

**DATE:** April 16, 2013  
**STAFF:** Lance Smith, Kevin Gertig,  
Lisa Voytko

**AGENDA ITEM SUMMARY**  
FORT COLLINS CITY COUNCIL

**8**

**SUBJECT**

Second Reading of Ordinance No. 052, 2013, Appropriating Prior Year Reserves in the Water Fund for the Construction of a Pre-Sedimentation Basin as Part of the High Park Fire Remediation.

**EXECUTIVE SUMMARY**

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The 2013 Budget for the Water Fund included \$987,953 for BFO Offer 244.1 – Fire Mitigation Capital Improvements. After further evaluation of the potential ways capital investment could improve the ability of Fort Collins Utilities to treat water from the Cache la Poudre watershed, a pre-sedimentation basin is being constructed. The total cost of this basin will be \$2,150,000.

This Ordinance, unanimously adopted on First Reading on March 19, 2013, appropriates \$1,250,000 from the Water Fund reserves so that the construction of the pre-sedimentation basin can be completed and operational before June 2013.

**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 - March 19, 2013 (w/o attachments)
2. Staff memo re: Questions raised regarding the need, timing and cost of the new pre-sedimentation basin

**DATE:** March 19, 2013  
**STAFF:** Lance Smith, Kevin Gertig,  
Lisa Voytko

**AGENDA ITEM SUMMARY**  
FORT COLLINS CITY COUNCIL

**17**

**SUBJECT**

First Reading of Ordinance No. 052, 2013, Appropriating Prior Year Reserves in the Water Fund for the Construction of a Pre-Sedimentation Basin as Part of the High Park Fire Remediation.

**EXECUTIVE SUMMARY**

The 2013 Budget for the Water Fund included \$987,953 for BFO Offer 244.1 – Fire Mitigation Capital Improvements. After further evaluation of the potential ways capital investment could improve the ability of Fort Collins Utilities to treat water from the Cache la Poudre watershed, a pre-sedimentation basin is being constructed. The total cost of this basin will be \$2,150,000.

This Ordinance appropriates \$1,250,000 from the Water Fund reserves so that the construction of the pre-sedimentation basin can be completed and operational before June 2013.

**BACKGROUND / DISCUSSION**

The High Park Fire, which began on June 9, 2012 and ended on July 11, 2012, has severely affected the Cache la Poudre watershed. The City has a large vested interest in the quality of water in the Poudre River. Since the fire, the water quality after any rain or snow melt has been, and will continue to be, challenging to treat. This pre-sedimentation basin is designed to remove sediment from the water before it is treated for our community.

The pre-sedimentation basin, currently under construction, is located at the Munroe Turnout at the Pleasant Valley Pipeline. The sediment removal from the basin will allow for a more consistent raw water quality coming into the plant, which is beneficial for determining chemical additions, process control and other treatment strategies. It will also remove sediment that is normal in the river during the spring run off season, where debris is carried into the water treatment facility pipelines and affects treatment. Given the current drought conditions, being able to treat as much water as possible from both of the major watersheds serving Fort Collins Utilities customers is vital to meeting the community's water needs in 2013.

Staff will continue to update the City Council and community as more information becomes available. Based on literature of watershed fires, we could experience negative effects for years after this fire. In addition, these negative effects will change as the years go by, with immediate effects being the presence of ash and sediment in the River and longer term changes to the water quality such as metals concentration and algae growth leading to taste and odor issues are anticipated. Denver Water, for example, is still dealing with the Hayman fire more than a decade later.

**FINANCIAL / ECONOMIC IMPACTS**

Our region is known for its high quality water and the economic impact is significant to our city. Many businesses have located here specifically because our water exceeds drinking water standards. Without this pre-sedimentation basin it may not be possible to treat water from the Poudre River at times this summer which could require tighter water restrictions. Tighter restrictions could, in turn, have some financial impact on the commercial customers served by Fort Collins Utilities as well as a loss of revenue to the utility itself. With this capital investment it may be possible to avoid tighter water restrictions and minimize the associated potential financial impacts to the community.

By appropriating funds out of the Water Fund reserves, this capital investment can be recovered through rates over several years rather than immediately.

**ENVIRONMENTAL IMPACTS**

The City of Fort Collins along with two other water providers together serve over 320,000 citizens with high quality drinking water in northern Colorado. The ability to treat the Poudre River water, regardless of the raw water quality, is vital to the City's water supply and demand policy. The basin will also facilitate removal of the sediment from the river system, which will reduce the negative impact on downstream users of the river system.

**STAFF RECOMMENDATION**

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Staff recommends adoption of this Ordinance on First Reading.

**BOARD / COMMISSION RECOMMENDATION**

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There has not been sufficient time to present this Ordinance to the Water Board, although updates on the preliminary planning have been given to the Water Board.

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**Utilities**

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**MEMORANDUM**

**DATE:** April 5, 2013

**TO:** Mayor and City Councilmembers

**THRU:** Darin Atteberry, City Manager  
Brian Janonis, Utilities Executive Director

**FROM:** Kevin R. Gertig, Water Resources & Treatment Operations Manager  
Lance Smith, Strategic Financial Planning Manager

**RE:** March 19, 2013 City Council Meeting – Agenda Item # 17, Ordinance 052, 2013

There were a few questions and comments regarding the need, timing and cost for the new pre sedimentation basin and the Emergency Watershed Protection funding at the March 19, 2013 meeting (Agenda Item # 17, Ordinance 052, 2013). The second reading for this Ordinance is April 16, 2013. The following is a brief summary addressing these issues.

**Pre Sedimentation Basin Project Description**

Due to water quality issues related to aftereffects of the High Park Fire, Fort Collins Utilities began a fast-tracked design of improvements to the intake structure for the Pleasant Valley Pipeline (PVP) located adjacent to the Monroe Canal, in McMurray Subdivision. The resulting project will consist of a new pre-sedimentation basin to be located on property owned by the Northern Colorado Water Conservancy District (Northern Water).

This work is necessary to deal with the debris that continues to be deposited in the Poudre River from the High Park Fire. The intake structure for the pipeline currently is equipped with mechanical screening equipment, but the screens cannot handle the volume or size of debris anticipated during spring run-off. Without construction of the pre-sedimentation basin, large amounts of sludge and debris would be deposited in the pipeline and result in an expensive cleaning process and reduced pipeline capacity and availability.

**Capacity**

Basin floor is approximately 39,800 sq. ft. It will hold approximately 1.8 million gallons at the operating level (5.5').

## **Project Timeline**

July 2012: Kevin Gertig was named as the High Park Recovery Manager focused on water quality. He began routine briefings to the City Manager and City Council on what staff was observing. By the fall of 2012, it was apparent that the amount of sediment released from private and federal properties would need some sort of treatment method; however staff needed time to work with consultants on recommendations for the sediment.

August-November 2012: The 2013-14 City Budget process was proceeding as an emergency appropriation ordinance was approved by City Council for the seeding and mulching of the most high risk areas of soil to be stabilized. The approved 2013 City Budget included \$1.0M for Offer 244.1 – Enhancement: Fire Mitigation Capital Improvements which was requested specifically for the Poudre River Intake to allow for enhanced water quality monitoring and potential treatment at the Intake. At the time, initial assessments were still being completed around what would be needed to adequately respond to the adverse water conditions. The initial capital amount of \$1.0M was based on the consideration of adding potassium permanganate or a similar type of oxidant at the Poudre Intake at Gateway Park.

December 2012 - January 2013: The process of understanding what exactly would be required for effective treatment of the water led to studies and testing by our water quality laboratory, and outside laboratories. This analysis determined that rather than adding chemicals at the intake our focus should be on removing the sediment variability of the river. A pre-sedimentation basin would need to be designed and constructed ahead of the 2013 runoff. Not having sufficient room at the Poudre Intake to construct the basin without major pipe rerouting, dictated that we consider adding the pre sedimentation basin at the Pleasant Valley Pipeline turnout location.

February 5, 2013: Project design begins. FCU hired Aryes Associates to begin the initial design and project cost estimates were determined through our contractor. One constraint on the project was the requirement by Northern Water for any construction which would impact their ability to use the Pleasant Valley Pipeline in 2013 to be completed before April 1<sup>st</sup>. This constraint, along with the need for the basin to be completed ahead of the run-off season, meant the entire project had to be completed on a highly accelerated schedule. FCU moved forward with the project utilizing the \$1.0M from Offer 244.1 to begin the project while also following the standard process to bring appropriation requests forward to the City Council.

March 18, 2013: City Leadership Team requested FCU provide a read before memo describing what the pre sedimentation basin is and why it is important, as well as what else we expect to be bringing before Council in the near term related to the High Park Fire remediation.

March 19, 2013: First reading of Appropriation Ordinance No. 052, 2013 is presented to City Council.

April 16, 2013: Second reading of Appropriation Ordinance No. 052, 2013

**Project Schedule**

Notice to Proceed Phase I – February 25, 2013
Phase I completion – April 1, 2013
Phase II completion – June 1, 2013

**Costs**

Design & Permitting - \$212,000
Construction - \$1,600,000
Contingency - \$212,000
Total Project – \$2,000,000

Staff did not have final cost estimate until mid-February, 2013, and based on prior communications we felt that City Council supported this project. Staff understands and respects the authority and process by which City Council appropriates funds for capital projects like this. An exception was granted to bring this appropriation ordinance forward at the next available Council meeting even though this meant that the ordinance approval would span the Council election.

It’s important to note that while the pre sedimentation basin was outlined in the council AIS, we are really requesting funds to cover all of our fire related capital projects. It is possible that staff may not require the full \$1.2 M requested, as we are getting finalized costs on the projects now.

Staff will continue to keep City Council updated.

**Emergency Watershed Protection Funding**

On March 26, 2013 President Obama signed into law the Wildfire Recovery Assistance Law which included \$65.5 million for fire remediation efforts for nationwide backlog of EWP efforts. The funds will support the State of Colorado for EWP efforts related to the High Park and Waldo Canyon Fires of 2012. While it has not been determined how much of this funding will be available to Fort Collins Utilities to do the necessary work on the Cache la Poudre watershed, it does now seem certain that at least some federal funding will be received.

**Photographs**

Attached are photographs of the pre-sedimentation basin in construction. This project was designed, and built in unprecedented time to the critical need of water for our community. This work represents a great deal of teamwork through the use of the Alternative Product Delivery System (APDS), a delivery system developed by Fort Collins Utilities.



**Looking West at Prepared Slab Subgrade in Sedimentation Pond**



**Inlet Structure with New Gates and Trash rack**



**Looking East at Pond Bottom, Inlet at Left, Outlet in Distance**

ORDINANCE NO. 052, 2013  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
APPROPRIATING PRIOR YEAR RESERVES IN THE WATER  
FUND FOR THE CONSTRUCTION OF A PRE-SEDIMENTATION BASIN  
AS PART OF THE HIGH PARK FIRE REMEDIATION

WHEREAS, the High Park Fire, which began on June 9, 2012 and ended on July 11, 2012, has affected the Cache la Poudre watershed (the “Watershed”); and

WHEREAS, due to the effects of the High Park Fire and current drought conditions, the pre-sedimentation basin (the “Basin”) would provide the City the ability to treat as much water as possible from both of the major watersheds to meet the community’s water needs in 2013; and

WHEREAS, the quality of the water in the Poudre River is critically important to the City; and

WHEREAS, the Basin could effectively remove ash and sediment from the watershed before it is treated for use by the community; and

WHEREAS, sediment removal from the Basin will allow for a more consistent raw water quality coming into the treatment plant, which is beneficial for determining chemical additions, process control, and other treatment strategies; and

WHEREAS, without the Basin, it may not be possible to properly treat water from the Poudre River at times this summer, and that circumstance could require tighter water restrictions which, in turn, would have a financial impact on the commercial customers served by the Fort Collins Utilities; and

WHEREAS, the requested reserves of \$1,250,000 would be allocated towards the construction of the Basin (\$2,150,000) so that it may be completed and operational before June 2013; and

WHEREAS, the Basin is located at the Munroe Turnout at the Pleasant Valley Pipeline; and

WHEREAS, by appropriating funds out of the Water Fund reserves, this investment can be recovered through rates over several years rather than immediately; and

WHEREAS, Article V, Section 9, of the City Charter permits the City Council to appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated from prior year reserves in the Water Fund the sum of ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000)

for the construction of a pre-sedimentation basin as part of the continued remediation of the High Park Fire.

Introduced, considered favorably on first reading, and ordered published this 19th day of March, A.D. 2013, and to be presented for final passage on the 16th day of April, A.D. 2013.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading on the 16th day of April A.D. 2013.

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Mayor

ATTEST:

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City Clerk