

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 17

DATE: July 7, 2009

STAFF: Terri Bryant
Patty Bigner
Brian Janonis

SUBJECT

First Reading of Ordinance No. 073, 2009 Appropriating Unanticipated Grant Revenue in the Light and Power Fund for the Energy Star New Homes Program and for the Residential Solar Grant Program 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 an additional \$22,500 in grant funding from the Governor's Energy Office (GEO) to fund additional solar rebates for eligible residential solar installations within the service area. Existing appropriations will be used for the \$22,500 in matching funds required. A \$50,000 GEO grant has been received for the ENERGY STAR New Homes Program. \$15,000 in existing appropriations for operations will be used for the City's match and an additional \$35,000 in matching funds will come from other partners in the program.

New appropriations total \$72,500. Transfers from the existing appropriations for operations total \$37,500.

EXECUTIVE SUMMARY

This Ordinance appropriates grant funds received from the State of Colorado's Governor's Energy Office totaling \$72,500. \$22,500 (\$45,000 with the Utilities match) will be used for the Residential Solar Program. \$50,000 was granted for the implementation of the ENERGY STAR New Homes Program. This will require a \$15,000 match from the Utilities and a \$35,000 match from other program partners. The Utilities funds will be transferred from existing Light and Power operating appropriations.

BACKGROUND

The City of Fort Collins Utilities received \$25,000 in Governor's Energy Office grant funds in July, 2008 to develop and administer residential solar incentives. An additional \$25,000 in GEO grant

funding was received in March 2009. The previous grant funds were matched with \$50,000 of existing Light and Power appropriations. The program offered a rebate incentive to Fort Collins Utilities' residential electric customers to install photovoltaic systems on their homes. Based on the success of the program, Energy Services staff requested and received additional funding from the Governor's Energy Office to continue the Residential Solar Rebate Program. The third phase of this grant is for an additional \$22,500, which brings the total GEO solar grant funding to \$72,500. Combined with the Utilities matching funds, the program funded \$145,000 for residential solar rebates.

The ENERGY STAR New Homes Program is a regional collaboration to promote energy efficiency in new home design and construction. The Utilities received a GEO grant of \$25,000 in July 2008 and has been awarded an additional \$50,000 for this work in 2009. This requires matching funds of \$50,000, of which \$15,000 will be from existing appropriations in the Light and Power Fund and \$35,000 will come from other partners in the program.

ORDINANCE NO. 073, 2009
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED GRANT REVENUE IN THE LIGHT
AND POWER FUND FOR THE ENERGY STAR NEW HOMES PROGRAM AND
FOR THE RESIDENTIAL SOLAR GRANT PROGRAM AND AUTHORIZING
THE TRANSFER OF MATCHING FUNDS PREVIOUSLY APPROPRIATED
IN THE LIGHT AND POWER OPERATING BUDGET

WHEREAS, the State of Colorado's Governor's Energy Office (the "GEO") has awarded to the City of Fort Collins Utilities Energy Service program two new grants in the amounts of \$22,500 and \$50,000, respectively, for a total of \$72,500 (the "Grant Funds"); and

WHEREAS, the City will use \$22,500 of the Grant Funds to promote the Residential Solar Grant Program, and \$50,000 to promote the ENERGY STAR New Homes Program; and

WHEREAS, the Grant Funds require a cash match from the City in the amount of \$37,500 and these funds are currently available from existing 2009 appropriations in the Light and Power Fund; and

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

WHEREAS, Article V, Section 9, of the City Charter 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 Grant 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 City 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-TWO THOUSAND FIVE HUNDRED DOLLARS

(\$72,500) for expenditure in the Light and Power Fund for the Residential Solar Grant Program and the ENERGY STAR New Homes Program.

Section 2. That the unexpended appropriated amount of THIRTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$37,500) is hereby authorized for transfer from the Light and Power operating budget to the Light and Power grant projects for the Residential Solar Rebate Program and the ENERGY STAR New Homes Program.

Introduced, considered favorably on first reading, and ordered published this 7th day of July, A.D. 2009, and to be presented for final passage on the 21st day of July, A.D. 2009.

Mayor

ATTEST:

Deputy City Clerk

Passed and adopted on final reading on the 21st day of July, A.D. 2009.

Mayor

ATTEST:

City Clerk