

ORDINANCE NO. 196, 2025
OF THE COUNCIL OF THE CITY OF FORT COLLINS
MAKING A SUPPLEMENTAL APPROPRIATION OF
UNANTICIPATED REVENUE FOR PAYMENT OF
CONTINGENCY FEES

A. The Larimer County Solid Waste Facility at 5887 S. Taft Hill Road (“Landfill”) is a regional solid waste processing and disposal site operated and maintained by Larimer County (“County”).

B. Since 1967, the Landfill site has been and is currently owned in the following undivided interests: 50% Fort Collins, 25% Larimer County and 25% City of Loveland.

C. Fort Collins operated the Landfill from 1963 until January 1, 1975, after which the County operated the Landfill pursuant to an agreement among the City, the City of Loveland and the County (collectively the “Parties”) dated November 21, 1974. The County remains the current operator.

D. The Parties have collaborated since 2018 to assess and propose corrective measures for environmental contamination of groundwater detected at the Landfill, in cooperation with the Colorado Department of Public Health and Environment (“CDPHE”) and entered into an intergovernmental agreement (“IGA”) to take remediation measures and to allocate costs therefor.

E. In 2021, the City retained outside legal counsel on contingency fee basis to research and determine if the City had any insurance policy or coverage that would respond to a claim for groundwater contamination at the Landfill, given that pollution exclusions became standard provisions in commercial or general liability policies in the 1980s.

F. In its research, outside counsel located an insurance policy in place with coverage at the Landfill prior to the pollution exclusion, made a claim on behalf of the City, and facilitated a settlement agreement in 2025 between the insurer and the City.

G. The City received unanticipated revenues from this settlement in 2025 in the form of an insurance recovery payment in the amount of \$550,000. This Ordinance appropriates funds to make a contingency fee payment to outside counsel. This appropriation benefits the public health, safety, and welfare of the residents of Fort Collins and serves the public purpose of supporting programs or capital expenses throughout the City, including making available revenues for remediation in future fiscal years.

H. Article V, Section 9 of the City Charter permits the City Council, upon recommendation of the City Manager, to make a supplemental appropriation by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriation, in combination with all previous appropriations for that fiscal year, do not

exceed the current estimate of actual and anticipated revenues and all other funds to be received during the fiscal year.

I. The City Manager has recommended the appropriation described herein and determined that the funds to be appropriated are available and previously unappropriated from the General Fund and that this appropriation will not cause the total amount appropriated in the General Fund to exceed the current estimate of actual and anticipated revenues and all other funds to be received in this Fund during this fiscal year.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated from new revenue or other funds in the General Fund the sum of ONE HUNDRED NINETY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$192,500) to be expended in the General Fund for payment of the contingency fee.

Introduced, considered favorably on first reading on December 2, 2025, and approved on second reading for final passage on December 16, 2025.

Mayor

ATTEST:

City Clerk

Effective Date: December 26, 2025
Approving Attorney: Dianne Criswell

Exhibit: None