

SUBMITTED BY: Luis Pedroza, Deputy City Manager/City Treasurer

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

ORGANIZATIONAL IMPROVEMENTS: EnterTextHere

SUBJECT: **RESOLUTION NO. 24-1584**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the City of Douglas to enter into a **DESIGN** and **CONSTRUCTION ASSISTANCE AGREEMENT** with the **DEPARTMENT OF THE ARMY REPRESENTED** by the District **COMMANDER** for **LOS ANGELES DISTRICT** for **ENVIRONMENTAL INFRASTRUCTURE** serving the **PORT OF ENTRY MODERNIZATION PROJECT** in the amount of \$1,950,000 reimbursable grant.

EXECUTIVE SUMMARY:

The City of Douglas is seeking to enter into the Design and Construction Assistance Agreement with the Army Corps of Engineers in the amount of \$1,950,000 with a 25% match for water and sewer infrastructure for the new commercial port of entry.

BACKGROUND:

The city requested grant funding from the Army Corps of Engineers Section 595 program in early 2021 to help with the water and sewer infrastructure for the new commercial port of entry. At the time, the city requested \$2.2 million to help with design costs. Although the city has the design costs covered and underway, therefore, staff requested that the funds be utilized to handle construction-related costs.

The funding can be attributed to both water and sewer construction but will be focused on the water infrastructure needs such as the new water well #19, reservoir tank and the water distribution system. The funding will be phased and expect the next amount of \$2,175,000 that was awarded through a Congressional Directed Spending Request will be funneled through this 595 program and part of the phased approach.

DISCUSSION:

This funding is critical to cover the overall project costs estimated at \$28.5 million for the entire West Expansion project for the new commercial POE water/sewer infrastructure project. Currently, there is a secured \$14.6 million in grant funding and staff is pursuing other grant opportunities for the remaining \$13.9 million.

FISCAL IMPACT:

25% of grant match that will be covered by State ARPA funding.

Fiscal Year: 2023/2024

Amount Requested: \$0

Budgeted: Y / N

Account (s):

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE RESOLUTION NO. 24-1584.”