

DATE: May 7, 2013
STAFF: Tom Vosburg

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

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SUBJECT

Second Reading of Ordinance No. 060, 2013, Appropriating Unanticipated Federal Department of Energy Grant Revenues in the Light and Power Fund.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on April 16, 2013, appropriates \$845,323 of additional revenue related to the Renewable and Distributed Systems Integration (RDSI) project. This total includes \$372,500 of additional Department of Energy grant funding, as well as \$472,823 in other RDSI project revenues.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

ATTACHMENTS

1. Copy of First Reading Agenda Item Summary - April 16, 2013
(w/o attachments)

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AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

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SUBJECT

First Reading of Ordinance No. 060, 2013, Appropriating Unanticipated Federal Department of Energy Grant Revenues in the Light and Power Fund.

EXECUTIVE SUMMARY

This Ordinance appropriates \$845,323 of additional revenue related to the Renewable and Distributed Systems Integration (RDSI) project. This total includes \$372,500 of additional Department of Energy grant funding, as well as \$472,823 in other RDSI project revenues.

BACKGROUND / DISCUSSION

In 2008, the City was awarded \$6,323,380 in Department of Energy (DOE) grant monies to undertake the RDSI project in collaboration with twelve partner organizations. Through this partnership, the project has provided significant grant funding to Colorado State University (CSU) and Fort Collins based energy sector businesses for research and development to advance electric utility distribution technologies. The project has been highlighted by the DOE as a great success.

The overall RDSI grant work program includes many different sub-components. Over the course of the effort, the City and the DOE worked together to modify and adjust the work program ten times in response to emergent issues and opportunities. With the most recent project modification, the DOE increased the grant award by \$372,500 to fund two additional demonstration project components within overall grant. These projects will demonstrate use of microgrid control systems with advanced cyber-security technologies, as well as methods to better manage load balancing of generation from solar power photovoltaic arrays.

In addition to the Department of Energy grant funding, the City received a \$250,000 contribution to from the Downtown Development Authority and a \$222,823 contribution from the Community Foundation in support of the project. Those contributions were made to earlier phases of the project, but have not yet been appropriated.

FINANCIAL / ECONOMIC IMPACTS

Appropriation of these revenues will bring \$372,500 of additional federal funds to the Fort Collins community. The continued support of the project by the Department of Energy further reinforces the reputation of CSU and the Fort Collins community as a center of innovation for clean energy technologies.

ENVIRONMENTAL IMPACTS

This project contributes to research and development effort that will improve the ability for electric utilities more efficiently manage the electric distribution system and integrate renewable energy sources.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

PUBLIC OUTREACH

RDSI project work focuses on a limited number of CSU and City managed facilities and has no direct impact on the general public. All key stakeholders with the project have been involved and are supportive of the effort.

ORDINANCE NO. 060, 2013
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE INTO
THE LIGHT & POWER FUND FOR THE RENEWABLE
AND DISTRIBUTED SYSTEMS INTEGRATION (RDSI) PROJECT

WHEREAS, in 2008 the City was awarded \$6,323,380 in Department of Energy (DOE) grant monies to undertake the Renewable and Distributed Systems Integration (RDSI) project in collaboration with twelve partner organizations; and

WHEREAS, through this partnership, the project has provided significant grant funding to Colorado State University and Fort Collins based energy sector businesses for research and development to advance electric utility distribution technologies; and

WHEREAS, over the course of the effort, the City and the DOE have worked together to modify and adjust the work program ten times in response to emergent issues and opportunities; and

WHEREAS, with the most recent project modification, the DOE has increased the grant award by \$372,500 to fund two additional demonstration project components within overall grant; and

WHEREAS, in addition to the DOE grant funding, the City has received a \$250,000 contribution from the Downtown Development Authority (DDA) and a \$222,824 contribution from the Community Foundation in support of the project; and

WHEREAS, this project contributes to research and development effort that will improve the ability for electric utilities to more efficiently manage the electric distribution system and integrate renewable energy sources; 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 that 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 revenue as described herein will not cause the total amount appropriated in the Light & Power Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during any fiscal year.

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

Section 1. That there is hereby appropriated for expenditure from unanticipated grant revenue in the Light & Power Fund the sum of THREE HUNDRED SEVENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$372,500) for the RDSI project modification.

Section 2. That there is hereby appropriated for expenditure from DDA contribution revenue in the Light & Power Fund the sum of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) for the RDSI project modification.

Section 3. That there is hereby appropriated for expenditure from other contributed revenue in the Light & Power Fund the sum of TWO HUNDRED TWENTY-TWO THOUSAND EIGHT HUNDRED TWENTY-FOUR DOLLARS (\$222,824) for the RDSI project modification.

Introduced, considered favorably on first reading, and ordered published this 16th day of April, A.D. 2013, and to be presented for final passage on the 7th day of May, A.D. 2013.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 7th day of May, A.D. 2013.

Mayor

ATTEST:

City Clerk