

# AGENDA ITEM SUMMARY

## FORT COLLINS CITY COUNCIL

ITEM NUMBER: 10 A-B

DATE: January 17, 2006

STAFF: Jim Hibbard  
Dean Saye  
Terri Bryant

### SUBJECT

Items Relating to the Dry Creek Drainage Improvements Project.

### RECOMMENDATION

Staff recommends adoption of the Ordinances on the First Reading.

### FINANCIAL IMPACT

Approval of these ordinances will result in an annual expenditure of \$25,000, which is budgeted and available in the Storm Drainage Fund.

### EXECUTIVE SUMMARY

- A. First Reading of Ordinance No. 008, 2006, Authorizing the Dry Creek Drainage Improvements Project Master Agreement with Windsor Reservoir and Canal Company, Larimer and Weld Irrigation Company, Larimer and Weld Reservoir Company, and Water Supply and Storage Company, and Authorizing Conveyance of Certain Real Property Interests in Connection Therewith.
- B. First Reading of Ordinance No. 009, 2006, Authorizing Transfer of Existing Appropriations from the Canal Importation Basin Project to the Dry Creek Basin Project Within the Storm Drainage Fund.

This transfer would fund the replacement of the existing Dry Creek culvert under the Burlington Northern - Santa Fe Railway with new bridges.

### BACKGROUND

The Dry Creek Flood Control Project was originally estimated to be a \$16 million dollar flood control project with joint funding from Larimer County and the City of Fort Collins. Prior to 2005, Larimer County determined that it was unable to participate. Because of the potential for damage and loss of life that would result from a flood event in the Dry Creek Basin, Utilities'

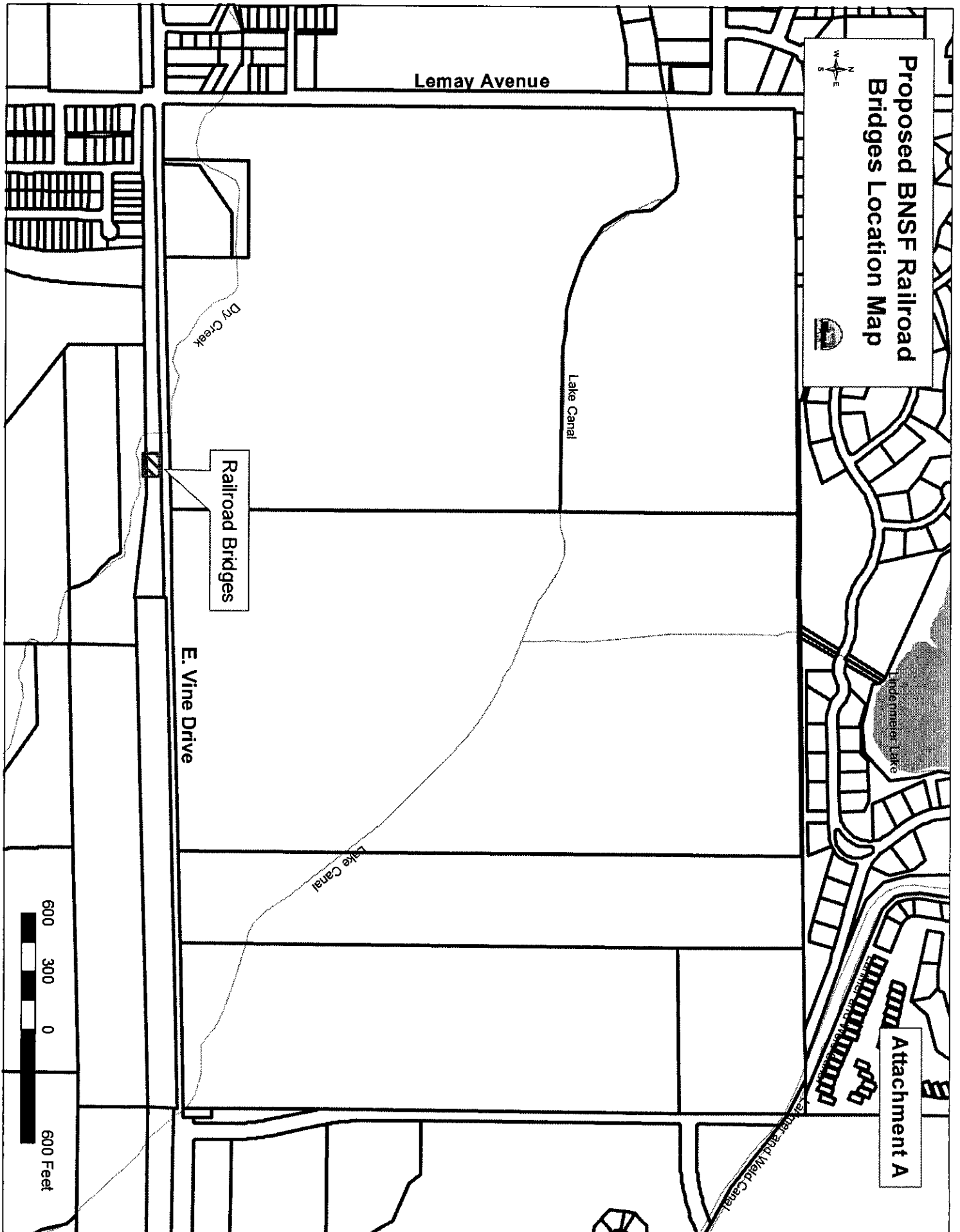
staff re-evaluated the project and developed an alternative that could provide most of the benefit of the original project for a revised budget of about \$9 million. Many aspects of the revised project involve activities in and around the facilities of a number of irrigation and reservoir companies. These include modifications to the Douglas Lake spillway, construction of spillway structures in the Larimer County Canal and the Larimer and Weld Canal, installation of a control system on the Larimer and Weld Canal head gates, and construction of open channels to carry stormwater flows from the Larimer and Weld Canal to the existing Dry Creek Channel near Timberline and Mulberry. The proposed agreement sets forth the rights and responsibilities of the City regarding these facilities. In exchange for granting these rights to the City, the Irrigation Companies receive improved flood protection for their facilities, City participation in irrigation facility upgrades, an irrigation water pipeline from Reservoir No. 4 to Terry Lake, and compensation for additional operation and maintenance costs. A copy of the proposed agreement, dated January 13, 2006, is on file in the City Clerk's office for review.

The second item is a transfer of existing appropriations. Due to unanticipated expenses on several components of the project, it now appears that project funding will be about \$750,000 short. In order to compensate for this shortfall, the proposed Burlington Northern – Santa Fe Railway bridges could be deleted from the project and built at a later date. However, extensive negotiations for the Railway's construction of the bridges are nearly complete and the Railway is available to commence construction in the spring of 2006. Because the City is in a better position to deal with the Railway with regard to insurance, liability, and on-going maintenance issues, construction of the bridges by others is unlikely. For these reasons, staff would like to proceed with construction of the bridges at this time, using cost savings from a previous stormwater project in the Canal Importation Basin. The new bridges would align with the new box culverts installed under East Vine Drive as a part of the Dry Creek Drainage Improvements/East Vine Drive Street Repaving Project. The location of the proposed bridges is shown on Attachment A.

The Sheldon Lake Drainage Improvement Project was completed substantially under budget due to the use of an alternative product delivery system, successful value engineering, and partnerships with other City departments. The available funds in the Canal Importation Basin Project are savings from this project. The 2006-2007 budgets were not based on those funds being available, so there will be no delay of any Canal Importation Basin Project. In 2006, after the projects currently under design and construction are completed, the major emphasis of the City's capital improvement program for the next 5 years will be the Canal Importation Basin.

Attachments:

A. Location Map



ORDINANCE NO. 008, 2006  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AUTHORIZING THE DRY CREEK DRAINAGE IMPROVEMENTS PROJECT MASTER  
AGREEMENT WITH WINDSOR RESERVOIR AND CANAL COMPANY, LARIMER AND  
WELD IRRIGATION COMPANY, LARIMER AND WELD RESERVOIR COMPANY, AND  
WATER SUPPLY AND STORAGE COMPANY, AND AUTHORIZING CONVEYANCE OF  
CERTAIN REAL PROPERTY INTERESTS IN CONNECTION THEREWITH

WHEREAS, the primary purpose of the Dry Creek Drainage Improvements Project (the "Project") is to attenuate the 100-year flood threat in the Dry Creek drainage area, basically west and northwest of Fort Collins, Colorado, for the benefit of the general public and generally to provide additional protection from damage and impairment from flood impacts for certain ditch and reservoir systems and facilities in the Dry Creek drainage area; and

WHEREAS, the "Project" includes modifications to Douglas Lake spillway, construction of spillway structures in the Larimer County Canal and the Larimer and Weld Canal, construction of two detention ponds, installation of a sensing and control system, construction of an irrigation water supply pipeline from Reservoir No. 4 to Terry Lake, and construction of open channels to carry stormwater flows from the Larimer and Weld Canal to the existing Dry Creek channel near the intersection of Timberline Road and Mulberry Street; and

WHEREAS, many aspects of the "Project" involve construction or other activities in and around the reservoir, ditch and other facilities of a number of irrigation and reservoir companies, including Windsor Reservoir and Canal Company, Larimer and Weld Irrigation Company, Larimer and Weld Reservoir Company, and Water Supply and Storage Company (collectively referred to as the "Irrigation Companies"); and

WHEREAS, in addition to the design and construction of the "Project" improvements, the ongoing success of the "Project" is dependent upon the future cooperation and support of the Irrigation Companies and their willingness to grant certain access and other rights to the City; and

WHEREAS, City staff has negotiated terms and conditions of a proposed agreement that will provide for the ongoing cooperation and support of the Irrigation Companies and set forth the rights and responsibilities of the Irrigation Companies and the City, which agreement, entitled the "Dry Creek Improvements Project Master Agreement", and dated January 13, 2006, is on file in the Office of the City Clerk and available for review (the "Master Agreement"); and

WHEREAS, in addition to various grants to the City, the Master Agreement includes certain provisions that allow for limited use by certain of the Irrigation Companies of specified permanent improvements constructed by the City pursuant to the Master Agreement; and

WHEREAS, pursuant to the Master Agreement the City has the right to terminate the Master Agreement, provided that in the event of termination certain of the improvements constructed by the City and related real property interests, as applicable, would transfer to one or more of the Irrigation

Companies; and

WHEREAS, Section 23-111(a) of the City Code provides that the City Council is authorized to sell, convey or otherwise dispose of real property owned by the City, including permanent structures constructed thereupon, provided the City Council first finds by ordinance that any sale or other disposition of real property owned by the City is in the best interest of the City of Fort Collins; and

WHEREAS, Section 23-111(b) of the City Code provides that the Council is authorized to dispose of real property which is part of any of the City's utility systems, provided the Council finds that any disposition of such real property will not materially impair the viability of the affected utility system as a whole and that it will be for the benefit of the citizens of the city.

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

Section 1. That the grant and transfer of the above-described rights to City stormwater property as described in the Master Agreement, including the transfer of certain improvements to the associated Irrigation Companies in the event the City chooses to terminate the Master Agreement, is in the best interest of the City of Fort Collins, will not materially impair the viability of the stormwater utility system as a whole, and will be for the benefit of the citizens of the city.

Section 2. That the City Manager is hereby authorized to execute the Master Agreement consistent with the terms of this Ordinance, together with such modified or additional terms and conditions as the City Manager, in consultation with the City Attorney, determines to be necessary or appropriate to protect the interest of the City or the stormwater utility.

Introduced, considered favorably on first reading, and ordered published this 17th day of January, A.D. 2006, and to be presented for final passage on the 7th day of February, A.D. 2006.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading this 7th day of February, A.D. 2006.

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Mayor

ATTEST:

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City Clerk

ORDINANCE NO. 009, 2006  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AUTHORIZING THE TRANSFER OF EXISTING APPROPRIATIONS FROM THE  
CANAL IMPORTATION BASIN PROJECT TO THE DRY CREEK BASIN PROJECT  
WITHIN THE STORM DRAINAGE FUND

WHEREAS, the Dry Creek Flood Control Project was originally estimated at \$16 million with joint funding to come from Larimer County and the City of Fort Collins; and

WHEREAS, prior to construction of the project in 2005, Larimer County determined that they were unable to participate in the Dry Creek Flood Control Project; and

WHEREAS, because of the potential for damage and loss of life that could result from a flood event in the Dry Creek Basin, Utilities' staff re-evaluated the original project and developed an alternative project that could provide most of the benefit of the original project for about \$9 million; and

WHEREAS, due to unanticipated expenses on several components of the project, it now appears that the Dry Creek Basin Project appropriations will be short by \$750,000; and

WHEREAS, the Sheldon Lake Drainage Improvement Project was completed substantially under budget due to the use of the alternative product delivery system, successful value engineering, and partnerships with other City Departments; and

WHEREAS, the Sheldon Lake Drainage Improvement Project is part of the Canal Importation Basin Project and the project savings are included in the Canal Importation Basin Project; and

WHEREAS, transferring funds from the Canal Importation Basin Project to the Dry Creek Basin Project will have no effect on future Canal Importation Basin projects; and

WHEREAS, Article V, Section 10, of the Charter of the City of Fort Collins authorizes the City Council to transfer by ordinance any unexpended appropriated amount or portion thereof from one capital project to another capital project, provided that the proposed transfer is from a capital project account in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the unexpended appropriated amount of SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) is hereby authorized for transfer from the Canal Importation Basin Project to the Dry Creek Basin Project within the Storm Drainage Fund and appropriated therein.

Introduced, considered favorably on first reading, and ordered published this 17th day of January, A.D., 2006, and to be presented for final passage on the 7th day of February, A.D., 2006.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading this 7th day of February, A.D. 2006.

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ATTEST:

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