authority in his or her role as a Town officer or employee over the services to be rendered to the Town.
- (c) Purchases from the Town. A Public Servant or relative shall not, directly or indirectly, purchase any real or personal property from the Town, except such property as is offered for sale at an established price, and not by bid or auction, on the same terms and conditions as to all members of the general public.
- (d) Interests in other decisions. Any Public Servant who has, or whose relative has, a financial or personal interest in any decision of any public body of which he or she is a member or to which he or she makes recommendations, shall, upon discovery thereof, disclose such interest in the manner prescribed in Section 2(a) of Division 4, and shall refrain from taking direct official action in the manner prescribed in Section 2(b) of Division 4, attempting to influence, or otherwise participating in such decision in any manner as a Public Servant.

- (e) A Public Servant who determines that his or her actions arise to a Conflict of Interest is required to disclose the conflict in the manner prescribed in Section 2(a) of Division 4, and shall refrain from taking direct official action in the manner prescribed in Section 2(b) of Division 4.

Sec. 5. Prior employment.

No person shall be disqualified from service with the Town as a Public Servant solely because of his or her prior employment. However, Public Servants shall not take any direct official action with respect to matters involving their former employers for a period of six (6) months from the date of termination of the prior employment.

Sec. 6. Outside employment or business activity.

- (a) A Public Servant's outside employment and business activities may create ethical issues addressed by this Code of Ethics and, in particular, potential conflicts of interest addressed by Section 4 of Division 2.
- (b) Disclosure of Employment and Other Business Activities: All Public Servants shall report in writing to the Town Clerk any existing or proposed outside employment or other outside business interests such as membership on volunteer, non-profit, homeowners' association (HOA), or for-profit boards or commissions that engages with or seeks to influence decisions by the Town, or that may reasonably be perceived to affect their responsibilities to the Town. After being hired, elected, or appointed, all Public Servants shall report to the Town Clerk any changes of employment or changes to outside business interests that may affect the person's responsibilities to the Town, within thirty days after accepting the same. An employee must obtain approval as required by the Town's Human Resources guideline before engaging in outside employment.
- (c) The Town Clerk shall maintain for public inspection all reporting made by Public Servants pursuant to this section.
- (d) Town resources may not be used for any outside employment or outside business activity.
- (e) Public Servants serving on governing boards of homeowners' associations (HOAs) must disclose such affiliations to the Town Clerk. If the HOA is directly affected by a matter before the Council or relevant Town board, commission, or committee, the Public Servant shall consider recusal to avoid a conflict of interest or the appearance thereof, particularly if the individual holds a leadership role (e.g., president, vice president). The decision to participate should be guided by the principles set forth in Section 4 of Division 2 on Conflict of Interest and the standard of a reasonably prudent person.

Sec. 7. Discrimination and harassment prohibited.

- (a) General Rule. Town affairs must be conducted without bias or prejudice. A Public Servant shall not, in the performance of official duties, manifest by words or conduct any bias, prejudice, or discrimination toward any person, group, or entity. This includes, but is not limited to, bias or prejudice based on race, color, ethnicity, national origin, ancestry,

religion or creed, sex, gender, gender identity or expression, sexual orientation, marital or familial status, age, disability, genetic information, military or veteran status, socioeconomic status, or any other characteristic protected by law. A Public Servant shall also not permit others under their direction or control to engage in such conduct.

(b) Exceptions. A Public Servant is not liable under subsection (a) for:

- (1) conduct undertaken in good faith
 - (i) to implement an existing Town policy, or
 - (ii) to carry out the direction of a superior; or
- (2) conduct involving the legitimate advocacy of a position relating to race, sex, religion, national origin, disability, age, sexual orientation, or socioeconomic status
 - (i) in litigation or similar proceedings, or
 - (ii) incidental to the formation of Town policy.

(c) Definitions. For purposes of this section:

- (1) “Words or conduct” manifesting “bias or prejudice” includes, but is not limited to, physical abuse, verbal abuse, threats, intimidation, harassment, coercion, assault, stalking, hate speech, and other conduct that threatens or endangers the health or safety of any person.
- (2) “Good faith” means that the Town official or employee has a reasonable basis for believing, and does believe, that the conduct in question is lawful and not discriminatory.
- (3) “Legitimate advocacy” means that the position espoused is not frivolous.

Sec. 8. Criminal offenses.

All Public Servants are expected to comply with the law. It is a violation of the Code of Ethics to be convicted (including a plea of *nolo contendere* or no contest) of a crime that reasonably demonstrates an unfitness for public service or intentional disregard for the public trust or public property. Such offenses include, but are not limited to, crimes against fellow Public Servants or their property, theft or vandalism of public property, offenses involving fraud (see Article 5, Title 18, C.R.S.), offenses relating to morals (see Article 7, Title 18, C.R.S.), or offenses involving governmental operations (see Article 8, Title 18, C.R.S.). It is not the intent of this section to recognize as an ethical violation traffic offenses or misdemeanors which are unrelated to the Public Servant’s official duties or employment.

Sec. 9. Special consideration.

A Public Servant shall not request or provide any special treatment, favors, or advantages to any individual that are not equally available to others in similar situations or with similar needs.

All actions and decisions must be based on fairness, consistency, and impartial application of rules and policies.

Sec. 10. Use of public property.

A Public Servant shall not use or authorize the use of Town time, facilities, equipment or supplies for personal or private benefit. It is not a violation of the section to communicate or correspond with a Public Servant's constituents, family members, or co-workers.

Sec. 11. Use of public office for private gain.

A Public Servant shall not use their official position or confidential information to seek or secure personal benefit for themselves, their immediate family, any business with which they are associated, or any person or organization with whom they are negotiating or have an agreement for future employment.

Sec. 12. Use of confidential records.

A Public Servant shall not disclose or use any non-public information or records obtained through their official duties, except when required to do so in the performance of those duties or as mandated by law or court order.

Sec. 13. Aiding others.

A Public Servant shall not knowingly aid or assist any Public Servant in the violation of any provision of this Code of Ethics.

Division 3 - Discouraged Acts

Sec. 1. Subsequent employment or appointment.

- (a) For a period of six (6) months after leaving Town office or employment—whether by expiration of term, resignation, or termination—a former Public Servant should not accept any appointment or employment that:
 - (1) Was not available to others through a competitive process, and
 - (2) Involves acting on the same matters over which the individual exercised direct official action during their service with the Town.
- (b) For the purposes of this section, “unavailable to others” refers to positions obtained through a non-competitive process. Positions filled by public election or appointment by elected officials are not considered “unavailable to others.”

Sec. 2. Appearances of impropriety discouraged.

- (a) An appearance of impropriety arises when a Public Servant is expected to take, or may take, direct official action that—while not amounting to a formal Conflict of Interest—could reasonably be perceived as compromising the Public Servant's integrity, impartiality, or

competence. Examples of situations that may create such an appearance include, but are not limited to:

- (1) Taking official action involving a close personal friend.
 - (2) Receiving an official notice of a quasi-judicial hearing due to the Public Servant's ownership or lease of property affected by the matter.
 - (3) Participating in a quasi-judicial decision after having publicly expressed a personal opinion, position, or bias on the issue.
- (b) If a Public Servant believes that their involvement may create an appearance of impropriety, they are strongly encouraged—but not required—to disclose the situation under Section 1 of Division 4. They may also choose to recuse themselves from participation if they believe it is appropriate.
- (c) A violation of this section does not constitute a violation of the Code of Ethics. However, compliance with this section does not excuse or defend a violation of any other provision of the Code.

Division 4 - Disclosure and Recusal Procedure

Sec. 1. Disclosure and recusal procedure and challenges.

- (a) Disclosure.
- (1) A Public Servant shall disclose any potential or actual Conflict of Interest, and may voluntarily disclose any appearance of impropriety, as soon as the issue becomes reasonably known to them.
 - (i) For Town Council members, disclosure shall be made either orally at a public meeting or in writing to all other Council members.
 - (ii) For the Town Manager or Town Attorney, disclosure shall be made either orally at a public meeting or in writing to the Town Council.
 - (iii) For appointed officials, disclosure shall be made either orally at a meeting or in writing to all other members of the relevant board or commission.
 - (iv) For employees, disclosure shall be made in writing to their immediate supervisor.
 - (2) A disclosure must state whether it concerns a Conflict of Interest or an appearance of impropriety, describe the general nature of the interest involved, indicate whether the matter may result in an economic or financial benefit or detriment, and include the estimated value of any such benefit or detriment.
- (b) Recusal. When recusal is required due to a Conflict of Interest, or voluntarily undertaken due to an appearance of impropriety, the Public Servant shall:

- (1) Avoid any communication with other Public Servants regarding the matter and not attempt to influence their decisions.
- (2) Abstain from voting on or taking any official action related to the matter.
- (3) Physically leave the room or premises during discussion, deliberation, or decision-making on the matter.

The Town Council may, by majority vote, require the recusal of a Council member in accordance with subsection (c)(1). The Town Manager may require the recusal of an employee in accordance with subsection (c)(2). Failure to comply with a required recusal shall be considered a violation of this Code of Ethics.

Exception: A Town Council member may participate and vote on a matter involving a Conflict of Interest if necessary to achieve a quorum or allow Council action, and if the member complies with the disclosure requirements set forth in Section 24-18-110, C.R.S.

(c) Challenges for Conflict of Interest

(1) Challenge of Town Council Member:

Any person may challenge a Council member's failure to disclose a Conflict of Interest or failure to recuse. The challenge must be submitted in writing to the Town Council or stated orally during a public meeting and must include the supporting facts. The Council shall promptly investigate the challenge, may request an opinion from the Town Attorney, and may determine by majority vote (excluding the challenged member) whether a Conflict exists and whether recusal is required. This determination is final and not subject to appeal.

(2) Challenge of Employee:

Any person may submit a written challenge regarding an employee's failure to disclose or recuse, addressed to the Town Manager and copied to the Mayor. The Town Manager shall promptly investigate and determine whether a Conflict exists and whether recusal is required. This determination is final and not subject to appeal.

(3) Challenge of Other Public Servants:

Challenges concerning any other Public Servant must be submitted either in writing or orally during a public meeting to the person's appointing authority or board/commission chair, and must include facts supporting the challenge. The appointing authority or the relevant board/commission shall investigate and determine whether a Conflict exists and whether recusal is required. This determination is final and not subject to appeal.

Sec. 2. Advisory opinions and waivers.

- (a) Any Public Servant may submit a written request to the Town Attorney for an advisory opinion on whether a specific action would violate the Code of Ethics. If the Town

Attorney's opinion is based on full and accurate disclosure of all relevant facts, it shall serve as a specific defense against enforcement for failure to disclose a Conflict or to recuse, under this Code.

- (b) Noncompliance with advisory opinions. If the Town Attorney believes an advisory opinion has not been followed, they shall notify the individual and their appointing authority. The appointing authority shall, after consulting with the Town Attorney, take appropriate action to ensure compliance.
- (c) Waivers. Any current, former, or prospective Public Servant may submit a written request for a waiver of any provision of the Code of Ethics before taking the action in question.
 - (1) For elected or appointed officials, the Town Council may grant a waiver upon finding that it serves the best interests of the Town. The Council shall provide appropriate public notice, and the waiver request shall be heard in an open public meeting.
 - (2) For employees, the Town Manager may grant a waiver if they find that the benefit to the Town outweighs any potential harm.

Division 5 - Enforcement Process for Code of Ethics

Sec. 1. Flexibility in enforcement process intended.

The enforcement provisions of this Code of Ethics are intended to strike a balance between several important considerations: the seriousness of the alleged violation, the need for a fair and timely resolution, the equitable treatment of all parties involved, and the responsible use of public resources. To achieve this balance, the Code allows the Town Council, acting as the Board of Ethics, the flexibility to determine the most appropriate method of enforcement based on the circumstances of each case.

These enforcement procedures apply to ethics allegations involving all Public Servants, excluding employees. Alleged ethical violations by employees are addressed separately in Section 11 of Division 5.

Sec. 2. Definitions for enforcement process.

For purposes of the enforcement process under this Code of Ethics, the following terms are defined as follows:

- (a) *Business day* means a calendar day that is not a Saturday, Sunday, or official Town holiday on which Town offices are closed to the public.
- (b) *Complainant* means the individual who files a Verified Complaint with the Town pursuant to Section 4 of Division 5.
- (c) *Respondent* means the individual alleged in a Verified Complaint to have violated the Code of Ethics.

- (d) *Verified Complaint* means a written complaint that meets the content requirements of Section 4(c) of Division 5.

Sec. 3. General provisions related to enforcement.

- (a) The Complainant shall not participate in the enforcement process beyond serving as a witness, unless otherwise permitted by the Code of Ethics.
- (b) Disqualification. If the Mayor or a Town Council member is named as the Respondent in a Verified Complaint, that individual must disqualify themselves from participating in any proceedings related to the complaint.
- (c) No Ex Parte Communications. Neither the Respondent nor the Complainant—or their representatives—may engage in ex parte communications with the Town Council, Board of Ethics, Hearing Body, or Hearing Officer regarding any aspect of the Verified Complaint, except as expressly authorized by the Code of Ethics. All communications or inquiries must be directed to the Town Attorney.
- (d) The Town Attorney shall serve as legal advisor to the Board of Ethics. If the Town Attorney is named as the Respondent in a Verified Complaint, has a Conflict of Interest, or declares an appearance of impropriety, the Board of Ethics shall appoint an alternative advisor.
- (e) Members of the Board of Ethics must remain unbiased and neutral in processing all Verified Complaints. A prior professional relationship between a Board member and the Respondent does not, by itself, create an appearance of impropriety. However, any Board member who cannot remain impartial or who has a Conflict of Interest shall recuse themselves in accordance with Section 1 of Division 4.
- (f) Administrative meetings of the Board of Ethics shall be held during regular or special meetings of the Town Council. However, Informal Administrative Reviews and Formal Hearings may be scheduled separately at dates and times set by the Board of Ethics. A quorum of the Board shall consist of three (3) or more members, and unless otherwise specified in the Code of Ethics, a majority vote of a quorum present is required for any decision.

Sec. 4. Filing a complaint.

- (a) Verified Ethics Complaint.
 - (1) An ethics action is initiated by submitting a formal written ethics complaint (“Verified Complaint”) with the Town.
 - (2) Any person, either individually or on behalf of an organization, may file a Complaint with the Town.
- (b) Contents of the Verified Complaint. A Verified Complaint must set forth the following:

- (1) The name of the individual submitting the Verified Complaint, either personally or on behalf of an organization, along with their mailing address, telephone number, and, if available, email address. Anonymous submissions will not be accepted.
- (2) The name of the person(s) alleged to have violated the Code of Ethics.
- (3) A detailed description of the facts supporting the alleged violation, along with a specific citation to the provision(s) of the Code of Ethics alleged to have been violated.
- (4) The names of any witnesses with knowledge of the relevant facts, along with sufficient contact information for each witness.
- (5) The signature of the person submitting the complaint, accompanied by the following verification statement:

“The undersigned hereby certifies or affirms that the information contained within this Verified Complaint is true to the best of my knowledge, information, and belief formed after reasonable reflection. I have not filed this Verified Complaint for the purpose of harassment or to falsely disparage the individual(s) claimed to have committed violations of the Keystone Code of Ethics.”

- (c) Filing of the Verified Complaint. A Verified Complaint must be submitted by mail or hand delivery to any one of the following:

- (1) The Mayor (or, if the Complaint concerns the Mayor, the Mayor Pro Tem);
- (2) The Town Clerk (or, if the Complaint concerns the Town Clerk, the Town Manager); or
- (3) The Town Attorney (or, if the Complaint concerns the Town Attorney, the Town Manager).

The Complaint shall be considered filed on the date it is received by any of the persons listed above.

- (d) Processing of the Verified Complaint

- (1) Within five (5) business days of the filing date, the Town Attorney shall deliver a copy of the Verified Complaint to the Respondent, along with a dated cover letter and a copy of the Code of Ethics.
- (2) The Respondent may submit a written response (“Answer”) to the allegations within twenty-one (21) calendar days from the date shown on the cover letter.
- (3) Within five (5) business days of the filing date, the Town Attorney shall also distribute a copy of the Verified Complaint to:

- (i) All members of the Board of Ethics, and
- (ii) The Town Manager.

The Town Attorney shall also deliver the Respondent's Answer (if submitted) to both the Board of Ethics and the Complainant.

Sec. 6. Initial administrative review.

No sooner than thirty (30) calendar days after the Verified Complaint is filed, the Board of Ethics shall convene during a regular or special public meeting to review the Verified Complaint and any Answer received. This review may occur in executive session as permitted under Section 24-6-402, C.R.S.

Based on the Verified Complaint and the Respondent's Answer (if any), the Board of Ethics may make one or more of the following determinations:

- (a) Proceed with Review. That the Verified Complaint alleges facts that may constitute a violation of the Code of Ethics and warrants further review.
- (b) Dismiss the Complaint. That one or more claims in the Verified Complaint should be dismissed without further action for any of the following reasons:
 - (1) The Board lacks jurisdiction over the individual(s) named;
 - (2) Even if true, the alleged conduct would not constitute a violation of the Code of Ethics;
 - (3) The allegations were previously raised in another Verified Complaint and are already under consideration or were resolved;
 - (4) The alleged violation is minor in nature and does not justify use of public resources;
 - (5) The conduct occurred more than one year before the complaint was filed, and due to the passage of time, evidence, witnesses, or recollections are likely unavailable, making prosecution impractical;
 - (6) The Complaint is frivolous, groundless, or brought for purposes of harassment;
 - (7) The alleged violation is unlikely to be proven by a preponderance of the evidence due to reliance on conflicting oral testimony or unverifiable statements;
 - (8) The Respondent has admitted wrongdoing and made or committed to make sufficient redress or corrective action acceptable to the Board of Ethics;
 - (9) The matter is moot or will become moot because the Respondent is no longer (or will soon no longer be) a Public Servant before the conclusion of the process;
 - (10) The Respondent previously received an advisory opinion under Section 2 of Division 4 indicating that the conduct did not violate the Code of Ethics;

- (11) The Board has referred the matter to a more appropriate agency with jurisdiction, such as law enforcement, the District Attorney, the State Attorney General, or another public body better positioned to address the complaint;
- (12) Any other reason based on legal principles applicable to civil cases.

A decision to dismiss any claim, along with the written reason for dismissal, shall be made publicly available. The Board of Ethics retains the authority to dismiss allegations at any time during the enforcement process.

Sec. 7. Prosecution of allegations.

Following the Initial Administrative Review, if the Board of Ethics determines that the Verified Complaint alleges facts that may be sufficient to constitute a violation of the Code of Ethics, the Board may initiate one or more of the following enforcement processes:

- (a) **Assignment to Investigation.** An investigation may be initiated when the allegations involve serious and disputed factual issues that could be resolved through the independent review of evidence and interviews with witnesses. This process is appropriate when additional fact-finding is necessary to determine whether a violation occurred.
- (b) **Informal Administrative Review.** An Informal Administrative Review may be used to address significant ethical concerns while ensuring the efficient and reasonable use of public resources. This process is intended to serve as the primary and more common method for resolving ethical allegations. It allows for resolution without the formality of a hearing when the issues can be fairly addressed through a streamlined process.
- (c) **Formal Hearing.** A Formal Hearing is reserved for cases involving serious and contested allegations of unethical conduct that may require a public proceeding to fully address the facts and to restore public confidence in the Town's governance and the integrity of its Public Servants. This process typically involves greater procedural formality and use of public resources.

Sec. 8. Investigation.

- (a) **Scope of Investigation.** When the Board of Ethics refers a Verified Complaint for investigation, the referral must include the following elements:
 - (1) The individual, firm, or agency assigned to conduct the investigation;
 - (2) A clear statement of the scope and purpose of the investigation, including the specific issues the Board seeks to have addressed;
 - (3) A budget for the investigation;
 - (4) A timeline for completion, including delivery of the investigator's report or work products. The investigation must be completed within forty-five (45) days, unless the Board of Ethics approves an extension;

- (5) The name of the Town staff member or contractor responsible for administering and overseeing the investigation;
 - (6) Authorization for the Board of Ethics to enter into contracts necessary to carry out the investigation.
- (b) Confidential work product investigation report. If requested by the Board of Ethics, the appointed investigator shall prepare a written report. This report is considered a confidential work product and is not subject to public disclosure, as it is an inter-agency advisory or deliberative document prepared for the benefit of the Town Council to assist in decision-making. See Section 24-72-202(6.5), C.R.S.
 - (c) Subpoena power. The investigator is authorized to issue and serve administrative subpoenas, in a form approved by the Town Attorney, to compel the production of documents or the appearance of witnesses for interviews. A party's failure to comply with a subpoena shall be noted in the investigator's report, and the Board of Ethics may draw reasonable inferences from such failure as it deems appropriate.
 - (d) After submitting the investigation report, the investigator shall have no further role in the complaint process except to serve as a witness, if called upon.

Sec. 9. Informal administrative review.

- (a) Purpose. The Informal Administrative Review process allows the Board of Ethics to consider allegations from a Verified Complaint using an expedited and cost-effective procedure. The process may be modified at the discretion of the Board based on the nature and complexity of the allegations, without formal amendment to this Code of Ethics.
- (b) Notice of Hearing. Notice of the Informal Administrative Review hearing shall be provided to both the Respondent and Complainant at least twenty-one (21) days before the scheduled date. The notice will include the date, time, location, and purpose of the hearing.
The Town may also post notice on its official website to inform the public of the upcoming proceeding.
- (c) Submission of Materials. The notice will specify the deadline for submission of any supporting documentation, affidavits, or witness statements. Materials submitted after the deadline will not be accepted. The notice shall also inform parties that they may have individuals present at the hearing to respond to questions posed by the Board of Ethics; however, no formal testimony will be scheduled.
- (d) Hearing Procedure. At the designated hearing, the Board of Ethics may consider all documentation submitted before the deadline. Board members may ask questions of individuals in attendance. However:
 - (1) Formal testimony is not required or scheduled;
 - (2) Oral presentations are not expected;

(3) Cross-examination is not permitted.

- (e) **Deliberation and Decision.** After reviewing the materials and any informal responses, the Board of Ethics shall deliberate and determine whether the allegations in the Verified Complaint have been proven by a preponderance of the evidence. A majority vote of the quorum present is required for any decision.

If the Board finds a violation, it may impose one or more of the following penalties, by majority vote of all Board members:

- (1) Oral or written reprimand delivered to the Respondent;
- (2) Public reprimand announced or read during a Town Council meeting;
- (3) Suspension or removal from a Town-appointed committee, board, liaison role, or representative position;
- (4) Restitution or reimbursement of damages to the Town or a harmed party, not to exceed the Respondent's remaining salary or compensation for their term in office;
- (5) A financial penalty equal to twice the amount of any benefit gained through unethical conduct;
- (6) Any other penalty deemed just and appropriate, based on the severity of the violation and any mitigating factors.

Important Limitation: The Board of Ethics may not impose suspension or removal from elected office through the Informal Administrative Review process.

Sec. 10. Formal hearing.

- (a) **Referral to Formal Hearing.** If one or more allegations are not dismissed following the initial review, the Board of Ethics may direct that the matter proceed to a Formal Hearing as outlined in this section.
- (b) **Appointment of Ethics Prosecutor.** Subject to Town Council contract approval, the Board of Ethics may appoint an Ethics Prosecutor, who must be a licensed attorney. The Ethics Prosecutor is authorized to perform all duties under this section and their contract. Once appointed, the Prosecutor's name shall be provided to the Respondent via hand delivery or mail.
- (c) **Notice of Formal Hearing.** A Notice of Formal Hearing will be mailed to the Respondent and the Ethics Prosecutor. The notice shall include:
 - (1) A summary of the alleged violations;
 - (2) Notification that the Respondent may be represented by legal counsel or another representative at their own expense;

- (3) An invitation for the Respondent to submit a new or updated Answer to the Verified Complaint within 21 calendar days of receiving the Notice. The updated Answer shall be promptly delivered to the Ethics Prosecutor.
- (d) Appointment of Hearing Officer or Hearing Body. The Board of Ethics shall appoint one of the following to preside over the Formal Hearing:
 - (1) A Hearing Officer, or
 - (2) A Hearing Body, which may consist of:
 - (i) A three-member panel of the Board of Ethics;
 - (ii) The full Board of Ethics; or
 - (iii) An odd-numbered panel of Town residents (not to exceed seven), selected randomly from volunteers. Alternate members may be selected in case of unavailability.

The chairperson of the Hearing Body or the Hearing Officer shall manage pre-hearing matters and preside at the hearing. Their names shall be mailed to the Respondent and the Ethics Prosecutor.

- (e) Challenges for Bias or Prejudice. Within seven (7) days of receiving notice of appointments, the Respondent or Complainant may submit a written challenge to any Hearing Officer, Hearing Body member, or the Ethics Prosecutor for alleged bias or prejudice. The Board of Ethics will rule on such challenges and, if warranted, appoint a replacement. Late challenges will not be considered.
- (f) Pre-Hearing Procedures
 - (1) Setting the Hearing Date: The Town Attorney or Board-appointed representative shall coordinate with the parties to schedule a hearing. Notice of the hearing will be mailed to all involved parties. Any rescheduling must be approved by the Hearing Officer or Hearing Body.
 - (2) Pre-Hearing Statements: At least 21 days before the hearing, each party shall submit a pre-hearing statement including:
 - (i) Final witness list with a summary of testimony and estimated time for direct examination;
 - (ii) Final exhibits; and
 - (iii) Any stipulations agreed upon. Evidence not disclosed by the deadline shall be inadmissible unless good cause is shown.
 - (3) Pre-Hearing Conference: The chairperson or Hearing Officer may schedule a conference to issue a hearing order and resolve procedural or evidentiary issues.

- (4) Subpoenas: The Hearing Officer or Hearing Body may issue subpoenas to compel witness attendance or evidence production, upon motion with an offer of proof.
 - (i) Subpoenas must follow Colorado Rule of Civil Procedure 45 and be served at least 48 hours before the hearing. Proof of service must be shared with all parties.
 - (ii) Non-parties may move to quash or modify a subpoena; decisions will be made in consultation with the Town Attorney or assigned legal representative.
 - (iii) Subpoenas may be enforced as authorized by law.
 - (iv) Witnesses unable to appear may be required to respond to written interrogatories, participate in a deposition, or testify remotely. Costs for remote or alternative testimony shall be paid by the requesting party.
- (g) Conduct of Hearing
 - (1) The Hearing shall be conducted in an informal but fair manner.
 - (i) The Hearing Officer or Chairperson may administer oaths, rule on evidence, and maintain order.
 - (ii) Use of the Colorado Rules of Evidence is at their discretion.
 - (2) Hearing Procedure:
 - (i) Stipulated evidence is admitted at the beginning.
 - (ii) The party with the burden of proof presents first, followed by the opposing party.
 - (iii) Rebuttal evidence is allowed.
 - (iv) Witnesses may be cross-examined, and all testimony shall be under oath or affirmation.
 - (v) The Hearing Officer may limit or direct testimony to ensure relevance and professionalism.
 - (vi) Parties may make closing arguments or submit written briefs with the chairperson's consent.
- (h) Record of Hearing. An official electronic or stenographic record will be made and retained by the Town Clerk for two (2) years. No unofficial recordings shall be recognized.
- (i) Deliberation and Decision. After the hearing, the Hearing Officer or Body will deliberate and determine whether the alleged violations were proven by a preponderance of the evidence.

- (1) A written decision will be issued, including findings of fact and conclusions based on the Code of Ethics.
- (2) Only members who were present for the full hearing may participate.
- (3) Any findings and recommendations must be adopted by a two-thirds majority of the quorum present.
- (4) The written decision shall be delivered to the Board of Ethics, which will schedule formal acceptance and approval at a public meeting, also by two-thirds vote of a quorum.

Once accepted, a copy of the final findings, conclusions, and order shall be mailed to the Respondent, Complainant, and Ethics Prosecutor.

- (j) Available Penalties. If a violation is found, the Hearing Officer or Body may recommend one or more of the following:
 - (1) Oral or written reprimand (private or public);
 - (2) Removal or suspension from any Town-appointed role;
 - (3) Ineligibility for future Town appointments;
 - (4) Restitution for damages caused by the ethical violation;
 - (5) A penalty equal to double the financial benefit obtained;
 - (6) Any other just and appropriate penalty based on the seriousness of the violation and mitigating factors.
- (k) Suspension or Removal from Office. If suspension or removal from elected or appointed office is recommended, the Board of Ethics must consider the recommendation at a public meeting.
 - (1) The Respondent shall be recused if they are a member of the Town Council.
 - (2) A decision to suspend or remove requires a two-thirds (2/3) vote of all Council members in office at the time of such vote.
- (l) Appeal. Any party may appeal the final decision through Colorado Rule of Civil Procedure 106(a)(4). The date of the final decision is the date it is hand-delivered or mailed by certified mail to the parties.

Sec. 11. Enforcement of ethical violations committed by employees.

The method and manner of enforcing this Code of Ethics for allegations made against Employees shall be at the discretion of the Town Manager, who, under Keystone Charter Section 7.4, holds authority over the supervision, suspension, transfer, and termination of Employees.

In addressing ethical allegations involving Employees, the Town Manager may be guided by the purpose and intent of the enforcement provisions of this Code of Ethics, including its principles, processes, and procedures, to ensure a fair, effective, and transparent outcome that promotes employee accountability and public confidence.

Section 3. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

Section 4. Minor Revision or Correction Authorized. The Town Manager, in consultation with the Town Attorney, is authorized to make minor revisions or corrections to the codified version of the provisions of this Ordinance provided that such revisions or corrections are grammatical, typographical, numerical, or non-substantive and do not alter or change the meaning and intent of this Ordinance.

Section 5. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 6. Effective Date. This ordinance shall take effect and be enforced thirty (30) days after final publication.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON _____, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2025.

Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

Town of Keystone Code of Ethics – Training Summary for Boards and Commissions Members

Purpose and Legislative Intent

The Town of Keystone's Code of Ethics (Ordinance No. 2025-O-17) establishes standards of conduct for elected officials, appointed board and commission members, and Town employees. Its goal is to ensure that all public servants act with honesty, integrity, impartiality, and accountability, thereby maintaining public confidence in Town governance.

The Code defines ethical expectations, prevents misuse of public office, and promotes transparency. It emphasizes both compliance with the letter of the law and adherence to its spirit—encouraging officials to avoid not only actual impropriety but also the appearance of impropriety.

Applicability—Division 1, Sec. 2

The Code applies to all Public Servants, including:

- The Mayor and Town Council members;
- The Town Manager and Town Attorney;
- All Town employees;
- Members of all boards, commissions, and advisory bodies (regular and alternate members).

Key Ethical Standards

1. Conflicts of Interest--Division 2, Sec. 4

Public Servants must act in the best interests of the community, free from personal or financial bias. A conflict of interest occurs when an individual's private interest could improperly influence—or appear to influence—their official actions.

Public Servants must:

- Disclose any potential or actual conflicts as soon as they become known.
- Recuse themselves from discussion, influence, or voting on matters where a conflict exists.
- Avoid participating in any decision that may result in a financial or personal benefit to themselves or a relative distinct from that experienced by the general public.

Examples include matters involving:

- Businesses owned or managed by the official or their family;
- Real estate, contracts, or services involving the Town;
- Decisions that could advance the interests of a family member or close associate.

2. Gifts and Improper Influence—Division 2, Sec. 1

Public Servants may not accept gifts from individuals or entities engaged in business with the Town or subject to its regulation if the gift could influence or appear to influence their official actions.

Prohibited gifts include money, favors, services, or anything of value intended to secure favorable treatment.

Permitted items include:

- Unsolicited items of nominal value (less than \$75 per source per year, adjusted periodically);
- Campaign contributions allowed by law;
- Awards, plaques, or modest tokens of appreciation;
- Meals or event participation related to official duties;
- Family or personal gifts exchanged on special occasions.

Officials are encouraged to evaluate gifts through the lens of public perception—if it might appear to influence their judgment, it should be declined.

3. Employment and Supervision of Family Members--Division 2, Sec. 3

Public Servants may not appoint, hire, or directly supervise a member of their immediate family without an approved waiver.

If a family relationship arises during employment, the Public Servant must resolve the situation—through reassignment or recusal—within six months or obtain an approved waiver.

4. Outside Employment and Business Activities--Division 2, Sec. 6

Outside employment, volunteer service, or board memberships must not interfere with Town duties or create a conflict of interest.

Public Servants must report in writing any outside employment or business interest that could intersect with Town business.

Town resources—including time, property, or technology—may not be used for outside work or personal gain.

5. Prior and Subsequent Employment--Division 2, Sec. 5; Division 3, Sec. 1

Officials must avoid actions involving their former employers for six months following separation. Similarly, former Public Servants are discouraged from accepting Town-related positions for six months after leaving service if the role involves matters they previously oversaw or influenced.

6. Use of Public Office and Property--Division 2, Secs. 10 and 11

Public office must never be used for private benefit. Officials are prohibited from:

- Using confidential or non-public information for personal or financial advantage;
- Using Town equipment, facilities, or resources for personal or political purposes;

- Granting special treatment or favors to any individual or group not available to the public generally.

Transparency, fairness, and equal treatment are central to maintaining trust in public decision-making.

7. Fairness, Equity, and Non-Discrimination--Division 2, Sec. 7

Public Servants must conduct all Town business without bias or prejudice.

They may not, in words or conduct, show discrimination or favoritism based on race, gender, religion, national origin, sexual orientation, age, disability, socioeconomic status, or any protected classification.

The Code emphasizes respect, inclusion, and professionalism in all public interactions.

8. Integrity and Accountability--Division 2, Secs. 2, 8, and 13

Fraud, falsification of records, theft, or misuse of Town resources are strictly prohibited.

Public Servants are expected to comply with all laws and maintain ethical behavior both in and out of the workplace, as criminal acts involving dishonesty or abuse of public trust are deemed ethical violations.

They are also responsible for reporting misconduct and must not assist others in violating the Code.

9. Confidentiality and Records--Division 2, Sec. 12

Non-public or sensitive Town information must not be disclosed or used for personal benefit.

Information learned in official capacity should only be shared when legally required or in direct fulfillment of Town duties.

10. Avoiding the Appearance of Impropriety--Division 3, Sec. 2

Even when an action is legally permissible, officials should avoid situations that could appear unethical to a reasonable observer.

Examples include:

- Participating in matters involving close personal friends;
- Deciding on issues where one holds property affected by the outcome;
- Acting on issues where prior public statements suggest bias.

When in doubt, disclosure and voluntary recusal are encouraged to preserve public confidence.

Disclosure, Recusal, and Advisory Guidance--Division 4, Sec. 1

Public Servants must promptly disclose any actual or potential conflict.

Disclosures can be made orally during meetings or in writing to the Town Clerk, Council, or relevant board.

When a conflict is identified:

- The individual must refrain from participation or influence;

- They should leave the room during deliberations;
- They may seek an advisory opinion from the Town Attorney for clarification.

Waivers may be granted when serving the Town's best interests, but only through formal public processes.

Summary Principles

1. Act in the Public Interest – Place community welfare above personal or private interests.
2. Be Transparent – Disclose conflicts, relationships, and financial interests.
3. Be Fair – Treat all individuals and applicants equally and consistently.
4. Be Accountable – Accept responsibility for ethical conduct and decision-making.
5. Be Respectful – Conduct Town business with professionalism and impartiality.
6. Protect Public Trust – Safeguard Town resources and uphold confidence in local government.

Conclusion

The Keystone Code of Ethics serves as both a guide and commitment to ethical governance. For boards and commissions, it ensures that every decision is made fairly, transparently, and in the public's best interest.

Public Servants are encouraged to review the Code regularly, seek clarification from the Town Attorney, and model ethical conduct in all official interactions.

By upholding these standards, each Public Servant contributes to maintaining Keystone's integrity and the community's trust in its leadership.

Town of Keystone

Outside Employment and Business Activity Disclosure Form

(Required under Division 2, Section 6 – Code of Ethics, Ordinance No. 2025-O-17)

Public Servant Information

Name: _____

Position / Title: _____

Department / Board / Commission: _____

Date: ____ / ____ / ____

Disclosure of Employment and Other Business Activities

Pursuant to Division 2, Section 6 of the *Town of Keystone Code of Ethics*, all Public Servants shall report in writing to the Town Clerk any existing or proposed outside employment or other outside business interests such as membership on volunteer, non-profit, homeowners' association (HOA), or for-profit boards or commissions that engage with or seek to influence decisions by the Town, or that may reasonably be perceived to affect their responsibilities to the Town.

Please complete the following:

1. Description of outside employment or business interest:

2. Name of employer, organization, or business:

3. Type of activity (employment, board membership, ownership, etc.):

4. Date activity began or will begin: ____ / ____ / ____

5. If applicable, describe any change to employment or business interests since last report:

Submission

Please return this form to the **Town Clerk's Office**.

The Town Clerk shall maintain this report for **public inspection** as required by **Division 2, Section 6** of the *Town of Keystone Code of Ethics*.