



American Rescue Plan Act

PROPOSED SPENDING PLAN

2023-2024



CITY OF FOND DU LAC - Memorandum

City Manager

To: City Council

From: Joseph P. Moore, City Manager

Date: August 26, 2022

Subject: 2022-2024 American Rescue Plan Act (ARPA) Spending

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. ARPA provided \$1.9 trillion in economic stimulus funds to aid the recovery from the COVID-19 pandemic, with \$350 billion in aid for state, local and Tribal governments across the country to support their response to and recover from the pandemic. The funds are meant to ensure that governments have the resources needed to maintain vital public services and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity. The City received a total of \$13,792,153 in ARPA funding in two tranches – one received in May 2021 and one in May 2022.

Implementation and oversight of ARPA funds lies with the US Department of the Treasury. Treasury was responsible for distributing funding to state, local and Tribal governments as well as developing eligible spending categories, reporting guidelines and compliance guidelines, commonly known as the Final Rule. At a high level, Final Rule guidelines include:

- Funds need to be committed by December 31, 2024. Committed means order placed, contract awarded or sub-award made.
- Funds need to be expended by December 31, 2026. Expended means invoices received and payment made.
- Funds cannot be spent on deposits into pension funds, payment of debt service, satisfying a judgment or settlement, or contributing to a “rainy day” account or directly increase fund balance.
- Four separate eligible use categories: continuation of providing government services due to lost revenues, support the COVID-19 public health and economic response, provide premium pay for eligible workers and invest in water, sewer and broadband infrastructure.

One of the guiding principles of the Final Rule is to consider the ability to support long-term operating costs on any new programs or services once ARPA funds are exhausted. The City ARPA project plan focuses on one-time project opportunities that enhance and strengthen our mission and the services we currently provide, with special emphasis placed upon projects within the City’s Qualified Census Tract (QCT). A QCT is a common, readily-accessible and geographically granular method of identifying areas of a community with a large portion of low-income residents.

By allocating ARPA funding to one-project expenditures, the city will avoid operational funding cliffs. Funding cliffs are created when funding for an activity ends abruptly.

With ARPA we endeavor to avoid creating and funding recurring operating expenditures that are funded by non-recurring revenues. We avoid that because when the revenues are exhausted the operating expenditure becomes unfunded, thus unsustainable.

When the first tranche of ARPA funds was received, the City formed an internal team to identify projects, determine funding levels to complete and prioritize the project list. Citizen feedback on the project list was obtained via an on-line survey.

2022 Project Highlights

The following are highlights of City Council-supported projects that were identified in late 2021 and early 2022 and are currently underway:

- Plamore Park inclusive playground - \$1,000,000. In conjunction with the Brooke Industries and Miracle League project to build an inclusive baseball diamond at Plamore Park, ARPA funds were allocated to enhance the features at Plamore Park to include an inclusive playground. Initial site-work will begin this fall, with completion of the baseball diamond, concessions stand and playground targeted for June, 2023.
- Catalytic Downtown Historic Project - \$800,000. Funds were allocated to assist with the revitalization of a historic downtown property. Rehabilitation is slated to begin late 2022 with completion in 2023.
- Hamilton Park Improvements - \$605,000. Bids for the construction of restroom facilities are expected to be issued by the end of August, 2022. After construction is complete, additional enhancements include gateway improvements to Forest Ave. and Macy St., replacement of benches, adding a shade structure near the playground, adding a water feature, and installation of a multi-sport court.
- Franklin Park Improvements - \$250,000. New fencing and a mural will be complete by the end of the summer, 2022 with a new playground structure to be installed by the end of October, 2022. An interactive water feature will be designed and installed in 2023.

2023 & 2024 Project Highlights

Due to competing priorities for financial resources, often times projects are relegated to lower status on the priority list. The projects are identified as essential to the continuation of providing high quality municipal services, but may not rise as high in priority as other projects. With a guiding principle of using ARPA funds to focus on one-time project opportunities, included in this book are a list of projects that have been identified as meeting those criteria. Highlights are:

- Utility Street Reconstruction in QCT - \$1,500,000. Increase in annual utility street reconstruction program to focus on streets located within the QCT. Work would include water, sanitary sewer, storm sewer and street reconstruction.
- Water and Wastewater Pump Station Security Upgrades - \$700,000. To ensure outlying pump stations are secure, funding is needed to improve security cameras, access controls and monitoring equipment.
- Private Inflow & Infiltration (I/I) Reduction - \$500,000. Working with the QCT, project details include, but are not limited to, sanitary later replacement into the home, roof drain redirection to the storm system, sump pump installation and hard piping from sump pump

to storm mainline. These upgrades would be completed with the intent of no cost to the property owner.

- Replace Private Lead Water Services - \$500,000. Working in conjunction with the Private I/I Reduction program, funding would target households in the QCT that also have lead water services on the private side. The project would mirror the Water Utility's current lead service replacement program, with the intent to be at no cost to the property owner.
- Water Distribution System Redundancy - \$1,000,000. Currently two areas of the City do not have redundancy built into the water distribution network. This funding would allow for that redundancy to ensure continued water supply for growing areas of the city.
- Security Information Event Management (SIEM) - \$496,000. Cyber security and threats are an ever-changing landscape, and it's important to have a tool that can adapt. The purchase of SIEM software and monitoring provides identification of potential security issues such as failed logins, malware activity or other malicious activity. It makes it easier to manage security by filtering massive amounts of security data for known and unknown threats, and by prioritizing any security alerts received. SIEM enables detection of incidents that may otherwise go undetected, resulting in a more secure network.

As you will see, the entirety of the City's ARPA dollars have not yet been allocated. This allows flexibility for funding project opportunities that may present themselves during the remainder of 2022, in 2023 or early in 2024. Staff will continue to identify projects that would meet the ARPA requirements.



Joseph P. Moore
City Manager

City of Fond du Lac APRA Project Plan

	2022	2023	2024
Revenues:			
Beginning ARPA Funds	\$ 13,792,153	\$ 9,812,703	\$ 4,290,703
Expenditures:			
General Government			
Emergency Response Plan Update	\$ 50,000	\$ -	\$ -
Communications Consultant	30,000	-	-
Total General Government	\$ 80,000	\$ -	\$ -
Information Technology Services:			
Security Information Event Management	\$ -	\$ 496,000	\$ -
WiFi Infrastructure Upgrade/Expansion QCT	-	-	300,000
Total Information Technology Services	\$ -	\$ 496,000	\$ 300,000
Community Development:			
Catalytic Downtown Historic Project	\$ 800,000	\$ -	\$ -
Food Hall Business Incubator	-	1,250,000	1,250,000
Historic Structure Preservation	-	-	500,000
Total Community Development	\$ 800,000	\$ 1,250,000	\$ 1,750,000
Library:			
Carpet Replacement	\$ -	\$ 25,000	\$ -
Meeting Room Tables	-	50,000	-
Self Check Machines	-	200,000	-
Update Local History Book	-	-	125,000
Total Library	\$ -	\$ 275,000	\$ 125,000
Police:			
Software (records management & public records)	\$ 61,000	\$ -	\$ -
Employee Incentive	61,169	-	-
Community Response Social Worker (County Program)	-	10,000	-
Equipment Replacements (rifle plates, helmets & carriers)	-	160,000	-
Taser Replacements	-	240,000	-
Records Digitization	-	81,000	-
Total Police	\$ 122,169	\$ 491,000	\$ -
Fire:			
Vehicle Replacement	\$ 75,000	\$ -	\$ -
Employee Incentive	69,381	-	-
Equipment Upgrades	18,000	-	-
Total Fire	\$ 162,381	\$ -	\$ -
Rescue:			
Video Laryngoscopes	\$ -	\$ 10,000	\$ -
Total Rescue	\$ -	\$ 10,000	\$ -
Public Works-Streets:			
W Johnson St Intersection Improvements (assist Mall development)	\$ 900,000	\$ -	\$ -
Utility Street Reconstruction in QCT	-	750,000	750,000
Total Streets	\$ 900,000	\$ 750,000	\$ 750,000
Public Works-Storm Water:			
Storm Water Flooding Study	\$ 50,000	\$ 50,000	\$ -
Total Storm Water	\$ 50,000	\$ 50,000	\$ -
Public Works-Fleet:			
Fleet Maintenance Equipment Replacements	\$ 9,900	\$ -	\$ -
Total Fleet	\$ 9,900	\$ -	\$ -
Public Works-Parks:			
Plamore Park Playground	\$ 1,000,000	\$ -	\$ -
Hamilton Park Improvements	605,000	-	-
Franklin Park Improvements	250,000	-	-
Total Parks	\$ 1,855,000	\$ -	\$ -

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	2022	2023	2024
<i>Wastewater Treatment & Resource Recovery:</i>			
Facility & Pump Station Security Upgrades	\$ -	\$ 300,000	\$ -
Private Inflow & Infiltration (I & I) Reduction		-	250,000
<i>Total WTRRF</i>	<i>\$ -</i>	<i>\$ 550,000</i>	<i>\$ 250,000</i>
<i>Water Utility:</i>			
Well/Pump Station Security Upgrades		\$ 400,000	\$ -
Distribution System Redundancy	-	1,000,000	-
Replace Private Lead Services	-	250,000	250,000
<i>Total Water Utility</i>	<i>\$ -</i>	<i>\$ 1,650,000</i>	<i>\$ 250,000</i>
<i>TOTAL ARPA PROJECTS</i>	<i>\$ 3,979,450</i>	<i>\$ 5,522,000</i>	<i>\$ 3,425,000</i>
Balance of ARPA Funds Available	\$ 9,812,703	\$ 4,290,703	\$ 865,703