

AGENDA ITEM SUMMARY

City Council



STAFF

Tracy Ochsner, Director, Operation Services
Kerri Ishmael, Manager, Utilities Finance
Carisa Clinton, Manager, Grants Administration

SUBJECT

Second Reading of Ordinance No. 100, 2026, Appropriating Unanticipated Grant Revenue from the Colorado Department of Public Health and Environment and Authorizing Transfers for the Clean Fleet Vehicle and Technology Grant Program.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on July 21, 2026, appropriates \$1,806,281 of unanticipated grant revenue from the Colorado Department of Public Health and Environment for the Clean Fleet Vehicle and Technology (CFVT) grant program. The funding will support the replacement of 13 end of life vehicles across various city operations. This item also appropriates \$921,914 in matching funds to meet the cost-share requirement of the grant.

This item was updated between First and Second Reading to include the transfer of \$280,121 from Fund 256 (2050 Climate Tax) and \$7,000 from Fund 100. These existing appropriations will be used for match/upfit allocations according to the updated table in the City Financial Impacts section.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

FIRST READING BACKGROUND / DISCUSSION

Operation Services applied for and received the Clean Fleet Vehicle and Technology grant from the Colorado Department of Public Health and Environment (CDPHE). The grant provides funding through new vehicle incentives to replace end-of-life vehicles with Battery Electric (BEV) or Compressed Natural Gas (CNG) vehicles. Incentives range from 50% - 70% of vehicle costs from Light Duty up through Class 8 vehicles. The City was awarded funding for 13 vehicles across all vehicle classifications.

CITY FINANCIAL IMPACTS

This item appropriates \$1,806,281 of unanticipated grant revenue from the Colorado Department of Public Health and Environment for the Clean Fleet Vehicle and Technology (CFVT) vehicle replacement grant. Grant funds will support the replacement of 13 end-of-life vehicles and scrappage of up to 9 vehicles. This item also authorizes the transfer of matching funds from existing 2026 appropriations in the corresponding fund to the project as needed to complete the purchase and upfit. Since this project benefits multiple

departments and multiple funds, the following table is used to organize the funding allocation and match sources:

Dept.	Set Up in Fund	# of vehicles	Grant Allocation	Match/Upfit Allocation	Match Source
Contingency	100	0	\$86,867	\$-	N/A
Steets	292	2	\$356,513	\$527,791	Existing 2026 appropriations in the Transportation Services Fund
Utilities—L&P	501	3	\$445,036	\$314,123	Existing 2026 appropriations in the Light & Power Fund
Utilities—Water	502	2	\$366,523	TBD	Utilities
Parks	100	3	\$249,592	TBD	Our Climate Future tax
Forestry	100	1	\$173,250	\$40,000	Existing 2026 appropriations in the Forestry General Fund Budget
Ops Services	100	2	\$61,000	\$40,000	Existing 2026 appropriations in the Ops Services general fund budget
Scrappage	601	0	\$67,500	\$-	N/A
TOTAL		13	\$1,806,281	\$921,914	TOTAL

Dept.	Set up in fund	# of vehicles	Grant Allocation	Match/Upfit Allocation Source 1	Match/Upfit Allocation Source 2 (if applicable)	Match Source
Contingency	100	0	\$86,867.00		\$-	N/A
Steets	292	2	\$356,513.00	\$527,791.00	\$-	Existing 2026 appropriations in the Transportation Svs Fund
Utilities - L&P	501	3	\$445,036.00	\$314,123.00	\$-	Existing 2026 appropriations in the Light & Power Fund
Utilities - Water	502	2	\$366,523.00		\$-	TBD - 2027
Parks	100	3	\$249,592.00	\$144,871.00	\$7,000.00	SOURCE 1: 2050 Climate Tax SOURCE 2: Existing 2026 appropriations in the Parks General Fund Budget
Forestry	100	1	\$173,250.00	\$74,250.00	\$40,000.00	SOURCE 1: 2050 Climate Tax SOURCE 2: Existing 2026 appropriations in the Forestry General Fund Budget

						SOURCE 1: 2050 Climate Tax SOURCE 2: Existing 2026 appropriations in the Ops Services general fund budget
Ops Services	100	2	\$61,000.00	\$61,000.00	\$40,000.00	
Scrappage	601	0	\$67,500.00		\$-	N/A
			\$1,806,281.00	\$1,122,035.00	\$87,000.00	

This action appropriates matching and/or upfit funds for 8 vehicles described in the table above. Staff will submit additional appropriation requests for Council consideration so the remaining vehicle purchases can be completed. Staff with Departments not allocating full match or upfit as part of this appropriation ordinance understand that they must not order vehicles until they identify match amount and Council authorizes the appropriation of such funds.

The grant is reimbursement-based, with funds provided after eligible project expenses have been incurred and vehicles placed in service.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

First Reading attachments available in July 21, 2026, agenda materials at the following link:
<https://fortcollins-co.municodemeetings.com/>.

1. Ordinance No. 100, 2026