


COUNCIL COMMUNICATION

Meeting Date: September 14, 2021	Agenda Item: 10E	Agenda Location: Consent Calendar	Goal(s):	Legal Review: 	<input checked="" type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading
Subject: An ordinance amending Thornton City Code Section 1-2 and adding Section 2-3 to allow the continued use of electronic signatures.					
Recommended by: Chris Molison <i>CM</i> Approved by: Kevin S. Woods <i>KW</i>					Ordinance previously introduced by: _____
Presenter(s): Sean Saddler, Contracts & Purchasing Director					

SYNOPSIS:

In the early months of the Coronavirus Disease 2019 (COVID-19) pandemic, the Purchasing team worked with IT, the City Clerk’s Office, and the City Attorney’s Office to implement the use of electronic signatures (e-signatures) on agreements and other official City documents. The authorization to use e-signatures was established through the issuance of an Emergency Regulation pursuant to the Declaration of Emergency issued by the City Manager on March 13, 2020, due to the threats posed by COVID-19 and to facilitate operations while staff worked remotely. The proposed ordinance amending Section 1-2 and adding Section 2-3 of the Thornton City Code will allow for the continued use of e-signatures and will supersede the Emergency Regulation.

RECOMMENDATION:

Staff recommends Alternative No. 1, approve the Code changes to allow the continued use of e-signatures on official City documents.

BUDGET/STAFF IMPLICATIONS:

The ordinance change will have some costs related to the use of e-signature software platforms. Based on an estimated 5,000 signed documents per year, across all departments, there is an expected annual cost of approximately \$25,000 for the software services. However, it should be noted that those costs are expected to be offset by reduced printing and mailing expenses with direct savings estimated at \$32,750. Additionally, the e-signature process is far more efficient than the manual process thereby providing extra savings through reduced staff time related to printing, mailing, and filing of documents.

ALTERNATIVES:

1. Approve the Code changes as amended.
2. Do not approve the Code changes and require the use of manual or wet signatures on official City documents.

BACKGROUND (ANALYSIS/NEXT STEPS/HISTORY): (includes previous City Council action)

The State of Colorado adopted the Uniform Electronic Transactions Act (UETA) in 2002 to give e-signatures and electronic records (e-records) the same force and effect as signatures and records produced by non-electronic means. With the legal framework in place at a State level, the City implemented the use of e-signatures to cope with the COVID-19 pandemic and remote work accommodations. This was accomplished through a temporary emergency policy for the use of e-

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signatures, which expires either when the City's declaration of emergency ends or City Council passes an ordinance on the subject, whichever occurs first.

Prior to the implementation of e-signatures, all City documents were signed manually. This required printing multiple copies of each document, mailing copies to outside vendors/stakeholders, and filing the paper copies of the documents.

Following implementation of e-signatures, staff found multiple benefits including faster turnaround of agreements and related documents, fewer problems tracking documents as they were routed to the various stakeholders, and reduced labor for printing and handling the documents.

A brief presentation was given to City Council at the August 17, 2021 Planning Session.

INTRODUCED BY: _____

AN ORDINANCE AMENDING THORNTON CITY CODE SECTION 1-2 AND ADDING SECTION 2-3 TO ALLOW THE CONTINUED USE OF ELECTRONIC SIGNATURES.

WHEREAS, the State of Colorado passed adopted the Uniform Electronic Transactions Act (UETA) in 2002 to give electronic signatures (e-signatures) and electronic records (e-records) the same force and effect as signatures and records produced by non-electronic means; and

WHEREAS, various City ordinances, rules, regulations, and policies may contain signature requirements which can reasonably be satisfied by electronic means as provided by the UETA; and

WHEREAS, the City desires to promote the use of e-signatures and e-records to conduct City business when possible; and

WHEREAS, the ordinance amends the Thornton City Code in furtherance of the goal of promoting the use of e-signatures and e-records.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF THORNTON, COLORADO, AS FOLLOWS:

1. Section 1-2 of Chapter 1 of the Thornton City Code is hereby amended by the addition of the words double-underlined below as follows:

Signature, subscription. The term "signature" or "subscription" shall include a mark when the person cannot write and may also include an electronic signature as prescribed in Section 2-3.

2. A new Section 2-3 of Chapter 2 of the Thornton City Code is hereby enacted to read as follows:

Electronic Signatures

- (a) *Purpose.* To permit the use of electronic signatures for those documents as may be required by the city and to ensure when electronic signatures are applied, they are legally valid and enforceable. For any transaction in which the city requires the signature of any person, the requirement shall be deemed fully satisfied by an electronic signature when supplied in the matter specified by the city. Nothing in this Section is intended to (1) diminish or limit the use of a handwritten or manual signature on city documents or other documents submitted to the city as prescribed in the code, (2) contravene Thornton's city charter, or (3) alter delegations of authority to sign documents.

- (b) *Definitions.* For the purposes of this section, the words and terms used shall be defined as set forth in the Colorado Uniform Electronic Transactions Act, currently contained in Title 24, article 71.3 of the Colorado Revised Statutes, as the same may be amended from time to time.
- (c) Procedures for the electronic signature process shall be set through an administrative directive to be agreed upon by the city manager or designee and the city attorney.
- (d) Any authorized user who recklessly, knowing or intentionally violates this Section or the Administrative Directive pertaining to electronic signatures is subject to disciplinary action up to and including termination of employment.
3. If any portion of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the constitutionality or validity of the remaining portions of this ordinance. City council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared unconstitutional or invalid.
 4. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.
 5. The repeal or amendment of any provision of the code by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.
 6. This ordinance shall take effect upon final passage.

INTRODUCED, READ, PASSED on first reading, ordered posted in full, and title ordered published by the City Council of the City of Thornton, Colorado, on _____, 2021.

PASSED AND ADOPTED on second and final reading on _____, 2021.

CITY OF THORNTON, COLORADO

Jan Kulmann, Mayor

ATTEST:

Kristen N. Rosenbaum, City Clerk

THIS ORDINANCE IS ON FILE IN THE CITY CLERK'S OFFICE FOR PUBLIC INSPECTION.

APPROVED AS TO LEGAL FORM:

William A. Tuthill III, Interim City Attorney

PUBLICATION:

Posted at City Hall, Margaret W. Carpenter Recreation Center, and Thornton Active Adult Center after first and second readings.

Published on the City's official website after first reading on _____, 2021, and after second and final reading on _____, 2021.