



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

MINUTES

Town Council Meeting
March 4, 2025 @ 5:00 PM

A regular meeting of the Pagosa Town Council was called to order on March 4, 2025, at 5:00 PM in the Town Hall 551 Hot Springs Blvd.

COUNCIL PRESENT: Mayor Pierce, Council Member Bergon, Council Member deGraaf, Council Member DeGuise, Council Member Martinez, and Council Member Williams

COUNCIL ABSENT: Council Member Lindner

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. DISCLOSURES AND/OR CONFLICT OF INTEREST – None

- V. PUBLIC COMMENT –** Ms. Mary Jo Coulehan said the staging of the 4th of July parade on Hermosa Street will affect the Park to Park event in Town Park. She said it will be a hardship for the vendors and affect future participation.
Mr. Brian Collabolletta said the closure of Hermosa Street affects the neighborhood residents. He said staging the 4th of July parade will be a nightmare. He said a party at Yamaguchi Park sounds like the best option.

VI. CONSENT AGENDA

- 1. Approval of the February 18, 2025 Meeting Minutes**
- 2. Proclamation in Support of International Dark Sky Week**

Council Member deGraaf moved to approve the consent agenda, Council Member Martinez seconded.

Carried.

VII. UNFINISHED BUSINESS

- 1. Fourth of July Celebration**

Mr. Darren Lewis, Parks and Recreation Director, provided the Town Council with options for this year's celebration. The parade along Hot Springs Blvd brings traffic congestion, parking limitations, and safety concerns. If a parade is not selected, a celebration at Yamaguchi Park could be an option. The parade could be staged on the five acres leased on Hot Springs Blvd and open the street from the post office to Hwy 160.

Council Member deGraaf said he is not in favor of a parade. Council Member Williams said he is not in favor of a parade and would like a fair at Yamaguchi Park. Council Member DeGuise said he is not in favor of a parade. Council Member Bergon said the Yamaguchi Park celebration is a better option to get volunteers involved to foster relationships for later parade participation. Council Member Martinez said he is in favor of a parade. Mayor Pierce said a parade probably isn't feasible this year because of the construction and lack of parking. She said Yamaguchi Park could include a small parade for the youth. Staff will work on a celebration in Yamaguchi Park.

2. Ordinance 1011, First Reading, Dedicating an Easement to La Plata Electric Association on Town-owned property located at 2140 County Road 500 (Trujillo Rd)

Council Member Martinez said he is on the LPEA roundup committee. The Council does not believe this is a conflict.

Ordinance 1011 allows La Plata Electric Association (LPEA) to enter into an easement agreement with the Town to utilize approximately five acres for a new electrical substation at 2140 County Road 500 (Trujillo Rd) for \$135,000. Staff is recommending the payments be put into a Community Infrastructure and Economic Development (CIED) account in the Town's Trust Fund for uses to benefit the community, expand the economy, and other purposes. If LPEA ceases to use the property it will revert back to the Town.

Council Member Martinez said economic development is needed in our community due to the high cost of living in Pagosa. He said there needs to be diversity of the Town's income and a partnership with LPEA is part of this diversity. Council Member Bergon said she is glad the Town and LPEA were able to come to an agreement. Council Member Williams said he appreciates what LPEA does for the Town and the interconnectedness of the goals. He said reducing the visual impacts of the substation would be supported by the Town.

Council Member deGraaf moved to approve Ordinance 1011, first reading, authorizing the granting of an easement encumbering Town property for the LPEA Trujillo Substation, Council Member Martinez seconded.

Carried.

3. Ordinance 1012, First Reading, Creating a Community Infrastructure and Economic Development (CIED) Account

Ordinance 1012 creates a Community Infrastructure and Economic Development (CIED) account in the Town's Trust Fund to be used for the benefit of the community, to expand the economy, and for other purposes the Town Council may, in its determination, supports economic activity or infrastructure improvements in the Town of Pagosa Springs.

Council Member DeGuise moved to approve Ordinance 1012, first reading, creating a Community Infrastructure and Economic Development (CIED) Account, Council Member Williams seconded.

Carried.

VIII. NEW BUSINESS

1. Potential November Bond Election Discussion

Mr. Joey McLiney, the Town's Municipal Advisor, provided options for a possible ballot question on the November election. He said the sanitation engineering report estimates an additional \$149 per month per EU rate increase to afford the major amount of work that is needed for the sanitation system. He said if a sales tax increase was approved the 1/2 cent sales tax could be used for several items including roads, sewer, and other capital improvements. He said a bond issue ballot question could come later to an election of the voters. Council Member Bergon said a November election may be rushed. Town Manager Harris said the quote to reverse the pipeline would be \$60 million. He said if the price could be lowered, the Town could take on PAWSD customers and reduce their rates. Council Member deGraaf said it is important to get a message out to the voters. Mr. McLiney said the 1/2 cent sales tax would be used to help pay the sewer rates. Mayor Pierce said the Town residents are on a fixed income and she likes this option to help those sewer ratepayers. Council Member Martinez said the rates are too high for a lot of our town residents. He said a sunset should not be included to protect the Town's future needs. He said the tourists who help to solve our problems is a great message to voters. Council Member deGraaf said he is in support of asking for a sales tax question. Town Council will discuss the

details during the council planning work session.

2. Potential Project Financing for the Town's portion of the US 160 Reconstruction Project

The Town's Municipal Advisor, Joey McLiney, provided options for the Town should the Town Council decide to apply for a bond to pay for the \$3 million Main Street reconstruction project. He said the Town should spend the cash on hand until the cost is too much and then bring forward a potential bond. A reimbursement resolution will be brought forward as an option for the council.

3. Yamaguchi South River Improvement Project – 95% Design Approval

The Yamaguchi South River Improvement Project design is mostly completed and agreements with five property owners along the east side of the river have been secured. Permitting is expected by June 2025 and project completion is anticipated in November 2025. The project is funded through grants from the Colorado Water Conservation Board (CWCB), Southwest Water Conservation District, Archuleta County, and Town matching funds.

Council Member Williams moved to approve the Yamaguchi South River Improvement Project 95% design plans as presented,
Council Member deGraaf seconded.

Carried.

4. Time Restricted Public Parking During Reconstruction Project

Staff is recommending time restrictions on designated public parking areas in the downtown area during the Main Street reconstruction project. Businesses are encouraged to direct their staff to park in more remote parking areas and walk or use the MET bus to access Main Street. The Town Manager is authorized to restrict the parking areas as deemed necessary. Chief of Police Rockensock said that offering permit parking in neighborhoods will become an animal we can't feed. He said there are first come first serve parking spots and the police will not move a vehicle because someone with a parking permit cannot find a spot. Council Member Williams said there needs to be adaptability to the problem and change if needed. Mayor Pierce said perhaps the teachers could park at the high school and take a bus to the middle school. Council Member deGraaf said some sort of parking restrictions should be in place and perhaps later meters can be installed. Council Member Martinez said the churches along Lewis Street will need flexibility if there is a funeral.

5. Street Light Purchase for Reconstruction Project

The Town is removing existing cobra head style street lights and adding the standard street light poles and fixtures throughout the Main Street reconstruction project. The Town will order 62 Town light fixtures and poles and 14 CDOT light fixtures and poles with CDOT reimbursing the Town approximately \$65,000. The cost estimate with Mountain States Lighting for all poles and fixtures is \$310,000 including delivery, to be received within 24 weeks.

Council Member Williams moved to approve the exclusive service purchase of street light fixtures and poles in an amount not to exceed \$310,000, Council Member DeGuise seconded.

Carried.

6. Gravel Purchase for Temporary Parking

The Town will utilize the vacant land at the Ruby M. Sisson Memorial Library and the Springs Resort for temporary parking locations during the Main Street reconstruction project. Gravel is needed for these parking areas along with signage. The cost is approximately \$217,000 with possible alternatives to reduce costs. Strohecker has a portable crusher that could crush the materials that are already on site and can truck some of the material from the Strohecker yard to save a bit. Mayor Pierce said she does not want to crush within the town.

Council Member Bergon moved to approve staff to use up to \$20,000 to hire local contractor to crush material onsite at Springs Resort, and up to \$151,800 to haul the remainder of material needed for the Springs lot and Library lot plus purchase signage, Council Member DeGuise seconded.

Carried.

IX. PUBLIC COMMENT – None

X. MAYOR, COUNCIL, TOWN MANAGER COMMENTS/UPCOMING AGENDA ITEMS – Town Manager reminded the Town Council about the planning session on Thursday and Friday at the hospital. He said there are quite a few fire hydrants that have not been charged on a regular schedule. He said the fire district will be working out details to charge those hydrants. He said the Main Street construction will begin March 24.

XI. EXECUTIVE SESSION

1. Executive Session pursuant to C.R.S. 24-6-402(4)(b) to receive legal advice from counsel about pending water rights applications

Council Member deGraaf moved to enter executive session pursuant to C.R.S. 24-6-402(4)(b) to receive legal advice from counsel about pending water rights applications, Council Member Martinez seconded.

Carried.

Town Council entered executive session at 7:30 pm. Mayor Pierce called the meeting back into regular session at 7:54 pm.

XII. UPCOMING COUNCIL MEETINGS –

- March 17, 2025: Joint Town-County Board Meeting
- March 18, 2025: Regular Council Meeting
- April 1, 2025: Regular Council Meeting
- April 15, 2025: Regular Council Meeting

XIII. ADJOURNMENT – Mayor Pierce adjourned the meeting at 7:55 pm.

**Shari Pierce
Mayor**