

Town of Lyons, Colorado  
Board of Trustees  
BOT Agenda Cover Sheet  
Agenda Item No: X.3  
Meeting Date: November 4, 2024

**TO:** Mayor Rogin and Members of the Board of Trustees

**FROM:** Cassey Eyestone, Finance Director

**DATE:** 10/31/2024

**ITEM:** Discussion / Direction on Capital Improvement Projects using 0.5% Sales Tax for 2025

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☐ ORDINANCE  
☐ MOTION / RESOLUTION  
☒ INFORMATION

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- I. **REQUEST OR ISSUE:** Discussion on the use of the voter-approved 0.5% sales tax designated for capital projects.
- II. **RECOMMENDED ACTION / NEXT STEPS:** The Board of Trustees should further discuss capital project prioritization and the desired use for the additional sales tax. Staff seek guidance and direction on the next steps if the board wants to pursue a specific project.
- III. **FISCAL IMPACTS:** Based on 2025 projections, the estimated annual revenue for the 0.5% sales tax is approximately \$238,000. The revenue could pay for debt service on a larger capital project or continue to be collected over multiple years to cash fund a future capital need.
- IV. **BACKGROUND INFORMATION:** The Town of Lyons voters approved a 0.5% sales tax increase to be dedicated towards capital projects. The Board has discussed possible uses for this tax, but no decisions have been made.
- Large capital projects that have been mentioned in the past are stormwater, streets, and wastewater improvements. Attached is the current capital plan. It should be noted that all project amounts will need to be revisited should the Board choose to pursue any of them.
- V. **LEGAL ISSUES:** None.
- VI. **CONFLICTS OR ENVIRONMENTAL ISSUES:** None known.
- VII. **SUMMARY AND ALTERNATIVES:** The Board can dedicate the revenue to a specific project now or delay the decision to a later date. The revenue will continue to build up until the Board decides on its use.

Attachments: Draft 5-Year Capital Plan