

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 23

DATE: November 21, 2006

STAFF: Michael B. Smith
Brian Janonis
Terri Bryant

SUBJECT

Second Reading of Ordinance No. 180, 2006, Appropriating Unanticipated Revenue in the Wastewater Fund and Authorizing the Transfer of Appropriations Within the Wastewater Fund to be Used for Odor Control Measures at the Drake Water Reclamation Facility.

RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

EXECUTIVE SUMMARY

Additional project dollars (\$1,200,000) are needed to fund odor control due to significant increased costs in materials. The Wastewater Fund recently transferred land valued at \$2,000,000 to the General Fund in exchange for property used in the operations of the various utilities. \$800,000 of the property transferred to the Wastewater Utility is used in the operations of the Water Utility. The Water Utility will pay the Wastewater Utility \$800,000 for the property. The Wastewater Utility will also transfer \$400,000 from budgeted contingency funds to capital project for odor control. Ordinance No. 180, 2006, unanimously adopted on First Reading on November 7, 2006, appropriates these funds.

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 17

DATE: November 7, 2006

**STAFF: Michael B. Smith
Brian Janonis
Terry Bryant**

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SUBJECT

First Reading of Ordinance No. 180, 2006, Appropriating Unanticipated Revenue in the Wastewater Fund and Authorizing the Transfer of Appropriations Within the Wastewater Fund to be Used for Odor Control Measures at the Drake Water Reclamation Facility.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

The Ordinance authorizes the appropriation of \$800,000 in unanticipated revenues in the Wastewater Utility fund and authorizes the transfer of \$400,000 from appropriated operating expenditures to the Drake Water Treatment Facility Improvement capital project for the odor control project.

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EXECUTIVE SUMMARY

Additional project dollars (\$1,200,000) are needed to fund odor control due to significant increased costs in materials. The Wastewater Fund recently transferred land valued at \$2,000,000 to the General Fund in exchange for property used in the operations of the various utilities. \$800,000 of the property transferred to the Wastewater Utility is used in the operations of the Water Utility. The Water Utility will pay the Wastewater Utility \$800,000 for the property. The Wastewater Utility will also transfer \$400,000 from budgeted contingency funds to capital project for odor control.

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BACKGROUND

Fort Collins Utilities (FCU) maintains two water reclamation facilities – The Mulberry Water Reclamation Facility (MWRF) and the Drake Water Reclamation Facility (DWRF). The MWRF is located near downtown Fort Collins and is central to many residential homes and businesses, often resulting in odor complaints. The DWRF is located on the southeast side of town surrounded by the nature center to the east, new housing developments to the west and south, and a business park to the north. As encroachment continues, odor complaints continue to rise. In an attempt to

proactively reduce odor complaints from both MWRF and DWRF, where possible, FCU established a 1,000-foot buffer from the boundary of the wastewater treatment process units to any permanent establishments. Due to the surrounding development, this was more feasible at DWRF than MWRF.

In 2002, FCU began a foul air monitoring study in order to determine the sources and strengths of odors at MWRF and DWRF. This Odor Control Study concluded that the established 1,000-foot buffer will not solely mitigate the potential for odors in the developments surrounding both facilities. The unit of measurement used for odors is referred to as Dilutions to Threshold (D/T). Current measurements are 10 D/T at the MWRF and 30 D/T at the DWRF with the design goal being 2 D/T at the edge of the 1,000-foot buffer at each facility. The odor control systems will be designed to treat typical odors.

Odor control is necessary due to the following:

- To improve the working environment of plant staff by providing better ventilation to areas with unsafe and/or unpleasant odorous environments.
- To rehabilitate or replace existing aging and obsolete odor control systems
- To proactively respond to the potential for off-site odor complaints by installing new odor control systems

During the pre-design phase of the Project, many types of odor control systems were evaluated for cost, effectiveness and overall maintenance. Organic biofilters were determined to be the most cost effective option. Biofilters utilize a biological process that does not use any hazardous chemicals. Although an organic biofilter cannot guarantee the elimination of all odors, it will be effective in the reduction of the odors at the DWRF and MWFR.

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ORDINANCE NO. 180, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE WASTEWATER FUND
AND AUTHORIZING THE TRANSFER OF APPROPRIATIONS
WITHIN THE WASTEWATER FUND TO BE USED FOR ODOR CONTROL
MEASURES AT THE DRAKE WATER RECLAMATION FACILITY

WHEREAS, Fort Collins Utilities (“Utilities”) maintains two water reclamation facilities: the Mulberry Water Reclamation Facility (“MWRF”), located near downtown Fort Collins on east Mulberry near Riverside Avenue; and the Drake Water Reclamation Facility (“DWRF”), located on Drake Road east of Timberline Road, surrounded by the nature center to the east, new housing developments to the west and south, and a business park to the north; and

WHEREAS, in an attempt to reduce odor complaints stemming from operations at both facilities, Utilities established a 1,000 foot buffer from the boundaries of the wastewater treatment process units to any adjacent establishments; and

WHEREAS, in 2002, Utilities began a foul air monitoring study in order to determine the sources and strengths of odors at the facilities; and

WHEREAS, results from the study indicate that establishing 1,000-foot buffers alone will not fully mitigate odors from adversely impacting developments surrounding both treatment facilities; and

WHEREAS, undertaking odor control measures at DWRF will have several benefits, including improved working conditions, updated odor control systems, and fewer off-site complaints; and

WHEREAS, following an analysis of different odor control systems, Utilities staff is recommending the use of organic bio-filters as the most effective solution for reducing odors at the DWRF; and

WHEREAS, the DWRF odor control project is experiencing significant cost increases for materials; and

WHEREAS, the estimated cost of providing odor control measures has increased by \$1,200,000; and

WHEREAS, Utilities staff has identified unanticipated revenue, totaling \$800,000, in the form of a reimbursement from the Water Fund for property acquisitions earlier this year, and \$400,000 from unspent and unencumbered contingency appropriations in the Wastewater Fund; and

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins (the "Charter") permits City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, the appropriation of Water Fund reimbursement to the Wastewater Fund as described herein will not cause the total amount appropriated in the Wastewater Fund budget to exceed the current estimate of actual and anticipated revenues to be received during any fiscal year; and

WHEREAS, Article V, Section 10, of the Charter of the City of Fort Collins authorizes the City Council to transfer by ordinance any unexpended and unencumbered amount or portion thereof from one fund or capital project to another fund or capital project, provided that the proposed transfer is from a fund or capital project account in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance; and

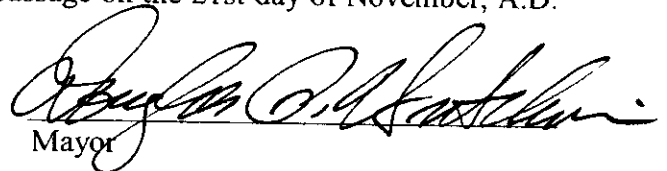
WHEREAS, it is the desire of the Council to appropriate unanticipated revenue, totaling \$800,000, in the Wastewater Fund - Drake Water Reclamation Facility capital project and to authorize the transfer of \$400,000 from the Wastewater Fund 2007 Operating Budget to the Wastewater Fund - Drake Water Reclamation Facility capital project to be used for odor control measures at the Drake Water Reclamation Facility.

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

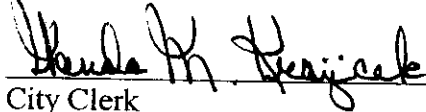
Section 1. That there is hereby appropriated from unanticipated revenue in the Wastewater Fund - Drake Water Reclamation Facility capital project, the sum of EIGHT HUNDRED THOUSAND DOLLARS (\$800,000) to be used for odor control measures at the Drake Water Reclamation Facility.

Section 2. That the unexpended and unencumbered appropriated amount of FOUR HUNDRED THOUSAND DOLLARS (\$400,000) is hereby authorized for transfer from the Wastewater Fund 2007 Operating Budget to the Wastewater Fund - Drake Water Reclamation Facility capital project to be used for odor control measures at the Drake Water Reclamation Facility.

Introduced, considered favorably on first reading, and ordered published this 7th day of November, A.D. 2006, and to be presented for final passage on the 21st day of November, A.D. 2006.


Mayor

ATTEST:


City Clerk

Passed and adopted on final reading on the 21st day of November, A.D. 2006.

Mayor

ATTEST:

City Clerk