

ARPA Overview and Recommendations

May 15, 2023



UNIONCOUNTY
north carolina

Agenda



Overview of ARPA



Timeline of Actions



Current Status



Recommendations



Questions

Overview of ARPA



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American Rescue Plan Act (ARPA)

- Signed into law March 11, 2021
- Established Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) Program
- Provide support to State, territorial, local and Tribal governments in responding to the economic and public health impacts of COVID-19
- Union County received \$46,589,799
- Administered by U.S. Department of Treasury

Eligible Use Categories*

- Respond to COVID-19 or its negative economic impacts
- Respond to workers performing essential work during COVID-19 through premium pay to employees or grants to employers (*through April 10, 2023*)
- Provide government services to the extent of reduction in revenue due to COVID-19
- Make necessary investments in water, sewer or broadband infrastructure

* Enumerated uses under each category

Prohibited Uses

- Pension funds
- Borrow money or make debt service payments
- Rainy day funds or other financial reserves
- Satisfy obligations from a legal judgement

Award Terms and Conditions

- Uniform Guidance Requirements
 - Cost Principles
 - Procurement, Suspension and Debarment
 - Program Income
 - Property Management
 - Subaward Monitoring
 - Special Tests and Provisions
- Other Requirements
 - Record Retention
 - Single Audit
 - Civil Rights

Timeline of Actions



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2021

- 🍃 June 21 – Board approved accepting 1st tranche of ARPA funds
- 🍃 August 31 – Board received presentation from UNC School of Government and Recovery Act Committee
- 🍃 November 1 – Board received staff recommendations for general funding allocations
- 🍃 November 15 – Board approved funding allocations as follows:
 - 🍃 COVID-19 Mitigation – 10%
 - 🍃 Strategic Investments in County Services – 70%
 - 🍃 Community & Economic Support – 10%
 - 🍃 Administration – 5%
 - 🍃 Hold-Back – 5%

2022 – 1st Quarter

February 7 – Board approved staff recommendations for specific project funding allocations as follows:

COVID-19 Medical Insurance Claims	\$2,500,000
COVID-19 Response Staff in Public Health	\$2,117,062
UCSO Detention Officers	\$1,245,270
UCSO Whole Body Security Scanning*	\$ 159,000
Human Resources Online COVID -19 Screening*	\$ 10,500
Southwest Regional Library**	\$1,500,000
Public Records Request Management System**	\$ 40,542
Administration (3 Positions)	\$1,427,811

* Projects removed due to existing availability of other funding sources

** Later moved to an ARPA-enabled project

2022 – 2nd Quarter

- April 4 – Board received information from staff on eligible projects for water infrastructure
- April 11 – Board tabled discussion on ARPA funding recommendations for water infrastructure projects and directed staff to bring back alternative recommendations
- April 18 – Board received staff recommendations on alternative project recommendations and approved the following projects:
 - Crime Lab** \$1,000,000
 - Short-Term Fire Training Needs** \$1,500,000
 - Public Safety Training Center** \$4,500,000
 - Broadband \$7,325,000
 - Southwest Regional Library** \$3,500,000

** Later moved to an ARPA-enabled project

2022 – 2nd Quarter (cont'd)

- May 16 – Board approved staff recommendations for additional small projects as follows:
 - Community Shelter Reimbursement Costs \$123,175
 - Digital Message Sign Trailers \$44,000
 - Underwater 3D Mapping Sonar** \$59,000
 - Underwater Remotely Operated Vehicle (ROV)** \$87,000
 - Chevrolet 1-Ton 4x4 Truck and Equipment** \$70,296
- June 6 – Board accepted the 2nd tranche of ARPA funds and approved Grant Project Ordinance for all projects, associated Capital Project Ordinances for capital projects and Indian Trail Waterline (\$400,000)

** Later moved to an ARPA-enabled project

2022 – 3rd Quarter

- September 6 – Board approved staff recommendations to use revenue replacement and restoring public sector capacity on salaries and benefits to fund ARPA-enabled projects as follows:

UCPS Callable Bonded Debt**	\$10,000,000
Aseptic Training Facility**	\$ 4,900,000
Farmer's Market Upgrades**	\$ 1,700,000
Yadkin Project Parallel Distribution Line	\$10,000,000
Well Testing and Rehabilitation	\$ 300,000
Broadband	\$ 1,500,000

- September 22 – Board approved amended Grant Project Ordinance for all projects and amended Capital Project Ordinances for capital projects

** Moved to an ARPA-enabled project

2023 – 1st Quarter

- February 20 – Board approved including the use of unspent ARPA funds for 12-Mile Creek WRF Expansion in the Water and Sewer Capital Plan for financial rate model planning purposes (\$16,000,000)
- March 6 – Board approved using unspent ARPA funds for Crooked Creek Interceptor Expansion Project (\$16,000,000)

Current Status



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Direct ARPA Projects

Project	Approved	Actual
Restoring Public Sector Capacity (112 positions)	\$17,356,838	\$6,608,554
Revenue Replacement	\$10,000,000	\$10,000,000
Yadkin Parallel Distribution Waterline (Recommend removal)	\$10,000,000	\$0
COVID-19 Medical Insurance Claims	\$2,500,000	\$2,500,000
COVID-19 Response Staff in Public Health (9 positions)	\$2,021,873	\$0
Broadband	\$1,500,000	\$0
Detention Officers (4 positions)	\$1,245,270	\$268,136
Program Administration (3 positions)	\$1,098,643	\$194,623
Indian Trail Waterline	\$400,000	\$0
Well Testing and Rehabilitation	\$300,000	\$0
Community Shelter	\$123,175	\$88,175
Digital Sign Trailers (2)	\$44,000	\$31,200
Total	\$46,589,799	\$19,690,688

ARPA-Enabled Projects

Project	Approved
UCPS Callable Bonded Debt	\$10,000,000
Aseptic Facility	\$4,900,000
Public Safety Training Center (Recommend removal)	\$4,500,000
Southwest Regional Library	\$3,500,000
Farmer's Market Improvements (Recommend removal)	\$1,700,000
Short-Term Fire Training Needs	\$1,500,000
Crime Lab	\$1,000,000
Underwater Remote Operated Vehicle & 3D Mapping Sonar	\$146,000
One (1) Chevrolet 1-Ton 4x4 Pickup Truck	\$70,296
Public Records Request Management System	\$40,542
Total	\$27,356,838

Recommendations



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Recommendations and Next Steps

- Amend the Grant Project Ordinance and associated Capital Project Ordinances for approval at next regular meeting
 - Add the Crooked Creek Interceptor Project as a Direct ARPA Project (\$16,000,000)
 - Remove the following Direct ARPA and ARPA-enabled projects due to timing issues, anticipated availability of other funding sources or no longer pursuing
 - Yadkin Project Parallel Distribution Line \$10,000,000
 - Public Safety Training Center \$ 4,500,000
 - Farmer's Market Improvements \$ 1,700,000
 - Move the Indian Trail Waterline to an ARPA -enabled project (\$400,000)

Recommendations and Next Steps

- Appropriate the ARPA investment earnings at the next regular meeting and use a portion of those funds to purchase a grants management system for approval at a future meeting
 - Increase efficiency by automating manual processes to track grant applications, issue awards, monitor spending progress, and report on outcomes
 - Enhance data management by integrating data from grant applications and awards with our financial management system
 - Ensure compliance with grant requirements and, such as reporting deadlines, spending requirements, and program goals
 - Improve collaboration across departments managing different aspects of our grants

Questions?



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