

AGENDA ITEM SUMMARY

April 18, 2017

City Council

STAFF

Mark Jackson, PDT Deputy Director

SUBJECT

Second Reading of Ordinance No. 039, 2017, Appropriating Prior Year Reserves in the Transportation Fund for Regional Contribution to Larimer County for North I-25 Improvements.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on March 28, 2017, appropriates Transportation Reserve funds in the amount of \$445,947, to be remitted to Larimer County as part of an annual regional contribution of local matching funds for the Colorado Department of Transportation's (CDOT) North I-25 Improvements Project. With Resolution 2016-077, adopted on October 4, 2016, Council authorized the Mayor to enter into an intergovernmental agreement (IGA) with Larimer County and participating local agencies, including the City, to contribute local matching funds for this purpose. This is the first of five annual installments of these payments to Larimer County under the IGA. Local matching fund commitments accelerate the improvements to I-25 in Northern Colorado.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

ATTACHMENTS

1. First Reading Agenda Item Summary, March 28, 2017 (w/o attachments) (PDF)
2. Ordinance No. 039, 2017 (PDF)

AGENDA ITEM SUMMARY

City Council

March 28, 2017

STAFF

Mark Jackson, PDT Deputy Director

SUBJECT

First Reading of Ordinance No. 039, 2017, Appropriating Prior Year Reserves in the Transportation Fund for Regional Contribution to Larimer County for North I-25 Improvements.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate Transportation Reserve funds in the amount of \$445,947, to be remitted to Larimer County as part of an annual regional contribution of local matching funds for the Colorado Department of Transportation's (CDOT) North I-25 Improvements Project. With Resolution 2016-077, adopted on October 4, 2016, Council authorized the Mayor to enter into an intergovernmental agreement (IGA) with Larimer County and participating local agencies, including the City, to contribute local matching funds for this purpose. This is the first of five annual installments of these payments to Larimer County under the IGA. Local matching fund commitments accelerate the improvements to I-25 in Northern Colorado.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Council adopted Resolution 2015-100 (**Attachment 1**) on November 17, 2015, stating its support for a Larimer County proposal to use increased County mill levy funds as a method to facilitate funding for Interstate 25 (I-25) improvements. Larimer County proposed to temporarily reappropriate part of its General Fund mill levy funds to the County's Road and Bridge Fund for a period of five years. These reappropriated funds are estimated to generate a total of \$10 million over the course of the five year period. The increase in the County Road and Bridge Mill Levy revenues received by the City and the other municipalities will be available to fund construction of roads and streets within their boundaries. The County proposed using these contributions as a local match for improvements on the I-25 Corridor within Larimer County. All eight Larimer County municipalities adopted resolutions supporting the proposal.

Council adopted Resolution 2016-077 (**Attachment 2**) on October 4, 2016, authorizing the Mayor to enter into an IGA with Larimer County and other local agencies for the purpose of providing local funds to Larimer County to be contributed to the North I-25 Corridor Improvements Project as described above. This regional collaboration and agreement will result in \$10 million of matching funds to help accelerate the project. The IGA was fully executed on December 27, 2016 (**Attachment 3**). Fort Collins' total contribution to this five year funding commitment is \$2,229,735. Fort Collins' annual share of funds is \$445,947 in each of the five years. This appropriation request authorizes fulfillment of the first annual payment per the IGA.

The North I-25 Improvements project will begin construction in late 2017 and is scheduled to be completed by December 2020. The \$237 million project is funded using federal, state and local dollars. The project boundaries are State Highway 14 (Mulberry Road) on the north and State Highway 402 in Loveland to the south. It will add a third managed lane in each direction, make key improvements to bridges, connect the regional bicycle/pedestrian trail under I-25, and provide an additional park and ride with bus slip ramps at Kendall Parkway in Loveland. Improvements will help ease congestion, provide additional multi-modal capacity

for auto and bus traffic, make key bicycle/pedestrian trail linkages, and improve safety and stormwater issues. **(Attachment 4)**

CITY FINANCIAL IMPACTS

Larimer County's proposal does not modify the total mill levy, and does not decrease the amount of Road and Bridge Levy funds currently received by the City of Fort Collins. Creation of a source of local match funding is advantageous in order to take advantage of funding partnerships and grant opportunities that may arise to help improve the I-25 corridor. This contribution, combined with additional commitments from regional agencies and private development, results in \$25 million identified and committed for local match. This regional collaboration and commitment helped accelerate the schedule for I-25 improvements in Northern Colorado by fifteen years.

The City of Fort Collins' Transportation Reserve Fund estimated balance at year end 2016 is \$12.5 million. Of those funds, approximately \$6 million are undesignated and can be used for unforeseen needs. The local share amount of Larimer County Road & Bridge Levy funds received by Fort Collins in 2016 was \$1.05 million, an increase of \$500,000 over the amount received in 2015.

BOARD / COMMISSION RECOMMENDATION

Staff presented information related to the IGA with Larimer County as well as overall North I-25 Improvements Project updates to the Transportation Board at their February and November 2016 meetings. Board response was positive and supportive.

PUBLIC OUTREACH

The Colorado Department of Transportation (CDOT) held numerous open house meetings and provided project information for many years about I-25 improvements, including the I-25 Environmental Impact Statement (2011), and more recent improvements including the I-25/SH-392 interchange, Berthoud Hill Climbing Lane project and Crossroad Boulevard Bridge Improvement project. City of Fort Collins has been an active partner in CDOT efforts impacting Fort Collins.

ATTACHMENTS

1. Resolution 2015-100 (PDF)
2. Resolution 2016-077 (PDF)
3. North I-25 Funding IGA, December 27, 2016 (PDF)
4. I-25 Project Fact Sheet (PDF)

ORDINANCE NO. 039, 2017
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES IN THE
TRANSPORTATION FUND FOR REGIONAL CONTRIBUTION
TO LARIMER COUNTY FOR NORTH I-25 IMPROVEMENTS

WHEREAS, on November 17, 2015, City Council passed Resolution 2015-100 stating its support for a Larimer County proposal to use increased County mill levy funds as a method to facilitate funding for Interstate 25 (I-25) improvements; and

WHEREAS, on October 4, 2016, City Council passed Resolution 2016-077 authorizing the Mayor to enter into an Intergovernmental Agreement with Larimer County (the "IGA") and other local agencies for the purpose of providing local funds to Larimer County to be used as a contribution to the North I-25 Corridor Improvements Project; and

WHEREAS, the IGA was signed by the parties and dated December 27, 2016; and

WHEREAS, the \$237 million North I-25 Improvements project will begin construction in late 2017 and is scheduled to be completed by December 2020; and

WHEREAS, the project boundaries are State Highway 14 (Mulberry Road) on the north and State Highway 402 in Loveland to the south and the project will add a third managed lane in each direction, make key improvements to bridges, connect the regional bicycle/pedestrian trail under I-25, and provide an additional park and ride with bus slip ramps at Kendall Parkway in Loveland; and

WHEREAS, the purpose of this item is to appropriate Transportation Fund reserves in the amount of \$445,947 to be remitted to Larimer County as part of an annual (five year) regional contribution of local matching funds under the IGA for CDOT's North I-25 Improvements Project; and

WHEREAS, this is the first of five annual payments to Larimer County under the IGA, with a total funding commitment from the City of \$2,229,735; and

WHEREAS, Fort Collins received approximately \$1.05 million in 2016 from the Larimer County Road and Bridge Fund representing an incremental increase in revenue from increased property valuations of approximately \$500,000.00 for 2016; and

WHEREAS, the increase in the City's share of the County Road and Bridge Mill Levy revenues will be utilized to fund construction of roads and streets within its corporate boundaries in accordance with C.R.S. §43-2-202(4), making other funds available from the City's Transportation Fund reserves for contribution to the Project; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council to appropriate 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, City staff have determined that the appropriations as described herein are available and previously unappropriated in the Transportation Fund; and

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 for expenditure from prior year reserves in the Transportation Fund the sum of FOUR HUNDRED FORTY-FIVE THOUSAND NINE HUNDRED FORTY-SEVEN DOLLARS (\$445,947) for regional contribution to Larimer County under the IGA for North I-25 Improvements.

Introduced, considered favorably on first reading, and ordered published this 28th day of March, A.D. 2017, and to be presented for final passage on the 18th day of April, A.D. 2017.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 18th day of April, A.D. 2017.

Mayor

ATTEST:

City Clerk