



AGENDA ITEM SUMMARY

City Council

STAFF

Matt Fater, Senior Director of Water Engineering

Heather McDowell, Director of Civil Engineering

Joe Wimmer, Utilities Finance

SUBJECT

First Reading of Ordinance No. 005, 2026, Appropriating Prior Year Reserves and Authorizing Transfers of Appropriations for the Oak Street Stormwater Project and Related Art in Public Places.

EXECUTIVE SUMMARY

The purpose of this item is to request additional appropriation of \$1,340,000 in the Stormwater Utility Fund to supplement the existing appropriated budget of approximately \$44,400,000 for the Oak Street Stormwater Improvement Project. The additional appropriation requested adds approximately 3% of the total project budget and will fund remaining project support services, pending change order items, and a minor contingency for any unanticipated costs to complete the project.

This item also requests \$2,948 from existing 2026 appropriations be transferred to the Cultural Services Fund to support the Art in Public Places program. These funds are to be used for operations and maintenance per Code. An additional \$10,452 will remain in the Stormwater Utility Fund for Art in Public Places artwork. This supports a total \$13,400 contribution to the Art in Public Places program.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The Oak Street Stormwater Improvement Project is a priority stormwater project for the City because it will contribute to resolving urban flooding and stormwater quality issues in downtown Fort Collins. The project will provide stormwater infrastructure including a combination of grey and green infrastructure to reduce flooding impacts along the Oak Street corridor and adjacent blocks. Large diameter storm pipes ranging in size from 48" to 78" will extend from the previously constructed Oak Street Outfall, starting at Mason Street and extending to Jackson Street near City Park. There will be approximately 8,500 linear feet (LF) of new stormwater mains along Oak Street and cross streets that extend north to Mountain Avenue and/or south to Olive Street. Green infrastructure includes water quality ponds, or "rain gardens" in three locations along the Oak Street corridor to filter street runoff. Additional information on the project and associated public outreach can be found here: <https://www.fcgov.com/utilities/oak-street-stormwater-improvements-project>

The project started construction in July of 2024 with an anticipated completion of August 2026. To date, approximately 70% of the stormwater work is completed which includes 772 LF of tunnelling, 5,400 LF of

mainline storm sewer, the downtown rain garden, and 9 of 15 blocks have been completed with pavement, concrete work and landscaping.

The total appropriated budget, to date, for this project is \$44,382,815. Details are provided in Figure 1 below. The total project budget includes: engineering, project and construction management, permitting, and construction services with construction contract accounting for the most significant portion. The off-cycle appropriation was for the municipal bond proceeds issued by the Stormwater Utility enterprise in the Fall of 2023.

Figure 1 – Appropriations Summary To-Date

BFO Year	BFO #	BFO Name	Amount
2017/2018	8.19	Downtown Stormwater Improvements Program (Conceptual Design)	\$1,500,000.00
2021	14.12	Oak Street Stormwater Improvements Project (Preliminary Design)	\$500,000.00
2022	4.4	Oak Street Stormwater Improvements Project (Final Design)	\$920,000.00
2023	Debt Issuance	Ordinance No. 006, 2024 Off-Cycle Appropriation, Feb 6, 2024	\$39,962,815.00
2025	Appropriation	Ordinance No. 073, 2025 Appropriation, May 6, 2025	\$1,500,000.00
Total Project Appropriations To-Date			\$44,382,815.00

The construction contract portion of the project has been progressing well, with approximately \$569k (~1.6% of the original contract) in change orders issued thus far. However, the project expenses primarily related to unforeseen conditions, utility constraints or relocations, and increased costs related to concrete and asphalt replacement have exceeded original estimates. This supplemental appropriation will cover known future expenses such as a pending change order for phase 2 design changes, Larimer County Code requirements at the project storage site on Vine Drive, ongoing professional support contracts, maintenance needs during the warranty period, and includes a minor contingency to cover any further unknowns. Figure 1 summarizes the existing appropriations. Staff believes this appropriation will be sufficient to complete the project based on the progress to date and a risk assessment of the remaining work.

Staff requests a \$1,340,000 supplemental appropriation from Stormwater Fund reserves based on the budget analysis summarized in Figure 2.

Figure 2 – Budget Summary

	Appropriations	Encumbered & Expended	Balance
Current Appropriations	\$ 44,382,815	\$ 43,651,615	\$ 731,200
Future Expenses (Known)		\$ 1,048,141	\$ (316,940)
Pending Issues (Potential)		\$ 384,047	\$ (700,988)
Appropriation Request	\$1,340,000		\$ 639,012
Total Project Appropriation	\$ 45,722,815		

CITY FINANCIAL IMPACTS

The ordinance includes the following actions:

- Appropriates \$1,340,000 for Stormwater Utility Fund non-lapsing expenses, and
- Transfers \$2,948 from existing 2026 appropriations in the Stormwater Utility Fund to the Cultural Services Fund.

Stormwater Utility Fund reserves are available for this appropriation

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

Utilities staff presented this supplemental appropriation request to the Water Commission at its January 15, 2026, regular meeting. Meeting minutes will be included in a read before packet.

PUBLIC OUTREACH

The public outreach for the project has been extensive including a bi-weekly newsletter and website updates.

ATTACHMENTS / LINKS

1. Presentation
2. Ordinance No. 005, 2026