

  
Res. No. 49 - 22 - 23. By Alderpersons Mitchell and Filicky-Peneski.  
August 1, 2022.

A RESOLUTION authorizing the appropriate City officials to enter into a contract with the Sheboygan Water Utility to contribute American Rescue Plan Act - State and Local Fiscal Recovery funds to the Raw Water Intake Project.

WHEREAS, the City owns and operates the Sheboygan Water Utility (the "Utility"); and

WHEREAS, the Utility collects, processes, and sells water to customers located within the City and to the City of Sheboygan Falls and the Village of Kohler; and

WHEREAS, the Utility collects raw water from Lake Michigan via an intake system consisting of an intake pipe located 2000 feet from shore, shore well, and a low lift pump station; and

WHEREAS, the Utility has determined that the intake system requires reconstruction as it can no longer meet demands, is vulnerable to winter icing and run off, and because the low lift pump station has been detrimentally impacted by Lake Michigan water levels; and

WHEREAS, the Utility has entered into a contract for services with CD Smith for the improvements; and

WHEREAS, the Utility intends to fund the improvements via an increased water rate, the Safe Drinking Water Loan Program, Water Utility Revenue Bonds; and

WHEREAS, the City has received American Rescue Plan Act ("ARPA") Local Fiscal Recovery funds, which are intended to address negative economic impacts and inequities perpetuated by the COVID-19 pandemic; and

WHEREAS, ARPA fund recipients are authorized by the Interim Final Rule published in May, 2021, and by final rule made effective April 1, 2022, to use funds to make necessary investments in water infrastructure; and

WHEREAS, the parties agree that the improvements qualify as "necessary" under the Interim Final Rule because they are designed to provide an adequate minimum level of water service and are unlikely to be made using privately sourced funds; and

WHEREAS, the City desires to contribute ARPA funds to the improvements in order to reduce the amount of borrowing and rate increases otherwise necessary to facility the improvements; and

WHEREAS, the City approved contributing \$9,550,000.00 of ARPA funds to the improvements via Res. No. 71-21-22, adopted on October 19, 2021; and

WHEREAS, the parties desire a contract executing the October 19, 2021 obligation of ARPA funds.

NOW, THEREFORE, BE IT RESOLVED: That the Mayor and City Clerk are hereby authorized to enter into the attached Agreement for the expenditure of \$9,550,000.00 in ARPA-Local Fiscal Recovery funds for the Raw Water Intake Project.

Account No.: 202000-580100

Account Name: Federal Grant Fund- Contributions/ Grants

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I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor