



Legislation Text

File #: 21-762, **Version:** 2

Ordinance No. 22-03 amending Ordinance No. 20-92 (2021 Appropriation Ordinance) for a supplemental appropriation to the General Fund in the amount of \$2,261,331 for a transfer to the Capital Improvement Program Fund, and to the Capital Improvement Program Fund in the amount of \$2,261,331 for a capital transportation infrastructure project, the funding being the result of one-time American Rescue Plan Act (ARPA) funding distributed through the Highway Users Tax Fund

Presenter:

Charae McDaniel, Chief Financial Officer
Travis Easton, Public Works Director

Summary:

The attached ordinance is a supplemental appropriation to the General Fund to transfer funds to the Capital Improvement Program (CIP) Fund, and to the CIP Fund in the amount of \$2,261,331 for capital transportation infrastructure projects. Due to American Rescue Plan Act funding that was received by the State of Colorado and passed through to local governments, the City of Colorado Springs has received \$2,261,331 from the Highway Users Tax Fund (HUTF) into the General Fund. The General Fund will transfer this amount to the CIP fund to supplement the existing 30th Street Safety Improvement Project in 2021 and carry forward into 2022.

The Project will reconstruct and widen 30th Street from Fontanero Street to Mesa Road which is approximately 2.3 miles in length and adjacent to Garden of the Gods Park. The total project cost will be approximately \$24M to \$25M. The City was awarded federal grant funding in the amount of \$14,513,620 for construction. The City has provided local match and overmatch funding for the grant of \$5,781,088, and Operation & Maintenance division funding of \$613,184 for engineering, property acquisition, environmental clearance, and construction cost. These funds were included in prior year's project budget.

Additional funding has been provided by Colorado Springs Utilities (\$1,050,231) and Pikes Peak Rural Transportation (\$726,287).

Additional funding is necessary to cover construction costs primarily associated with providing additional storm water improvements, slope stability improvements, construction management and grade separated trail crossing of Gateway Road. The application of \$2,261,311 of State HUTF will provide the additional funds needed to complete construction of the Project.

Background:

A section of Colorado SB 21-260 Sustainability of the Transportation System creates one-time transfers to local governments from federal ARPA funds that are available to be spent to offset revenue losses associated with reduced Funding Advancement for Surface Transportation & Economic Recovery (FASTER) fees per the current State transportation plan. The FASTER funds stem primarily from daily car rental fees and weight based vehicle registration fee increases. The

State allocates funding annually for state and local road and bridge safety projects and provides grants to local governments for transit and rail projects. The City of Colorado Springs allocation of this one-time funding is \$2,261,331 and was received from the State HUTF fund during 2021.

Previous Council Action:

On December 8, 2020, City Council approved the original 2021 budget per Ordinance No. 20-92 (2021 Appropriation Ordinance).

Financial Implications:

The supplemental appropriation increases the 2021 General Fund and CIP Fund revenue and expenditure budgets by \$2,261,331. The funding was received into the General Fund during 2021 and will be transferred to the CIP Fund. The source of funds is additional funding from HUTF due to ARPA funding received by the State of Colorado and passed through to local governments for transportation related projects via HUTF.

City Council Appointed Board/Commission/Committee Recommendation:

The City Council Budget Committee reviewed this supplemental appropriation request at the meeting on December 14, 2021.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move approval of the supplemental appropriation to the General Fund and the CIP Fund in the amount of \$2,261,331 for a capital transportation infrastructure project due to additional funding from the Highway Users Tax Fund

An ordinance amending Ordinance No. 20-92 (2021 Appropriation Ordinance) for a supplemental appropriation to the General Fund in the amount of \$2,261,331 for a transfer to the Capital Improvement Program Fund, and to the Capital Improvement Program Fund in the amount of \$2,261,331 for a capital transportation infrastructure project due to additional funding from the Highway Users Tax Fund