

# AGENDA ITEM SUMMARY

City Council



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## STAFF

Kelly DiMartino, City Manager  
Gretchen Stanford, Interim Finance Director  
Lawrence Pollack, Budget Director

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## SUBJECT

**First Reading of Ordinance No. 041, 2025, Reappropriating Funds Previously Appropriated in 2024 But Not Expended and Not Encumbered in 2024.**

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## EXECUTIVE SUMMARY

The purpose of this item is to reappropriate monies in 2025 that were previously authorized by City Council for expenditures in 2024 for various purposes. The authorized expenditures were not spent or could not be encumbered in 2024 because:

- There was not sufficient time to complete bidding in 2024 and therefore, there was no known vendor or binding contract as required to expend or encumber the monies; or
- The project for which the dollars were originally appropriated by Council could not be completed during 2024 and reappropriation of those dollars is necessary for completion of the project in 2025.

Additionally, there may have been sufficient unspent dollars previously appropriated in 2024 to carry on programs, services, and facility improvements in 2025 for those specific purposes.

In the above circumstances, the unexpended and/or unencumbered monies lapsed into individual fund balances at the end of 2024 and reflect no change in Council policies.

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## STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

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## BACKGROUND / DISCUSSION

The Executive Team has reviewed the Reappropriation requests to ensure alignment with organization priorities and the Budget staff reviewed the requests to verify that all met qualification requirements.

This item was then reviewed by the Council Finance Committee on March 6, 2025, and the Committee approved moving it forward to the full Council for consideration on March 18, 2025.

Monies reappropriated for each City fund by this Ordinance are as follows:

General Fund	\$1,841,644
2050 Tax Climate Fund	53,424
2050 Tax Parks & Rec Fund	250,000
2050 Tax Transit Fund	14,000
Neighborhood Parkland Fund	18,583
Conservation Trust Fund	59,663
Cultural Services & Facilities Fund	103,032
Recreation Fund	96,669
Transportation CEF Fund	1,413,645
Transportation Services Fund	226,853
Parking Fund	1,093,142
Data & Communications Fund	401,885
Total	\$5,572,540

The 2025 Reappropriation requests are as follows, by fund:

## GENERAL FUND

### City Clerk's Office

#### 1) Ranked Choice Voting preparation - \$67,978

Purpose for funds: At the November 2022 election, voters approved ranked choice voting. Starting in 2025, the City of Fort Collins must use ranked voting methods to fill Mayor and District Councilmember seats for coordinated and/or City-run elections when there are three or more candidates. The City is required to provide the instructions, training, procedures and services required to educate the community and implement this new way of voting in collaboration with the County and others. Due to the increased cost of ranked voting that the City is responsible for, the election itself will likely exceed the budgeted amount for FY25. A portion of the reappropriated funds will be used for this purpose. Additionally, the City Clerk's Office is obligated to educate the public on this new style of voting, and the remaining reappropriated funds will be used on marketing and outreach to the community. This includes mailings, newspaper, social media and other advertising, event costs, necessary informational materials/video, mock election materials, and other supplies for effectively communicating this initiative to the public. While the City Clerk's Office is looking for creative ways to partner with other organizations and community groups, a large cost for planned outreach efforts is expected.

Reason funds not expensed in 2024: The City Clerk's Office has been in a state of transition over the last year, running under adequate staffing levels and bringing on new team members. While ranked voting was identified as a major priority, planning for outreach and coordination efforts in the first half of 2024 was not feasible. This was due, in part, to the efforts required to get Charter amendments and other ballot questions approved and then working with the County on a coordinated 2024 election. Planning discussions and staff education related to ranked voting began in the fall of 2024, but many of the necessary items could not be purchased or encumbered so far from the 2025 election date as related materials and other items had yet to be developed. This work is currently underway. Staff is working with the County, CSU, PSD and the League of Women Voters to find ways to collaborate on these efforts and share some costs. However, we expect there will continue to be a significant cost for the City related to ranked voting efforts to ensure we effectively get the word out and help train voters. Reappropriating these funds will contribute significantly to our communication and outreach strategies.

## **Economic Health Office**

### **2) Construction Impact Grants - \$74,500**

Purpose for funds: These funds are meant as small grants to local businesses that have been impacted by City Construction. Road construction can limit access, interrupt operations, and reduce customer traffic. These grants are meant to help mitigate those issues by providing resources to help with marketing, communication, signage, etc.

Reason funds not expensed in 2024: The funds were not fully expended in 2024 based on unanticipated major project timing shifts. The request for reappropriation is due to the confluence of two major capital project schedule changes: College and Trilby construction has been delayed, as well as Harmony Underpass schedule prioritization (happening sooner).

## **Police Services**

### **3) K9 Donation - \$8,505**

Purpose for funds: \$10,000 was given by a citizen for the purpose of supporting the K9 unit for any purpose. This has not yet been purchased and should be reappropriated according to the intent of the gift.

Reason funds not expensed in 2024: The reason that the funds weren't spent was because at the time all of the needs of K9 had been met with a portion of the gift and its existing budget. The team has plans for this money in 2025 and the remaining balance will be spent.

### **4) Leadership Summit Donation - \$90,797**

Purpose for funds: This reappropriation is for the remaining amount of the funds that were donated for the Police Leadership Summit that was held last year. It will be held again in 2025 and paid for by the remaining donated funds.

Reason funds not expensed in 2024: The funds were originally donated by Angel Armor for rifle plates and then permission was given to repurpose the funds to pay for the Leadership Summit. In the interim other donors such as the Daniel's Fund donated more money which exceeded the needed amount. Police will keep using the funds for their intended purpose to fund this event.

## **Social Sustainability**

### **5) 24/7 Homeless Shelter Contribution - \$1,000,000**

Purpose for funds: The City of Fort Collins recognizes the need for the construction of a new 24/7 shelter and seeks to provide \$1 million in local funds to Fort Collins Rescue Mission for construction of the shelter, which will serve men experiencing homelessness in the community. The new shelter will eliminate the need for winter overflow shelters and serve as a hub for community partners to collaboratively serve clients, including access to health services, job training, mental health support, and other critical resources.

These funds are intended to support a portion of capital expenses related to construction of the shelter, which will be released to Fort Collins Rescue Mission only after they receive both full funding and building permits.

Reason funds not expensed in 2024: Funds were not expended in 2024 because the development entitlement process was prolonged due to appeals. Fundraising is going well, and the Rescue Mission believes they will start work on site in Spring of 2025. SSD staff is working with the Rescue Mission on

a contract for this \$1M investment. Funding will not be made available until permits are pulled for the project to start construction.

## **City Manager's Office**

### **6) Digital Accessibility - \$71,760**

Purpose for funds: Staff is working on phase two of the Digital Accessibility work. They have a scope of work to audit digital platforms for each service area as well as digital documents, DocuSign templates, municipal code, Laserfiche, and Get FoCo. This work is needed to meet basic state compliance requirements.

Reason funds not expensed in 2024: The funds for this project were not expended in 2024 due to phase 1 of the Digital Accessibility audit taking longer than expected. This reappropriation will enable completion of this work in 2025.

## **City Attorney's Office**

### **7) CAO Charter Review - \$12,500**

Purpose for funds: Work was initiated in July 2024 on the City Council priority to update and modernize the City Charter. Outside special counsel was hired to assist with this work and \$25,000 was appropriated to support it. After work sessions in December 2024 and January 2025, work is underway to prepare ordinances that will put Charter amendments on the November ballot, to be presented to Council on April 1. Reappropriating these funds would make them available to support the completion of the work they were intended to fund.

Reason funds not expensed in 2024: The amount appropriated in summer 2024 provided the total amount of funds needed for the Charter Update work. However, the timing of the project work has been split between 2024 and 2025. As a result, roughly half of the funds were expended in 2024, and the remaining funds are needed to complete the work as scheduled.

### **8) Red Light Camera Radar (RLCR) Traffic Initiative - \$146,179**

Purpose for funds: The City Attorney's Office prosecution team continues to move forward with implementation of the new Automated Vehicle Identification System traffic enforcement program (red light/camera radar). Preparing for and bringing on new staffing, training and development of procedural updates have been underway and cases from fixed cameras and in-person enforcement have continued to increase and are likely to continue to increase. These funds would be used to provide needed support for the prosecution team working on these issues in 2025, particularly as additional freestanding units, which have not yet been deployed, come online. Funds for already filled ongoing positions were funded in the 2025 budget for only April through December and these funds will help cover the resulting shortfall.

Reason funds not expensed in 2024: The rollout of the updated red light/camera program was delayed until late in 2024, as was staffing and onboarding of the prosecution team support. Some aspects of the program, including the new freestanding units, have not yet been implemented. These delays slowed the influx of cases, and the program will continue to grow significantly well into 2025. (The delays will also likely push into 2026, temporary expenses that were originally expected in 2024-25.)

## Municipal Court

### 9) Case Management System (Tyler Tech) - \$227,912

Purpose for funds: 2024 Budgeting for Outcomes (BFO) Offer 68.8 funded a new court case management system for the Municipal Court. This offer was strongly supported by the City Attorney's office and the City's Information Technology department. The use of technology within the judicial world is critical to the functionality and efficiency of a court. After an extensive RFP process, a vendor was awarded this contract in Q2 of 2024. In July of 2024, this technology implementation project started. These funds will be used to support the project by funding a temporary employee serving as a co-project manager supporting the Court Administrator and to fund the contractual obligations associated with this project.

Reason funds not expensed in 2024: This project is an extensive year-long implementation project which merges several different systems into one updated case management system. Funding is disbursed throughout the implementation as contractual obligations and project milestones are completed by the vendor. The project started in July and is on schedule. Because of the complexity of the project, only a couple of project payment points/invoices were reached in 2024. The remaining payment/invoicing deadlines should be completed in 2025.

## Operation Services

### 10) Edora Pool and Ice Center Hot Water System - \$85,000

Purpose for funds: These funds identified in Offer 15.14 Aging Facilities Maintenance were targeted to replace the hot water piping to the locker rooms at the Edora Pool and Ice Center (EPIC). During higher hot water demands in the locker rooms, the system fails to deliver hot water leaving patrons experiencing cold showers. This reappropriation request would use the funds to redesign the hot water system to resolve this ongoing issue for EPIC customers.

Reason funds not expensed in 2024: In December of 2023, temperature issues with the domestic hot water system at Edora Pool and Ice Center were apparent. Numerous complaints were received from patrons regarding the low water temperature in the showers. Several attempts to resolve this problem with the current system were unsuccessful.

In early 2024, the City partnered with a mechanical consulting engineer to redesign the piping for this part of the hot water system. This involved mapping the existing system, as well as providing construction documents and an estimate for the needed repairs. Due to the length of time for this redesign process and availability of vendors to perform the work, this project was unable to start in 2024 as originally scheduled.

### 11) Replace Northside Aztlan Methane Detection System - \$45,000

Purpose for funds: These funds identified in Offer 15.14 Aging Facilities Maintenance will replace an end of life methane detection system at the Northside Aztlan Community Center. This system is required by the State of Colorado to monitor the methane mitigation system that is integral to that facility.

Reason funds not expensed in 2024: This system is original to the 2007 construction of the building making the replacement of components a challenge. In July of 2024 the City partnered with a contractor for repairs to the Northside Aztlan Methane detection system. After several attempts to resolve this problem using the existing system were unsuccessful, it was determined a full replacement would be in the city's best interest. In December 2024, the city requested a proposal for the design and installation of a new system. Due to the length of time for this process, permitting, and availability of vendors, this project should be completed by mid-2025.

## **Parks**

### **12) Pickleball Donation - \$11,513**

Purpose for funds: Funding for a feasibility study for a future City-owned pickleball complex was appropriated in 2024 for Park Planning and Development staff to conduct an initial public engagement process and feasibility study. To date, staff have conducted 2 stakeholder meetings, one open house, and developed conceptual designs for two potential locations on community park properties.

The Fort Collins Pickleball Club awarded \$40,000 to the Park Planning & Development division (PPD) for this designated purpose. Past philanthropic partnerships by City Give have included The Hand That Feeds, Veterans Plaza of NoCo, a refresh of Eastside Park, and the 9-11 Memorial at Spring Park.

Reason funds not expensed in 2024: Not all funds were expensed in 2024 as the results of a noise impact study by an acoustic engineering firm were not available until Q1 2025. Continued outreach and communication with the donor group (Fort Collins Pickleball Club) will be completed to finalize the City's commitments per the gift agreement.

## **2050 TAX FUND – CLIMATE OCF**

### **Natural Areas**

### **13) Poudre River Health Assessment - \$53,424**

Purpose for funds: This offer funds the Poudre River Health Assessment project, a sampling project that evaluates the health of the Cache la Poudre River from Gateway Natural Area to I-25 using a suite of biological, chemical, and physical indicators. The project builds on a previous effort completed by the City in 2017 and is a critical baseline for informing potential large-scale water projects. The funding for this offer covers that cost of sampling, analysis, and public outreach. The majority of the funds (\$246,473) are allocated in an existing PO with ICON Engineering for the sampling effort, with a portion of those already used as matching funds for our partners at the Coalition for the Poudre River Watershed (CPRW). CPRW is sampling the Upper and Lower zones of the watershed, while the City is focusing on the Middle Zone. As of the end of 2024, spending toward sampling and analysis have been addressed. The reappropriated funds will support development of final products and public outreach.

Reason funds not expensed in 2024: The project funds that were not fully expended in 2024 are for the last phase of the project: public and partner engagement. The team must first receive the results from the sampling effort to begin the engagement phase. The timeline of contracting process and the need to collect data across a full year in order to see a complete picture of river health caused this project to spill into 2025. Sampling is underway and engagement is scheduled for summer and fall 2025.

## **2050 TAX FUND - PARKS & REC**

### **Recreation**

### **14) Recreation 2050 Tax CIP Study - \$250,000**

Purpose for funds: Ordinance 58 was approved appropriating \$250,000 to fund a Capital Improvement Plan (CIP) study for the Recreation department out of the 2050 Tax Fund - Parks & Rec. This study will inform the department's efforts to strategically leverage asset management investments, including from the Recreation Fund and the 2050 tax proceeds, and is similar to efforts which the Parks department has completed for their Infrastructure Replacement Program.

Reason funds not expensed in 2024: Award of the contract was delayed due to new internal City processes. Staff has worked through these processes and is underway with the RFP and expects funds will be fully spent in 2025.

## **2050 TAX FUND - TRANSIT**

### **Transfort**

#### **15) Transfort Optimization Study - \$14,000**

Purpose for funds: Transfort Optimization Study came in slightly under budget at \$36k out of \$50k original cost. Transfort will use remaining balance of unspent funds for costs outside of contract with the vendor such as incentives for focus groups and public meetings, additional translation costs, childcare incentives, etc.

Reason funds not expensed in 2024: The cost of the optimization study came in under budget and was only \$36,000 of the original \$50,000 anticipated cost. These expenses described above are directly associated with the study, helping to inform strategic business decisions.

## **NEIGHBORHOOD PARKLAND FUND**

### **Parks**

#### **16) Veteran's Plaza Sign Donation - \$18,583**

Purpose for funds: Funding was appropriated in 2024 for Park Planning and Development staff to design, construct and install an entry sign for the Veterans Plaza of Northern Colorado at Spring Canyon Community Park. To date, staff have completed design and design-build documents and material acquisition for the installation of the sign.

Gifts of \$25,000 and \$50 were received by the nonprofit group supporting the Veterans Plaza and an individual donor for this designated purpose.

Reason funds not expensed in 2024: Due to inclement weather conditions in Q4 of 2024 and contractor availability, construction has extended into 2025. Work is anticipated to be completed in Q1 2025.

## **CONSERVATION TRUST FUND**

### **Parks**

#### **17) Bike Park Feasibility - \$59,663**

Purpose for funds: Funding was intended for Park Planning and Development staff to conduct a community-scale bike park feasibility study as directed by Council at the June 11 Work Session. This feasibility study includes an evaluation of potential locations, identification of features and park amenities, and a community engagement process.

This project is in response to significant community feedback and input from the 2021 Parks and Recreation Plan: Recreate.

Reason funds not expensed in 2024: The project for which the dollars were originally appropriated by Council could not be completed during 2024 due to the project schedule overlapping years 2024/2025. Reappropriation of those dollars is necessary for completion of the project in 2025.

## CULTURAL SERVICES & FACILITIES FUND

### Cultural Services

#### 18) Center for Creativity Furniture Donation - \$91,729

Purpose for funds: The requested funds to be reappropriated make up a sizeable and generous community donation from a local resident in 2024 intended to be utilized for venue vitalization, improvements, equipment purchases, and furniture expenses. Due to the expansive nature of the Center for Creativity renovation, and significant construction costs, donated funds such as this are important to our continuing work towards making the Historic Carnegie Library a vibrant destination for arts and culture in the Fort Collins community.

Funds used in 2024 purchased venue furniture items and equipment, along with basic infrastructure improvements not originally budgeted as part of the greater renovation project. Due to the funds not being received until 9/1/2024, staff was unable to fully spend them in 2024, as the building also was not brought fully back online until August 2024. Time was needed following completion of the renovation to best identify the areas these funds could best be put towards. We expect in 2025 to utilize these funds on continued facility improvements such as improved gallery hard goods and painted surfaces, access control upgrades, technical & performance related equipment, and other similar building infrastructure upgrades.

Reason funds not expensed in 2024: Recognizing that these funds being requested for reappropriation were not received until late in the year 2024, it was expected that their use, as directed by the donation, would span more than just the year they were received. In an effort to leverage this generous donation in the most responsible manner, staff knew that they would need time once the CC was operational in August 2024 to best identify and outline how to use funding towards their intended purpose to support the venues ongoing equipment, furniture, and improvement needs.

#### 19) Gardens on Spring Creek APGA Grant for Community Garden - \$11,303

Purpose for funds: In 2024, The Gardens on Spring Creek received \$20,000 grant from the American Public Garden Association (APGA) to support a project where we partner with the First Peoples Community Center to plan, design, plant and care for a garden plot at The Gardens for indigenous community use. This garden was born out of an expressed desire by the local indigenous community for more access to space to grow and harvest spiritual, medicinal and food plants for their community.

This funding is instrumental to the success of this project and our commitment to building trust and enduring relationship with the Indigenous Community. During the 2024 season the Garden produced 370lbs of produce for the community and engaged at least 30 members of the Native Community. The appropriation of the remaining funds will support the ongoing work of this project for 2025.

Reason funds not expensed in 2024: Funds were deposited in 2024 and are committed to support this project in its entirety. Due to a shortage of candidates for our gardener position in the summer of 2024, resulting in late hiring, the funds were not expended as intended by the end of 2024. Staff is determined to spend these funds in 2025 to complete the project with this reappropriation.

## RECREATION FUND

### Recreation

#### 20) Recreation Asset Management - \$53,410

Purpose for funds: The Recreation fund appropriated these expenses from revenues to support asset replacements, including the purchase of a replacement Kubota utility vehicle at the Farm at Lee



Martinez Park (\$45,000) and the replacement of an ADA pool lift at the Edora Pool and Ice Center (\$8,410). Funding these assets allows us to maintain better service levels to the community and promotes access.

Reason funds not expensed in 2024: Lead times for specialized equipment and work can be lengthy. Staff has received quotes and is ready to award the orders with high confidence in expending the funds in 2025.

### **21) Recreation Universal Pre-K (2024 State of CO Funding) - \$30,469**

Purpose for funds: Ordinance 140 was approved in November '24 appropriating the unanticipated 2024 revenue from the State of Colorado (\$30,469) to fund the Universal Pre-school (UPK) '24 / '25 school year program at the Northside Aztlán Community Center in the Recreation Fund.

Reason funds not expensed in 2024: With the timing of the '24 / '25 school year spanning the City's fiscal years, hiring was delayed until funds were fully appropriated from Ordinance 140, as well as BFO Offer 46.5.

Ordinance 140 works in conjunction with BFO Offer 46.5 which was approved in the '25 / '26 Budget and appropriates future State revenue as well as expands the Universal Pre-K program by funding the hiring of 3 new FTEs (start dates in April '25). Ordinance 140, approved in November '24, allowed for the accelerated hiring of 1 new FTE in support of the '24 / '25 school year, this position will be funded through Offer 46.5 from April '25 forward. The team began the process of hiring 1 new FTE in November '24, the position was filled and the new employee began in January '25.

### **22) Recreation Childcare Bus Exterior Wrap & Finishes - \$12,790**

Purpose for funds: Ordinance 124 was approved in September 2024 appropriating funds (\$169,500) for a new full-sized bus in support of the Recreation department's childcare programs. The bus has been ordered and this reappropriation is intended to move the remainder of the original appropriation to fund the expense of exterior wrapping once the bus is received by the City (estimated delivery: 2nd half of 2025).

Reason funds not expensed in 2024: The lead time for the bus will result in delivery in the 2nd half of 2025, the wrap and finish cannot be awarded and applied until the bus is onsite. The wrap will allow for the required City specific finishes.

## **TRANSPORTATION CEF FUND**

### **Engineering**

#### **23) Waterfield Fourth Filing Development Reimbursement - \$1,413,645**

Purpose for funds: These funds are for a developer reimbursement for construction of Suniga Road, Vine Drive, and Merganser Street improvements and for the dedication of right-of-way for Suniga Road beyond local access standards.

Reason funds not expensed in 2024: Funds were not expensed in 2024 because the City of Fort Collins has continued to wait for the developer to submit appropriate paperwork for reimbursement.

## TRANSPORTATION SERVICES FUND

### FC Moves

#### 24) Foco Fondo Donation - \$5,000

Purpose for funds: The annual FoCo Fondo donation to Safe Routes to School is earmarked for new programming and/or new equipment to help get more kids bicycling in Fort Collins.

Reason funds not expensed in 2024: The funding was not used in 2024 due to the event occurring after the midway point in the year and needing to wait for the funding to be appropriated. That left no time to spend the funds on programming in the fall 2024 semester of school and little time to research and acquire new equipment before the end of the year. These funds will be expended in 2025.

### Streets

#### 25) Streets Building Office Remodel- \$221,853

Purpose for funds: The purpose of this request is to reappropriate \$221,853 for the buildout of the Streets Department office space. This budget had been set aside in 2024 to create new office space as the Streets team continues to grow. This expansion is essential to accommodate operational growth driven by the addition of new crews and staff, including the Timberline Recycling Center team, new Sweeping/Graffiti crew chief, new Asphalt Crew, new Asphalt Manager, and new Traffic Control Technicians/Classified Flaggers.

Reason funds not expensed in 2024: Initially, the project was scheduled to begin in 2024, with Operations Services providing an estimated cost of \$268,091. However, the estimate was significantly higher than anticipated, requiring additional time to identify cost-saving measures and ensure financial feasibility. Additionally, the pending approval of the 2025-2026 BFO requests for additional FTEs (Offers 21.7 and 21.8) introduced potential design impacts that needed to be considered before finalizing the project scope.

The timeline for project initiation was impacted by delays in receiving quotes and the additional effort required to identify a more cost-effective approach. As a result, construction was unable to begin before the end of 2024 and the project was delayed to 2025. The Streets Department now has final design plans in place and is prepared to proceed with the remodel, with an anticipated completion timeline in late Q3 of 2025. This timeline remains contingent on permitting and contractor availability.

## PARKING FUND

### Parking Services

#### 26) Civic Center Parking Structure (CCPS) Maintenance Work - \$1,093,142

Purpose for funds: Following a 2019 condition assessment, the Civic Center Parking Structure (CCPS) stairwell was found to have repair needs. Due to the pandemic and resulting financial constraints, a pause to the maintenance schedule was approved by the contracted structural engineering firm. Maintenance repairs resumed in 2022, and a subsequent condition assessment identified that the southeast stairwell had degraded to an unsafe level resulting in its closure to the public in June 2022. Following the closure, a thorough assessment of the needed repairs, design and cost estimates was performed. Initial project funds of \$1.2M were requested and appropriated in 2024. The funds requested for reappropriation will be used to complete the necessary repairs to the stairwell.

Reason funds not expensed in 2024: Funding to repair the CCPS stairwell was approved in September of 2024 in the amount of \$1.2 million. At outset, this work was anticipated to take 1.5 years for completion and is currently on track to being completed by end of 2025.

## **DATA & COMMUNICATIONS FUND**

### **Information Technology**

#### **27) ERP System Replacement - \$249,385**

Purpose for funds: This offer will identify the components necessary for the City to implement a modernized ERP ecosystem, accounting for all readiness components, and will focus on the first two phases necessary to transform our business processes into a modern solution while minimizing customizations that exponentially increase implementation and support costs. To succeed this must become a business-led, technology-enabled transformation and we must plan this modernization in six key phases: 1) discovery and planning, 2) business process transformation, 3) design and development, 4) change management and training, 5) testing and implementation, and 6) operational support.

Maintaining our current platform amplifies the need for high-touch, manual support. Once we implement a new solution, we will lower our costs, while increasing our ability to support increased needs with no additional FTEs. A new ERP solution will implement industry best practices necessary to standardize and streamline processes, reduce costly customization, address talent resiliency while improving our risk management, and disaster recovery practices, and ensure compliance with our pending end-of-life support. Also, implementing a standard solution will reduce the 32+ interfaces necessary to support today.

Reason funds not expensed in 2024: The 2023-2024 funds were not fully utilized due to shifting priorities and resourcing challenges, as efforts focused on foundational planning, cross-departmental coordination, and learning from peer municipalities. In 2024, the City held an InfoTech partner led ERP workshop that brought together key stakeholders to refine the strategic vision, align business needs, and establish critical priorities for implementation. This workshop has shaped the program launch for 2025 by identifying key requirements, scope and priorities, identifying process gaps, and ensuring organizational readiness. The 2025 reappropriation will fund a dedicated ERP Project Manager to lead planning, RFP development, vendor selection, and resourcing. Funds will also help support backfilling key Finance, HR, and IT roles to allow subject matter experts to focus on ERP selection, and implementation. This initiative will transition from planning to execution, ensuring project readiness, structured system design, and phased implementation, ultimately modernizing the City's ERP system to improve efficiency, reduce costs, and ensure compliance with end-of-life support requirements.

#### **28) Expansion of Enterprise Service Management System (ESM) - \$152,500**

Purpose for funds: The original intent of this offer was to extend the "FreshService" Information Technology Service Management (ITSM) portal into an Enterprise Service Management (ESM) portal, encompassing Human Resources (HR), Operation Services (Operations), Communications & Public Involvement (CPIO), and Emergency Preparedness & Security (EPS). This centralization and standardization of service request management would offer all City employees visibility into the status of service requests, tracked communications, and a consistent framework across departments. The ongoing cost for licensing will increase \$68,500 annually.

Additionally, the implementation of ESM will be through a phased plan and tailored approach, requiring professional services to assess and create a service delivery practice for the City. The one-time cost for a 3-month assessment and to begin implementation will be \$87,500 for 3rd party professional services. This investment aligns with our goal of moving from complexity to simplicity by standardizing service requests, improving transparency, and enabling data-driven service enhancements. ESM will

streamline cross-department workflows, like onboarding new employees, ensuring a seamless, employee-centered service experience.

Reason funds not expensed in 2024: The 2023-2024 funds were not fully utilized as the ESM expansion took longer due to competing priorities across HR, Operations, IT, EPS, and CPIO. During this period, IT focused on foundational training, process development, and service catalog redesign to ensure a strong framework for expansion. The 2025 reappropriation is essential to fund guidance and training, enabling departments to transition successfully. Additionally, these funds will support licensing for new users as they configure and implement FreshService, ensuring a smooth rollout.

### **CITY FINANCIAL IMPACTS**

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This item increases 2025 appropriations by \$5,572,540. A total of \$1,841,644 is requested for reappropriation from the General Fund, \$1,413,645 is requested from the Transportation CEF Fund, \$1,093,142 is requested from the Parking Fund and \$1,224,109 from other funds. Reappropriation requests represent amounts budgeted in 2024 that could not be encumbered at year-end. The appropriations are from prior year reserves.

### **BOARD / COMMISSION / COMMITTEE RECOMMENDATION**

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None.

### **PUBLIC OUTREACH**

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None.

### **ATTACHMENTS**

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1. Ordinance for Consideration