

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 17

DATE: May 18, 1999

STAFF: Krcmarik/Smith
Agee

SUBJECT:

Emergency Ordinance No. 80, 1999, Appropriating Bond Proceeds in the Water Fund.

RECOMMENDATION:

Staff recommends adoption of the Emergency Ordinance.

FINANCIAL IMPACT:

According to the documents associated with the proposed bond issuance to be completed through a cooperative arrangement between the City of Fort Collins, Colorado, Water Utility Enterprise and the Colorado Water Resources and Power Development Authority, the City will receive \$4,998,395 at an average interest rate of 3.86% through that transaction. The money will be appropriated as a capital project to construct capital improvements as outlined in the Water Treatment Master Plan.

EXECUTIVE SUMMARY:

On May 4, 1999, the Council, sitting as the Board of the Enterprise, approved the proposed bond issue on second reading. However, Enterprise the Ordinance as adopted on first reading had not been published as required by the City Charter and Code. The Colorado Water Resources and Power Development Authority is scheduled to close the final transaction on May 20, 1999. There are several other municipalities involved in the Authority's transaction and the City would have to drop out of the transaction if the Enterprise Ordinance is not adopted by the Enterprise Board. Therefore, the Enterprise Ordinance is again being presented to the Enterprise Board, this time as an emergency ordinance. This Emergency Ordinance No. 80, 1999, is recommended for passage by the Council to appropriate the proceeds of the bonds. Time is of the essence with regard to this Ordinance because of pending contracts that require immediate approval for the funding of additional improvements related to the project. Approval by Council will avoid delays in the timely completion of the project improvements.

EMERGENCY ORDINANCE NO. 80, 1999
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING BOND PROCEEDS IN THE WATER FUND

WHEREAS, the City of Fort Collins, Colorado, Water Utility Enterprise, in cooperation with the Colorado Water Resources and Power Development Authority, has arranged for low-cost financing for certain capital improvements identified in the Council-adopted Water Treatment Master Plan (the "Project") ; and

WHEREAS, the initial phases of the Project have been undertaken by the Water Utility, using previously appropriated funds; and

WHEREAS, the Colorado Water Resources and Power Development Authority has sold bonds for several Colorado municipalities and is scheduled to close on a financial transaction through which additional funds for the Project will be provided to the Enterprise on May 20, 1999; and

WHEREAS, upon approval by the Enterprise Board of an emergency bond ordinance, to be considered this same date, and final closing of the bond transaction, the City will receive funds in the amount of \$4,998,395, to be appropriated in the Water Fund for additional capital improvements related to the Project and called for in the Water Treatment Master Plan; and

WHEREAS, Article V, Section 9 of the Charter of the City of Fort Collins allows the Council to make supplemental appropriations provided that the total amount of such supplemental appropriations for the fiscal year does not exceed the then current estimate of actual and anticipated revenues to be received by the City during the fiscal year; and

WHEREAS, Article II, Section 6, of the Charter of the City of Fort Collins allows the Council to pass an emergency ordinance on the first reading upon the affirmative vote of at least five (5) members of the Council, provided that the ordinance contains a specific statement of the nature of the emergency; and

WHEREAS, City staff has determined that pending Project improvements will be substantially delayed, and progress on the implementation of the Water Treatment Master Plan impaired at a substantial cost to the City, if the proceeds of the proposed bond transaction are not available for expenditure immediately upon final completion of the financing transaction.

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

Section 1. That, contingent on approval by the Enterprise Board of Ordinance No. 4, there is hereby appropriated upon receipt from bond proceeds the sum of FOUR MILLION NINE HUNDRED NINETY EIGHT THOUSAND THREE HUNDRED NINETY FIVE DOLLARS (\$4,998,395) in the Water Fund Water Treatment Master Plan capital project.

Section 2. That the immediate adoption of this Ordinance is necessary to preserve, protect and advance the general welfare of the residents of the City of Fort Collins, and the Council hereby determines that an emergency exists requiring immediate passage of this Ordinance to prevent unanticipated delays in completion and cost increases that would result from suspension of construction of capital projects required according to the Water Treatment Master Plan, which capital projects are intended to protect the health, safety, and welfare of all citizens of Fort Collins.

Section 3. That, for the foregoing reasons, this Ordinance is enacted pursuant to Article II, Section 6, of the Charter of the City of Fort Collins as an emergency Ordinance and shall be effective immediately upon its passage.

Introduced, considered favorably by _____ members of the Council of the City of Fort Collins and finally passed as an Emergency Ordinance and ordered published this 18th day of May, A.D. 1999.

Mayor

ATTEST:

City Clerk