

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 21

DATE: July 1, 2008

**STAFF: Terri Bryant
Patty Bigner**

SUBJECT

First Reading of Ordinance No. 075, 2008, Appropriating Unanticipated Grant Revenue in the Light and Power Fund for Energy Star/Energy Efficiency Programs and Authorizing the Transfer of Matching Funds Previously Appropriated in the Light and Power Operating Budget.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

Light and Power Energy Services has received three \$25,000 grants from the Governor's Energy Office. Each requires a matching contribution from the Light and Power Fund. Existing appropriations will be used for the total of \$75,000 in matching funds required.

EXECUTIVE SUMMARY

This Ordinance appropriates funds received from three grants received from the State of Colorado's Governor's Energy Office totaling \$75,000. Combined with the Utilities matching funds, \$50,000 will be used for each of three programs: ENERGY STAR for New Homes, Home Performance with ENERGY STAR (for existing homes) and Residential Solar Program (Photovoltaic).

BACKGROUND

The following new programs are to be funded with the three grants from the Governor's Energy Office (GEO). All programs will be developed and administered by the Utilities' Energy Services staff.

ENERGY STAR for New Homes

In this program, Fort Collins will be partnering with other regional entities to promote the ENERGY STAR criteria and labeling of new homes in the Northern Colorado Front Range region. The program will involve homebuilder participation, training and support, marketing and consumer awareness, and quality assurance. Incentives may also be offered. The GEO grant for the ENERGY STAR for New Homes program is \$25,000 and it will be matched by the Light and Power Fund for a total of \$50,000.

Home Performance with ENERGY STAR

This is a program to improve the energy efficiency of existing homes. Incentives will be offered to encourage measures that reduce energy use. Measures include such improvements as air sealing, insulation, windows, exterior shading, mechanical systems improvements, replacement of inefficient appliances with ENERGY STAR models, and fluorescent lighting. The GEO grant for the Home Performance with ENERGY STAR program is \$25,000 and it will be matched by the Light and Power Fund for a total of \$50,000.

Residential Solar Program (Photovoltaic)

This program will offer an incentive to Fort Collins Utilities' residential electric customers to install photovoltaic systems on their homes. The incentive is currently planned to be \$2 per peak installed watt with the incentive not to exceed \$4000 for any single system. The systems included in the program can be no larger than 10 kilowatts and must meet design and interconnection criteria. The GEO grant for the Residential Solar Program is \$25,000 and it will be matched by the Light and Power Fund for a total of \$50,000.

ORDINANCE NO. 075, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED GRANT REVENUE IN THE LIGHT AND
POWER FUND FOR ENERGY STAR/ENERGY EFFICIENCY PROGRAMS AND
AUTHORIZING THE TRANSFER OF MATCHING FUNDS PREVIOUSLY
APPROPRIATED IN THE LIGHT AND POWER OPERATING BUDGET

WHEREAS, the State of Colorado Governor's Energy Office has awarded the City of Fort Collins Utilities Energy Services program three grants, each in the amount of \$25,000, for a total of \$75,000; and

WHEREAS, the City will use the three grants to promote ENERGY STAR and energy efficiency programs as described in each grant; and

WHEREAS, each grant requires a cash match from the City in the amount of \$25,000 and these funds are currently available from the existing 2008 appropriation in the Light and Power Fund; and

WHEREAS, the programs funded by the grants are designed to aid in reaching Energy Policy goals for energy conservation and renewable energy sources as approved by City Council in Resolution 2003-038; and

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins permits the 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 the fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of the Governor's Energy Office funds as described herein will not cause the total amount appropriated in the Light and Power Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during the fiscal year; and

WHEREAS, Article V, Section 10, of the Charter 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 purpose for which the transferred funds are to be expended remains unchanged.

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 Light and Power Fund the sum of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000) for expenditure in the Light and Power Fund for ENERGY STAR and energy efficiency programs.

Section 2. That the unexpended appropriated amount of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000) is authorized for transfer from the Light and Power operating budget to the Light and Power grant projects for ENERGY STAR and energy efficiency programs.

Section 3. That the City Manager is hereby authorized to enter into grant agreements with the State of Colorado Governor's Energy Office and to execute other related documents obligating the City to promote ENERGY STAR and other energy efficiency programs, and to execute such documents upon such terms and conditions as the City Manager, in consultation with the City Attorney, determines to be necessary and appropriate to protect the interests of the City.

Introduced, considered favorably on first reading, and ordered published this 1st day of July, A.D. 2008, and to be presented for final passage on the 15th day of July, A.D. 2008.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 15th day of July, A.D. 2008.

Mayor

ATTEST:

City Clerk