

AGENDA ITEM SUMMARY

September 5, 2017

City Council

STAFF

Matt Fater, Utilities Special Projects Manager
Jon Haukaas, Operations Mgr-Water Engineer & Field Svc
Eric Potyondy, Legal

SUBJECT

First Reading of Ordinance No. 119, 2017, Appropriating Prior Year Reserves in Anticipation of Grant Revenue From the State of Colorado Department of Homeland Security-Office of Emergency Management and Authorizing a Transfer to the Cultural Services Fund for the Art in Public Places Program for the Mulberry/Riverside/Myrtle Storm Sewer Project.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$1,280,663 from prior year reserves in anticipation of grant revenue from the State of Colorado Department of Homeland Security-Office of Emergency Management (DHSEM) and authorizing transfers to the Cultural Services Fund for the Art in Public Places (APP) program. The grant will fund the construction of the Mulberry/Myrtle/Riverside Storm Sewer project to mitigate flooding.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The Mulberry/Riverside/Myrtle storm sewer project is identified in the Old Town Basin Master Drainage Plan. The area is subject to street and structure flooding due to a lack of storm drainage capacity to convey urban runoff from the west. In 2014, the DHSEM announced the Federal Emergency Management Agency (FEMA) was providing funding for flood mitigation activities and infrastructure to Colorado to distribute to communities subjected to flooding in the September 2013 flood event. The City submitted a grant proposal for this project to the Hazard Mitigation Grant Program (HMGP), managed by the DHSEM (as the Grantor). The City received a phase 1 grant for conceptual design and feasibility in August 2015 for \$50,989. The City has completed phase 1 and received notice from FEMA that a phase 2 grant for construction of mitigation improvements is approved. The total grant award is \$1,499,608 which includes phase 1 (\$50,989) and phase 2 (\$1,448,619). The additional grant for phase 2 is awarded to cover 75% (\$1,086,464) by U.S. Office Federal Emergency Management (FEMA), 12.5% (\$181,077) by DHSEM and 12.5% (\$181,078) from previously appropriated local matching funds by the City of Fort Collins.

Final design of the project is underway with construction activities anticipated to start in November. The project consists of an enhancement of the existing Myrtle Street storm sewer that drains to the Springer Natural Area Water Quality Pond. A new storm sewer is proposed in Cowan Street from Mulberry Street to Myrtle Street, connecting to the existing Myrtle Street storm sewer. In addition, a new outfall structure is proposed in the Springer Natural Area Water Quality Pond.

If the Ordinance is adopted, this project account balance will be established in a capital project account that will receive funds directed from the existing Utilities Stormwater Drainage Fund. The HMGP grant award matching funds will be provided via reimbursement requests to the DHSEM.

In addition to committing reserves for the project, funds in the amount of \$10,235 will be set aside in the Storm Drainage Fund for the APP program for acquisition of artwork and \$2,887 will be transferred to the Cultural Services Fund to the APP program for ongoing maintenance of the art per Section 23-304 of the Code.

CITY FINANCIAL IMPACTS

The project was identified in the 2017/18 City Budget in anticipation of the grant award. The City's 12.5% (\$181,078) matching funds were appropriated with Budget Offer 8.20. The \$1,267,541 in grant expenditures will be funded from prior year reserves, which will be replenished upon receiving reimbursements from DHSEM. As of December 31, 2016, available reserves in the Storm Drainage fund were \$4.8M; adequate funding is available for this appropriation and required transfers to the Cultural Services Fund for the APP program.

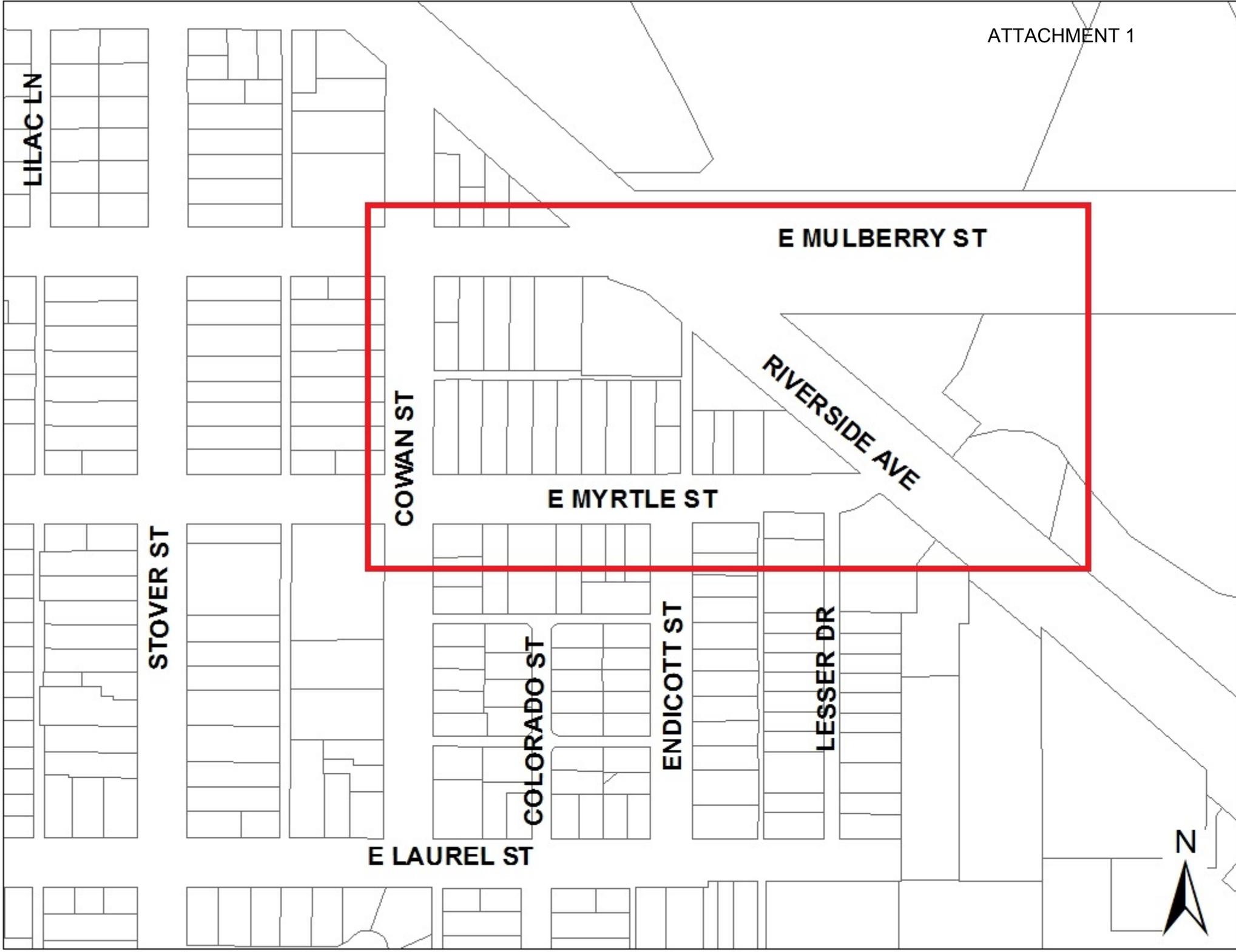
The Ordinance will enable Utilities to move forward with the project. This Ordinance is also consistent with the objectives stated by City Council in Ordinance No. 168, 1998, for uniform and citywide operation, maintenance, and improvements to the stormwater system.

PUBLIC OUTREACH

As part of the grant application process, a project open house was conducted in February 2017 and a public notice was posted in the Coloradoan in March 2017. Staff plans to conduct additional public outreach, including another open house and individual property owner meetings, as the project moves toward construction.

ATTACHMENTS

1. Location map (PDF)



ORDINANCE NO. 119, 2017
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES IN ANTICIPATION OF GRANT REVENUE
FROM THE STATE OF COLORADO DEPARTMENT OF HOMELAND SECURITY-
OFFICE OF EMERGENCY MANAGEMENT AND AUTHORIZING A TRANSFER TO THE
CULTURAL SERVICES FUND FOR THE ART IN PUBLIC PLACES PROGRAM FOR THE
MULBERRY/RIVERSIDE/MYRTLE STORM SEWER PROJECT

WHEREAS, the Mulberry/Riverside/Myrtle Storm Sewer Project is identified in the Old Town Basin Master Drainage Plan, as the area is subject to street and structure flooding due to a lack of storm drain capacity to convey urban runoff from the west; and

WHEREAS, in 2014, the Division of Homeland Security and Emergency Management (DHSEM) announced the Federal Emergency Management Agency (FEMA) was providing funding for flood mitigation activities and infrastructure to Colorado to distribute to communities subjected to flooding in the September 2013 flood event; and

WHEREAS, the City received a phase 1 grant for conceptual design and feasibility in August 2015 for \$50,989; and

WHEREAS, the City has completed phase 1 and received notice from FEMA that a phase 2 grant for construction of mitigation improvements is approved; and

WHEREAS, the total estimated cost of construction is \$1,499,608, including the previously awarded funds; and

WHEREAS, this grant is awarded to cover 75% (\$1,086,464) by FEMA, 12.5% (\$181,077) by DHSEM and 12.5% (\$181,078) from previously-appropriated local matching funds by the City of Fort Collins; and

WHEREAS, the \$1,267,541 in grant expenditures will be funded from prior year reserves, which will be replenished upon receiving reimbursements from DHSEM; and

WHEREAS, as of December 31, 2016, available reserves in the Storm Drainage fund were \$4.8M; and

WHEREAS, Utilities is requesting an appropriation of \$1,280,663 from the Storm Drainage Fund Reserves to cover costs of the Project (\$1,267,541) and the one percent (1%) required for the Art in Public Places Program (“APP”) under City Code Section 23-304(a) (\$13,122), which includes APP on the previously awarded grant portion that was not appropriated at that time; 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

WHEREAS, Article V, Section 10, of the City Charter authorizes the City Council to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund (project) to another fund (project), provided that the purpose for which the transferred funds are to be expended remains unchanged; and

WHEREAS, in accordance with Article XII, Section 6 of the City Charter, the appropriation of reserves for the Project from the Storm Drainage Fund and the transfer of a portion of those unexpended and unencumbered appropriated funds to the APP program established by City Code Section 23-304(a) will be used for stormwater purposes and improvements in connection with the Park Improvements Project.

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

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated for expenditure from prior year reserves in the Storm Drainage Fund the sum of ONE MILLION TWO HUNDRED EIGHTY THOUSAND SIX HUNDRED SIXTY-THREE DOLLARS (\$1,280,663) as follows:

• Mulberry/Riverside/Myrtle Storm Sewer Project	\$1,267,541
• Art in Public Places Project (Artwork in Storm Drainage Fund)	10,235
• Art in Public Places Project (transfer to Cultural Services Fund for APP Maintenance & Operations)	2,887
TOTAL	<hr/> \$1,280,663

Section 3. That the unexpended appropriated amount of TWO THOUSAND EIGHT HUNDRED EIGHTY-SEVEN DOLLARS (\$2,887) is authorized for transfer to the Art in Public Places Projects from the Storm Drainage Fund to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Program Maintenance and Operations

Introduced, considered favorably on first reading, and ordered published this 5th day of September, A.D. 2017, and to be presented for final passage on the 19th day of September, A.D. 2017.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 19th day of September, A.D. 2017.

Mayor

ATTEST:

City Clerk