

RESOLUTION NO. 2022-004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER PARK, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN THE CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF) REQUIRED AGREEMENTS AND DOCUMENTS AND CONFIRMING THE CITY COUNCIL'S INTENT TO USE THE SLFRF FUNDS FOR THE PURPOSE OF PAYING FOR A PORTION OF THE COST OF SEWER INFRASTRUCTURE.

WHEREAS, Coronavirus State and Local Fiscal Recovery Fund ("SLFRF") authorizes Spokane County to received approximately \$208,000,000, of which the City of Deer Park ("City") is allocated to receive funds in the amount of \$950,371; and

WHEREAS, the City Council finds that receipt of the funds is in the best interest of the City; and

WHEREAS, the Mayor and City staff have reviewed the authorized uses of these funds and determined that the best method for use of these funds that will have the greatest benefit for all of the citizens of the City is to use the funds to pay for a portion of sewer infrastructure costs which will result in economic benefits to all City sewer ratepayers by reducing the amount of City utility funds that will be needed to pay debt service on improvements to this utility system; and

WHEREAS, City Resolution 2021-001 contains construction of a new wastewater lagoon as a capital improvement project scheduled for construction in 2022 and 2023; and

WHEREAS, without the use of the SLFRF funds for the purpose recommended by the Mayor and City staff to pay for a portion of the cost of this sewer infrastructure, the monthly sewer rates for ratepayers would increase; and

WHEREAS, on July 7, 2021 the City Council adopted Resolution 2021-003 confirming its intent to use certain American Rescue Plan Act ("ARPA") funding for the wastewater lagoon capital improvement project; and

WHEREAS, the Mayor and City Staff recommend that the SLFRF funding be used in addition to the ARPA funding to reduce the need for the City to rely on debt financing for completion of the wastewater lagoon capital improvement project costs; and

WHEREAS, as a result of allocating the SLFRF funding in the manner described in this Resolution, City Staff anticipate only nominal inflation-based monthly wastewater utility rate increases will be necessary for the purpose of generating sufficient utility revenue to fund debt service for the wastewater lagoon capital improvement project; and

WHEREAS, City staff, the Mayor, and the City Council find that the Coronavirus pandemic has affected all citizens within the City and utilizing the funds in the manner set forth in this Resolution for the purpose identified herein will have the greatest benefit to all citizens of the City; and

WHEREAS, the Mayor and City Council find that passage of this Resolution is in the best interest of the public health, safety, and welfare of the citizens of the City; **NOW THEREFORE**

THE CITY COUNCIL OF THE CITY OF DEER PARK, WASHINGTON HEREBY RESOLVE AS FOLLOWS:

Section 1. The Mayor is hereby authorized to sign all documents contractually obligating the City to receive and use the Coronavirus State and Local Fiscal Recovery Act Fund (“SLFRF”) funds including any additional documents that are necessary in order to comply with the requirements of the SLFRF to enable the City to receive and use the SLFRF funds which are anticipated to be in the amount of \$950,371.

Section 2. The City Council finds that the SLFRF funds received by the City should be used to pay for City sewer infrastructure in order to enable the City to offer the most affordable rates it is able to provide for this utility service to the City ratepayers.

Section 3. If any section, sentence, clause, or phrase of this Resolution shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this Resolution.

[Remainder of page left intentionally blank]

Section 4. This Resolution shall be effective immediately upon passage by the City Council.

APPROVED by the City Council of the City of Deer Park, Washington at an Open Public Meeting the 2nd day of March, 2022.

TIMOTHY VERZAL, MAYOR

ATTEST/AUTHENTICATED:

DEBY CRAGUN, CITY CLERK/TREASURER