



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

AGENDA

Town of Pagosa Springs Sanitation General Improvement
District Special Meeting
Tuesday, May 20, 2025 @5:00 PM

1. REMOTE PARTICIPATION

A Zoom link is made available, however, the Town does not and cannot guarantee internet service or online broadcasting. Remote attendance is at the risk of the attendee, as the public meeting will continue in person regardless of the Town's broadcast capability.

Join Zoom Meeting By Computer - <https://zoom.us/j/81527638649>
Dial by Phone - 1-669-900-6833 US - Meeting ID: 815 2763 8649

I. CALL MEETING TO ORDER

II. ROLL CALL

III. DISCLOSURES AND/OR CONFLICT OF INTEREST

IV. PUBLIC COMMENT

Please sign in to make public comment

V. CONSENT AGENDA

1. Approval of the May 6, 2025 Board Meeting Minutes

[Town of Pagosa Springs Sanitation General Improvement District - 06 May 2025 - Minutes - Pdf](#)

VI. REPORTS TO BOARD

1. Sanitation System Rehabilitation

[Agenda Brief - Sanitation Collection System Rehabilitation. - Pdf](#)

VII. NEW BUSINESS

1. Public Hearing for 2025 Budget Amendment

2. Resolution 2025-01, Amending 2025 Budget

[Agenda Brief - Resolution 2025-01, Amending 2025 Budget - Pdf](#)

VIII. NEXT BOARD MEETING JUNE 3, 2025 AT 5:00 PM

IX. ADJOURNMENT

Shari Pierce
Board President



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

MINUTES

Town of Pagosa Springs Sanitation General Improvement
District Meeting
May 6, 2025 @ 5:00 PM

A regular meeting of the Town of Pagosa Springs Sanitation General Improvement District was called to order on May 6, 2025, at 5:00 PM in the Town Hall 551 Hot Springs Blvd.

BOARD PRESENT: Mayor Pierce, Council Member Bergon, Council Member deGraaf, Council Member Lindner, Council Member Williams, and Council Member Martinez

BOARD ABSENT: Council Member DeGuisse

I. CALL MEETING TO ORDER

II. ROLL CALL

III. DISCLOSURES AND/OR CONFLICT OF INTEREST – None

IV. PUBLIC COMMENT – None

V. CONSENT AGENDA

1. Approval of the April 1, 2025 Meeting Minutes

Board Member deGraaf to approve the consent agenda, Board Member Martinez seconded.

Carried.

VI. REPORTS TO BOARD

1. PSSGID Agenda Brief

Staff provided an update of the sanitation district work this year. Public Works Director, Karl Johnson, said the crew is working on decommissioning the septic systems on the Goodman Property by the end of May. A lightning strike caused \$35,000 in electrical damage plus damage to pumps. Three critical spare pumps will be ordered. Roaring Fork is almost done with the design and engineering for repairs to category 4s and 5s. Staff is preparing an RFP for the sewer main replacements, and a schedule for Category 4 and 5 repairs is being developed, anticipating Spring and Summer 2025 work.

VII. NEXT BOARD MEETING JUNE 3, 2025 AT 5:00 PM

VIII. ADJOURNMENT – Board President Pierce adjourned the meeting at 5.41 pm.



AGENDA BRIEF

MEETING: Town of Pagosa Springs Sanitation General Improvement District
Special - 20 May 2025
FROM: Karl Johnson, Public Works Director

PROJECT: Sanitation Collection System Rehabilitation.

ACTION: Council information.

PURPOSE/BACKGROUND:

The 2023 Roaring Fork Engineering PSSGID system analysis took an in depth look into the overall condition and operational functionality of the sewer system for the Town of Pagosa Springs. One of the major resources for this analysis was a 2020 Pipe Segment Condition report prepared by RG and Associates that created a 65% picture of the collection system condition using available video and paper records at that time while assuming the condition of the remaining 35% of the system. Using this 2020 report PSSGID staff has used the Category 5 and Category 4 identified segments as a guide to video inspect known deficiencies in the collection system. PSSGID has completed the majority these video inspections of these segments. Town staff with the assistance of Roaring Fork Engineering has compiled a priority list and preliminary budget for engineering and replacement costs of the Category 5 and Category 4 segments.

The Roaring Fork budget and Town staff overall PSSGID projected projects budget presented for discussion identifies multiple paths for project completion including contracting out all replacement work, and possibly standing up a Town staffed replacement crew as well as multiple future projects facing the PSSGID in the near future. With the complexity of some of needed replacements a combination of internal staff and external contractors is probably the most realistic course of action. To date staff has applied to multiple financing opportunities including grant applications with the Colorado DOLA office and a Congressional Direct funding opportunity for the 2025 and 2026 Federal budgets. Although we have had some success with the grant route the current grant environment and the continued immediate need for engineering and replacement of our worst pipe segments dictates we explore additional funding sources with loans, bonds or a combination to complete this project.

At the end of 2024 PSSGID got approval for a \$500,000 loan from Town funds to start replacement of the worst of the worst Category 5 and 4 sections of the collection system. Staff also requested a reimbursement resolution for the \$500,000 to pay back the Town's funds with any future secured bond funding. Staff worked with a contractor to perform the Category 5 replacement work, and is continuing to work with consulting engineers for construction drawings. In the meantime staff has developed and continues to revise a budget for equipment needed to start in-house Category 4 spot repairs. The PSSGID was successful in obtaining a bond valuing \$4,500,000 based on the district's credit rating and ability to pay the bond back with user monthly fees.

The current plan and supporting updated budget for the expenditure of the \$4,500,00 bond funding is as follows.

Cat 5 streets	Lineal Footage/repairs	MH I.D	Lineal FT	Budget \$ (\$1120/lf)
Loma St alley	Full line replacement	412-410	179	\$ 200,480.00
Florida St	Segment Replacement	410-408	386	\$ 432,320.00
Florida St Alley behind gas station	Full line replacement	408-342	405	\$ 453,600.00
Majestic drive	Segment Replacement	5431-4340	411	\$ 460,320.00

REPORTS TO BOARD VI.1.

Majestic drive	Segment Replacement	566-546	413	\$ 462,560.00
Florida St/N 5th St	Segment Replacement/Manhole rehab	662-662A	240	\$ 268,800.00
			Total	\$ 2,278,080.00
Cat 4 Streets				
Bienvenido Cir	Segment Replacement	616-622	25	\$ 15,000.00
S 7th St	Segment Replacement	717-786	25	\$ 15,000.00
Apache by lift station	Segment Replacement	1197-16	25	\$ 15,000.00
S 9th St	Segment Replacement	736-738	25	\$ 15,000.00
E Pagosa St	Segment Replacement/Full Replacement	72-82	25	\$ 15,000.00
Goldmine Dr	Segment Replacement	389-393	25	\$ 15,000.00
San Juan motel	Segment Replacement	1941-196	25	\$ 15,000.00
Lewis St and 4th St alley	Segment Replacement	846-324	25	\$ 15,000.00
Meadow Cir	Segment Replacement	590-584	25	\$ 15,000.00
Alley between S 8th/7th St	Segment Replacement	722-724	25	\$ 15,000.00
S 9th St	Segment Replacement	738-738A	25	\$ 15,000.00
1st St	Segment Replacement	844-206	25	\$ 15,000.00
3rd/mesa Dr	Segment Replacement	3000-294	25	\$ 15,000.00
Cemetery Rd & County Rd 411	Segment Replacement			\$ 15,000.00
			Total	\$ 210,000.00
			2025	\$ 2,488,080.00
			Bond	\$ 4,500,000.00
			2026 Carry over	\$ 2,011,920.00

Would like to note these numbers are fluid and could be subject to change as existing conditions changed and are updated.

ATTACHMENTS:

[PipeReplacement CostEstimates Update](#)

[Sewer reconstruct project estimates](#)

[Line repairs KJ edit 240916](#)

[Sewer reconstruct project estimates 250516](#)

FISCAL IMPACT:

\$20,800,000.00 total projected cost for Phase 1 completion. Project bond money obtained was \$4,500,000 leaving a shortfall of \$10,300,000 to complete the Category 4 & 5 work.

TOWN COUNCIL GOALS & OBJECTIVES:

2025 #1 Goal: Develop a long-term strategy to provide essential sanitation collection and treatment services that are financially viable, future -orientated, and maximize the existing assets and partnerships in a community of our size with limited resources.

Videod Sections (as of 5.24.24)						
Sheet No.	Category	Street	LF	# Manhole	Curb and Gutter	Price Point Impacts
2	5	Majestic Drive	365	1		
2	4	Majestic Drive	300	1		
2	3	Majestic Drive	330	1		
7	5	Alley between 5th and 6th	530	1 Drop 2 Std		Next to McCabe Creek
7	5	Florida Street	540	3		McCabe Creek Crossing?
7	5	Fifth Street	400	2 (perpen to FL St.)		Near McCabe (high GW, dewatering)
7	3	Alley next to 6th	380	2		Next to McCabe Creek
7	5	Alley next to 6th	130	1		Next to McCabe Creek
7	5	Pagosa Street	400	2	Yes	Main Street - Traffic Control
8	5	First Street	430	2		Next to San Juan River
8	5	First Street	160	1		Next to San Juan River
10	5	Rosita Street	430	5		
10	5	Rosita Street	265			
10	5	Rosita Street	120			
10	5	Rosita Street	132			
10	4	Seventh Street	1000	4		
11	5	Pagosa Street	410	2	Yes	Main Street - Traffic Control
11	3	Pagosa Street	660	1	Yes	Main Street - Traffic Control
11	3	Pagosa Street	175	1	Yes	Main Street - Traffic Control
11	5	Hermosa Street	1500	4	Yes	
11	3	San Juan Street	900	3		Next to San Juan River
11	3	Pagosa Street	1400	4	Yes	Main Street - Traffic Control
12	5	First Street	420	2		Next to McCabe Creek
18	5	Ninth Street	260	2		
18	4	Ninth Street	900	2		
18	5	Alley	560	4		
21	4	Hot Springs Drive	1510	4	Yes	Main Street - Traffic Control

Replacement of everything

Replacement of everything

Replacement of everything

Replacement of everything

Replacement of everything

Construction Cost Summary

Category	Scope (LF)	Contract Out	In House
Category 5	7052	\$ 6,403,216.00	\$ 4,150,079.22
Category 4	3710	\$ 3,368,680.00	\$ 2,183,323.02
Estimated Category 4	5500	\$ 4,994,000.00	\$ 3,236,732.24
	Total (5 and 4)	\$ 14,765,896.00	\$ 9,570,134.47

REPORTS TO BOARD VI.1.

Revenues			Phase 1	Phase 1a	Phase 1b
DOLA	200,000		200,000		200,000
DOLA Match	200,000				
DOLA planning	25,000		25,000	25,000	
DOLA Match	25,000		25,000	25,000	
DOLA Tier 2	1,000,000	Jan-25	1,000,000		1,000,000
DOLA Tier 2 Match			-		
Cong Dir Spending/earmark	2,500,000	Mar-25			
CDS/earmark match	500,000				
EPA Swiffia program (big projects)					
State Revolving Fund	18,000,000	Mar-25	18,000,000		18,000,000
USDA		Mar-25			
Bond	2,000,000		2,000,000	2,000,000	
TOTAL	24,450,000		21,250,000	2,050,000	19,200,000
Expenses					
First St Lift Station	3,000,000		3,000,000		3,000,000
Cat 4&5	14,800,000		14,800,000	2,000,000	12,800,000
Old lagoon cleanup	500,000		500,000		500,000
Reg 85 Vista Improvement	2,500,000		2,500,000		2,500,000
Pipeline reverse	15,000,000				
New treatment facility 8-10 MGD	10,000,000				
TOTAL	45,800,000		20,800,000	2,000,000	18,800,000
With 3% Inflation	53,094,753				

7,000,000 Replacement Project Budget 2-5 year plan

Equipment purchased with approved \$500,000

Equipment (Mini Excavator)

Truck F550

Trailer

Total cost= \$200,416 with 10% inflation contingency into cost

Cost for purchase

308 mini excavator ---\$85,580

2024 F550 --- \$76,190

8'x18' Dump Trailer w/ 48" sides --- \$20,395

\$ 200,416.00

NOTES

Approved 500k would go towards the purchase of the equipent to start the CAT 5/4

IN HOUSE ALL CAT 4

2901 ft for CAT 4 Cost per foot 8" pvc - \$15.32

Bedding materials ect.

Expected Manhole Rehab

Repair coupling cost

Road repairs

Engineering

Man power cost

Fuel/maintenance ect

Permitting

Equipment cost

TOTAL

\$ 51,021.00

\$ 48,000.00

\$ 35,000.00

\$ 25,000.00

\$ 55,000.00

\$ 500,000.00

\$ 90,778.00

\$ 15,000.00

\$ 50,000.00

\$ 100,000.00

\$ 969,799.00

Im sure there are things i am missing, however, this is a rough cost breakdown of what it would take to initiate the project to completion

IN HOUSE MOST CAT 5

6216 ft CAT 5 Cost per foot 8" pvc - \$15.32

Road repairs

Bedding materials ect.

Expected Manhole Rehab

Repair coupling cost

Engineering

Man power cost

Fuel/maintenance ect

Permitting

Unforeseen cost padding

TOTAL

\$ 111,509.00

\$ 75,000.00

\$ 78,000.00

\$ 65,000.00

\$ 35,000.00

\$ 500,000.00

\$ 177,487.00

\$ 60,000.00

\$ 70,000.00

\$ 100,000.00

\$ 1,271,996.00

Im sure there are things i am missing, however, this is a rough cost breakdown of what it would take to initiate the project to completion in house

Price for Contractor per 100' ft -- \$51,980 to \$86,211 + \$7,800 after 6' ft depth per 10" ft for CAT 5 only

Water diversion near creek crossings

Materials ect

Mob fee for 4 months

Road repairs

Room and Board for crew

Permitting

Engineering

Total

Price for Contractor per 100' ft -- \$51,980 to \$86,211 + \$7,800 after 6' ft depth per 10" ft for CAT 4 only

Mob fee for 4 months

Materials Pipe ect

Room and Board for crew

Permitting

Road repairs

Engineering

Total

\$ 6,487,987.00

\$ 75,000.00

\$ 141,509.00

\$ 298,788.00

\$ 120,000.00

\$ 100,000.00

\$ 75,000.00

\$ 500,000.00

\$ 7,798,284.00

\$ 3,789,122.00

\$ 298,788.00

\$ 78,000.00

\$ 100,000.00

\$ 50,000.00

\$ 120,000.00

\$ 500,000.00

\$ 4,935,910.00

\$ 12,734,194.00

Im sure there are things i am missing, however, this is a rough cost breakdown of what it would take to initiate the project to completion for a contractor

Im sure there are things i am missing, however, this is a rough cost breakdown of what it would take to initiate the project to completion for a contractor

Cost for rental

Joe Johnson Eqp. -18,277\$ per month + 4,500\$ delivery and 4,500\$ pickup

N/A

Joe Johnson Eqp. -478\$ per day

Total

Total cost for 4 months

\$ 82,108.00

\$ 57,360.00

\$ 139,468.00

REPORTS TO BOARD VI.1.

Revenues			Phase 1	Phase 1a	Phase 1b
DOLA	200,000		200,000		200,000
DOLA Match	200,000				
DOLA planning	25,000		25,000	25,000	
DOLA Match	25,000		25,000	25,000	
DOLA Tier 2	1,000,000	Jan-25	1,000,000		1,000,000
DOLA Tier 2 Match			-		
Cong Dir Spending/earmark	2,500,000	Mar-25			
CDS/earmark match	500,000				
EPA Swiffia program (big projects)					
State Revolving Fund	18,000,000	Mar-25	18,000,000		18,000,000
USDA		Mar-25			
Bond	2,000,000		2,000,000	2,000,000	
TOTAL	24,450,000		21,250,000	2,050,000	19,200,000
Expenses					
First St Lift Station	3,000,000		3,000,000		3,000,000
Cat 4&5	14,800,000		14,800,000	2,000,000	12,800,000
Old lagoon cleanup	500,000		500,000		500,000
Reg 85 Vista Improvement	2,500,000		2,500,000		2,500,000
Pipeline reverse	-				
New treatment facility 8-10 MC	50,000,000				
TOTAL	70,800,000		20,800,000	2,000,000	18,800,000
With 3% Inflation	82,076,604				

Ph I Bond

Match		225,000
Eq Op II	63,266	98,062
Eq Op II	63,266	
Eq Op III	69,877	
Benefits	324,075	
Ins/Cert/Training	50,000	5,000
	570,484	
Excavator/Trailer	250,000	250,000
Truck (2)	180,000	180,000
Truck Service w/ Crai	100,000	100,000
Track Steer	55,000	
Shop Building	35,000	
Supplies		
Pipes	225,000	1,250,000
Tubes		
Fuel	15,000	
		2,108,062



AGENDA BRIEF

MEETING: Town of Pagosa Springs Sanitation General Improvement District
Special - 20 May 2025

FROM: April Hessman, Town Clerk

PROJECT: Resolution 2025-01, Amending 2025 Budget

ACTION: Council discussion and action

PURPOSE/BACKGROUND:

In 2023, the Sanitation District hired Roaring Fork Engineering to assist in assessing the overall condition and operational functionality of the GID's sewer system. The results showed failing infrastructure of the sewer lines, with the most critical lines being labeled as categories 4 and 5. In September 2024, the Board approved spending up to \$500,000 for the category 4 and 5 immediate repairs to be taken from the GID reserves or Town funds. In preparation for the GID staff to repair the category 4 and some category 5 lines, a new pick-up truck, a large flatbed trailer, a dump trailer, and a track-hoe with a longer reach than the currently owned track-hoe used by the streets department were purchased from the Town's Capital fund reserves, totaling \$218,754. The equipment was leased to the GID in 2024 to reduce costs for the Sanitation District. Repairs to North 3rd Street and Rainbow Drive were completed in December 2024 using GID reserves.

In January 2025, the Board approved \$4.8 million in tax-exempt bonds to pay for repairs to the sewer collection system. The bond funds are in an interest-bearing account until invoices are received.

The main street reconstruction project includes upgrades to the service lines to each of the properties along Hwy 160. The estimated cost for these improvements is \$1,295,000. The Town's general fund reserves will provide a transfer to the GID to pay for these upgrades, with an expectation of reimbursement.

Resolution 2025-01, amends the 2025 budget to account for the revenue bonds, interest, and a transfer from the general fund capital reserves for the main street project totaling \$4,604,952. The expenditures for 2025 include several category 5 and category 4 section repairs, clean up of the sewer lagoon, the purchase from Capital Fund of the Ford F-550 pickup, two trailers, and an excavator, debt payment, and the reconstruction of the main street project for a total of \$4,617,446 in expenditures. The carryover of approximately \$1.3 million will be used in 2026 to continue the category 5 repairs.

ATTACHMENTS:

[Res 2025-01 Amend 2025 Sanitation Budget](#)

FISCAL IMPACT:

The cost to repair the failing category 4 and 5 lines was estimated at \$4.5 million. Bond debt service payment will begin in 2025.

TOWN COUNCIL GOALS & OBJECTIVES:

Sewer repairs are top priority for the board.

RECOMMENDATIONS:

1. Move to approve Resolution 2025-01, amending the 2025 budget
2. Move to approve Resolution 2025-01, amending the 2025 budget with the following amendments...
3. Direct Staff



**TOWN OF PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT
DISTRICT PAGOSA SPRINGS, COLORADO**

RESOLUTION NO. 2025-01

RESOLUTION TO AMEND SUMS OF MONEY FOR THE 2025 BUDGET

WHEREAS, the Town Council, acting as the ex officio Board of Directors for the Town of Pagosa Springs Sanitation General Improvement District (Sanitation GID Board), has conducted a Public Hearing to review the proposed 2025 budget in accordance with the Home Rule Charter and approved the 2025 budget on November 21, 2024; and

WHEREAS, the Sanitation General Improvement District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law and the Town of Pagosa Springs Home Rule Charter, but also if necessary, amend the expenditures provided in the budget and for the purpose described below, as not to impair the operation of the District; and

NOW, THEREFORE, BE IT RESOLVED by the Town Council, acting as the ex officio Board of Directors for the Sanitation General Improvement District:

1. Amend the Appropriations of Funds. The following sums are hereby appropriated for the Sanitation Fund:

SUMMARY OF FUND REVENUES AND EXPENDITURES			
	2025 Adopted Budget	2025 Amended Budget	(Decrease)/Increase
REVENUES			
Sanitation Fund	1,803,048	7,703,000	5,899,952
EXPENDITURES			
Sanitation Fund	1,735,447	6,352,893	4,617,446

	2025 Adopted Budget	2025 Amended Budget	(Decrease)/Increase
Year End Reserves			
Sanitation Fund	611,170	1,893,676	1,282,506

2. **Severability.** If any part, section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

3. **Effective Date.** This Resolution shall take effect and be enforced immediately upon its approval by the Town Council, acting as the ex officio Board of Directors for the Sanitation GID.

Approved this 20th day of May 2025, by the Town of Pagosa Springs Sanitation General Improvement District Board, by a vote of __ in favor and __ against.

TOWN OF PAGOSA SPRINGS, COLORADO

By: _____
Shari Pierce, Board President

ATTEST:

By: _____
April Hessman, Secretary