



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

AGENDA
Town Council Meeting
August 4, 2026 @ 5:00 PM

REMOTE PARTICIPATION

Join Zoom Meeting By Computer - <https://zoom.us/j/94262129511>
Dial by Phone - 1-669-900-6833 US - Meeting ID: 942 6212 9511

A Zoom link is made available. The Town cannot guarantee internet service or online broadcasting. Remote participation is at the risk of attendees. The meeting will continue in person regardless of the broadcast capability.

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 21, 2026 Meeting Minutes

VII. UNFINISHED BUSINESS

1. Project 64 Talking Points

VIII. NEW BUSINESS

1. Ordinance 1037, First Reading, Data Center Moratorium

2. Discussion regarding potential traffic calming device on San Juan Alley and discussion regarding developing a policy and ordinance regarding traffic calming devices on public roads

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

IX. PUBLIC COMMENT

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

XI. EXECUTIVE SESSION

- 1. Executive Session pursuant to §24-6-402(4)(b), C.R.S., to receive legal advice on questions related to Oren Rd., in which event the session, or portions of the session, will not be recorded.**

XII. RECONVENE IN REGULAR SESSION

- 1. Council may act in regular session on item(s) discussed in Executive Session**

XIII. UPCOMING COUNCIL MEETINGS

August 18, 2026 at 5:00 pm: Regular Council Meeting

August 24, 2026 at 5:00 pm: Joint Town/County Work Session at Town Hall

September 1, 2026 at 5:00 pm: Regular Council Meeting

September 15, 2026 at 5:00 pm: Regular Council Meeting

XIV. ADJOURNMENT

**Shari Pierce
Mayor**



Town Hall 551 Hot Springs Blvd
Pagosa Springs, CO 81147

MINUTES
Town Council Meeting
July 21, 2026 @ 5:00 PM

A regular meeting of the Pagosa Springs Town Council was called to order on July 21, 2026 at 5:00 PM in the Town Hall 551 Hot Springs Blvd.

COUNCIL PRESENT: Mayor Pierce, Council Member Bergon, Council Member Martinez, Council Member deGraaf, Council Member Lindner, Council Member Shabro

COUNCIL ABSENT: Council Member Williams

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. DISCLOSURES AND/OR CONFLICT OF INTEREST

None

V. PUBLIC COMMENT

None

VI. CONSENT AGENDA

1. Approval of the July 7, 13 & 16, 2026 Meeting Minutes

2. June Financial Statement and Payments

3. Quarterly Investment Report

Council Member Martinez moved to approve the consent agenda, Council Member Bergon seconded. Motion Passed

VII. PRESENTATION

1. 2025 Audit Presentation

Ms. Crimson Singleton with Squire CPAs completed the 2025 audit for the Town and GID. She provided an overview of the audit and recommendations.

VIII. REPORTS TO COUNCIL

1. Sales Tax Brief

Sales tax receipts for May of \$734,545 are flat compared to May 2025. The marijuana tax continues to decline. The new sewer sales tax was \$211,589 for May, less than expected.

2. Other Department Reports

- a. Administration Report
- b. Development Department Reports-July 2026
- c. Lodging Tax Report
- d. Municipal Court Department Report
- e. Police Department Report June 2026
- f. Parks and Recreation Update

IX. UNFINISHED BUSINESS

1. Strategic Planning Update and Discussion

Ms. Karen Daly facilitated a leadership and Town Council retreat to brainstorm and discuss strategic actions associated with the priority goals established in 2025. She provided a summary of the Council's strategic actions.

2. Ordinance 1029, Second Reading, Amending the Municipal Code to Align with Certain Provisions of State Law

Ordinance 1029 provides a stop-gap measure and a starting point for aligning penalty authority with state law. It also reflects the recent Town Charter updates authorized by voters on April 7, 2026.

Council Member deGraaf moved to approve Ordinance 1029, second reading, amending the Municipal Code to align with certain provisions of State Law, Council Member Bergon seconded. Motion Passed

3. Ordinance 1035, Second Reading, Rezoning Portion of Block 40 from R-12 to MU-R

Ordinance 1035 rezones five (5) lots within Block 40 from Town Residential-Medium Density (R-12) to Mixed-Use Residential (MU-R). The subject properties are known as Lots 7X, 9, 10, 11, 12, and 13 of Block 40 of the Townsite of Pagosa Springs (also known as 141, 157, 173, 181, & 189 S 6th Street).

Council Member Shabro moved to approve Ordinance 1035, Series 2026, second reading, rezoning the five (5) eastern lots within Block 40 of the Townsite of Pagosa Springs from Town Residential – Medium Density (R-12) to Mixed Use Residential (MU-R), Council Member Martinez seconded. Motion Passed

X. NEW BUSINESS

1. Lions Pride Mobile Food Cart - Outdoor Commercial Establishment

The owner of Lions Pride Mobile Food Cart submitted an application for an Outdoor Commercial Establishment (OCE) permit to operate a mobile solar-powered e-trike selling ice cream, drinks, and snacks along the riverwalk between Yamaguchi Park, Mary Fisher Park, Pirate Park, and Town Park.

Staff reviewed the administrative conditions, including a limited route, liability insurance, approval by the Fire Department and Health Department, an onsite trash receptacle, limited signage, navigating routes safely to avoid pedestrian conflicts, and being valid through December 31, 2026. Council Member Bergon said to require the applicant not to park his vehicle and trailer in the parks. Council Member Lindner said it may time to put something in place with regard to businesses using the parks. Mayor Pierce said she does not want to receive a lot of OCEs this summer. She agrees not to park the car and trailer in the park spaces.

Council Member Lindner moved to approve the Outdoor Commercial Establishment permit for Lions Pride on the requested route subject to the operational and administrative conditions outlined in the packet and subject to park in auxiliary parking on HSB and library, Council Member Martinez seconded. Motion Passed

Staff will bring information to Town Council regarding use of Town property for these types of businesses.

2. Resolution 2026-12, Supporting the Submittal of a Colorado Department of Local Affairs Division of Housing Grant Application for Creating Rental Units for Moderate Income Affordable Housing

DOLA's division of housing offers grants that can assist with a portion of the repair and improvement expenses associated with one of the Project 102 properties (Project 64). Resolution 2026-12 requests up to \$1.92 million towards the purchase and renovation efforts for one of the project 102 properties, noted as Project 64 in the resolution and grant application.

Council Member deGraaf moved to approve Resolution 2026-12, supporting the submittal of a Colorado Department of Local Affairs Division of Housing grant application for creating rental units for moderate income affordable housing, Council Member Shabro seconded. Motion Passed

3. Acceptance of Public Improvements and Bill of Sale Associated with Timberline Apartments Development

The developer agreement with Timberline Apartment Group for the Low Income Housing Tax Credit (LIHTC) project required the developer to construct public improvements within the Alpha Drive and Legacy Drive public right-of-way, including the roadway, drainage, sidewalks, crosswalks, signage, streetlights, and street trees. They were also required to provide a three-year bond to ensure the improvements were constructed as approved by the Town. The developer is obligated to repair/replace any improvements that fail within the warranty period.

The Legacy Drive public right-of-way was dedicated to the Town pursuant to the Legacy Minor Subdivision Plat #1148 recorded with the Archuleta County Clerk and Recorder's office on July 1, 2024 under reception #22402628.

The Bill of Sale formalizes the conveyance of public improvements from the developers free and clear of any construction or material liens. The Bill of Sale transfers the physical improvements to the Town for ownership and maintenance, except for any developer warranty issues that may arise. The warranty bond will be retained for the three-year period.

Council Member deGraaf moved to approve the acceptance of public improvements and bill of sale associated with the Timberline Apartments Development, Council Member Bergon seconded. Motion Passed

4. Data Center Use Classification

The Town's Land Use Development Code (LUDC) does not address the use of data centers. The most closely related use the Town has with data centers would be the use of a Warehouse, which is defined as: *A structure containing an area available for the purpose of*

storing raw materials, goods, or property. When an application is made for a type of use that is not specifically listed in Table 4.1-1, the Director shall make a determination as to the appropriate classification of a new or unlisted form of land use. Staff will work to amend the LUDC to put in place language concerning data center use.

Council Member deGraaf and Bergon said data centers should not be allowed in the Town of Pagosa Springs. Council Member Shabro said data center requirements would most likely not look to open in Pagosa Springs, however, future technology may be better suited to expand here. He does not support banning data centers, but an alternative at the county level might be possible. Council Member Lindner said staff should define data centers and ban them from our community. Mayor Pierce said there may be an option in the future where they may be desirable. She said the code could prepare the Town for the possibility in the future. Council Member Shabro said the code could require a business requesting more than 10 acres and 1 megawatt of power would require Town Council approval. Staff will bring Town Council a moratorium on data centers and have future discussion on use.

5. Updates to the Region 9 Economic Development District's Archuleta Community Development Action Plan

Region 9 Economic Development District has been working to update the region's Community Development Action Plan (CDAP) Archuleta County has a "chapter" in this plan around economic conditions and priorities/challenges that may be helpful as a reference for future grant applications and programs.

XI. PUBLIC COMMENT

Mr. Bill Hudson said the PAWSD has three funds, and two are enterprise funds. He asked how the sales tax funds are being given to the GID without abandoning the enterprise status.

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

Council Member Bergon said she loved the Friday comfest. She said there was a glitch using credit cards. Mayor Pierce said a member of the public would like to do a presentation on plastics. She said they are asking for a ban of plastic utensils in Town. USDA is coming into town July 28th to discuss projects they may be able to assist the Town with. The Tourism Board will hold a strategic retreat on August 14th and Council is invited from 12-2 pm. The Chamber of Commerce will be moving offices uptown in mid-November. Renovations at the visitor center will take place for tourism staff. Staff would like a group photo of the council for the town website.

XIII. EXECUTIVE SESSION

- 1. Executive Session pursuant to §24-6-402(4)(b), C.R.S., to receive legal advice on questions related to Country Center Dr., in which event the session, or portions of the session, will not be recorded**

2. Executive Session per C.R.S. 24-6-402(4)(a): Discussion concerning the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest related to Project 102

Council Member Martinez moved to enter executive session pursuant to C.R.S. 24-6-402(4)(b), to receive legal advice on questions related to Country Center Drive, in which event the session, or portions of the session, will not be recorded and per C.R.S. 24-6-402(4)(a) for discussion concerning the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest related to Project 102, Council Member Lindner seconded. Motion Passed

Town Council entered executive session at 7:31 pm. Mayor Pierce called the meeting back in regular session at 9:00 pm.

XIV. RECONVENE IN REGULAR SESSION

1. Council may act in regular session on item(s) discussed in Executive Session

XV. UPCOMING COUNCIL MEETINGS

July 28, 2026 at 5:00 pm: Joint Town-County Work session at County Offices

August 4, 2026 at 5:00 pm: Regular Council Meeting

August 18, 2026 at 5:00 pm: Regular Council Meeting

September 1, 2026 at 5:00 pm: Regular Council Meeting

September 15, 2026 at 5:00 pm: Regular Council Meeting

XVI. ADJOURNMENT

Mayor Pierce adjourned the meeting at 9:01 pm.

**Shari Pierce
Mayor**



AGENDA BRIEF

MEETING: Town Council Meeting
FROM: Jeff Sams

PROJECT: Project 64 Talking Points
ACTION: Information Only
Discussion

PURPOSE/BACKGROUND:

Project 64 (formerly Project 102) has many moving parts. In an effort to ensure accurate and consistent information is being communicated by our team, staff has developed the attached Talking Points which we can discuss in open session.

ATTACHMENTS:

Project 64 Write Up

Town Council has made Housing one of its top priorities, so it has been a focus to address this need in our community. Staff learned of an opportunity with 3 timeshare condominium properties that Wyndham Resorts planned to liquidate through a bankruptcy auction process. Since January 2026, town staff have been completing due diligence work to evaluate the properties to repurpose as affordable housing. The goal was to provide affordable housing and have the project pay for itself through the rental income.

During the due diligence, we were able to identify needed improvements for the buildings and individual units. The interiors of the units all appeared to be in good condition with some being remodeled in the last 2 to 3 years. There were some exterior issues identified and some items in the attics and crawl spaces that needed to be addressed. This was added to the budget to ensure this work could be completed within budget and still have the units at affordable rent amounts.

Working with the Town's Financial Advisor, we looked for options to finance the properties. A bond utilizing Certificates of Participation, has proved to provide the lowest interest rate so far for financing the project. Other options for financing continue to be reviewed, with the property as collateral for any financing options. Town staff continues to look for other options to reduce the financial burden, by reviewing grants and other Prop 123 funding programs. Through this process, the goal became clear to rent the units as middle income affordable housing targeting an AMI Range in the 60% to 120% range. The rent range will be directly related to the final total purchase and renovation cost of the units and picks up where Low-Income Housing Tax Credit (LIHTC) projects stop at 60% AMI. The lower the cost to purchase and renovate to prepare the units to lease, the lower the rents can be.

The Auction for the three properties continued to be pushed out and eventually scheduled for July 17th. At the auction, the Town was successful in being the high bidder on Village Pointe Condos. The property consists of 32 condos that each have a complete lock-off one bedroom/one bathroom unit,

resulting in creating 64 units for affordable housing. With the winning bid, below is an estimate of the acquisition costs.

- Purchase price: \$4,905,472
- Renovation budget: We have some rough numbers but are still finalizing the scope of work and working to receive additional quotes. With the timing of closing, this budget will continue to fluctuate.
- The town has also been working on applying for a Housing Development Grant. This grant can be used towards property acquisition and renovations. If successful, this will increase the number of units in the 60% to 80% AMI range by reducing the financing costs. There may be other grants to pursue as well.

The closing process will take several months, possibly extending to March of 2027. With the interiors of the units in move in condition, we plan to start leasing and moving tenants in right away. This is a rare opportunity to have an option to convert existing units into affordable housing. With developers quoting \$300k and up per unit, these units will be significantly lower and create quality units for our workforce that needs housing.



AGENDA BRIEF

MEETING: Town Council Meeting

FROM: Owen O'Dell

PROJECT: Ordinance 1037, First Reading, Data Center Moratorium

ACTION: Discussion and Action

PURPOSE/BACKGROUND:

At the July 21st Town Council meeting, the Planning Division requested direction regarding the use of data centers in Pagosa Springs. Staff identified the lack of use classification in the Town's Land Use Development Code and expressed the need to codify such use. After deliberation between Council and staff, it was directed that staff present Council with a 2-year moratorium on data centers. This ordinance is intended to allow staff to closely monitor data center development across the nation and specifically the State of Colorado regarding technological advancements, especially as it pertains to human and ecological impact.

It should be noted that the Ordinance before Council is for a 6-month period. The Town's legal council informed staff that case law on moratoriums points to the shortest time necessary. This would require an extension every 6 months to achieve the two years as requested by Council.

ATTACHMENTS:

Ordinance 1037

RECOMMENDATIONS:

1. Move to approve of the first reading of Ordinance 1037 placing a 6-month moratorium on all development that would include data centers
2. Move to deny the first reading of Ordinance 1037 placing a 6-month moratorium on all development that would include data centers
3. Direct Staff...

TOWN OF PAGOSA SPRINGS, COLORADO

ORDINANCE NO. 1037

(Series 2026)

AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS AUTHORIZING A MORATORIUM ON THE ACCEPTANCE OR PROCESSING OF CERTAIN PERMIT APPLICATIONS AND LAND DEVELOPMENT APPLICATIONS WHERE A DATA CENTER IS INCLUDED AS A PROPOSED PRINCIPAL OR ACCESSORY USE

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 2003 Pagosa Springs Home Rule Charter, as amended (“Charter”); and

WHEREAS, pursuant to Section 1.4 of the Charter, the Town has all the power of local self-government and home rule and all power possible for a municipality to have under the Constitution and laws of the State of Colorado; and

WHEREAS, the Town of Pagosa Springs is authorized pursuant to its police powers and land use authority under Colorado law to regulate development in order to protect the public health, safety, and welfare; and

WHEREAS, data centers represent a rapidly expanding and evolving land use with unique and potentially significant impacts on land use patterns, infrastructure systems, and community character; and

WHEREAS, data centers may impose substantial demands on electrical systems, water resources, and other public infrastructure, the long-term impacts of which are not yet fully understood within the context of the Town; and

WHEREAS, the Town has an interest in protecting its natural resources, including water availability and energy sustainability, and ensuring that new development does not create disproportionate or unforeseen environmental impacts; and

WHEREAS, the Town Council has adopted strategic priorities that include responsible growth management, infrastructure planning, and long-term fiscal sustainability; and

WHEREAS, the Town desires to ensure that emerging land uses such as data centers are evaluated for consistency with these strategic priorities before permitting and regulating such uses; and

WHEREAS, the Town's current Land Development Code does not specifically address or adequately regulate data center uses, including but not limited to their intensity, location, performance standards, and infrastructure demands; and

WHEREAS, the Town requires additional time to study and evaluate appropriate regulations, including zoning standards, performance criteria, and potential impacts associated with data centers; and

WHEREAS, in the absence of such regulations, approval of data center development applications could result in land use patterns and infrastructure demands that are inconsistent with the Town's long-term planning goals; and

WHEREAS, the Town Council finds that a temporary moratorium is necessary and appropriate to prevent premature development while such studies and regulations are completed; and

WHEREAS, temporarily prohibiting land uses that are inconsistent with the Town's strategic priorities supports the Town's long-term vision for sustainable growth, fiscal responsibility, effective governance, and community well-being; and

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PAGOSA SPRINGS, COLORADO, as follows:

Section 1. Incorporation of Recitals. The above Recitals are hereby incorporated into this Ordinance by this reference.

Section 2. Beginning on the effective date of this ordinance, a moratorium is hereby authorized and ordered on the acceptance, processing, or approval of any “development activity,” as that term is defined by the Pagosa Springs Land Use and Development Code, that proposes to establish a data center as a primary or accessory use. The purpose of this moratorium is to provide time for the Town to construct thoughtful regulations for existing and future data centers.

Section 3. Duration. This moratorium shall be in effect for a period of six (6) months from the effective date of this Ordinance, unless extended by the Town Council following a public hearing.

Section 4. Definition. For the purposes of this moratorium, "data center" is defined as a facility where the primary use is the storage, processing, management, and transmission of digital data and/or support for the delivery of cloud computing services.

Section 5. Findings. The Town Council hereby finds that this temporary moratorium is:

1. Temporary in nature
2. Necessary to protect the public health, safety, and welfare; and
3. Adopted in good faith for the purpose of completing needed planning and regulatory updates.

Section 6. Incorporation. The recitals set forth above are incorporated herein as if set forth in full.

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 is found to be void or ineffective, it shall be deemed severed from this Ordinance and the remaining provisions shall remain valid and in full force and effect.

Section 9. Public Hearing. A public hearing on this Ordinance shall be held on the 4th day of August, 2026, 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 BY TITLE ONLY
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 ON THE 4th DAY OF AUGUST, 2026.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Shari Pierce, Mayor

Attest:

April Hessman, Town Clerk

FINALLY ADOPTED, PASSED, APPROVED WITH AMENDMENTS, IF ANY, AND ORDERED PUBLISHED BY TITLE ONLY 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 ON THE DAY OF _____, 2026.

TOWN OF PAGOSA SPRINGS,
COLORADO

By: _____
Shari Pierce, Mayor

Attest:

April Hessman, Town Clerk

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. 1037 (Series 2026) was approved by the Town Council of the Town of Pagosa Springs on first reading at its regular meeting held on the 4th day of August, 2026, and was published by title only, including a statement identifying any fines or penalties for violation of the ordinance, if any, and a statement that the full text of the Ordinance is available at the office of the Town Clerk, on the Town's official website, on _____, 2026, which is 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 _____, 2026.

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. 1037 (Series 2026) was approved by the Town Council of the Town of Pagosa Springs on second reading, at its regular meeting held on the _____ day of _____, 2026, 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 and on the Town's official website, on _____, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pagosa Springs, Colorado, this ____ day of _____, 2026.

April Hessman, Town Clerk

(S E A L)



AGENDA BRIEF

MEETING: Town Council Meeting
FROM: Branden Lattin

PROJECT: Discussion regarding potential traffic calming device on San Juan Alley and discussion regarding developing a policy and ordinance regarding traffic calming devices on public roads

ACTION: Discussion and Action

PURPOSE/BACKGROUND:

Staff reviewed traffic and safety concerns on San Juan Alley between South 8th Street and South 10th Street. The options presented to nearby residents included making the alley one-way westbound, installing a speed dip, or leaving the alley unchanged.

Staff distributed 22 flyers and documented the following 11 responses:

- No change: 6
- Install a speed dip: 3
- Make the alley one-way westbound: 2

Of the recorded responses, approximately 55% preferred no change, 27% supported a speed dip, and 18% supported making the alley one-way. The elementary school and library were included among the no-change responses.

The resident living immediately next to the proposed speed-dip location was not aware that the dip was being considered near the home. After learning about the proposed placement, the resident expressed concern about increased vehicle noise directly outside the window and does not support installing the dip at that location.

Based on the feedback, staff does not believe installing a speed dip is the correct solution at this time. The dip did not receive broad neighborhood support and could create additional concerns with noise, drainage, snow removal, vehicle clearance, and ongoing maintenance.

The one-way option also received limited support. Staff recommends leaving the existing two-way traffic pattern unchanged and continuing to monitor traffic and safety concerns in the area. The issue can be reconsidered if conditions change or additional neighborhood support is received.

Staff is working on developing a policy and ordinance regarding traffic calming devices on public roadways.

