

ORDINANCE NO. 15764

FILE OF CITY COUNCIL

BILL NO. 89 - 2021

SEPTEMBER 22, 2021

AN ORDINANCE

Establishing the 2021 American Rescue Plan Act (ARPA) Fund budget in the amount of Twenty-Eight Million Five Hundred Seventy-Four Thousand Two Hundred Forty Dollars (\$28,574,240). This amount represents the first distribution from United States Federal Government. The total to be received by the City of Allentown is Fifty-Seven Million Four Hundred Sixty-Three Thousand Five Hundred Fifty-Seven Dollars and Seventeen Cents (\$57,463,557.17).

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That City Council authorizes an increase to the unappropriated balance of the 2021 ARPA Fund in the amount of Twenty-Eight Million Five Hundred Seventy-Four Thousand Two Hundred Forty Dollars (\$28,574,240) reflecting receipt of monies from the United States Federal Government

019-5217 ARPA Grant

SECTION TWO: That City Council authorizes a supplemental appropriation from the unappropriated balance of the ARPA Fund as follows:

019-01-0609-0001-88	Interfund Transfers	\$19,700,000
019-09-0901-0001-40	Civic Expense	7,969,740
019-05-0605-0003-72	Equipment	400,000
019-09-0908-0001-72	Equipment	175,000
019-04-0802-0001-72	Equipment	229,500
019-04-0802-0001-46	Other Contract Services	<u>100,000</u>
	TOTAL	\$28,574,240

SECTION THREE: That City Council authorizes an increase to the unappropriated balance of the General Fund in the amount of One Million Six Hundred Thousand (\$1,600,000) Dollars reflecting receipt of funds from ARPA.

000-2661	Transfers In	\$1,600,000
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SECTION FOUR: That City Council authorizes a supplemental appropriation from the unappropriated balance of the General Fund as follows:

000-01-0609-0001-84	Capital Contribution	\$15,810,000
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SECTION FIVE: That this Ordinance will take effect ten (10) days after final passage.

SECTION SIX: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

Bill 89 AMENDMENT PASSED, 7 - 0

I move to amend Bill 89 by providing expenditures for the following capital and other projects noted in the first tranche, leave the remaining funds in the unrestricted ARPA assets, and authorize the administration to make the adjustments to the account allocations to reflect the approved expenditures.

The rationale for acting on the capital projects is inclusive of the following issues.

1. Increased cost of capital project – material, steel costs, are escalating, already noted that Fire Academy has gone up around 1/2million – which means the initial proposal from the administration is off already.
2. City has already secured some contractors that will move on if the city doesn't approve more funding.
3. Competition in this space is increasing.
4. Money for infrastructures save all taxpayers money going forward, we need to get the most bang for the buck.
5. All these programs were submitted by the administration in the first tranche. I think there is a need to examine the AEDC \$3m allocation a bit more.
6. The administration can come forward with future proposals – specifically the AEDC project and mobile health clinic process and council can evaluate the proposal in more detail at that time.
7. Provides us more opportunity to work on other allocations at a future date and not be forced to make decisions under the threat of needing to adopt the whole package at one time. We can look at the other categories and bring in experts and work with the administration on procedures for such spending. We are currently looking at the budget and can act on these other categories later when we have time.
8. Keep section 4 intact for revenue replacement, changing the dollar amount to \$1.6 M
9. Remove Section 3
10. Change section 5 to reflect a supplemental appropriation into capital, \$15,810,000 (includes increased amount for fire academy).

Ambulances	\$400,000	Emergency Med. Trans.
Capital Needs		
Backup Data Center	\$1,500,000	Cybersecurity
Roof Replacements	\$800,000	Pay-Go Building
Irving Park	\$400,000	Pay-Go Building
Fire Academy	\$2,360,000	Pay-Go Building
Storm Sewer Improvements	\$2,000,000	Eligible Capital Project
Sewer Lining (AO Cost Relief)	\$2,000,000	Eligible Capital Project
3 Miles Water Main Replacement	\$4,200,000	Eligible Capital Project
Water Filters @ Distribution Plant	\$2,550,000	Eligible Capital Project

	Yea	Nay
Candida Affa	X	
Ce-Ce Gerlach	X	
Daryl Hendricks	X	
Cynthia Mota	X	
Joshua Siegel	X	
Ed Zucal	X	
Julio A. Guridy, Pres.	X	
TOTAL	7	0

I hereby certify that the foregoing Ordinance was passed by City Council on November 3, 2021 and signed by the Mayor on November 4, 2021.



CITY CLERK

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

This Bill is originating from the Administration. This bill is initiated from the American Rescue Plan.

- **Summary and Facts of the Bill**

On March 11, 2021, President Biden signed into law the American Rescue Plan of 2021, for funding to counties, municipalities and metropolitan cities. This plan provides for federal funding for eligible expenditures through December 31, 2026.

- **Purpose – Please include the following in your explanation:**
 - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
 - **What are the Benefits of doing this/Down-side of doing this**
 - **How does this Bill related to the City’s Vision/Mission/Priorities**

These funds may be used for public health emergencies, to assist government entities dealing with the reduction of revenue due to the pandemic, and make necessary investments in water, sewer or broadband infrastructure.

- **Financial Impact – Please include the following in your explanation:**
 - **Cost (Initial and ongoing)**
 - **Benefits (initial and ongoing)**

The American Rescue Plan will allocate \$28,574,240 to the City of Allentown for the first round of eligible expenditures.

- **Funding Sources – Please include the following in your explanation:**
 - **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

The American Rescue Plan funds are provided by the United States Federal Government.

- **Priority status/Deadlines, if any**

Request immediate consideration.

- **Why should Council unanimously support this bill?**

Funds eligibility allows for projects to be implemented to invest in the City's needs in compliance with the intent of the bill.