



CITY OF
GEARHART

Staff Report

For City Council Meeting - 11/6/2024

Subject - New Business - Discussion and Consensus on Reallocation of ARPA Funds for Critical Water Infrastructure Needs

Synopsis: In response to recent assessments of our water system, I am recommending a reversal of the previous plan to allocate American Rescue Plan Act (ARPA) funds toward a new filtration skid unit, initially estimated to cost approximately \$900,000. Due to the urgency of other infrastructure needs with immediate impact, I propose reallocating our ARPA funds to address three critical priorities:

1. **Emergency Replacement of the Sodium Hypochlorite Generator:** This generator is essential for disinfection and maintaining water quality. Its replacement is urgently needed to prevent service interruptions and ensure public health.
2. **Replacement of the Chlorine Storage Tank:** The current tank has deteriorated significantly, posing a risk to operational continuity. Replacing it will secure our chlorine supply for effective water treatment.
3. **Purchase of Radio-Read Water Meters:** These meters will improve operational efficiency, support water conservation, and enhance leak detection, benefiting both residents and staff in terms of service reliability and resource management.

This reallocation would address immediate needs that directly impact our water services, while preserving funds in reserve for future investments, such as the filtration skid unit, which remains a long-term objective contingent upon securing additional resources. This proposal is presented for discussion, and I would like to reach a consensus from the Council on this revised approach. Our Public Works Director, Mark McFadden, will be present at the meeting to assist in the discussion and provide further insights into the critical infrastructure needs and benefits of the proposed reallocation.

Council Options:

- 1) Make a simple motion for consensus;
- 2) Take other action desired by Council.

Recommendation: Staff recommends Council approve reallocation of ARPA funds as described via simple motion.

Legal Analysis: ARPA funds have very specific uses the City must abide by, critical water infrastructure being one of them.

Financial Analysis: The skid unit is estimated to cost \$900,000 and ARPA funds must be obligated by December 31, 2024.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be the name 'Chad', written in a cursive style.

Chad