

TOWN OF PAGOSA SPRINGS, COLORADO

RESOLUTION NO. 2025-18

RESOLUTION OF THE PAGOSA SPRINGS TOWN COUNCIL SUPPORTING THE PASSAGE OF BALLOT MEASURE 2A IN THE NOVEMBER 4, 2025, COORDINATED ELECTION FOR THE PURPOSES OF FUNDING CRITICAL WASTEWATER INFRASTRUCTURE IMPROVEMENTS WITHIN THE PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT DISTRICT (PSSGID), AND AFFIRMING THE TOWN COUNCIL'S COMMITMENT TO EXPLORING STRATEGIES FOR MITIGATING FUTURE SEWER RATE INCREASES.

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 (the “Charter”); and

WHEREAS, pursuant to Section 1.4.A of the Charter the Town has all the power of local self-government and home rule; and

WHEREAS, the Town Council passed Ordinance No. 1014 (Series 2025), which submits to the electors at the election on November 4, 2025 the question of imposing a new 1.00% Town-only sales tax to construct, reconstruct, improve, repair, better, extend, operate and maintain sewerage and wastewater reuse facilities to serve the town, including facilities of the Town of Pagosa Springs Sanitation General Improvement District (“PSSGID”); and

WHEREAS, the wastewater collection system of the PSSGID, serving the Town of Pagosa Springs, has an average age of 50 years; and

WHEREAS, an engineering assessment has concluded that the overall system is in "poor" to "fair" condition, with approximately one-third (5.8 miles) of the system (17.5 miles) requiring critical repairs or classified as failing; and

WHEREAS, the Town and PSSGID have concluded that critical upgrades and repairs will cost an estimated \$80–\$100 million and are necessary to ensure the continued reliability, sustainability, and legal compliance of the wastewater system; and

WHEREAS, a significant portion of this investment, approximately \$15 million, is needed immediately to keep the current system operational; and

WHEREAS, without a long-term dedicated funding source, the Town would be forced to significantly increase monthly sewer fees to meet these capital improvement needs, which would impose a substantial burden on ratepayers; and

WHEREAS, the Town Council has determined that a sales tax increase is a more equitable and efficient funding mechanism for infrastructure needs, as it spreads the cost among residents and visitors.

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

1. Support for Ballot Measure 2A. The Pagosa Springs Town Council officially supports and encourages the passage of Ballot Measure 2A in the November 4, 2025, coordinated election. The Town Council believes that this measure represents the most viable and equitable pathway to securing the long-term health and reliability of the community's wastewater infrastructure.

2. Commitment to Cost Mitigation. In the interest of responsible fiscal management, the Town Council will continue to explore strategies to reduce the impact of capital improvement funding requirements on sewer service rates. These strategies include, but are not limited to:

- a. Seek state and federal grants to supplement local revenues.
- b. Implementation of a robust, multi-year capital improvement plan to ensure predictable financial planning.
- c. Conduct ongoing cost-benefit analyses of alternative technologies and service delivery models.

3. Rate Stabilization. The Town Council acknowledges that the scale of the required wastewater infrastructure investment is significant. Any future rate adjustments will be determined based on the PSSGID's financial needs and operational requirements. The Town Council is committed to exploring all possible options for rate stabilization.

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

5. 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.

6. Effective Date. This Resolution shall take effect and be enforced immediately upon adoption.

The foregoing Resolution was approved and adopted this 7th day of October, 2025.

TOWN OF PAGOSA SPRINGS, COLORADO

By: _____
Shari Pierce, Mayor

Attest:

April Hessman, Town Clerk