



**SPECIAL CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS – CITY HALL
#1 CITY HALL PLACE**

**MONDAY, MARCH 3, 2025
7:00 PM**

Individuals Requiring Special Accommodations Should Notify the City's ADA Coordinator at (719) 553-2295 by Noon on the Friday Preceding the Meeting.

A. CALL TO ORDER

President Mark Aliff

B. ROLL CALL

C. RESOLUTIONS

- C1 A Resolution amending and fixing the ballot title for the question to be proposed to the eligible electors of the City of Pueblo, Colorado at the Special Municipal Election to be held on May 6, 2025 relating to the Black Hills Colorado Electric, LLC franchise and fixing the ballot title therefor

D. ADJOURN



**Background Paper for Proposed
Resolution**

COUNCIL MEETING DATE: March 3, 2025

TO: President Mark Aliff and Members of City Council

CC: Mayor Heather Graham

VIA: Marisa Stoller, City Clerk

FROM: Harley Gifford, Deputy City Attorney

SUBJECT: A RESOLUTION AMENDING AND FIXING THE BALLOT TITLE FOR THE QUESTION TO BE PROPOSED TO THE ELIGIBLE ELECTORS OF THE CITY OF PUEBLO, COLORADO AT THE SPECIAL MUNICIPAL ELECTION TO BE HELD ON MAY 6, 2025 RELATING TO THE BLACK HILLS COLORADO ELECTRIC, LLC FRANCHISE AND FIXING THE BALLOT TITLE THEREFOR

SUMMARY:

Attached is a proposed Resolution amending the ballot title for the question to be proposed to the eligible electors of the City of Pueblo to opt out of the franchise agreement with Black Hills Colorado Electric, LLC dba Black Hills Energy ("Black Hills Energy") and pursue the purchase of the generation, transmission, and distribution assets of Black Hills Energy, if feasible.

PREVIOUS COUNCIL ACTION:

In 2010, Council referred to the voters of the City, Ordinance No. 8186, which granted an electric utility franchise to Black Hills. The Black Hills franchise was approved by the voters in a Special Franchise Election held August 10, 2010.

On July 22, 2024, Council approved Resolution No. 15700 opposing the requested rate increase for delivery of electricity for which Black Hills Electric of Colorado submitted to the Public Utilities Commission for approval.

On September 23, 2024, Council approved Resolution 15776 establishing project Account CI2450 – Feasibility City Electric Utility, transferred budgeted and appropriated funds in the amount to \$35,525.16 from Project Account CI 2012 – Energy Advocacy Project to Project Account CI2450 – Feasibility City Electric Utility and transferred funds in the amount of \$150,000 from Public Works Contract Services to Project CI2450 – Feasibility City Electric Utility.

On December 23, 2024, Council approved Resolution No. 15867 retaining GDS Associates, Inc. to perform a comprehensive energy strategy study.

On February 24, 2025, Council approved Ordinance No. 10908 which referred the question of whether the City should cancel its franchise agreement with Black Hills Electric to the eligible electors of the City of Pueblo at the special municipal election to be held on May 6, 2025 and set the ballot title for the question.

BACKGROUND:

The identified parties in the Electric Utility Service Franchise Agreement effective August 10, 2010 are the City of Pueblo and Black Hills/Colorado Electric Utility Company, LP. Black Hills/Colorado Electric Utility Company, LP registered the tradename Black Hills Energy on or about July 21, 2008. On July 10, 2018, Black Hills/Colorado Electric Utility Company, LP changed its name to Black Hills Colorado Electric, Inc. On December 31, 2018, Black Hills Colorado Electric, Inc. changed its name to Black Hills Colorado Electric, LLC. Black Hills Colorado Electric, LLC continues to do business under the trade name Black Hills Energy.

The previous Ordinance presented to Council for approval of the ballot title referenced Black Hills/Colorado Electric Utility Company, LP ("Black Hills Electric") in the body of the Ordinance. The ballot title simply referred to "Black Hills Electric." The reference to "Black Hills Electric" in the ballot title fairly expresses the true meaning and intent of the measure and is the name by which voters recognize Black Hills Colorado Electric, LLC; however, to more precise and avoid any doubt, the proposed Resolution will amend the ballot title to refer to the name as currently registered with the Secretary of State, Black Hills Colorado Electric, LLC dba Black Hills Energy.

FINANCIAL IMPLICATIONS:

The City will incur the cost of a Special Municipal Election on May 6, 2025, to be conducted as a mail ballot coordinated election by the County Clerk. The costs of the election are currently unknown, but costs will be shared with the Pueblo West Metropolitan District and perhaps other special districts also holding elections on May 6, 2025.

BOARD/COMMISSION RECOMMENDATION:

On November 21, 2019, the EUC recommended, by a unanimous vote, that the City create a municipal electric utility and purchase or condemn Black Hills electric facilities located in the City and Pueblo County.

STAKEHOLDER PROCESS:

Members of the public are the primary stakeholders affected by the proposed Resolution. The issue of canceling the franchise agreement with Black Hills Electric and creating a municipal electric utility has been discussed at various public City Council meetings and work sessions for many years.

ALTERNATIVES:

If this Resolution is not approved, the ballot title as previously approved will be submitted to voters of the City of Pueblo to vote on the creation of a municipal electric utility.

RECOMMENDATION:

This Resolution should be adopted to avoid confusion on the ballot.

ATTACHMENTS:

None

RESOLUTION NO. 15924

A RESOLUTION AMENDING AND FIXING THE BALLOT TITLE FOR THE QUESTION TO BE PROPOSED TO THE ELIGIBLE ELECTORS OF THE CITY OF PUEBLO, COLORADO AT THE SPECIAL MUNICIPAL ELECTION TO BE HELD ON MAY 6, 2025 RELATING TO THE BLACK HILLS COLORADO ELECTRIC, LLC FRANCHISE AND FIXING THE BALLOT TITLE THEREFOR

BE IT RESOLVED BY THE CITY COUNCIL OF PUEBLO, that

SECTION 1.

There is hereby submitted to a vote of the registered electors of the City of Pueblo at the Special Municipal Election to be held on May 6, 2025 a question whether the City should terminate the Franchise Agreement with Black Hills Colorado Electric, LLC dba Black Hills Energy formerly known as Black Hills/Colorado Electric Utility Company, LP and whether the City should purchase any electric distribution, transmission, and generation systems if determined to be feasible. The ballot question (submission, clause and title) therefore shall be as follows:

QUESTION NO. 2A - Cancellation of Black Hills Electric Franchise

SHOULD THE CITY OF PUEBLO CANCEL ITS FRANCHISE AGREEMENT WITH BLACK HILLS COLORADO ELECTRIC, LLC DBA BLACK HILLS ENERGY AND ACQUIRE THE GENERATION, TRANSMISSION, AND DISTRIBUTION ASSETS OF BLACK HILLS COLORADO ELECTRIC, LLC DBA BLACK HILLS ENERGY, IF DETERMINED FEASIBLE?

_____ YES
_____ NO

SECTION 2.

If any section, provision, paragraph, clause or phrase of this Resolution is held or decided to be unconstitutional, invalid or unenforceable for any reason, such decision shall not affect the constitutionality, validity or enforceability of the remaining portions of this Resolution.

SECTION 3.

All other ordinances, resolutions or portions thereof inconsistent or conflicting with this Resolution or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

SECTION 4.

The officers and staff of the City are authorized and directed to perform any and all acts consistent with this Resolution to implement the policies and procedures described herein.

SECTION 5.

This Resolution shall become effective immediately upon final passage.

INTRODUCED: March 3, 2025

BY: Brett Boston
MEMBER OF CITY COUNCIL

APPROVED: Mark Cliff
PRESIDENT OF CITY COUNCIL

ATTESTED BY: Vince Petkosek
DEPUTY CITY CLERK