

**American Rescue Plan (ARP) Act
Water and Sewer Project Options**

Project Number	Project Name	Status	Estimated Cost	Estimated Construction Completion	Comments
W16-03	SWTP Claricone Conversion- Replace the east clarifier train at the South Water Treatment Plant, with new claricone technology.	Final plans are 99% complete- Project can be out for bid within 2 months with an expected completion within 1.5 years.	\$16,000,000	December 1, 2023	The claricone project is a high priority "shovel ready" project for the City and the highest priority for the water system. The east clarifier train at the SWTP is past its useful life and is in critical need of replacement. It is recommended that the newest technology be used to improve efficiency and reduce ongoing maintenance by replacing the current system with claricone technology.
2013-01	Basin 5/6 Sewer Separation Project- Separate the combined sanitary and storm system in the Oakland / Grand area to reduce basement backups.	Preliminary design stage- Plans will take about 1.5 years to complete. Construction will take about 2 years. This project may struggle to meet the current ARP funding timeline.	\$13,000,000	December 31, 2025	This project is the #1 priority sanitary sewer project for the City. AECOM and City staff have been reviewing options for separating the combined sewer in this area for the past year. The project is ready to begin preliminary design, which will be followed by final design which may take 1.5 years to complete. It is staff's intention to bring a preliminary design contract to the City Council this summer. This is a very complex project which may make meeting ARP funding deadlines difficult.
2018-01	Ellen and Division Area I&I Reduction- Line private sewer laterals, line sewer mains and other sewer repair work to reduce inflow and infiltration.	Final Design 70% complete- This project is currently planned to be bid in July, 2021	\$5,700,000	September 1, 2022	This project is the #2 priority sanitary sewer project for the City. It is "shovel ready" and is planned to be bid in July of this year. The project addresses an area of the City with ongoing sewer overflows during wet weather. This project is listed before the Basin 5/6 project below because it is further along in the design process.
2021-XX	DeWitt Wellfield Improvements- Replace original pumps and diesel motors with new pumps and electric motors, upgrade electrical infrastructure, instrumentation, monitoring & control systems and water flow channel.	Conceptual stage- Would take about 3 years to design and construct.	\$6,500,000	December 31, 2026	This is a high priority project in the additional water supply plan prepared by INTERA. It will significantly increase the reliability of the wellfield and significantly decrease annual operation and maintenance expenses.
2017-02	Florian Area I&I Reduction- Line private sewer laterals and sewer mains and other sewer repair work to reduce inflow and infiltration in the area around Florian/Ramsey north of Center Street.	Preliminary Design- Will take about 2.5 years from design to final construction.	\$4,300,000	July 1, 2023	This project is the #3 priority sanitary sewer project for the City. Preliminary designs have been completed, final design has not yet begun. The project addresses an area of the City with continuing sewer overflows and basement backups during wet weather.
2017-02	Lost Bridge Area I&I Reduction- Line private sewer laterals and sewer mains and other sewer repair work to reduce inflow and infiltration in the area around Lost Bridge and Country Club.	Preliminary Design- Will take about 2.5 years from design to final construction.	\$7,300,000	July 1, 2023	This project is the #4 priority sanitary sewer project for the City. Preliminary designs have been completed, final design has not yet begun. The project addresses an area of the City with continuing sewer overflows and basement backups during wet weather.
2020-18	Sanitary Sewer Extensions- This project will extend sanitary sewers into areas of the City without sewer service.	Conceptual stage- It will take about 2.5 years to design and construct sewers to serve unserved areas.	\$8,000,000	December 31, 2024	Clark Dietz identified areas of the City that are not served by sanitary sewers. Some were recently annexed; however, most are long time residents. If this project is desired, cost participation will need to be determined and area residents polled to determine their interest in light of the estimated costs. \$8 million is a budgetary place holder, actual costs could be more or less than this as determined by the City Council.
2020-06	Brush College and Reas Bridge Road Pump Station- Pump station to provide sanitary sewer for area development.	Final Design under Contract but on hold- Will take about 1.5 years to design and construct.	\$3,500,000	July 1, 2022	The Brush College corridor is currently experiencing high development pressure which will require access to sanitary sewer which is currently marginally available in the area. The pump station size is still being determined based on projected area development and use.
2022-10	2022 Watermain Project- Annual watermain replacement work at various locations in the City.	Preliminary stage- Plans usually take about 9 months to prepare and 15 months to construct.	\$2,800,000	July 1, 2023	This is a yearly replacement / improvement project to address high priority areas within the water distribution system that have water quality issues, high main breaks, increased fire flow needs, or high failure impacts.
2023-10	2023 Watermain Project- Annual watermain replacement work at various locations in the City.	Preliminary stage- Plans usually take about 9 months to prepare and 15 months to construct.	\$3,000,000	July 1, 2024	This is a yearly replacement / improvement project to address high priority areas within the water distribution system that have water quality issues, high main breaks, increased fire flow needs, or high failure impacts.
2022-XX	Water Sampling Stations- Permanent water sampling stations to monitor water quality at key locations throughout the City.	Preliminary stage- Plans usually take about 3-4 months to prepare with construction about 6 months.	\$400,000	November 1, 2022	The City routinely takes water samples at various locations in the City in order to verify water quality in the system. These are supplied to the IEPA as part of our system operations. Samples are currently taken from private taps. This project would place sampling stations directly on the distribution system. This work could be included with the water main replacement project.
2021-XX	Water Meter / Transmitter Replacements- This project will supply approximately 3,000 water meters and transmitters to be installed by City crews to replace older units.	Preliminary stage- It will take about 3-4 months to order and receive materials. Installation will take about 2-3 years.	\$600,000	December 31, 2024	The current residential water meters are nearing the end of their useful life and should be on a schedule to be replaced over the next several years. ARP funding could be used to procure some of the replacement meters and transmitters for City Staff to install over the next 3 years.
2021-XX	Distribution System Valve Replacements- This project replaces larger valves in the water system that have exceeded their useful life.	Preliminary stage- Plans usually take about 3-4 months to prepare with construction about 6 months.	\$545,000	December 31, 2024	Replace (20) 6", (15) 12", (10) 16" and (5) 20" Valves. These large valves are too big for City crews to replace and have exceeded their useful life. The project can be included with the annual water main replacement project to secure better bids.
		Total	\$71,645,000		

DATE: June 17, 2021
TO: Scot Wrighton, City Manager
FROM: Cordaryl Patrick, Director of Economic and Community Development
SUBJECT: American Rescue Plan (ARP) Funds

The city's Economic and Community Development Department has recently been the recipient of substantial relief funds that have come directly from the Federal and State governments, in addition to other non-COVID grant proceeds to assist in the city's neighborhood revitalization efforts. Many of these funds have had different grant compliance requirements, which has limited the effectiveness of the funds, but we are hopeful that as other events take place (end of moratorium, etc.), these funds will be fully directed to their intended uses. Recently, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide emergency funds to eligible local governments. Treasury has also released details on how these funds can be used as it relates to economic and community development, and to serving the housing needs of the hardest-hit communities and families, which is an eligible category.

The Economic and Community Development Department can identify approximately \$7 million in expenditures that comply with the latest guidelines established by the U.S. Treasury Department for ARP fund use, that can be spent over the next three years, and that tackle one of the the root problems our community faces concerning neighborhood revitalization—investments in housing and neighborhood services to address the needs of individuals experiencing homelessness, those needing affordable housing, housing vouchers, residential counseling and housing navigation assistance to facilitate moves to neighborhoods with higher economic opportunity. The Department's proposal can be spent over the next three years and includes the following elements:

- 1. Owner-Occupied Residential Rehab Programs (\$1,677,500)** – This cost center will provide grants and/or forgivable loans to homeowners living in qualified census tract (a low-income area as designated by the Department of Housing and Urban Development) to completely rehab their homes both externally and internally to be in compliance with building codes. This will include, but is not limited to, replacement of windows, gutters, roofs, abatement of lead, siding, porches, energy efficient HVAC systems, etc. Scholars suggest that a properly maintained home will add value to communities, families' safety, create opportunities for neighborhood amenities, improve school districts, create a market for livable affordable housing and decrease crime related activities. These are all objectives of creating whole communities and is a strategy that addresses community and neighborhood revitalization head-on.

This cost center will also provide educational and training programs, such as a "lend a tool" program that will give residents an opportunity to learn how to continue the maintenance of their home and how to operate tools and equipment needed to do so. Without homeowner training, many residents will not be able to properly maintain their homes, even after a rehab. Therefore, it is critical to provide these training and educational programs so that we continue the legacy of well-maintained homes. Some of this training could be provided by the CICD, who's staff already includes personnel trained and certified to conduct homeowner training.

- 2. Rental Residential Rehab Programs (\$5,000,000)** – This cost center is the highest because there is more demand for rehabilitated rental housing than there is for rehabilitated owner-occupied affordable housing in Decatur’s qualified census tracts. Too many existing leased housing units are not fit for human habitation, are unattractive, and are in varying states of disrepair. Rental inspections of the worst leased units in the future, adoption of a distressed properties ordinance, and additional code enforcement will help in this area; but rehabilitation of existing structures is also a key strategy. By creating a revolving loan fund to enable eligible landlords to rehab homes that they rent, more structures can be saved from demolition. This rehab will include, but is not limited to replacement of windows, gutters, roofs, abatement of lead, siding, porches, energy efficient HVAC systems, etc. This is an opportunity to partner with landlords to create sustainable solutions that work for everyone, including the renter. This cost center can also be used to provide housing vouchers and housing navigation assistance to facilitate residents that relocate to neighborhoods with higher economic opportunities, either permanently, or while their home is being rehabilitated.

This cost center will also be used to match private investment funding for the rehabilitation of New Durfee School (old Garfield School) located at the intersection of West Grand Street and Oakland. Currently, we are in discussions with both the neighborhood association (Neighborhood United) and a developer about the highest and best use of New Durfee School and how to create a capital stack that will fulfill an appropriate re-purposing. We are still working out the details with the prospective developer, but it has the potential to be a catalyst project in the Neighborhood United area. We also propose utilizing funds in this cost center to leverage other housing related funds from the Illinois Housing and Development Authority (IHDA). These conversations have already begun with IHDA and they are very excited to learn more about our community revitalization plans and how they align with their mission.

- 3. Construction Assessment and Inspections (\$322,500)** – In order to be effective in carrying-out the programs mentioned above, we will need to temporarily staff-up over a three-year period by hiring contractual and/or short-term construction specialists and inspectors. The new rules/guidance released by the Department of Treasury as of June 10, 2021 allow recipients to use funds for administering the ARP programs, including costs of consultants to support effective management and oversight, grant compliance and reporting, including consultation for ensuring compliance with legal, regulatory, and other requirements. It also allows for funds to cover the portion of payroll and benefits of existing city employees corresponding to time spent on administrative work, including managing grant programs, that deploy the ARP Fiscal Recovery Funds.

Any funds allocated to neighborhood revitalization projects described above will come back to the City Council for final approval as specific contracts, redevelopment agreements and detailed program resolutions are prepared. The descriptions above are not extensively detailed and annotated, but they outline what the Community Development staff believes are the most important uses of ARP funds that can be used under the ARP rules for housing assistance.

Congress of the United States
Washington, DC 20515

June 14, 2021

The Honorable Marcia Fudge
Secretary
U.S. Department of Housing & Urban Development
451 7th St SW,
Washington, DC 20410

Dear Secretary Fudge,

We write to request information regarding the use of funds appropriated by the Coronavirus Aid, Relief and Economic Security (CARES) Act (PL 116-136) to the Department of Housing and Urban Development (HUD) for the purpose of rental assistance.

Recent reports¹ demonstrate an alarming problem related to the length of time it has taken for Community Development Block Grant (CDBG) and Emergency Solutions Grants (ESG) funding to reach the individuals and families for whom the funds were intended, and further issues with entities being able to distribute funds in a timely manner due to a lack of clear guidance from the Department.

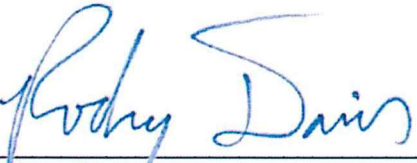
Given the slow state of economic recovery due to forced shutdowns over the course of the COVID-19 Pandemic, and a variety of factors that continue to contribute to high rates of unemployment, it is unacceptable that out of \$46.5 billion in additional funds, the Department has failed to issue clear and concise guidelines to the local governments and non-profit entities responsible for distributing these funds.

Therefore, we respectfully request further information regarding the following questions:


1. What guidance has the Department released to nonprofit and local entities directing how these funds should be allocated and released?
2. What is the Department doing to ensure that CDBG and ESG funds are reaching the individuals for which the programs were designed?
3. Regarding recent financial summaries of the HUD dollars appropriated via the CARES Act, approximately 10 percent of funds from the Community Planning and Development Office have been spent by people it was designed for. What is the Department doing to ensure that the remaining 90 percent of funds are properly allocated, and when does the Department anticipate 100 percent of funds being spent?

Thank you for your time and attention to this important matter.

Sincerely,



Rodney Davis
Member of Congress



French Hill
Member of Congress

¹ <https://www.washingtonpost.com/nation/2021/05/24/my-back-is-against-wall-struggling-city-some-federal-rental-aid-has-proved-hard-spend/>