



REPORT TO: CITY COUNCIL

MEETING DATE: MARCH 21, 2022

Agenda Item:	8a. CC-22-37
Issue:	<ul style="list-style-type: none">• Stillwater will receive a total of \$8,784,987.88 in Coronavirus Local Fiscal Recovery Funds through the American Rescue Plan Act (ARPA)• The amount is allocated in two equal payments. The City received the first payment in October of 2021 with the second payment expected 12 months later.• Recipients have until December 31, 2024 to allocate funds and until December 31, 2026 to spend funds. • Eligible uses of ARPA funds:<ul style="list-style-type: none">✓ Replace lost public sector revenue, using this funding to provide government services up to the amount of revenue lost due to the pandemic.✓ Respond to the far-reaching public health and negative economic impacts of the pandemic, by supporting the health of communities, and helping households, small businesses, impacted industries, nonprofits, and the public sector recover from economic impacts.✓ Provide premium pay for essential workers, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.✓ Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet. • Restrictions on the uses of ARPA funds:<ul style="list-style-type: none">✓ Cannot be used to directly or indirectly to offset tax reductions or delay a tax or tax increase.✓ Cannot be deposited into any pension fund.

Solution:	<ul style="list-style-type: none"> • Staff has presented to Council significant needs identified related to water infrastructure including the Kaw Pipeline, raw water storage, and the Water Treatment Plant. • Water and sewer infrastructure is one of the allowable uses of the funding. • Staff recommends that the ARPA funding be allocated to projects related to the water issues identified above. • Depending on Council direction, a resolution and the appropriate budget amendments will be prepared for the April 4th regular meeting.
Financial Impact/Funding Source(s):	Federal ARPA Grant Funding will assist with moving badly needed water infrastructure projects forward.
Strategic Plan Alignment:	<p>#1 Effective Services & Accountable Government: To provide effective services and accountable government for all residents by practicing fiscal responsibility, transparency and outstanding customer service.</p> <p>#4: Connected Spaces: To develop a strong sense of place that recognizes the interconnectedness of people, buildings and public systems (such as transportation, utilities and parks) that best serve the needs of the public.</p>
Recommended Action/Motion:	Motion to approve allocation of ARPA funding totaling \$8,784,987.88 towards projects related to the Kaw Pipeline, raw water storage, and the Water Treatment Plant, and direct staff to prepare the necessary resolution and budget amendments for review and approval at the April 4, 2022 regular City Council meeting.
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Submitted By:	Norman McNickle, City Manager