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Resolution No. 496

Utilization of American Rescue Plan Act Funds for Improving City Infrastructure

WHEREAS, Congress passed and the President approved the American Rescue Plan Act (Act), also called the COVID-19 Stimulus Package, earlier this month;

WHEREAS, the Act appropriated specific funding on a proportional basis to states, counties, and cities with early estimates indicating that the City of Forks could receive approximately \$840,000¹;

WHEREAS, the Act provided for flexibility and local discretion in the use of these funds in any of the following manner:

- 1. Responding to the COVID-19 pandemic;
- 2. Recouping of costs to the City incurred by the national public health emergency;
- 3. Recouping of revenues (e.g., taxes, utility revenues) lost to the City as a result of the pandemic;
- 4. Addressing impacts on local businesses and nonprofits; and,
- 5. Investing in infrastructure such as sewer, water, and broadband.²

WHEREAS, the City's sewer infrastructure was completed in 1986 in response to a stateimposed mandate limiting on-site septic systems that halted development in the central business and residential core;

WHEREAS, regulatory expectations call for the upgrading of decades old equipment and a certain level of redundancy of equipment in case of emergency;

WHEREAS, efforts to secure funding over the past 25+ years have found limited grant funds for the significant improvements needed;

¹ See the unofficial chart developed by the Association of Washington Cities - <u>updated-chart60d8e2bf-12da-4899-bd91-79cf56e72e40.pdf (wacities.org)</u> which was part of a briefing summarized at \$1.1 billion for Washington cities in American Rescue Plan Act (wacities.org)

WHEREAS, City sewer rates are extremely low and costs for redundancy and retrofit efforts using a loan-based system would require a substantial increase in utility rates;

WHEREAS, the City has a population of ~3,680 people and was designated as an Economic Opportunity Zone, meeting the requirements of high unemployment and poverty rates, while having a much lower than average income level compared to the rest of Washington. Prepandemic, the Forks community had a median income that was 62% of the State's, a poverty rate of almost 24%, and an unemployment rate of almost 11%;

WHEREAS, the 2016 Sewer Comprehensive Plan identified upwards of \$3.2M in retrofits and necessary improvements to ensure redundancy of key components expected by state regulators;

WHEREAS, for over 12 years, the City has pursued a new water storage tank to be located on City owned property north of the Calawah River that would:

- 1. Allow for additional storage capacity;
- 2. Allow for the sustained water pressure needed by new commercial and industrial developers;
- 3. Provide an emergency supply in case of damage to the mainline that crosses the Calawah River.

WHEREAS, undertaking 70% design and engineering tasks, including soils analysis of the site could provide accurate information to be utilized in any future federal or state infrastructure initiatives;

WHEREAS, any funds received by the City from the Act could only be utilized for those categories noted above;

WHEREAS, making initial investments in the City's sewer and water system that would advance efforts to address the replacement of aging equipment, ensure redundancy, and address capacity issues would be a means of working for a better future once the COVID-19 pandemic has passed;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Forks:

- 1. Commits to the following allocation of Act payments to the City as indicated above:
 - a. 94.5% towards sewer system improvements as identified in the Sewer Comprehensive Plan Table 7-13 Summary of Recommended Capital Improvement Projects to include FKC Screw Press Modifications;
 - b. 5% towards design and engineering for the north water tank project; and,
 - c. 0.5% to address any outstanding costs associated with COVID-19 pandemic response.
- 2. Authorizes the Mayor and his staff to execute any necessary documents with the federal or state agencies associated with obtaining these funds; and,

- 3. Authorizes the Mayor and his staff to:
 - a. expend the funding in a manner consistent with this resolution; and,
 - b. enter into purchase agreements and sales or service contracts, in compliance with state procurement rules, needed to execute the utilization of Act funds consistent with this resolution.

Passed this 12th of April 2021 by the City Council of the City of Forks.

Tim Fletcher, Mayor

Authenticated and Attested to:

Approved as to Form:

Audrey Grafstrom, Clerk

William R. Fleck, Attorney