

## RESOLUTION

### AUTHORIZING THE MAYOR TO EXECUTE THE SETTLEMENT AGREEMENT BETWEEN THE CITY OF FORT MORGAN, SOURCEGAS WATTENBERG LLC, LEPRINO, AND CARGILL

**WHEREAS**, Article IV, Sec. 16 of the *Charter* of the City of Fort Morgan empowers the City Council to sue, defend, and plead matters within the City; and

**WHEREAS**, in April 2007, the Colorado Supreme Court issued an opinion on appeal from the district court of Morgan County, Colorado, Case No. 04 CV 301 relating to consolidated proceedings before the Colorado Public Utilities Commission, Docket Nos. 00A-635G and 00D-261G, which reverses and remands the decision of the District Court;

**WHEREAS**, in 1997, the Federal Energy Regulatory Commission ("FERC") issued a Certificate of Public Convenience and Necessity ("CPCN") to KNW to construct and operate an eleven mile interstate pipeline terminating at two plants located within the city. Following the assertion of jurisdiction by the Colorado Public Utilities Commission ("CPUC"), the FERC transferred jurisdiction over the KNW pipeline to the CPUC in March 2000. Subsequently, the CPUC issued a CPCN to KNW to continue the operation of the pipeline under CPUC jurisdiction.

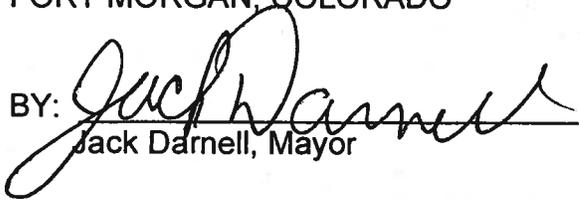
**WHEREAS**, the parties to this matter wish to resolve all issues related to Case No. 04CV301 and Case No. 00CV61.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:**

**SEC. 1:** The Mayor is hereby authorized to execute the **SETTLEMENT AGREEMENT**, in the form attached hereto and Council approved the First Reading of an Ordinance granting a permit. Further, Council directs the City Attorney to take all steps necessary to comply with the Settlement Agreement.

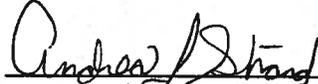
PASSED, APPROVED AND ADOPTED this 4<sup>th</sup> day of December, 2007.

CITY COUNCIL OF THE CITY OF  
FORT MORGAN, COLORADO

BY: 

Jack Darnell, Mayor

ATTEST:

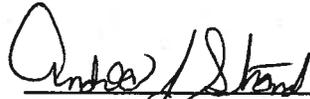
  
\_\_\_\_\_  
Andrea Strand, City Clerk

STATE OF COLORADO )  
COUNTY OF MORGAN ) ss.  
CITY OF FORT MORGAN )

## CERTIFICATE

I, Andrea Strand, City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the City Council and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado, and that the same has not been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 4th day of December, 2007.



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Andrea Strand, City Clerk