



# American Rescue Plan Act

PROPOSED SPENDING PLAN

2022-2024



# ***CITY OF FOND DU LAC - Memorandum***

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**City Manager**

**To:** City Council

**From:** Joseph P. Moore, City Manager

**Date:** August 25, 2023

**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. Completion of the entire Plamore Park site is nearing completion, with a ribbon-cutting planned for mid-September.
- Franklin Park Improvements - \$250,000. New fencing, a mural and a new playground structure were installed in 2022. An interactive water feature is currently under consideration for possible construction in 2024.

### **2023 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:

- Hamilton Park Improvements - \$605,000. A construction contract was awarded in mid-2023 with construction slated to begin by Fall, 2023 for a restroom facility and picnic shelter. Construction is expected to be completed in Spring 2024.
- McDermott Park - \$420,000. At the City Council meeting on September 21, 2022, City Council added funding for three projects in McDermott Park. \$200,000 was added for a synthetic ice rink, \$200,000 for landscaping improvements and \$20,000 for enhancing pedestrian safety for those crossing Johnson Street to access McDermott Park. The landscaping and ice rink project design phases are well underway with involvement by the Advisory Park Board. Both projects should be completed by Fall, 2024.
- Stormwater Flooding Study - \$100,000. Engineering has engaged a consultant to provide a localized flood modeling study. This study will develop hydrology parameters that will represent the watersheds to the storm sewer system and enable Engineering staff to identify problem areas and work towards solutions.
- Infrastructure work in the QCT. The first contract was awarded in June 2023 for work on Doty Street and Hamilton Place, with an additional area in the QCT targeted for a 2024 contract. Work will include:
  - Utility Street Reconstruction - \$1,500,000. Water, sanitary sewer, storm sewer and street reconstruction.
  - Private Inflow & Infiltration (I/I) Reduction - \$500,000. 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 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 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. All necessary quotes have been obtained and staff is reviewing to ensure security needs are being met. Work is anticipated to begin in the Fall.
- 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. Initial design work on the project has begun.
- 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 SIEM software and monitoring software was purchased and installed in April, 2023 and 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.
- Food Hall Business Incubator – \$2,500,000. The building has been purchased and design for the interior buildout is in progress. It's anticipated to bid out the buildout work in late 2023, with the majority of completion being completed in 2024.

### **2024 Project Highlights**

Projects that were started in 2022 and 2023 will continue until conclusion. Smaller projects for the Library and Information Technology Services Departments will begin. The full list of projects can be seen in the pages that follow.

As you will see, the entirety of the City's ARPA dollars have not yet been allocated. The remaining funds allow for a potential investment by the City in conjunction with Fond du Lac County on an enhancement project to the Fairgrounds. Should that project not come to fruition, staff will continue to identify projects that would meet the ARPA requirements to ensure all ARPA funds are committed by the December 31, 2024 deadline.



Joseph P. Moore  
City Manager

# City of Fond du Lac APRA Project Plan

	2022	2023	2024
<b>Revenues:</b>			
Beginning ARPA Funds	\$ 13,792,153	\$ 11,941,724	\$ 3,164,527
<b>Expenditures:</b>			
<b>General Government</b>			
Emergency Response Plan Update***	\$ -	\$ 50,000	\$ -
Communications Consultant*	30,000	-	-
<b>Total General Government</b>	<b>\$ 30,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>
<b>Information Technology Services:</b>			
Security Information Event Management*	\$ -	\$ 496,000	\$ -
WiFi Infrastructure Upgrade/Expansion QCT***	-	-	300,000
<b>Total Information Technology Services</b>	<b>\$ -</b>	<b>\$ 496,000</b>	<b>\$ 300,000</b>
<b>Community Development:</b>			
Catalytic Downtown Historic Project**	\$ -	\$ 800,000	\$ -
Food Hall Business Incubator**	-	1,250,000	1,250,000
Historic Structure Preservation***	-	-	384,527
<b>Total Community Development</b>	<b>\$ -</b>	<b>\$ 2,050,000</b>	<b>\$ 1,634,527</b>
<b>Library:</b>			
Carpet Replacement*	\$ -	\$ 25,000	\$ -
Meeting Room Tables**	-	50,000	-
Self Check Machines**	-	200,000	-
Update Local History Book***	-	-	125,000
<b>Total Library</b>	<b>\$ -</b>	<b>\$ 275,000</b>	<b>\$ 125,000</b>
<b>Police:</b>			
Software (records management & public records)*	\$ 8,250	\$ 52,750	\$ -
Employee Incentive*	74,707	-	-
Community Response Social Worker (County Program)***	-	10,000	-
Equipment Replacements (rifle plates, helmets & carriers)*	-	160,000	-
Taser Replacements*	-	240,000	-
Records Digitization*	-	81,000	-
<b>Total Police</b>	<b>\$ 82,957</b>	<b>\$ 543,750</b>	<b>\$ -</b>
<b>Fire:</b>			
Vehicle Replacement*	\$ 7,910	\$ 67,090	\$ -
Employee Incentive*	73,152	-	-
Equipment Upgrades*	13,186	10,041	-
<b>Total Fire</b>	<b>\$ 94,248</b>	<b>\$ 77,131</b>	<b>\$ -</b>
<b>Rescue:</b>			
Video Laryngoscopes*	\$ -	\$ 10,000	\$ -
<b>Total Rescue</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ -</b>
<b>Public Works-Streets:</b>			
W Johnson St Intersection Improvements (assist Mall development)*	\$ 929,289	\$ 9,127	\$ -
Utility Street Reconstruction in QCT*	-	1,270,345	230,000
<b>Total Streets</b>	<b>\$ 929,289</b>	<b>\$ 1,279,472</b>	<b>\$ 230,000</b>
<b>Public Works-Storm Water:</b>			
Storm Water Flooding Study*	\$ -	\$ 100,000	\$ -
<b>Total Storm Water</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>

## City of Fond du Lac APRA Project Plan

	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Public Works-Fleet:</b>			
Fleet Maintenance Equipment Replacements*	\$ 6,600	\$ -	\$ -
<b>Total Fleet</b>	<b>\$ 6,600</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Public Works-Parks:</b>			
Plamore Park Playground*	\$ 518,480	\$ 603,625	\$ -
Hamilton Park Improvements*	-	605,000	-
Franklin Park Improvements*	188,855	61,145	-
McDermott Park Ice Rink**	-	200,000	-
McDermott Park Landscaping**	-	200,000	-
McDermott Park & Johnson St Pedestrian Safety*	-	26,074	-
<b>Total Parks</b>	<b>\$ 707,335</b>	<b>\$ 1,695,844</b>	<b>\$ -</b>
<b>Wastewater Treatment &amp; Resource Recovery:</b>			
Facility & Pump Station Security Upgrades**	\$ -	\$ 300,000	\$ -
Private Inflow & Infiltration (I & I) Reduction*	-	250,000	250,000
<b>Total WTRRF</b>	<b>\$ -</b>	<b>\$ 550,000</b>	<b>\$ 250,000</b>
<b>Water Utility:</b>			
Well/Pump Station Security Upgrades**	-	\$ 400,000	\$ -
Distribution System Redundancy**	-	1,000,000	-
Replace Private Lead Services*	-	250,000	250,000
<b>Total Water Utility</b>	<b>\$ -</b>	<b>\$ 1,650,000</b>	<b>\$ 250,000</b>
<b>TOTAL ARPA PROJECTS</b>	<b>\$ 1,850,429</b>	<b>\$ 8,777,197</b>	<b>\$ 2,789,527</b>
 <b>Balance of ARPA Funds Available</b>	 <b>\$ 11,941,724</b>	 <b>\$ 3,164,527</b>	 <b>\$ 375,000</b>

### **Project Status Key:**

\* = Committed Status - project meets 12/31/24 deadline. Committed means purchase order issued or contract awarded.

\*\* = Development Status - project has been scoped, and quotes being gathered or bid specs being developed. Projected to be in committed status by 12/31/23.

\*\*\* = Pre-Development Status - project will be scoped, quotes/bids awarded and in committed status by 12/31/24.