

ORDINANCE NO. 003, 2024
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING TRANSFERS AND REAPPROPRIATION
OF FUNDS PREVIOUSLY APPROPRIATED FOR THE
UTILITIES' GRID FLEXIBILITY PROGRAMS

A. City Council authorized expenditures in the 2023/2024 City Budget for various purposes in the Light and Power Fund, portions of which were not spent or encumbered in 2023 and are not anticipated to be spent in 2024 due to changes in technology related to certain projects.

B. Utilities staff has determined that unspent and unencumbered amounts applied to ongoing grid flexibility efforts described in approved 2023/2024 Budget Offers can be more effectively repurposed to pursue use of similar technologies and result in similar outcomes as described in the subject Offers.

C. Utilities staff has determined that the amounts to be reappropriated and redeployed as described herein are available and currently encumbered.

D. This reappropriation benefits public health, safety and welfare of the citizens of Fort Collins and benefits City electric utility ratepayers by leveraging utility reserves and unexpended funds to efficiently improve the flexibility of the local electric distribution grid using current technologies.

E. 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.

F. The City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the Light and Power Fund and will not cause the total amount appropriated in the Light and Power 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.

G. Article V, Section 10 of the City Charter authorizes the City Council, upon recommendation by the City Manager, to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the transferred funds are to be expended remains unchanged, the purpose for which the funds were initially appropriated no longer exists, or the proposed transfer is from a fund or capital project in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance.

H. The City Manager has recommended the transfer of \$148,985 from the Light and Power Fund Water Heater Program Project Budget and \$250,000 from the Light and Power Fund Communication Protocol Project Budget to the Light and Power Fund Ongoing Demand Response Project Budget, in the amount of \$291,202 and Thermostat Program Project Budget, in the amount of \$107,783; and determined that the following purpose for which the transferred funds are to be expended remains unchanged: to provide customer programs for the transition to the next generation electricity system outlined in Our Climate Future (OCF), focusing on mitigation, resilience, and equity.

I. Article V, Section 11 of the City Charter authorizes the City Council to designate in the ordinance when appropriating funds for a capital project, that such appropriation shall not lapse at the end of the fiscal year in which the appropriation is made, but continue until the earlier of the expiration of the federal, state or private grant or the City's expenditure of all funds received from such grant.

J. The City Council wishes to designate the appropriation herein for the Light and Power Fund Ongoing Demand Response Project and Light and Power Fund Thermostat Program Project Budget as an appropriation that shall not lapse until the earlier of the expiration of the grant or the City's expenditure of all funds received from such grant.

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 as follows:

Section 1. The unexpended and unencumbered appropriated amount of ONE HUNDRED FORTY-EIGHT THOUSAND NINE HUNDRED EIGHTY-FIVE DOLLARS (\$148,985) and TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) respectively, totaling THREE HUNDRED NINETY-EIGHT THOUSAND NINE HUNDRED EIGHTY-FIVE DOLLARS (\$398,985), is authorized for transfer from the Light and Power Fund Water Heater and Communication Protocol Project Budgets for the following purposes and appropriated therein to be expended for Utilities Grid Flexibility programs projects as follows:

- Light and Power Fund Ongoing Demand Response	\$291,202
- Thermostat Program	<u>\$107,783</u>
GRID FLEXIBILITY PROGRAM TOTAL:	\$398,985

Section 2. The appropriation herein for Light and Power Ongoing Demand Response Project and the Light and Power Thermostat Program is hereby designated, as authorized in Article V, Section 11 of the City Charter, as an appropriation that shall not lapse at the end of this fiscal year but continue until the completion of the projects.

Introduced, considered favorably on first reading on January 16, 2024, and approved on second reading for final passage on February 6, 2024.

Mayor

ATTEST:

City Clerk

Effective Date: February 16, 2024
Approving Attorney: Cyril Vidergar