

**DATE:** July 19, 2011  
**STAFF:** Steve Catanach  
Jon Haukaas

**AGENDA ITEM SUMMARY**  
FORT COLLINS CITY COUNCIL

**7**

**SUBJECT**

Second Reading of Ordinance No. 077, 2011, Appropriating Unanticipated Revenue in the Light and Power, Water and Wastewater Funds for Capital Projects to Relocate Utility Facilities in the Mason Corridor Bus Rapid Transit Project and Transferring Existing Light and Power Appropriations into the Light and Power Utility Relocation Capital Project.

**EXECUTIVE SUMMARY**

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This Ordinance, unanimously adopted on First Reading on July 5, 2011, appropriates capital project funding for the Utilities to relocate existing electric, water and wastewater facilities to accommodate the Mason Corridor Bus Rapid Transit (BRT) Project. Light and Power will also supply power to the bus stations along the corridor.

**STAFF RECOMMENDATION**

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Staff recommends adoption of the Ordinance on Second Reading.

**ATTACHMENTS**

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1. Copy of First Reading Agenda Item Summary - July 5, 2011  
(w/o attachments)

**DATE:** July 5, 2011  
**STAFF:** Steve Catanach  
 Jon Haukaas

**AGENDA ITEM SUMMARY**  
 FORT COLLINS CITY COUNCIL

**13**

**SUBJECT**

First Reading of Ordinance No. 077, 2011, Appropriating Unanticipated Revenue in the Light and Power, Water and Wastewater Funds for Capital Projects to Relocate Utility Facilities in the Mason Corridor Bus Rapid Transit Project and Transferring Existing Light and Power Appropriations into the Light and Power Utility Relocation Capital Project.

**EXECUTIVE SUMMARY**

This Ordinance appropriates capital project funding for the Utilities to relocate existing electric, water and wastewater facilities to accommodate the Mason Corridor Bus Rapid Transit (BRT) Project. Light and Power will also supply power to the bus stations along the corridor. The Utilities are being viewed by the MAX/BRT Project as independent contractors and will be reimbursed by the MAX/BRT Project funds for the relocation expenses upon completion. The MAX/BRT Project will also pay for the cost of electric power supply to the bus stations. The Ordinance provides new capital appropriations in the Light Power Fund (\$620,000), Water Fund (\$625,000) and Wastewater Fund (\$1,150,000) for the relocation work. Following completion of the construction, the Utilities will invoice the MAX/BRT Project based on actual costs and will receive the unanticipated revenue being appropriated by the Ordinance.

In addition to electric duct bank relocation, Light and Power will use this opportunity to upgrade the capacity of the duct bank. These system upgrade costs have been budgeted in Light and Power's existing 2011 lapsing appropriation. The Ordinance transfers \$400,000 of the existing Light and Power lapsing budget into the new BRT electric relocation/upgrade capital project. The costs of the upgrade will not be reimbursed by the MAX/BRT Corridor Project.

**BACKGROUND / DISCUSSION**

This Ordinance appropriates the following funds related to utilities work to accommodate the Mason Corridor Bus Rapid Transit Project. The amounts shown are construction estimates. The MAX/BRT Corridor Project will pay the Utilities based on actual design and construction costs. Relocation work will not proceed until authorization is issued by the MAX/BRT project manager.

**\$400,000 Light and Power Fund – New Capital Project Appropriation**

This portion of the appropriation is fifty percent of the \$800,000 cost to relocate and upgrade existing electric facilities for the MAX/BRT Project Corridor Project. This phase will involve the relocation of the duct bank between Drake and Prospect. The duct bank is being relocated due to logistical conflicts with the Mason Street Corridor guide way. Construction on this phase is anticipated to be completed by year-end. This \$400,000 expense will be reimbursed by the MAX/BRT Project funding.

**\$400,000 Light and Power Fund – Transfer of Existing 2011 Appropriation**

The Light and Power Fund will bear fifty percent of the cost for the \$800,000 upgrade and relocation because this project will enlarge capacity for the electric system as well as move the existing system to accommodate the MAX/BRT Project. This portion of the appropriation is to be transferred from the existing 2011 Light and Power appropriation into the new Light and Power capital project. There will be no reimbursement for this half of the expense.

**\$220,000 Light and Power Fund - New Capital Project Appropriation**

This is the estimated cost to provide electric service to the bus stations along the MAX/BRT Project Corridor. This electric construction is planned for 2012 and 2013. One hundred percent of the station power costs will be reimbursed by MAX/BRT Project.

**\$625,000 Water Fund - New Capital Project Appropriation**  
**\$1,150,000 Wastewater Fund - New Capital Project Appropriation**

With the construction of the MAX/BRT Project beginning in 2011, the Utility is faced with as many as 18 separate locations where the MAX/BRT crosses or parallels existing water and sewer infrastructure. This will impact the integrity, serviceability, longevity and safety of the operation of both the Utility pipelines and the MAX/BRT. Because of potential negative impacts to the Utility infrastructure (both immediately and in the future) or future impacts to the MAX/BRT, this is the opportunity to improve, modify and/or protect the water and sewer lines before the BRT improvements are built. The project has a short lead time with design scheduled to be done by early fall and construction completed by early in 2012. One hundred percent of the Water and Wastewater Utility's expenses will be reimbursed by MAX/BRT Project funding.

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### **FINANCIAL / ECONOMIC IMPACTS**

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These projects facilitate the construction of the MAX/BRT Corridor Project which will enhance both public transportation and economic development opportunities.

The Water and Wastewater Funds will be fully reimbursed for all expenses related to the project. The Light and Power Fund will be reimbursed for all but \$400,000. The portion that will not be reimbursed was included in the 2011 budget for electric system upgrades. Aging infrastructure will be upgraded during the relocation improving the future reliability of the system for customers.

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### **ENVIRONMENTAL IMPACTS**

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No significant impacts are anticipated for the relocation of facilities. Electric loads will increase slightly when the bus stations are operational.

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### **STAFF RECOMMENDATION**

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Staff recommends adoption of the Ordinance on First Reading.

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### **BOARD / COMMISSION RECOMMENDATION**

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At its May 4, 2011 meeting, the Electric Board voted unanimously to recommend approval of the appropriation in the Light and Power Fund.

At its May 26, 2011 meeting, the Water Board voted unanimously to recommend approval of the appropriation.

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### **ATTACHMENTS**

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1. Electric Board minutes, May 4, 2011
2. Water Board minutes, May 26, 2011
3. Electric Relocation Map
4. Water and Sewer Relocation Map

ORDINANCE NO. 077, 2011  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
APPROPRIATING UNANTICIPATED REVENUE IN THE LIGHT AND POWER,  
WATER, AND WASTEWATER FUNDS FOR CAPITAL PROJECTS FOR  
UTILITY FACILITIES IN CONNECTION WITH THE MASON CORRIDOR  
BUS RAPID TRANSIT PROJECT AND TRANSFERRING EXISTING LIGHT AND  
POWER APPROPRIATIONS INTO THE LIGHT AND POWER UTILITY RELOCATION  
CAPITAL PROJECT

WHEREAS, Utility Services currently has certain electric, water and wastewater infrastructure that needs to be either relocated, installed, or improved to accommodate the construction of improvements that are being installed for the Mason Corridor Bus Rapid Transit (“BRT Project”); and

WHEREAS, for reasons independent of the BRT Project, certain other electric infrastructure also needs to be relocated, and the relocation work to be undertaken in connection with the BRT Project also provides an opportunity to generally upgrade the electric system infrastructure; and

WHEREAS, the total cost of the work to relocate and upgrade the electric facilities is \$800,000; and

WHEREAS, the relocation portion of the work is considered an expense of the BRT Project, and Utility Services will be reimbursed for such work by the BRT Project fund in the amount of \$400,000; and

WHEREAS, the \$400,000 needed for the electric system upgrades are not expenses to be charged to the BRT Project; and

WHEREAS, the funds needed for such upgrades may be obtained by transferring existing appropriations from the Light and Power operating budget to the Light and Power Utility Relocation capital project budget; and

WHEREAS, Utility Services will also be installing infrastructure that will provide electric service to the BRT stations and the cost of this work is \$220,000, which cost will be reimbursed by the BRT Project; and

WHEREAS, Utility Services also has existing water and wastewater infrastructure in the BRT Project corridor; and

WHEREAS, because the BRT Project may impact the integrity of the water and wastewater infrastructure, and may negatively affect the ability to service the infrastructure, Utility Services desires to make improvements to the infrastructure prior to the construction of the BRT Project; and

WHEREAS, the estimated total cost of the water and wastewater infrastructure improvements is estimated to be \$1,775,000, which cost will be reimbursed by the BRT Project; and

WHEREAS, Article V, Section 9, of the City Charter authorizes 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, 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; and

WHEREAS, City staff has determined that the appropriation of the reimbursement amounts described herein will not cause the total amount appropriated in the Light and Power Fund, the Water Fund, or the Wastewater Fund to exceed the current estimate of actual and anticipated revenues to be received in the funds during the fiscal year; and

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 FOUR HUNDRED THOUSAND DOLLARS (\$400,000) for expenditure in the Light and Power Utility Relocation capital project account to relocate existing electric facilities in the Mason Corridor.

Section 2. That the unexpended appropriated amount of FOUR HUNDRED THOUSAND DOLLARS (\$400,000) is hereby authorized for transfer from the Light and Power operating budget to the Light and Power Utility Relocation capital project account to perform upgrades to electrical system infrastructure in the Mason Corridor.

Section 3. That there is hereby appropriated from unanticipated revenue in the Light and Power Fund the sum of TWO HUNDRED TWENTY THOUSAND DOLLARS (\$220,000) for expenditure in the Light and Power Utility Relocation capital project account to provide electric service to the BRT bus stations.

Section 4. That there is hereby appropriated from unanticipated revenue in the Water Fund the sum of SIX HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$625,000) for expenditure in the Water Fund Distribution System Replacement capital project account to improve, modify and/or protect the water lines before the BRT Project improvements are built.

Section 5. That there is hereby appropriated from unanticipated revenue in the Wastewater Fund the sum of ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000) for expenditure in the Wastewater Fund Collection System

Replacement capital project account to improve, modify and/or protect the sewer lines before the BRT Project improvements are built.

Introduced, considered favorably on first reading, and ordered published this 5th day of July, A.D. 2011, and to be presented for final passage on the 19th day of July, A.D. 2011.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading on the 19th day of July, A.D. 2011.

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Mayor

ATTEST:

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City Clerk