

**TOWN OF KEYSTONE  
Summit County, Colorado**

**RESOLUTION 2024-43**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO  
APPROVING A POLICY TO ALLOW FOR DIGITAL SIGNATURES**

WHEREAS, the Town of Keystone ("Town") is a home rule municipality governed by the Keystone Home Rule Charter; and

WHEREAS, the Town Council, as the legislative body, and pursuant to its home-rule and general policy powers, is authorized to adopt policies that establish rules and guidelines to provide for more efficient administrative practices; and

WHEREAS, the Town is committed to providing equitable access to Town records and, to that end, it is challenging to create accessible documents from a scanned pdf; and

WHEREAS, generally, documents that are completed and executed with digital signatures have fewer accessibility errors; and

WHEREAS, the Town Council has reviewed and considered the attached Digital Signatures Policy and finds that it will serve the main objectives of providing efficient administrative practices and creating accessible Town records.

**Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:**

Section 1. The Town Council hereby adopts the Digital Signatures Policy in the form attached to this resolution and incorporated herein by this reference.

Section 2. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

**ADOPTED by a vote of 7 in favor and 0 against, this 28th day of May, 2024.**

By: Kenneth D Riley  
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: Madeleine Sielv  
Town Clerk

By: Jennifer Maden  
Town Attorney



# Town of Keystone Digital Signatures Policy

## I. PURPOSE OF POLICY:

The use of electronic signatures may provide the following benefits to the Town: security and legal compliance; integration into business processes; simplified workflow; and cost benefits. The purpose of this Policy is to provide guidance on the use of electronic signatures on approved forms and documents and legal considerations related to the use of electronic signatures.

This Policy establishes when an electronic signature may replace a hand-written signature, with the goal of encouraging the use of paperless, electronic documents whenever appropriate and allowed by law.

While the use of electronic signatures is permitted as set forth in this Policy, this Policy does not require any department to use electronic signatures.

## II. SCOPE:

This Policy applies to documents submitted to or by the Town of Keystone on which a signature may be required.

## III. DEFINITIONS:

For purpose of this Policy:

**Electronic Signature** is an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.<sup>1</sup> Examples of an electronic signature are:

- Typed name at the bottom of an email
- Typed name on a digitized document
- A handwritten signature on a scanned pdf document
- An encrypted digital signature.

**Wet Signature** means a physical handwritten signature on a piece of paper. It is called a wet signature because it is typically performed with a pen.

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<sup>1</sup> C.R.S. § 24-71.3-102

## **IV. POLICY:**

### **A. Introduction**

A signature on a document is the common method to demonstrate that the person has read, has understood, and consents to the document's terms. The signature can serve as conclusive evidence that the person has agreed to and accepted the terms.

A signature may be made by anything that marks on paper. For example, a signature may be issued by handwriting, stamp, or electronic form.

### **B. Requirements for an Electronic Signature**

The use of electronic signatures is permitted and shall have the same force and effect as a wet signature if the following criteria are met:

1. The electronic signature is unique to the person using it.
2. The electronic signature is capable of verification.
3. The electronic signature is under the sole control of the person using it (proxy signature, one person signing for another, is prohibited).

For contracts that involve significant monetary amounts or critical services, it is a best practice to link the electronic signature to the contract in such a manner that if the contract is changed after the electronic signature is affixed, the electronic signature is rendered invalid. DocuSign is one of the technologies that can accomplish this practice. The use of Adobe Acrobat or other pdf formats may be locked to prevent or track revisions or changes in the contract; however, such formats are not a best practice for contracts that involve significant monetary amounts or critical services.

### **C. Use of Electronic Signature on Contract Routing Form and Contracts**

#### **1. Contract Routing Form**

The Town's internal contract routing form may be electronically signed by those staff members who are asked to approve documents processed by a routing sheet (e.g., Town

Manager, Town Clerk, and Town Attorney). These signatures may be obtained electronically regardless of whether the parties have consented to complete the transaction electronically.

The purpose of the contract routing form is to demonstrate that the contract has received the required level of review from the required staff member or department such as the Department Director, Purchasing Manager, Finance Department, and Town Attorney's Office. These signatures are not necessary to create a legally binding agreement. The signatures document that the required level of review was performed. The signatures on the contract routing form provide reassurance to the Town Manager or delegated staff that the required reviews were performed.

## **2. Contract or Agreement**

Whether an electronic signature may be used on an agreement, depends on the nature of the agreement. Most contracts may be signed with an electronic signature although there are some contracts in which the parties cannot lawfully use electronic signatures. These contracts are addressed in the next question.

An individual's signature on an agreement does not need to be made with a wet signature to be legally binding. An individual with the authority to sign a contract may use an electronic signature to consent to an agreement and create a binding obligation. In the case of a contract or transactions which must be signed by a party other than the Town, each party to the agreement including the Town must agree in advance to the use of an electronic signature. No party to a contract or other

document may be forced to accept an electronic signature; all parties must be permitted to decide whether there is a desire to use and accept electronic signatures.

Consent to use electronic signatures may be expressly stated in an agreement and demonstrated in the sample language below:

Electronic Signature Authorized. The Parties specifically acknowledge and agree that electronic signatures shall be authorized and effective for all purposes including, but not limited to, initial execution of this agreement and amendments of the agreement, in accordance with the provisions of the Uniform Electronic Transactions Act, Title 24, Article 71.3 of the Colorado Revised Statutes.

Consent to use an electronic signature may also be demonstrated with an email in which the contracting parties state that they will agree to an electronic signature.

If you have questions as to whether the parties have consented to the use of electronic signatures, please contact the Town Attorney.

### **3. Agreements that require a wet signature**

Some agreements by law require a “wet signature” even if the parties are willing to consent to the use of an electronic signature. Improper use of an electronic signature for these types of documents will render the agreement unenforceable.

The following is a list of those agreements that require a “wet signature”:

- Notice of cancellation of utility service
- Defaults related to real properties such as foreclosure notices
- Transfers of interest in real estate (lease, easement agreement, deed)<sup>2</sup>

#### **D. Use of a Notary with an Electronic Signature**

There are specific rules for allowing a notary to complete an electronic signature. However, personal appearance is required for a notary. This means that the notary must be in the same room as the person who is signing the document.

#### **E. Summary of Documents and Electronic Signature Requirements**

This Policy is intended to broadly permit the use of electronic signatures. Examples of common types of documents are listed in the following table, with notes on some types of documents.

<b>Document Type</b>	<b>Is Use of Electronic Signature Permissible?</b>	<b>Notes</b>
Memos, forms, correspondence	Yes	
Administrative Policies	Yes	
Routing sheet for contracts	Yes	
Ordinances/Resolutions	Yes	

<sup>2</sup> To complete a transfer of interest in real estate by using electronic signatures, please contact the Town Attorney for assistance and determination as to whether the transfer can be accomplished.

Purchase Orders	Yes	
Task Orders	Yes	
Contracts (with the exception of contracts with notaries)	Yes	Electronic Signature is permissible based on the intent of the parties.
Documents requiring notarization (certain contracts)	Yes, with qualifications	At this time, personal appearance is required for a notary. A document may be signed electronically with the notary personally present.
Transfer of an interest in real property (lease, easement conveyance)	Yes, with qualifications	Work with the Town Attorney on these documents

**V. APPROVAL:**

This Policy was approved by Town Council through Resolution No. 2024-43.