



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

AGENDA

Town Council Meeting
Tuesday, August 5, 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/89390121096>
Dial by Phone - 1-669-900-6833 US - Meeting ID: 893 9012 1096

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. DISCLOSURES AND/OR CONFLICT OF INTEREST

V. PUBLIC COMMENT

VI. CONSENT AGENDA

1. Approval of the July 15, 2025 Meeting Minutes

[Town Council - 15 Jul 2025 - Minutes - Pdf](#)

2. Authorizing the Town Manager to enter into an Interlocal Contract for Cooperative Purchasing with the Houston-Galveston Area Council

[Agenda Brief - Authorizing the Town Manager to enter into an Interlocal Contract for Cooperative Purchasing with the Houston-Galveston Area Council - Pdf](#)

VII. PROCLAMATION

1. A Proclamation regarding the Public Works Utility Division

[Agenda Brief - A Proclamation regarding the Public Works Utility Division - Pdf](#)

VIII. PRESENTATIONS

1. Presentation on Flock Camera System

IX. NEW BUSINESS

1. Ordinance 1014, First Reading, Calling the Coordinated Election and Setting the Ballot Language

[Agenda Brief - An Ordinance 1014, First Reading, Calling the Coordinated Election and Setting the Ballot Language - Pdf](#)

X. PUBLIC COMMENT

XI. MAYOR, COUNCIL, TOWN MANAGER COMMENTS/UPCOMING AGENDA ITEMS

XII. UPCOMING COUNCIL MEETINGS

- August 6, 2025: Joint Town-Tourism-County Work Session
- August 19, 2025: Regular Council Meeting
- August 25, 2025: Joint Town-County Board Meeting
- September 4, 2025: Regular Council Meeting
- September 16, 2025: Regular Council Meeting

*Public comment and agenda comment item sign-up sheets are available at the meeting
Copies of proposed Ordinances and Resolutions are available to the public from the Town Clerk*

- September 22, 2025: Joint Town-County Work Session

XIII. ADJOURNMENT

Shari Pierce
Mayor



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

MINUTES

Town Council Meeting
July 15, 2025 @ 5:00 PM

A regular meeting of the Pagosa Town Council was called to order on July 15, 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 Lindner, Council Member Martinez, and Council Member Williams

COUNCIL ABSENT:

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. DISCLOSURES AND/OR CONFLICT OF INTEREST – None

V. PUBLIC COMMENT – Mr. Kirk Bliss said he is not in favor of the Lions Pride Ice Cream vendor application. He said the health department should hold the Lions Pride to the same inspection standard as his business on Main Street. He said this vendor will open it up for other vendors to sell t-shirts and will hurt the local businesses.

Mr. Eddie Archuleta said the pump by the Town Park gazebo is running but not pumping any water. He said the Trump protesters were throwing water bottles and cussing at the folks driving by.

Mr. Bill Hudson said he will help with the campaign for a 1% sales tax increase for sewers.

VI. CONSENT AGENDA

1. Approval of the July 1, 2025 Meeting Minutes

2. June Financial Statement and Payments

3. Quarterly Investment Report

4. Resolution 2025-13, Appointing Stuart Scull to the Pagosa Springs Area Tourism Board

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

Carried.

VII. REPORTS TO COUNCIL

1. Sales Tax Brief

a. Sales Tax Report - May 2025

Town sales tax receipts for the month of May are up 3.13% compared to May 2024, an increase of \$30,656. Year-to-date sales tax is up 7.51% over the same time last year.

VIII. PRESENTATION

Town Council
July 15, 2025

1. 2024 Audit Presentation

Ms. Crimson Singleton with HintonBurdick CPAs presented the 2024 audit.

2. "Saving our Sewers" working group update

Town Manager Harris gave an update on the SOS working group's efforts to inform the residents of the critical issues with the Town's sewer system. Town Attorney Bob Cole provided an update on the next steps for the Town Council.

IX. NEW BUSINESS

1. Lions Pride Ice Cream Trike Permit to Use Town-owned spaces

Mr. Neil Tillapaugh requested to use his solar-powered E-Trike to vend ice cream, drinks, and snacks at the Town parks, including Yamaguchi Park and Mary Fisher Park, during weekends and busy weekdays, between 10 am and 7 pm, from April through October. Mr. Tillapaugh said he has received his certification from the Health Department. Council Member Williams said this type of business provides vitality to the Town. Council Member Martinez said this business adds to visitors coming and staying in Pagosa.

Council Member Williams moved to approve the Lions Pride ice cream trike to operate on Town property until the end of their business license term, Council Member DeGuise seconded.

Carried with one nay (Mayor Pierce)

2. Pagosa Zip Trips Permit to Use Town-owned spaces

Mr. Jason Cox with Pagosa Zip Trips requested approval to operate pedal cabs with electric assist in the downtown area.. The routes focus on using local streets and alleyways with limited crossings of US 160. The vehicles will be equipped with standard safety features such as seat belts and lighting, and all drivers will be trained under a formal operations and safety plan. Council Member Lindner said he sees these types of pedicabs everywhere and they would be a good fit for our community. Mr. Cox said that this first year, there will be no cost for the rides.

Council Member deGraaf moved to approve the Pagosa Zip Trips to operate on Town property until the end of their business license term, Council Member Williams seconded.

Carried.

3. Skyrocket Park Grant Opportunity

Staff proposes a joint partnership with Great Outdoors Colorado (GOCO) and the CO Youth Corps Association (CYCA) to improve access to Reservoir Hill at the Reservoir Hill Park on Hwy 84, to build a new Skyrocket Trailhead, along with picnic areas, landscaping, fencing, parking, and kiosk signage. Grant applications to GOCO would be approximately \$57,200 to cover the work done by CYCA. The materials are not included and would cost approximately \$152,000.

Phase two of the project may include a campground area on the property for approximately \$2.1 million. This second phase may be a joint effort with the Forest Service.

Council Member Williams said he would like to see a public open house to discover what the public wants at this location. He said a campground could be used for workforce housing. Council Member Bergon said there should be toilets on the property, and that there needs to be police patrols to be aware of transients. Mayor Pierce said she would like a resolution to name the park. She would like Tourism to help pay for this park upgrade. Council Member Lindner said the value put into this park will bring a greater return to the community.

Council Member Williams moved to approve staff to apply for GOCO and CYCA grant opportunity, Council Member deGraaf seconded.

Page 2 of 3

Town Council
July 15, 2025

Carried with two nays (Mayor Pierce and Council Member Martinez)

4. A Public Hearing and Consideration of Ordinance 1013, An Emergency Ordinance of the Town of Pagosa Springs to Not Renew Existing Refuse Collection Franchise Agreements

Four non-exclusive solid waste franchises will be renegotiated with G&I Sanitation Services, Waste Management of Colorado, Elite Recycling and Disposal, and At Your Disposal. Ordinance 1013 does not allow for automatic renewal for any of these agreements. No public comment received.

Council Member deGraaf moved to approve Ordinance 1013, an emergency ordinance of the Town of Pagosa Springs to not renew existing refuse collection franchise agreements, Council Member Lindner seconded.

Carried.

X. PUBLIC COMMENT – Mr. Bill Hudson said he appreciates the Town Council wanting to work on improving the facilities. He said he doesn't appreciate staff bringing a last-minute grant application without any public input or comment.

XI. MAYOR, COUNCIL, TOWN MANAGER COMMENTS/UPCOMING AGENDA ITEMS – Governor Bennett's office representative, Wyatt Bair, will be at Town Hall on Thursday.

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.**
- 2. Executive session pursuant to C.R.S. 24-6-402(4)(e), Determining positions relative to matters that may be subject to negotiations, developing a strategy for negotiations, and instructing negotiations regarding the pre-development agreement between the Town and Servitas, LLC.**

Council Member Lindner 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, and pursuant to C.R.S. 24-6-402(4)(e), determining positions relative to matters that may be subject to negotiations, developing a strategy for negotiations, and instructing negotiations regarding the pre-development agreement between the Town and Servitas, LLC, Council Member deGraaf seconded.

Carried.

Town Council entered executive session at 7:23 pm. Mayor Pierce called the meeting back in regular session at 9:13 pm.

XIII. UPCOMING COUNCIL MEETINGS –

- July 17, 2025: Regular Council Work Session
- July 28, 2025: Joint Town-County Board Meeting
- August 5, 2025: Regular Council Meeting
- August 19, 2025: Regular Council Meeting
- August 25, 2025: Joint Town-County Board Meeting
- September 4, 2025: Regular Council Meeting

XIV. ADJOURNMENT – Mayor Pierce adjourned the meeting at 9:15 pm.

**Shari Pierce
Mayor**



AGENDA BRIEF

MEETING: Town Council - 05 Aug 2025

FROM: David Harris, Town Manager

PROJECT:	Authorizing the Town Manager to enter into an Interlocal Contract for Cooperative Purchasing with the Houston-Galveston Area Council
ACTION:	Consideration and action

PURPOSE/BACKGROUND:

The Houston-Galveston Area Council (HGAC) operates a nation-wide purchasing cooperative named HGAC Buy that is available to state and local governments. Purchasing cooperatives allows member agencies to purchase items that have already been put out through a competitive bidding process. Items that can be purchased include products that are utilized in Public Safety, Public Works, Emergency Services and Communications as well as Professional Consulting and Temporary Personnel and Disaster Recovery Services. Tonight's action will authorize the Town Manager to enter into an Interlocal Contract for Cooperative Purchasing with HGAC.

ATTACHMENTS:

[HGAC Buy 2025](#)

RECOMMENDATIONS:

Recommend approval.



INTERLOCAL CONTRACT FOR COOPERATIVE PURCHASING

ILC No.:
ILC25-18231
Permanent Number assigned
by H-GAC

THIS INTERLOCAL CONTRACT ("Contract"), made and entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code (the "Act"), by and between the Houston-Galveston Area Council, hereinafter referred to as "H-GAC," having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, and **Town of Pagosa Springs, Colorado**, a local government, a state agency, or a non-profit corporation created and operated to provide one or more governmental functions and services, hereinafter referred to as "End User," having its principal place of business at **551 Hot Springs Blvd Pagosa Springs, CO 81147**.

WITNESSETH

WHEREAS, H-GAC is a regional planning commission and political subdivision of the State of Texas operating under Chapter 391, Texas Local Government Code; and

WHEREAS, pursuant to the Act, H-GAC is authorized to contract with eligible entities to perform governmental functions and services, including the purchase of goods and services; and

WHEREAS, in reliance on such authority, H-GAC has instituted a cooperative purchasing program under which it contracts with eligible entities under the Act; and

WHEREAS, End User has represented that it is an eligible entity under the Act, that its governing body has authorized this Contract on **08/05/2025** (Date), and that it desires to contract with H-GAC on the terms set forth below;

NOW, THEREFORE, H-GAC and the End User do hereby agree as follows:

ARTICLE 1: LEGAL AUTHORITY

The End User represents and warrants to H-GAC that (1) it is eligible to contract with H-GAC under the Act because it is one of the following: a local government, as defined in the Act (a county, a municipality, a special district, or other political subdivision of the State of Texas or any other state), or a combination of two or more of those entities, a state agency (an agency of the State of Texas as defined in Section 771.002 of the Texas Government Code, or a similar agency of another state), or a non-profit corporation created and operated to provide one or more governmental functions and services, and (2) it possesses adequate legal authority to enter into this Contract.

ARTICLE 2: APPLICABLE LAWS

H-GAC and the End User agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, and ordinances and laws in effect or promulgated during the term of this Contract.

ARTICLE 3: WHOLE AGREEMENT

This Contract and any attachments, as provided herein, constitute the complete contract between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

ARTICLE 4: PERFORMANCE PERIOD

The period of this Contract shall be for the balance of the fiscal year of the End User, which began **01/01/2025** and ends **01/31/2025**. This Contract shall thereafter automatically be renewed annually for each succeeding fiscal year, provided that such renewal shall not have the effect of extending the period in which the End User may make any payment due an H- GAC contractor beyond the fiscal year in which such obligation was incurred under this Contract.

ARTICLE 5: SCOPE OF SERVICES

The End User appoints H-GAC its true and lawful purchasing agent for the purchase of certain products and services through the H- GAC Cooperative Purchasing Program. End User will access the Program through HGACBuy.com and by submission of any duly executed purchase order, in the form prescribed by H-GAC to a contractor having a valid contract with H-GAC. All purchases hereunder shall be in accordance with specifications and contract terms and pricing established by H-GAC. Ownership (title) to products purchased through H-GAC shall transfer directly from the contractor to the End User.

ARTICLE 6: PAYMENTS

H-GAC will confirm each order and issue notice to contractor to proceed. Upon delivery of goods or services purchased, and presentation of a properly documented invoice, the End User shall promptly, and in any case within thirty (30) days, pay H-GAC's contractor the full amount of the invoice. All payments for goods or services will be made from current revenues available to the paying party. In no event shall H-GAC have any financial liability to the End User for any goods or services End User procures from an H- GAC contractor.

ARTICLE 7: CHANGES AND AMENDMENTS

This Contract may be amended only by a written amendment executed by both parties, except that any alterations, additions, or deletions to the terms of this Contract which are required by changes in Federal and State law or regulations are automatically incorporated into this Contract without written amendment hereto and shall become effective on the date designated by such law or regulation.

H-GAC reserves the right to make changes in the scope of products and services offered through the H-GAC Cooperative Purchasing Program to be performed hereunder.

ARTICLE 8: TERMINATION PROCEDURES

H-GAC or the End User may cancel this Contract at any time upon thirty (30) days written notice by certified mail to the other party to this Contract. The obligations of the End User, including its obligation to pay H-GAC's contractor for all costs incurred under this Contract prior to such notice shall survive such cancellation, as well as any other obligation incurred under this Contract, until performed or discharged by the End User.

ARTICLE 9: SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 10: FORCE MAJEURE

To the extent that either party to this Contract shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed; provided, however, force majeure shall not excuse an obligation solely to pay funds. Determination of force majeure shall rest solely with H-GAC.

ARTICLE 11: VENUE

Disputes between procuring party and Vendor are to be resolved in accord with the law and venue rules of the State of purchase.

THIS INSTRUMENT HAS BEEN EXECUTED BY THE PARTIES HERETO AS FOLLOWS:

Town of Pagosa Springs, Colorado

Name of End User (local government, agency, or non-profit corporation)

P.O. Box 1859

Mailing Address

Pagosa Springs, CO 81147

City, State ZIP Code

Signature of chief elected or appointed official | **Date**

David J. Harris, Town Manager

Typed Name & Title of Signatory

Houston-Galveston Area Council

3555 Timmons Lane, Suite 120, Houston, TX
77027

By:

Executive Director

Date:



END USER DATA

Please sign and return the Interlocal Contract, along with this completed form, to H-GAC by emailing it to cpcontractfax@h-gac.com or by faxing it to 713-993-2424. The contract may also be mailed to:

H-GAC Cooperative Purchasing Program
P.O. Box 22777, Houston, TX 77227-2777

Name of End Use Agency:

Town of Pagosa Springs, Colorado County Name: **Archuleta**
 Mailing Address: **P.O. Box 1859 Pagosa Springs, CO 81147**
 Main Telephone Number: **970-264-4151** FAX Number: **970-264-4634**
 Physical Address: **551 Hot Springs Blvd, Pagosa Springs, CO 81147**
 Web Site Address: **www.pagosasprings.co.gov**

Official Contact: **April Hessman**
 Mailing Address: **P.O. Box 1859**
Pagosa Springs, CO 81147

Title: **Town Clerk & Finance Director**
 Ph No.: **970-264-4151**
 FX No.: **970-264-4634**
 E-Mail Address:
ahessman@pagosasprings.co.gov

Authorized Official: **David Harris**
 Mailing Address: **P.O. Box 1859**
Pagosa Springs, CO 81147

Title: **Town Manager**
 Ph No.: **970-264-4151**
 FX No.: **970-264-4634**
 E-Mail Address: **dharris@pagosasprings.co.gov**

Authorized Official: **April Hessman**
 Mailing Address: **P.O. Box 1859**
Pagosa Springs, CO 81147

Title: **Town Clerk & Finance Director**
 Ph No.: **970-264-4151**
 FX No.: **970-264-4634**
 E-Mail Address:
ahessman@pagosasprings.co.gov

Authorized Official: **Michelle Clark**
 Mailing Address: **P.O. Box 1859**
Pagosa Springs, CO 81147

Title: **Finance Specialist**
 Ph No.: **970-264-4151**
 FX No.: **970-264-4634**
 E-Mail Address: **mclark@pagosasprings.co.gov**

COMPLETING AND EXECUTING THE ILC PROCESS

Step 1 (complete)

Thank you for completing this step. A PDF copy of the ILC document will be delivered to the email address entered.

Step 2

Secure a signature by the individual identified as the Authorized Official to contractually bind your entity.

Step 3

Scan and email a copy of the contract to H-GAC at cpcontractfax@h-gac.com, or fax it to 713-993-2424.

The contract may also be mailed to:

H-GAC Cooperative Purchasing Program

PO Box 22777

Houston, TX 77227-2777

If you require an original signed contract, please print, sign, and mail two (2) sets of the ILC documents.

Step 4

H-GAC will execute the contract and return a copy to you electronically.



AGENDA BRIEF

MEETING: Town Council - 05 Aug 2025

FROM: David Harris, Town Manager

PROJECT: A Proclamation regarding the Public Works Utility Division

ACTION: Approval and presentation

ATTACHMENTS:

[Wastewater Proclamation 2025](#)

RECOMMENDATIONS:

Recommend approval



A Proclamation by the Town Council of the Town of Pagosa Springs

PROCLAMATION IN APPRECIATION AND THANKS TO OUR TOWN OF PAGOSA SPRINGS PUBLIC WORKS UTILITY DIVISION PROFESSIONALS

WHEREAS, the professionals of the Town of Pagosa Springs Public Works Utility Division operate quietly behind the scenes to collect and transport sewer effluent protecting public health in our community for the equivalent of 1,500 customers; and

WHEREAS, the Town of Pagosa Springs Sanitation General Improvement District (PSSGID) transports an average of 325,000 gallons of sewage a day through 17 ½ miles of collection pipes; and

WHEREAS, the PSSGID also transports the sewage effluent uphill 7 ½ miles with an elevation gain of 500 feet for treatment at the Pagosa Area Water and Sanitation District; and

WHEREAS, most customers use their sinks, toilets, washing machines, and dishwashers without considering where the water ends up; and

WHEREAS, Professional sanitation employees run and maintain the pumps and motors that move wastewater through the collection system, ensuring the collection system lines, pump stations, and lift stations are in good working order; and

WHEREAS, on April 15, 2025, lightning struck near Pump Station 2, damaging electronic controls and one of two wet pumps at the facility; and

WHEREAS, on the afternoon of June 16, it was discovered that the second wet pump at Pump Station 2 was on the verge of a complete failure; and

WHEREAS, the Public Works Utility Division team of professionals worked overnight to ensure that the pump maintained operation although at a limited capacity; and

WHEREAS, over the next few days and weeks, the Utility staff worked to transplant pumps, install a bypass pump, and locate additional equipment that would ensure continuity of operations; and

WHEREAS, the PSSGID and Public Works staff put into motion a plan to acquire critical backup equipment and parts; and

WHEREAS, PSSGID staff delivered the damaged pumps to the manufacturer for repair; and

WHEREAS, Public Works staff have been active in planning for the future of the sanitary sewer system including televising and making repairs to the lines and engaged an engineering firm to design repairs to the more critically damaged collection lines in the system; and

WHEREAS, Staff and engineers have started plans to design and permit a new wastewater treatment plant near the site of Pump Station 1; and

WHEREAS, without the knowledge and dedication of the Town's professional staff, the system may fail.

NOW, THEREFORE, the Mayor and Town Council, on behalf of all the residents of the Town of Pagosa Springs, hereby proclaim their appreciation and thank our Town of Pagosa Springs Public Works Utility Division professionals for their dedicated service and contributions to the Town of Pagosa Springs and the Town of Pagosa Springs General Improvement District.

GIVEN under my hand and seal this 5th day of August 2025.

Attest:

Signed:

April Hessman, Town Clerk

Shari Pierce, Mayor



AGENDA BRIEF

MEETING: Town Council - 05 Aug 2025

FROM: David Harris, Town Manager

PROJECT: An Ordinance 1014, First Reading, Calling the Coordinated Election and Setting the Ballot Language

ACTION: Consideration and action

PURPOSE/BACKGROUND:

The sewer system is failing and needs funding for repairs, wastewater treatment plant, and possible reuse system. A sales tax is the most efficient way to obtain the funding needed.

Council should determine that this November election is the right time, and the ballot language to give to the County Clerk by September 4th.

Ordinance 1014 addresses a 1% sales tax and other provisions recommended by the Town Attorney who is available to answer any questions.

ATTACHMENTS:

[Ordinance 1014 - An Ordinance Repealing and Re-Adopting the Imposition of Sales Tax](#)

FISCAL IMPACT:

It is estimated that between \$80 to \$100 million will be needed to address the chronic issues in the sewer system. A 1% sales tax would generate an estimated \$3.6 million in the first year and that it will take an estimated 25 years to generate all the funds necessary.

RECOMMENDATIONS:

1. Move to approve an Ordinance 1014, First Reading, Calling the Coordinated Election and Setting the Ballot Language.
2. Move to approve an Ordinance 1014, First Reading, Calling the Coordinated Election and Setting the Ballot Language with the following changes...
3. Direction to staff

TOWN OF PAGOSA SPRINGS, COLORADO

**ORDINANCE NO. 1014
(SERIES 2025)**

AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS REPEALING ARTICLE 3, CHAPTER 16 OF THE TOWN OF PAGOSA SPRINGS MUNICIPAL CODE; CALLING AN ELECTION ON THE QUESTION OF IMPOSING A ONE PERCENT (1%) SALES TAX; AND UPON A FAVORABLE VOTE AT THE NOVEMBER 4, 2025 COORDINATED ELECTION, READOPTING ARTICLE 3, CHAPTER 16 TO IMPOSE THE SALES TAX

WHEREAS, the Town of Pagosa Springs ("Town") is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Pagosa Springs Home Rule Charter of 2003 as amended ("Charter"); and

WHEREAS, the Town of Pagosa Springs ("Town") voters previously approved a sales tax as authorized by Ordinance 543 and codified in Article 3 of Chapter 16 of the Pagosa Springs Municipal Code as amended, which sales tax has never been implemented and the Town Council now wishes to repeal Article 3 of Chapter 16, and subject to voter approval, re-adopt it to enact the new sales tax as set forth herein; and

WHEREAS, the Town Council has determined that the Town requires additional revenue to fund the construction, reconstruction, improvement, repair, operation and maintenance of wastewater facilities that serve the Town, including payment of contracts, leases, lease-purchase agreements, and bonds whether issued by the Town or the Pagosa Springs Sanitation General Improvement District; and

WHEREAS, Section 9.15 of the Charter and Article 2, Title 29, C.R.S., ("Sales Tax Act") authorize the Town to adopt and amend the tax on sales of tangible personal property at retail and services, subject to the approval of the Town's registered electors; and

WHEREAS, it is necessary to submit to the eligible electors of the Town the question of imposing a one percent sales tax ("Sales Tax"), and the Town Council hereby determines that such question(s) should be presented to the electors at the election to be conducted on November 4, 2025 ("Election"), in accordance with the provisions of the Charter, the Sales Tax Act, the Municipal Election Code, the Uniform Election Code of 1992, and TABOR (jointly as the "Election Laws"); and

WHEREAS, the Election is required to be conducted as a coordinated election, and the Archuleta County Clerk and Recorder ("County Clerk") is the Coordinated

Election Official for the Election and shall be responsible for mailing the notice required pursuant to Article X, Section 20 of the Colorado Constitution (“TABOR Notice”); and

WHEREAS, the Town is required to enter into an agreement (“Intergovernmental Agreement”) with the County Clerk regarding the conduct of the Election and mailing of the TABOR Notice on or before August 26, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, AS FOLLOWS:

Section 1. Repeal of Article 3, Chapter 16. Article 3, Chapter 16 of the Town of Pagosa Springs Municipal Code is hereby repealed.

Section 2. Readoption of Article 3, Chapter 16. Article 3, Chapter 16 of the Town of Pagosa Springs Municipal Code, imposing the Sales Tax as set forth in Exhibit A attached hereto and incorporated herein is readopted, subject to voter approval as set forth herein.

Section 3. Submission to Registered Electors. A special election of the eligible electors of the Town shall be held on Tuesday, November 4, 2025, in coordination with the County Clerk at which Election there shall be submitted to the eligible electors of the Town the question of imposing the Sales Tax as stated in the form of ballot title hereafter set forth.

Section 4. Appointment of Election Officials. The Town Clerk shall serve as the Election Official for the conduct of the election on behalf of the Town, with the authority and direction to execute and implement the Intergovernmental Agreement and proceed with any action necessary or appropriate to effectuate the provisions of this Ordinance and the Election Laws. The County Clerk shall be the Coordinated Election Official for the Election. Any and all actions previously taken by the Election Officials or any other persons acting on their behalf pursuant to the Election Laws to effectuate the Election that are consistent with the intent of this Ordinance are hereby ratified and confirmed.

Section 5. Intergovernmental Agreement. The Town Clerk shall execute the Intergovernmental Agreement in a form approved by the Town Clerk and the Town Attorney. To the extent the Town Clerk executed the Intergovernmental Agreement prior to the effective date of this Ordinance, authority for the Town Clerk to execute the Intergovernmental Agreement is ratified by the Town Council. Mailing of the TABOR Notice shall be in accordance with the provisions of the Intergovernmental Agreement.

Section 6. Ballot Title. The ballot title for the Sales Tax question shall be in substantially the following form:

SHALL TOWN OF PAGOSA SPRINGS TAXES BE INCREASED \$3,675,692 IN THE FIRST FULL FISCAL YEAR AND BY SUCH ADDITIONAL AMOUNTS AS ARE GENERATED ANNUALLY THEREAFTER FROM THE IMPOSITION OF A SALES TAX OF 1.00% AS SET FORTH IN ORDINANCE NO. 1014, (SERIES 2025); SUCH TAX INCREASE TO BEGIN ON JANUARY 1, 2026, TO:

- CONSTRUCT, RECONSTRUCT, IMPROVE, REPAIR, BETTER, EXTEND, OPERATE AND MAINTAIN SEWERAGE AND WASTEWATER REUSE FACILITIES TO SERVE THE TOWN, INCLUDING FACILITIES OF THE PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT DISTRICT, AND
- FUND SUCH PURPOSES, SUBJECT TO ANNUAL APPROPRIATION BY THE TOWN, BY PLEDGING THE REVENUES FROM SUCH SALES TAX FOR PAYMENT OF CONTRACTS, LEASES, LEASE-PURCHASE AGREEMENTS, AND BONDS, WHETHER ISSUED BY THE TOWN OR THE DISTRICT

AND SHALL THE TOWN BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE PROCEEDS FROM SUCH TAX AND ANY INVESTMENT INCOME EARNED FROM SUCH PROCEEDS AS A VOTER-APPROVED REVENUE CHANGE UNDER SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION?

YES: _____

NO: _____

Section 7. Public Inspection. The full text of this Ordinance, with any amendments, is available for public inspection at the office of the Town Clerk.

Section 8. Severability. If any portion of this ordinance or the sales tax adopted herein is declared to be void or ineffective by a court of competent jurisdiction, it shall be deemed severed from this ordinance. The remaining portions shall remain valid and in full force and effect.

Section 9. Public Hearing. A public hearing on this Ordinance shall be held on the _____ day of _____, 2025, at 7:00 p.m. at the Pagosa Springs Town Hall, 551 Hot Springs Boulevard, Pagosa Springs, Colorado.

Section 10. Effective Date. This Ordinance shall become effective and be in force immediately upon final passage at second reading.

INTRODUCED, READ, AND ORDERED PUBLISHED PURSUANT TO SECTION 3.9, B) OF THE PAGOSA SPRINGS HOME RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF PAGOSA SPRINGS, ON THE _____ DAY OF _____, 2025.

TOWN OF PAGOSA SPRINGS, COLORADO

By: _____
Shari Pierce, Mayor

ATTEST:

By: _____
April Hessman, Town Clerk

FINALLY ADOPTED, PASSED, APPROVED, AND ORDERED PUBLISHED PURSUANT TO SECTION 3.9, D) OF THE PAGOSA SPRINGS HOME RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF PAGOSA SPRINGS, ON THE _____ DAY OF _____, 2025.

TOWN OF PAGOSA SPRINGS, COLORADO

By: _____
Shari Pierce, Mayor

ATTEST:

By: _____
April Hessman, Town Clerk

Exhibit A

Chapter 16 - REVENUE AND TAXATION
ARTICLE 3. SALES TAX

ARTICLE 3. SALES TAX

Sec. 16.3.1. Sales Tax Definitions.

The words used in this Article 3 shall have the meanings set forth herein and in Section 39-26-102, C.R.S., as it currently exists or may hereafter be amended. All statutory references in this Article 3 shall refer to the statutes as they exist at the time of adoption of this Article and as thereafter amended.

Sec. 16.3.2. Sales Tax Imposed.

There is hereby imposed on the sale of tangible personal property at retail and the furnishing of services as provided in Section 29-2-105 (1)(d), C.R.S., a sales tax of one percent (1%) of the gross receipts (the "sales tax").

Sec. 16.3.3. Exemptions.

The sales of tangible personal property and services taxed pursuant to this Chapter are the same as the tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S., and subject to the same exemptions as those specified in Part 7, Article 26, Title 39, C.R.S. None of the sales listed in subparagraphs (I)(A) through (I)(U) of Section 29-2-105(1)(d), C.R.S. shall be exempt from the sales tax.

Sec. 16.3.4. Sourcing of Sales.

For the purpose of determining whether a sale is subject to the sales tax, all retail sales are sourced as specified in Section 39-26-104(3), C.R.S.

Sec. 16.3.5. State Sales and Use Tax Not Included.

The amount subject to the Sales Tax shall not include the amount of any sales or use tax imposed by Article 26 of Title 39, C.R.S.

Sec. 16.3.6. Sales Subject to Specific Ownership Tax.

All sales of personal property on which a specific ownership tax has been paid or is payable are exempt from the sales tax when the sales meet both of the following conditions:

- (1) The purchaser is a non-resident of or has his principal place of business outside the limits of the Town, and
- (2) The personal property is registered or required to be registered outside the limits of the Town under the laws of the State of Colorado.

Sec. 16.3.7. Sales Subject to Prior Sales or Use Taxes.

The sales tax shall be subject to the provisions of Section 29-2-105(2), (3) and (4), C.R.S. regarding sales that are subject to other municipal sales or use tax.

Sec. 16.3.8. Sales Tax Collection.

The collection, administration, and enforcement of the sales tax shall be performed by the Executive Director of the Department of Revenue of the State of Colorado (the "Executive Director") in the same manner as the collection, administration, and enforcement of the Colorado State Sales Tax. Unless otherwise provided by Article 2 of Title 29, C.R.S., the provisions of Article 26 of Title 39, C.R.S., shall govern the collection, administration, and enforcement of the Sales Tax.

Sec. 16.3.9 Use of Revenues.

The revenues derived from the sales tax shall only be used to construct, reconstruct, improve, repair, better, extend, operate and maintain sewerage and wastewater reuse facilities to serve the Town, including facilities of the Pagosa Springs Sanitation General Improvement District, and to fund such purposes, subject to annual appropriation by the Town, by pledging the revenues from the sales tax for payment of contracts, leases, lease-purchase agreements, and bonds, whether issued by the Town or the District.

Sec. 16.3.10. Duration of Sales Tax.

The sales tax provided for by this Article 3 shall be in effect until terminated by ordinance of the Town Council or a vote of the eligible electors of the Town.

Sec. 16.3.11. Authorization.

The officers of the Town are authorized and directed to take all action necessary and appropriate to effectuate the provisions of this Article.

Sec. 16.3.12. Amendment

This Article 3 may be amended by the Town Council in any respect except that the amount of the sales tax may not be increased nor the restrictions on use be lessened without voter approval.

Sec. 16.3.13. Sales Tax Effective Date.

Upon approval by the registered electors of the Town, the sales tax shall be effective January 1, 2026.

CERTIFICATE OF PUBLICATION

I, the duly appointed, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. ____ (Series 2025) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the ____ day of _____, 2025, and was published by title only, along with a statement indicating that the full text of the Ordinance is available at the office of the Town Clerk, on the Town's official website, on _____, 2025, which date was at least ten (10) days prior to the date of Town Council consideration on second reading.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this ____ day of _____, 2025.

April Hessman, Town Clerk

(S E A L)

I, the duly appointed, qualified and acting Town Clerk of the Town of Pagosa Springs, Colorado, do hereby certify the foregoing Ordinance No. ____ (Series 2025) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the ____ day of _____, 2025, and was published by title only, along with a statement indicating the effective date of the Ordinance and that the full text of the Ordinance is available at the office of the Town Clerk, on the Town's official website, on _____, 2025.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this ____ day of _____, 2025.

April Hessman, Town Clerk

(S E A L)