



Town Hall 551 Hot Springs Blvd  
Pagosa Springs, CO 81147

## MINUTES

Town Council Meeting  
March 18, 2025 @ 5:00 PM

A regular meeting of the Pagosa Town Council was called to order on March 18, 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 Lindner, Council Member Martinez, and Council Member Williams

**COUNCIL ABSENT:** Council Member DeGuise

**I. CALL MEETING TO ORDER**

**II. ROLL CALL**

**III. PLEDGE OF ALLEGIANCE**

**IV. DISCLOSURES AND/OR CONFLICT OF INTEREST** – Council Member Williams said he will not participate in discussion for the early childcare education item.

**V. PUBLIC COMMENT** – Mr. Andrew Brown said the snow route parking enforcement on Lewis Street during the February snowstorm is not functional. He said enforcement is ambiguous and impractical. The signs are confusing and misleading and he said there are no alternative parking areas.

**VI. CONSENT AGENDA**

- 1. Approval of the March 4, 2025 Meeting Minutes**
- 2. February Financial Statement and Payments**
- 3. Resolution 2025-07, Designating the Official Custodian of Records and Adopting a Policy on Responding to Open Records Requests**
- 4. Proclamation In Support of Arbor Day**

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

**Carried.**

**VII. REPORTS TO COUNCIL**

- 1. Sales Tax Brief**
  - a. Sales Tax Report - January 2025**

The January sales tax saw an increase of \$67,565, a 5.12% increase over January 2024.

**VIII. UNFINISHED BUSINESS**

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

Ordinance 1011 approves a \$135,000 easement with La Plata Electric Association (LPEA) to utilize approximately 5 acres for a new electrical substation on the Town-owned property that contains the

former landfill and current County Recycle and Transfer station located at 2140 County Road 500 (Trujillo Rd). Annual payments of \$8,700 for 30 years will be designated in a new CIED account. No public comment.

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

**Carried.**

**2. Ordinance 1012, Second 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 for uses that benefit the community, expand the economy, and support infrastructure improvements.

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

**Carried.**

**IX. NEW BUSINESS**

**1. Allocation of 2025 Early Childcare and Education Funding**

Nine organizations applied for \$88,000 in budgeted funds for early childcare and education funding. The total requests were \$211,185. Town Council provided input to determine the amounts each entity would receive.

Council Member deGraaf moved to allocate a total of \$83,174.50 to the ECE organizations as awarded per the Town Council worksheet on March 18, 2025, Council Member Lindner seconded.

**Carried.**

**2. 2025 Event Funding and Discussion**

The Tourism Board has \$100,000 budgeted in 2025 for event funding and received \$140,000 in funding requests. One of the request is for an event that supports the 4th of July. The Town has funds set aside for the parade which has been cancelled and a community event at Yamaguchi Park is planned. The Lodgers tax fund plans to spend less out of infrastructure and visitor center to offset an overage in event funding. The total expenditures will not exceed the fund budget.

Council Member Williams moved to direct the Tourism Board to approve funds for 4th of July music event, a third party to organize the Halloween Hootenanny and up to \$15,000 for Lighting Contest, Old Fashioned Christmas and trash and recycling services and approve up to \$40,000 to be moved from other line items in the Tourism Budget for consideration of new requests, Council Member deGraaf seconded.

**Carried.**

**3. Authorizing an Agreement with CDOT for reconstruction reimbursement of Town facilities in the US 160 project and appropriating funds**

CDOT is completing the Hwy 160 downtown reconstruction project. CDOT will be managing a portion of the project for the Town. The cost of these improvements for the Town is \$1,078,375. This agreement authorizes the Town to reimburse CDOT for reconstruction and appropriate funds from the Town's Capital Fund reserves. The Town is waiting for quotes from WW Clark for additional improvements the Town has requested. Council Member deGraaf said this is a generational project and does not want the

Town to cut corners but be vigilant on expenditures.

Council Member deGraaf moved to approve the contract with the Colorado Department of Transportation and appropriate \$1,078,375 from the Capital Improvement Fund fund balance, Council Member Williams seconded.

**Carried.**

**4. Possible Sales Tax Election in November 2025**

Staff has been working with bond council and our municipal advisor, Joey McLiney, to design a potential question for the November election. Town Manager Harris said the sewer is an important project for our community, but said there are other projects like the Hot Springs Blvd paving and Town to Lakes Trail project that are needed. Mr. McLiney said a 1% sales tax will provide funds for sewer corrections within just four years. He said the town has limited funds for other capital projects and this sales tax could be used for projects and maintenance for streets, parks and recreation, trails and sidewalks, utilities, and more. A \$10 per month per EU discount on sewer fees could be an option with a 1% sales tax.

Town Manager Harris said there is not much wiggle room for additional projects like a vehicle replacement program and the town needs funding for other major projects. The Town provides parks and recreation programs, downtown streets and sidewalks, and more for the whole community. Mayor Pierce said this is a legacy project for the Town in the future and a treatment plant in town. She said the Council needs to determine the amount to fund this necessary project. Council Member Bergon said she is interested for this question being on the ballot in April and asked about a sunset. She said the voters may be more palatable to have cents rather than dollars on the ballot. She would like to see a timeline and action items to determine by the end of July if this should be on the November 2025, April 2026 or the November 2026 ballot. Mr. McLiney said a November election is appropriate and does not like sunsets because the Town's needs will not go away. Council Member Lindner said this November election is too soon. He said there needs to be time to get the community involved. He said additional language is a red flag and provides skepticism. He said the revenue option needs to happen and believes November 2025 is too soon, but April 2026 is possible. He said there should be polling, door-knocking, and a lot of other things that need to happen before the election. He agrees to add more to the sales tax amount but needs to start the community discussion now to put it on the April ballot. He said there needs to be community meetings with food and childcare outside of the council meetings. Mr. McLiney said he has been successful in bringing questions to the ballot. He said if the question was specific and only for the sewer it is an easy win, but adding projects will require more engagement from the community. Council Member deGraaf said he is in favor of the November 2026 election. He said the county residents may feel like they are subsidizing the town ratepayers with a sales tax increase. He said the ballot should be a benefit for the entire community like Parks and Rec, Town to Lakes Trails, streets, and housing. Mr. McLiney said that two town council members uncomfortable with a November 2026 election make him uncomfortable. He would like the town council to be on board fully before he takes it to the voters. Council Member Martinez said sewer issues are the Town Council's number one goal without any funding strategy. He said increasing the rates was the first step, but said he spends time with folks who can't afford the rates. He said the people he talked with said they see a benefit to fund the sewer repairs, and this question should be on the November 2025 ballot. He said he is willing to spend time as a resident to get this information to the constituents. Council Member Williams said this seems like a different question to share the sales tax rather than raise the rates. He said professionals can help with this November election and wants to help with determining what the community needs. Town Manager Harris said he would put together some action plans for the town council.

**5. An Agreement Engaging Stradling, Yocca, Carlson, & Rauth as Bond Counsel in connection with the Town of Pagosa Springs, Colorado, Certificates of Participation, Series 2025 and November 2025 Election**

The Town will engage Stradling, Yocca, Carlson, & Rauth as Bond Counsel in connection with the Town Certificates of Participation, Series 2025 and November 2025 Election.

Council Member deGraaf moved to approve an agreement engaging Stradling, Yocca, Carlson, & Rauth as Bond Counsel in connection with the Town of Pagosa Springs, Colorado, Certificates of Participation, Series 2025 and November 2025 Election, Council Member Williams seconded.

**Carried.**

- X. PUBLIC COMMENT** – Mr. Andrew Brown said he would like the town council to waive the snow route parking tickets for the Lewis Street residents. He said the town council should consider another mechanism to raise funds rather than sales tax.

Mr. Bill Hudson said a half penny on the sales tax would help to pay the \$40 million problem with the sewer district. He said the economy in downtown is poorer than the rest of the community. He said the whole community should not pay for the rest of the projects the Town wants.

- XI. MAYOR, COUNCIL, TOWN MANAGER COMMENTS/UPCOMING AGENDA ITEMS** – Mayor Pierce said a thank you to the staff and the council for attending the retreat and said it was good for the health of the board.

**XII. EXECUTIVE SESSION**

- 1. Executive session pursuant to C.R.S. 24-6-402(4)(a), Concerning the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest near or around Hot Springs Blvd.**

Council Member deGraaf moved to enter executive session pursuant to C.R.S. 24-6-402(4)(a), concerning the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest near or around Hot Springs Blvd, Council Member Lindner seconded.

**Carried.**

Town Council entered executive session at 6:49 pm. Mayor Pierce called the meeting back into regular session at 7:35 pm.

**XIII. UPCOMING COUNCIL MEETINGS** –

- March 24, 2025: Joint Town-County Board Meeting
- April 1, 2025: Regular Council Meeting
- April 15, 2025: Regular Council Meeting
- April 21, 2025: Joint Town-County Board Meeting
- May 6, 2025: Regular Council Meeting
- May 19, 2025: Joint Town-County Board Meeting
- May 20, 2025: Regular Council Meeting
- June 3, 2025: Regular Council Meeting

- XIV. ADJOURNMENT** – Mayor Pierce adjourned the meeting at 7:37 pm.

**Shari Pierce  
Mayor**