

DATE: July 16, 2013
STAFF: Kevin Gertig, Lance Smith

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

23

SUBJECT

Resolution 2013-067 Authorizing the Mayor to Sign Additional Intergovernmental Agreements Regarding Funding of Cache La Poudre Watershed Mitigation in Response to the High Park Fire.

EXECUTIVE SUMMARY

The purpose of the requested Intergovernmental Agreements is to establish a mechanism to pay for contractor services administered jointly with the City of Greeley and to ensure the City of Fort Collins will receive reimbursement to the extent possible from the Federal government through the EWP funds.

Fort Collins submitted to the United States Department of Agriculture, Natural Resources Conservation Service ("NRCS") an Application for Federal Assistance, seeking NRCS funding for Emergency Watershed Protection (EWP) the City of Fort Collins, City of Greeley, and Larimer County in July 2012. NRCS provided a Notice of Financial Assistance award for initial federal funding through the NRCS Emergency Watershed Protection program in the amount of \$7.2 million in February 2013.

BACKGROUND / DISCUSSION

The High Park Wildfire burned 259 homes and approximately 87,000 acres of forest and private land west of Fort Collins in June – July 2012. The City of Fort Collins began immediate steps managing seeding and mulching to decrease sediment debris flows, poor water quality, and recovery planning. City staff requested and City Council approved emergency appropriation of \$626,014 in August 2012. As the work continued, there was an additional appropriation of \$2.0 million for further mulching and seeding efforts. In total, \$1,315,724 was spent in 2012 for these efforts and \$1,310,291 was encumbered for work in 2013. To date, the NRCS has reimbursed the City of Fort Collins \$397,658 for the work done in 2012. Additional reimbursement is expected in 2013 once all work has been completed.

It is anticipated that the City of Fort Collins Utilities could experience water quality related issues for another 2 – 8 years in the Cache la Poudre River.

Staff is requesting updated intergovernmental agreements for 2013 for the purpose of mulching, slope stabilization, debris removal and tree felling activities. Fort Collins will remove debris in the Skin Gulch drainage area once permissions are granted.

The main contract for mulching and tree felling will be administered together with the City of Greeley. In particular, Fort Collins will be involved in quality assurance and inspections of approximately 1600 acres of land that will be treated in 2013.

FINANCIAL / ECONOMIC IMPACTS

It is imperative that the City of Fort Collins takes a proactive response to help restore the Cache la Poudre watershed. Our water is essential for public health, firefighting, and maintaining the economic health of Fort Collins. Fort Collins is well known for excellent water quality which residents and businesses depend on.

The High Park Fire continues to have significant financial impact to all water users of the Cache la Poudre River. The City participated in mulching and seeding of approximately 3000 acres of private land in 2012, along with the Co-Sponsors. In addition, Utility water rates were increased 4% in January 2013 in order to pay for a new Pre-Sedimentation basin and increased operation and maintenance costs associated with increased sediment in the River.

The mulching and seeding work that will be done in 2013 is expected to be fully reimbursed by the NRCS through the EWP funding, although the total cost of the work has not been finalized.

ENVIRONMENTAL IMPACTS

The 87,000 acre fire impacted each watershed area in the Cache la Poudre Watershed. Hydrologists have examined each area and rated the severity based on the burned area, as well as how well vegetation has grown in the spring of 2013.

The environmental impacts include, but are not limited to, possible aquatic life impacts (e.g., fish and river biology), increased sediment on the River banks, which gets suspended with increased flows, growth of invasive weeds on properties, increased atmospheric dust particles due to eroded and burnt soil, increased water treatment costs, and increased costs for sampling, and site visits to impacted areas.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

PUBLIC OUTREACH

Staff has been managing the public outreach for the High Park Fire since July 2012. The extensive outreach effort has focused on public awareness and education to support customers in managing the Cache la Poudre watershed. Key efforts to date are:

- Media interviews
- Bill inserts and City News articles
- Utility website with a focus on High Park Fire
- Articles in City and local newsletters, newspapers and other outlets
- Speakers Bureau that has reached over 800 individuals to date both with internal and external presentations to key customer accounts, landscape contractors, restaurants and others

RESOLUTION 2013-067
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE MAYOR TO SIGN ADDITIONAL
INTERGOVERNMENTAL AGREEMENTS REGARDING
FUNDING OF CACHE LA POUVRE WATERSHED MITIGATION
IN RESPONSE TO THE HIGH PARK FIRE

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, a formal assessment of the impacts of the High Park Fire was prepared by an interagency Burned Area Emergency Response ("BAER") team, consisting of the Natural Resources Conservation Agency ("NRCS"), Larimer County (the "County"), the Colorado Department of Transportation ("CDOT") and the U.S. Forest Service ("USFS"), and was issued on July 17, 2012 (the "BAER Report"); and

WHEREAS, considering the severity of the impacts of the High Park Fire, and the resulting potential for increased soil erosion and related cumulative effects from increased peak runoff flows and sediment laden flows, and other related impacts, the BAER Report concluded that the High Park Fire has resulted in emergency conditions for roads, recreation, water diversion infrastructure, water quality degradation, flood hazard, debris flow hazard, and road washout hazard, each of which poses a very high level of risk of major loss to human life, safety and property; and

WHEREAS, in addition, the BAER Report identifies other related emergency conditions created by the High Park Fire, such as the risk related to recovery of native vegetation, and identifies a high level of risk to cultural and heritage resources; and

WHEREAS, subsequent to the fire, rain events have demonstrated the negative effects of erosion in the Watershed and on the Cache la Poudre River (the "Poudre River"), a key water source for the City; and

WHEREAS, in view of the foregoing, there is an urgent need for the City and other entities that will experience the impacts identified in the BAER Report to act quickly to mitigate the conditions in the Watershed so as to reduce the potential for these emergency conditions and related risk to human life, safety and property; and

WHEREAS, on August 21, 2012, the City Council adopted Resolution 2012-079, authorizing intergovernmental agreements with Greeley, the Districts, and NRCS to carry out certain Watershed mitigation work, and the City entered into agreements with those entities and proceeded with the initial work authorized at that time; and

WHEREAS, the Watershed is largely located on land not owned by the City; consequently, it is necessary to work with federal and state agencies, the City of Greeley ("Greeley"), the Tri-Districts (Fort Collins-Loveland Water District, East Larimer County Water District, and

North Weld County Water District) (the “Districts”), and the County to develop an erosion mitigation plan to effectively address the negative effects of rain, erosion and sediment transport due to rain on the burn area; and

WHEREAS, these Watershed mitigation efforts have been, and will continue to be, coordinated through the NRCS, which administers a program called the Emergency Watershed Protection (“EWP”) program that is designed to prescribe and facilitate recovery measures that are environmentally and financially sound; and

WHEREAS, the City has worked with local, state and federal agencies to secure possible recovery funding; and

WHEREAS, on September 18, 2012, the City Council adopted Resolution 2012-090, authorizing intergovernmental agreements regarding Watershed mitigation efforts, although at the time only nominal federal funding had been made available; and

WHEREAS, during the intervening months, agreements were finalized with Greeley and NRCS, in accordance with the terms of Resolution 2012-090; and

WHEREAS, ongoing efforts to jointly fund and support the Watershed mitigation work have continued, including additional agreements with Greeley for Watershed mitigation work to be conducted by a contractor under contract for Greeley and the City; and

WHEREAS, additional funds have been made available through the EWP program, and in order to increase the federal funds available to the City, it is necessary for the City to enter into additional agreements with NRCS for the EWP program and related technical assistance (the “NRCS Agreements”); and

WHEREAS, of the total funds appropriated in the Water Fund for High Park Fire mitigation work of approximately \$2.6 million, approximately \$1.3 million are planned to be used for work during the summer and early fall months of 2013; and

WHEREAS, pursuant to the authorization in Resolution 2012-090, the City will continue to arrange for ongoing cooperation with Greeley, and in the future it is likely that additional new arrangements for continuing mitigation efforts will be needed in order to provide for efficient operation of the Watershed mitigation efforts and cooperative cost sharing with Greeley (“Mitigation IGAs”); and

WHEREAS, the Mitigation IGAs will provide for the City to be responsible for no more than fifty percent of the costs associated with the Watershed mitigation work pursuant to the BAER report, and will limit the City’s total obligation for such work to no more than the funds then appropriated; and

WHEREAS, to the extent practicable, all Watershed mitigation work be conducted in accordance with the requirements of the NRCS in order to ensure eligibility for federal funds,

should such funds become available, and City staff will continue to seek opportunities for reimbursement to the City for the Watershed mitigation work it undertakes or funds; and

WHEREAS, the City is authorized to enter into intergovernmental agreements, such as a grant agreement, to provide any function, service or facility, under Article II, Section 16 of the Charter of the City of Fort Collins and Section 29-1-203, C.R.S.; and

WHEREAS, the City Council desires that the City enter into one or more NRCS Agreements and Mitigation IGAs, as described herein.

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

Section 1. That the Mayor is hereby authorized to execute the NRCS Agreements, and such amendments thereto and additional agreements with NRCS on behalf of the City, in such specific form and number consistent with the terms of this Resolution as the City Manager, in consultation with the City Attorney, determines to be necessary and appropriate to protect the interests of the City or further the purposes of this Resolution.

Section 2. That the Mayor is hereby authorized to execute one or more Mitigation IGAs with Greeley on behalf of the City, in such specific form and number consistent with the terms of this Resolution as the City Manager, in consultation with the City Attorney, determines to be necessary and appropriate to protect the interests of the City or further the purposes of this Resolution.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 16th day of July, A.D. 2013.

Mayor

ATTEST:

City Clerk