

## CITY OF SHEBOYGAN

### REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

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**ITEM DESCRIPTION:** Res. No. 49-22-23, 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.

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**REPORT PREPARED BY:** Chad Pelishek, Director of Planning and Development

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**REPORT DATE:** August 3, 2022

**MEETING DATE:**

August 8, 2022

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#### FISCAL SUMMARY:

Budget Line Item:  
Budget Summary: N/A  
Budgeted Expenditure: N/A  
Budgeted Revenue: N/A

#### STATUTORY REFERENCE:

Wisconsin Statutes:  
Municipal Code: N/A

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#### BACKGROUND / ANALYSIS:

In October 2021, the Common Council obligated \$9,550,000 of the City's \$22,006,000 American Rescue Plan Act (ARPA) funding a pass-through grant towards the Sheboygan Water Utility's Raw Water Intake Project.

In order to spend ARPA dollars on infrastructure projects the city needs to justify that the funding will assist with the negative effects of COVID-19. With these funds being applied to the approximately \$43 million project, the effect on the residents will be minimized versus the entire project being funded by increased rates and will help with keep water bills lower for city water users.

The City Finance Department has transferred the \$9,550,000 to the water utility in June 2022, so they could award the contract for the work. This contract will outline the terms and conditions the water utility needs to follow based on receiving these funds consistent with the city's terms and conditions from the Treasury Dept.

#### STAFF COMMENTS:

For administration purposes the city is considering the Water Utility a subrecipient to federal funds and require the Water Utility to follow the necessary requirements.

#### ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 49-22-23 authorizing the appropriate City officials to enter into contract with the Sheboygan Water Utility to contribute American Rescue Plan Act -State and Local Fiscal Recovery funds to the Raw Water Intake Project.

#### ATTACHMENTS:

- I. Res. No. 49-22-23