

**CITY OF LOGAN  
RESOLUTION NO. 22-31**

**AMERICAN RESCUE PLAN ACT ADJUSTING RESOLUTION**

**WHEREAS**, the City of Logan has received American Cares Act Funding from the Federal government: and

**WHEREAS**, the City of Logan previously appropriated \$3,806,781 of these funds for a Water Storage Project which has since incurred complications associated with completing this project within the specified time period of the grant;

**NOW THEREFORE BE IT RESOLVED BY THE LOGAN MUNICIPAL COUNCIL, STATE OF UTAH** that the Council authorizes the expenditure of these previously appropriated funds in support of the East West Sewer Line. In addition, the Council finds the East West Sewer Line Project as necessary, based on supporting justification, to maintain adequate sewer service for the City of Logan.

This resolution shall take effect immediately upon its adoption and approval.

PASSED BY THE LOGAN MUNICIPAL COUNCIL THIS 2 DAY OF August, 2022.  
AYES: A. Anderson, M. Anderson, Gertson, Jensen  
NAYS: None  
ABSENT: Simmonds

*Ernesto López*  
Ernesto López, Vice Chair

ATTEST:

*Teresa Harris*  
Teresa Harris, City Recorder



TO: Mayor Holly Daines and Logan City Municipal Council  
FROM: Rich Anderson, Finance Director  
DATE: July 12, 2022  
RE: American Rescue Plan Act of 2021 East West Sewer Line Justification

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On March 11, 2021, The American Rescue Plan Act of 2021 (ARP) was signed into law by President Biden to provide \$350 billion in emergency funding for eligible State, local, territorial, and Tribal Governments. The Department of the Treasury subsequently released detailed guidance in an interim rule published in the Federal Register dated May 17, 2021 and subsequently in a final rule.

The interim rule states:

The ARPA provides funds to State, local, and Tribal governments to make **necessary investments in water and sewer** infrastructure. By permitting funds to be used for water and sewer infrastructure needs, **Congress recognized the critical role that clean drinking water and services for the collection and treatment of wastewater and stormwater play in protecting public health.** Understanding that State, local, and Tribal governments have a broad range of water and sewer infrastructure needs, **the interim final rule provides these governments with wide latitude to identify investments in water and sewer infrastructure that are of the highest priority for their own communities,** which may include projects on privately-owned infrastructure.

Per the final rule, assistance is being provided for 4 main reasons, including:

To make necessary investments in water, **sewer,** or broadband **infrastructure.**

The final rule States:

Treasury considers a necessary investment in infrastructure to be **one that is (1) responsive to an identified need to achieve or maintain an adequate minimum level of service,** which may include a reasonable projection of increased need, whether due to population growth or otherwise **and (2) a cost-effective means for meeting that need,** taking into account available alternatives.

The Utah Governor's Office of Budget and Planning (GOPB) held a Zoom training on May 20, 2021 for cities through the Utah League of Cities and Towns. During that training GOPB recommended the following criteria for determining how to use ARP funds:

1. Proactive Investment
2. Targeted
3. Enduring Benefit
4. Accountable
5. Fiscally Prudent

In addition, the GOPB said “Our children are going to repay this debt, so let’s make certain that it benefits them.”

Based on this guidance (both Treasury and State of Utah), Logan City has analyzed whether the necessary design and construction of the East West Sewer Line would be a qualifying project under ARP.

### **Analysis of Project**

The East West Sewer Line project will update existing sanitary sewer facilities to current design standards. The extent of this project is along 200 North west of Main Street, and 400 North east of Main Street. The existing sewer mains serve as trunklines for the sanitary sewer system in some of the oldest sections of Logan City. These lines are over 100 years old and are in critical need of updates to achieve adequate minimum levels of service to Logan’s citizens. These mains have had a growing number of failures over the years and the City is concerned for the viability of continued repairs rather than full replacement.

These mains reside under state highways which makes repairs more expensive and failure of these mains more catastrophic to local, regional, and interstate traffic. Replacement options for cost effectiveness will be evaluated during pre-construction services to optimize the use of funds for the largest return on investment. These options could include open trench replacement, structural lining of the existing mains, bursting of the existing mains, or a combination of these and other options.

### **Conclusion**

Per the interim rule and final rule, Logan City has identified the **need to design and construct the East West Sewer Line** to maintain **an adequate minimum level of sewer service to the Citizens of Logan**.

Based on this analysis and interim and final rule guidance (and relying on the **broad latitude** granted in the interim rule) and also considering the State of Utah guidance regarding ARP projects, we believe that the East West Sewer Line qualifies as an ARP eligible project, it is necessary, and it should be proposed by the Mayor and subsequently approved by the Logan City Municipal Council for immediate design and construction.

### **Specific Proposal to Council**

1. Design and construct the East West Sewer Line estimated to cost more than \$4,000,000.
2. Use ARP funds to partially offset design and construction costs up to \$3,806,781.