

American Rescue Plan Act: State and Local Fiscal Recovery Funds

City of Newburyport Allocation Recommendations

March 22, 2022

ARPA Background

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) are a part of the American Rescue Plan Act (ARPA) and it delivered over \$350 billion to state, local, and Tribal governments across the country. The funds are meant to support the local response to and recovery from the COVID-19 public health emergency, and the Treasury department has allowed for significant flexibility in the use of these funds. The January 6 2022 Final Rule on the SLFRF stated that any municipality's first \$10M can be used for "Replacing Lost Public Sector Revenue," a broad category that permits most uses. Newburyport's entire allocation is under this amount, and can all be spend on this category.

Newburyport will receive \$5,466,707 total in SLFRF allocations, with the first half already received and the remaining \$2,733,353 coming in August 2022. These funds need to be obligated by December 31, 2024, and expended by December 31, 2026. An ARPA Ad Hoc Committee was convened in summer 2021 and approved an expenditure of \$1,000,000 to support the Phillips Drive Drainage Project. Mayor Reardon reconvened the Committee in February 2022 to discuss how to spend the remaining funds. The Committee is comprised of Councillors Bruce Vogel, Christine Wallace, and Sharif Zeid.

The Committee decided in their second meeting that based on the needs of the City, they should prioritize infrastructure projects for these funds. The Department of Public Services and the Mayor's Office provided the Committee a list of priority projects taken from the Capital Improvement Plan and others flagged by the Mayor's Capital Facilities Planning process. The Committee is recommending three projects for funding at this time. Should any of these projects come in under the allocated amount, the funds will be reallocated toward another infrastructure project recommended by the ARPA committee.

Recommended Projects

Streets and Sidewalks Improvements (\$1,200,000 now, \$2,400,000 total)

The City will appropriate \$2,400,000 to pay costs of maintaining and/or repairing public streets, ways, walkways, and sidewalks in accordance with years one and two of the City's five-year street and sidewalk improvement plan. Fifty percent of the appropriation will take place upon the City Council's vote, and the remaining fifty percent will take effect upon receipt of the second tranche of the City's SLFRF allocation in August 2022.

This plan was introduced to the City Council in their 3/14 Council Packet and is under consideration by the Neighborhoods and City Services Committee. The City is sharing information about the plan on its website and through social media, and has a petition program in place for residents to request reconsideration of the order of street and sidewalk repair.

Amesbury Emergency Interconnection Project (\$250,000)

The Department of Public Services has recommended approval, which was echoed by the ARPA Committee, of appropriating \$250,000 to pay costs of constructing and installing water line connection points in Newburyport and Amesbury. This will create hookups for an emergency interconnection line that will be utilized should Newburyport's water not be drinkable in the event of an algae bloom or another toxic event. Should an emergency occur, DPS will purchase the piping necessary to connect to

these connection points and install it so the City can utilize Amesbury's water until the emergency conditions have subsided. The City is completing an Intermunicipal Agreement with Amesbury so that the terms of such an arrangement are negotiated well in advance of needing to use it. Attached is a memo from Environmental Partners with more information about the project and why it has been recommended.

Joppa Park Sea Wall (\$100,000)

The Committee is recommending \$100,000 be appropriated to pay costs of replacing and stabilizing the walkway, which runs along the Joppa Park sea wall, including the installation of accessible paver aprons that are needed to bring the park into compliance with the Americans with Disabilities Act (ADA) standards. The sea wall will be stabilized using a specialized hardscape detail that is designed to prevent future degradation due to tidal action and increasingly intensified storms and tidal action of the Merrimack River. This will be supplemented by \$60,000 from the Morrill Foundation, and the ARPA funding will expedite the timeline for the project's completion. The project will go to bid after the ARPA funds are transferred and project construction can begin this season, shortly after the contractor is selected. We anticipate the project can be completed in this calendar year, as long as there are not too many delays due to supply chain issues.

Remaining Funding and Next Steps

Should these projects be funded, the City will have \$1,716,707 left to disburse after receiving its second tranche of funding. We have attached a list of potential infrastructure projects that are under consideration, as well as the full listing of costs. As stated earlier, the ARPA Committee has reached consensus that the remaining funds would best be used on infrastructure projects. These may include design costs for larger projects so that they could be made shovel ready in case of additional funding becoming available. The Committee has also discussed the possibilities of funding traffic safety projects, and the Central Waterfront Bulkhead should more funding be needed. The Committee will plan to meet after this allocation is complete to discuss the strategy on the remaining funds.