SUBMITTED BY:	Luis Pedroza, Deputy City Manager/City Treasurer
MANAGEMENT TEAM REVIEW:	Ana Urquijo, City Manager
FOCUS AREA:	Advanced Infrastructure Development and Improvement
ORGANIZATIONAL IMPROVEMENTS:	EnterTextHere
SUBJECT:	**RESOLUTION NO. 23-1537**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, authorizing the **ACCEPTANCE** of a **GRANT AGREEMENT** with the **STATE OF ARIZONA THE OFFICE OF THE GOVERNOR,** for **FUNDS** from the American Rescue Plan Act (ARPA) to support COVID-19 activities expenditure categories, specifically for **WATER** and **SEWER FACILITIES** to service the new **DOUGLAS COMMERCIAL PORT OF ENTRY**.

EXECUTIVE SUMMARY:

The State of Arizona Governor's Office has awarded an $8,900,000 grant for the Port of Entry Infrastructure project. The funding must be utilized for water and sewer for the servicing of the new commercial POE and surrounding development.

BACKGROUND:

The city has partnered with the State of Arizona to complete the water and sewer infrastructure needed to serve the new commercial POE. It is estimated that total cost to furnish water and sewer will be $27 million. Total costs to furnish electric, gas and broadband are estimated at $2.2 million for a total utilities cost of $29.2 million. The City has identified (not awarded at this time) funding sources for approximately $20.3 million and had a funding gap of $8.9 million, which the State of Arizona has decided to fund through their ARPA funding.

The funding will allow the City to continue its design and construction of temporary and permanent water facilities for the port of entry.

DISCUSSION:

Staff recommends accepting the grant and grant agreement to be spent towards water and wastewater engineering and construction.

FISCAL IMPACT:

$8,900,000 in grant revenue for the water and sewer funds.

Fiscal Year: 2022/2023   **Amount Requested:**   **Budgeted: Y** / N

Account (s):

"…I MOVE THAT THE MAYOR AND COUNCIL APPROVE RESOLUTION NO. 23-1537."