City of Laredo, Texas

Recovery Plan

State and Local Fiscal Recovery Funds

2022 Report

City of Laredo, Texas

2022 Recovery Plan

Table of Contents

GENERAL OVERVIEW

Executive Summary

Under the America Rescue Act Plan (ARPA), the City of Laredo (City) was allocated $85,558,888 of which was received on May 19, 2021. The City acknowledges that its citizens were disproportionately affected by the Covid-19 pandemic. As a result, the City met several times with City Council and Management to discuss the best usage of funds that would be most beneficial to the citizens of the City.

As per the Final Rule of the America Rescue Act Plan, there are four categories for eligible spending:

1. Public Health and Negative Economic Impacts
2. Premium Pay
3. Revenue Loss
4. Water, Sewer, and Broadband Infrastructure

After reviewing the four categories above, the City agreed to proceed with projects that fell within all of these projects, with the exception of Premium Pay. Since the City felt that the other categories benefitted more of the citizens, they agreed to the tentative projects listed below.

1.	Clean Water & Drinking Water Projects	$ 7,000,000
2.	Water/Sewer (Utilities) Cybersecurity Upgrades	$ 400,000
3.	Broadband Improvements	$ 1,348,849
4.	Job Training/Economic Development	$ 3,000,000
5.	Homeless Assistance	$ 2,000,000
6.	Loss of Revenue	$ 39,295,548
7.	Low Income Initiative	$ 1,000,000
8.	Other Public Health Projects	$ 737,081
9.	Pending Allocation	$ 30,777,410

Clean Water & Drinking Water Projects

The City needs to replace an aging infrastructure in order improve water quality, improve service reliability and maintain compliance. The City has issued several boil water notices due to failing and aged infrastructure throughout the water system. Replacing aged infrastructure will allow the City to continue to provide quality water to its growing population. These projects are also needed to maintain compliance or further public health protection objectives of section 1452 of the SDWA.

Water/Sewer Cybersecurity Upgrades

The City is looking into modernizing equipment for the Water and Sewer (Utilities) systems that may be currently vulnerable to cyber security attacks. The needs for the modernization of equipment is based

on the results of a Risk and Resilience Assessment on the City's water infrastructure. The assessment consisted of the review of possible threat vectors for the water infrastructure including cybersecurity (hardware, software, and physical threats to equipment) and also provided an Emergency Response Plan for such threats.

Broadband Improvements

The City strives to maximize the City's Information Services and Technology value by providing stable technology and network infrastructure and performance improvements to enhance the delivery of all City services. The City's infrastructure is essential so the smooth functioning of the City's economy and lack of access to digital infrastructure restricts economic mobility while the lack of smart technology impairs citizen services.

Public Health and Public Safety

The City is preparing to make improvements to the City of Laredo Emergency Operation Center (EOC). The EOC is the gathering place for management, supervisors and decision makers during the mitigation of an emergency response event. To operate, the EOC relies heavily on up-to-date technology. The EOC is currently using outdated equipment, so an upgrade is imperative to achieve favorable health and safety outcomes. The upgrades will allow for the continued use of the EOC and efficient response to public safety and public health concerns.

Job Training & Economic Development

City Council for the City of Laredo prioritized support programs for small businesses and individuals within the community who had their employment jeopardized or lost as a result of the pandemic and through the work of the City's Economic Development Department and local stakeholders were able to develop and deploy two economic support programs: Small Business Grant Program and Workforce Skills Development Program. The pandemic highlighted enormously the importance of small businesses who by default, were deemed essential workers. These workers worked diligently throughout the pandemic offering food and services to the community and did so on reduced staff, diminished supplies and dwindling inventory. Small business owners were unable to keep up with utility payments, purchase equipment or hire or retain staff. Additionally, many companies struggling with the same needed to lay off, furlough or terminate workers. These were great workers with great talent and skills within the community. These individuals were in dire straits economically and required swift assistance. Support under this category was in the form of grants for micro and small businesses negatively affected by the pandemic. The workforce skills development program was an initiative launched with the intention to directly assist citizens throughout the City of Laredo who had their employment statuses negatively impacted by the pandemic. These individuals were given the opportunity to up-skill and become certified in some of the top employment industries for the city.

Homeless Assistance

The City of Laredo contracted Marbut Consulting in order to assist our community to dramatically reduce the homelessness crisis that has increased due to the pandemic. Marbut Consulting has been

able to develop nuanced and sophisticated initiatives that have helped dozens of communities to dramatically reduce homelessness while improving overall street graduation rates. These consulting services will assist the City with a strategic plan to address the increasing homeless issues due to the pandemic and support with design of the expansion of a low-barrier homeless shelter.

Loss of Revenue

The City calculate the revenue loss based on the formula comparing actual revenues received during the calendar year with a counterfactual amount of revenue based on revenues in the base year and adjusted for expected growth in the year.

Uses of Funds

The City will use the funds under the guidance of the Final Rule that was issued by the U. S. Treasury.

Clean Water & Drinking Water Projects

The City is planning on proceeding with projects that are eligible under the Drinking Water State Revolving Fund. Projects will include treatment projects, transmission & distribution projects, source projects, and storage projects.

Water/Sewer Cybersecurity Upgrades

The Utilities I-Net Core network equipment will be centralized at one Utilities location and will provide connectivity to different water treatment plants. The current upgrades to the City of Laredo Utilities Department have been implemented and completed.

Broadband Improvements

To meet the needs of a growing city, the City is encouraging the deployment of advanced wireless, wireline and Smart City digital networks so that every residence and business in the City has access to high-speed broadband internet access. At the directive of City Council, the City issued a request for proposal for the purpose of awarding a contract for completion of a Municipal Broadband Market Study with integrated GIS mapping with a possible Broadband Expansion Feasibility Study, together with deployment options. The City desires to study and potentially establish a City-provided and initiated gigabit broadband service serving City residents, businesses, and visitors in order to accelerate the deployment of high-speed broadband access in the City.

Public Health and Public Safety

To meet the needs of public safety and public health, the City is preparing to make improvements to the City of Laredo Emergency Operation Center (EOC). The improvements include upgrading 9 network switches and 18 wireless access points along with power back-ups. The goal of these upgrades is to continue the use of the EOC to respond to public safety and public health concerns. The EOC will be able to work more efficiently and be better connected with all of the organizations involved in mitigating emergency situations.

Job Training & Economic Development

The City is interested in partnering with LiftFund, a private, independent non-profit Community Development Financial Intuition (CDFI) and Community Development Corporation (CDC) that supports small business owners with limited access to capital through small business loans and technical support, to administer small business grants to support businesses most adversely and disproportionately impacted by the pandemic. With the funds, the City would like to be able to assist many small businesses with grants to help support working capital expenses for impacted businesses. The City also saw a need to assist workers who found themselves laid-off, furloughed or underemployed as a result of the pandemic and is also looking into partnering with a local community college and workforce board to develop courses and curricula to up-skill and certify qualifying participants who found themselves without employment as a direct result of the pandemic. Together, Laredo College and Workforce Solutions of South Texas can train and certify nearly 1000 participants in high demand industries for Laredo. Job placement was not a requirement by the City as part of this program.

Homeless Assistance

The City of Laredo has received a proposal from Bethany House Inc. for the acquisition of a building to create a low-barrier homeless shelter to provide increased services to the street homeless population in Laredo.

The additional space would provide extra showers, restrooms, laundry facility, staff offices, and kitchen to provide food for the street homeless individuals. It would also provide the capacity to shelter and maintain social distancing for infected clients in the event of another pandemic, and to provide services such as additional mental health and substance abuse assistance.

Loss of Revenue

Based on the calculated amount, the City will use these funds to provide government services. These services include public safety, public works, and parks maintenance. With this allocation, the City intends to continue providing the same level of service that was provided pre-pandemic.

Promoting Equitable Outcomes

Homeless Assistance

Once the needs assessment survey is completed, the City will present to City Council the recommended action steps. This will also allow the citizens to voice any concerns or inputs on said recommendations. contracts. The projects are intended to assist the citizens throughout the City, especially lower income households and the homeless community.

Broadband Improvements

The Municipal Broadband Study should tailor deployment options for the City's distinct use types, in the downtown area, industrial, commercial, residential, and other areas.

Community Engagement

Job Training & Economic Development

The City openly discussed both the small business grant program and the workforce skills development program during city council meetings where public comment was allotted. There was no opposition by the community to these programs. Once finalized and active, both programs were advertised via every source and form of media outlet available.

Homeless Assistance

Once the study is completed, the City should have sufficient data to discuss with the citizens and non-profit agencies possible services and locations to increase homeless shelter capacity.

Labor Practices

For infrastructure projects, the City will require the contracts adopt prevailing wage rates.

Use of Evidence

As the projects for job training and economic development continue, the City may use program evaluations to consider additional funding.

Table of Expenses by Expenditure Category

	Category	Cumulative expenditures to date ($)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination	44,778.06	(12,708.04)
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing	36,121.32	36,121.32
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment	1,777.51	0.00
1.6	Medical Expenses (including Alternative Care Facilities)	100,000.00	0.00

	Category	Cumulative expenditures to date ($)	Amount spent since last Recovery Plan
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	1,630.00	0.00
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	142,007.18	136,634.45
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services	184,700.00	184,700.00
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	33,660.82	0.00
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)	49,000.00	49,000.00
2.8	Contributions to UI Trust Funds*		
2.9	Small Business Economic Assistance (General)	2,000,000.00	2,000,000.00
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		

	Category	Cumulative expenditures to date ($)	Amount spent since last Recovery Plan
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons	30,915.00	30,915.00
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment	1,713,588.85	1,713,588.85
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure	519,374.05	519,374.05
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects	84,583.25	84,583.25
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	22,481,462.53	12,885,979.53

Category		Cumulative expenditures to date ($)	Amount spent since last Recovery Plan
7	Administrative and Other		
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)		

Project Inventory

No projects have been started as of this date.