



AGENDA ITEM COMMENTARY

MEETING NAME:	City Council
MEETING DATE:	February 5, 2024
ITEM TITLE:	Consider and take appropriate action on a Resolution designating the use of ARPA funds
STAFF INITIATOR:	Randy Criswell

BACKGROUND:

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021 by the US Government in response to the COVID-19 pandemic. The City of Wolfforth received a total of \$1,362,040.24. Under the Act, we have until December 31, 2024 to designate the use of these funds, and until December 31, 2026 to fully expend them. Until now, I've not been ready to recommend how we commit the use of these funds.

Several months ago when we started the Impact Fee discussion, we had commitments for some urgent projects. I believed then, that by the time we reached this point in 2024, we would already have issued the debt necessary to finish some of those projects, specifically the 12" Loop Line project and the Phase 2 Disinfection project. However, as we've discussed, since we still haven't made Impact Fee commitments, we've not been able to issue the debt needed to finish these projects and start new ones. As such, I'm recommending we utilize the ARPA funds to complete those two projects. The total remaining on the 12-inch Loop Line is about \$600,000, and the amount needed to complete the Phase 2 Disinfection project is \$480,375.

When the Final Rule was approved by the Federal Government, it had a clause in it that allowed for up to \$10 million to be utilized for Lost Revenue, and the use of the funds could be generally anything a local government determined was appropriate. Therefore, it is acceptable for us to dedicate these funds to be used for Water System Infrastructure and used for these projects or other necessary projects.

A Resolution has been prepared to this effect and is recommended for approval.

EXHIBITS:

Resolution

COUNCIL ACTION/STAFF RECOMMENDATION:

Staff recommends approval of the Resolution designating Wolfforth's ARPA funds to be used for Water Infrastructure.