

ORDINANCE NO. 034, 2023
OF THE COUNCIL OF THE CITY OF FORT COLLINS
MAKING SUPPLEMENTAL APPROPRIATIONS FROM THE COLORADO
WATER CONSERVATION BOARD GRANT AND WATER FUND RESERVES
AND AUTHORIZING TRANSFERS OF APPROPRIATIONS
FOR THE WATER EFFICIENCY PLAN UPDATE

WHEREAS, the City owns and operates Fort Collins Utilities (“Utilities”), which includes a water utility that provides water to customers in its service area; and

WHEREAS, water conservation and efficiency is a tool Utilities uses, primarily through the Utilities Water Conservation Division, to manage and reduce the demand for water service by Utilities customers, which is beneficial to the City, the water utility, and its ratepayers by, among other reasons, helping to ensure that the demand for water does not exceed supplies; and

WHEREAS, in 2016, pursuant to the Colorado Water Conservation Act of 2004 (“Act”), Utilities adopted the 2015 Water Efficiency Plan (“Plan”) as an update to the City’s 2010 Water Conservation Plan; and

WHEREAS, the Act requires the City to update its State approved water efficiency plan and required minimum plan elements every seven years, however, the Colorado Water Conservation Board (“CWCB”) recently granted the City an extension to update the City’s Plan in 2024; and

WHEREAS, in anticipation of updating the Plan, Utilities requested a one-time two-year budget enhancement of \$250,000 (Offer 1.42) (\$100,000 in 2023 and \$150,000 in 2024), which Council adopted as part of the City’s 2023-24 Approved Budget; and

WHEREAS, after Council adopted the 2023-24 Budget, the City received a Water Plan Grant from CWCB in support of updating the Plan by 2024; and

WHEREAS, CWCB awarded said grant in the amount of \$160,000 based on a total project cost of \$352,500 and pursuant to certain terms and conditions, including a local match requirement, memorialized in a purchase order issued by the State of Colorado; and

WHEREAS, said \$160,000 grant funds will provide funding to support third-party consultant expenses in 2023 and 2024; and

WHEREAS, said local match requirement is \$192,500 and includes \$144,965 for third-party consultant expenses and \$47,535 for personnel costs in 2023 and 2024; and

WHEREAS, City staff recommends that Council appropriate from new revenue or other funds in the Water Fund the sum of \$160,000 to be expended in the Water Fund for the Water Efficiency Plan Update project; and

WHEREAS, City staff recommends that Council approve transfer of unexpended and unencumbered appropriated amounts of \$126,705 from the Water Conservation operating budget in the Water Fund to the Water Efficiency Plan Update Project in the Water Fund therein to be expended for the plan update; and

WHEREAS, City staff recommends that Council appropriate from prior year reserves in the Water Fund the sum of \$65,795 in the Water Fund for the Water Efficiency Plan Update project; and

WHEREAS, these appropriations totaling \$225,795 and transfer of funds totaling \$126,705 benefit public health, safety and welfare of the citizens of Fort Collins, the water utility, and its ratepayers, and serves the public purpose of helping to ensure that monies in the Water Fund are efficiently applied to manage the demand for water within allocated supplies, which will reduce shortages and other adverse impacts; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council, upon recommendation of the City Manager, to make a supplemental appropriation by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriation, in combination with all previous appropriations for that fiscal year, do not exceed the current estimate of actual and anticipated revenues and all other funds to be received during the fiscal year; and

WHEREAS, the City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the Water Fund and will not cause the total amount appropriated in the Water Fund to exceed the current estimate of actual and anticipated revenues and all other funds to be received in this Fund during this fiscal year; and

WHEREAS, Article V, Section 10 of the City Charter authorizes the City Council, upon recommendation by the City Manager, to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the transferred funds are to be expended remains unchanged, the purpose for which the funds were initially appropriated no longer exists, or the proposed transfer is from a fund or capital project in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance; and

WHEREAS, the City Manager has recommended the transfer of \$126,705 from the Water Conservation operating budget in the Water Fund to the Water Efficiency Plan Update Project in the Water Fund and determined that the purpose for which the transferred funds are to be expended remains unchanged; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council, upon the recommendation of the City Manager, to make supplemental appropriations by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, the City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the Water Fund and will not cause the total amount appropriated in the Water Fund to exceed the current estimate of actual and anticipated revenues and all other funds to be received in this Fund during this fiscal year; and

WHEREAS, Article V, Section 11 of the City Charter authorizes the City Council to designate in the ordinance when appropriating funds for a federal, state or private grant, that such appropriation shall not lapse at the end of the fiscal year in which the appropriation is made, but continue until the earlier of the expiration of the federal, state or private grant or the City's expenditure of all funds received from such grant; and

WHEREAS, the City Council wishes to designate the appropriation herein for the Colorado Water Conservation Board grant as an appropriation that shall not lapse until the earlier of the expiration of the grant or the City's expenditure of all funds received from such grant.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from new revenue or other funds in the Water Fund the sum of ONE HUNDRED SIXTY THOUSAND DOLLARS (\$160,000) to be expended in the Water Fund for the Water Efficiency Plan Update project.

Section 3. That the unexpended and unencumbered appropriated amount of ONE HUNDRED TWENTY-SIX THOUSAND SEVEN HUNDRED FIVE DOLLARS (\$126,705) is authorized for transfer from the Water Conservation operating budget in the Water Fund to the Water Efficiency Plan Update project in the Water Fund and appropriated therein to be expended for the plan update.

Section 4. That there is hereby appropriated from prior year reserves in the Water Fund the sum of SIXTY-FIVE THOUSAND SEVEN HUNDRED NINETY-FIVE DOLLARS (\$65,795) to be expended in the Water Fund for the Water Efficiency Plan Update project.

Section 5. That the appropriation herein for the Colorado Water Conservation Board grant is hereby designated, as authorized in Article V, Section 11 of the City Charter, as an appropriation that shall not lapse at the end of this fiscal year but continue until the earlier of the expiration of the grant or the City's expenditure of all funds received from such grant.

Introduced, considered favorably on first reading, and ordered published this 7th day of March, 2023 and to be presented for final passage on the 4th day of April, 2023.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on this 4th day of April, 2023.

Mayor

ATTEST:

City Clerk