

City Council Regular Meeting

[Print](#)[Return to the Search Page](#)[Return to the Agenda](#)[Go to the Previous Agenda Item](#)[Go to the Next Agenda Item](#)**K.3**

Meeting Date: 06/21/2021
Recommended by: Angele Ozoemelum
Finance Director Review: Angele Ozoemelum
City Attorney Review: Brett Wallace
Approved by: Larry Rains
Type of Action Requested: Resolution

Prepared by: Roberta Sullivan, Budget Analyst

Date Submitted: 06/10/2021

SUBJECT:

The American Rescue Plan Act of 2021 (ARPA; P.L. 117-2), the latest round of federal COVID-19 relief, was enacted on March 11, 2021. The plan provides an allocation of \$11.4 million to the City of Casa Grande. In compliance with Federal and Treasury Department guidance, ARPA Funds may only be used to (1) respond to the COVID-19 public health emergency or its negative economic impacts, (2) provide premium pay to workers of the City that are performing essential work, or to provide grants to eligible employers that have workers who perform essential work, (3) cover government services to the extent of the loss or revenue due to the COVID-19 public health emergency and, (4) make the necessary investment in water, sewer, or broadband infrastructure. Payments to the City under ARPA will be made in two tranches - the first half in 60 days after the enactment and the second half one year later.

RECOMMENDATION:

Since the act does not require the City to provide the Department of Treasury with a list of projects to be funded before funds can be drawn-down, Staff recommends that Council authorizes the City Manager to apply for and accept ARPA funds. In the interim, Staff has identified three specific sewer projects that appear to qualify under the rules. 1. Florence Blvd. Relief Sewer Main - \$2,125,00. 2. Construction of the Recharge Facility - \$1,750,000. 3. Water Reclamation Facility Expansion - \$1,800,000. These three projects should not exceed the allocation for FY22. Below are a few other examples of projects/uses that staff believes would qualify:

- Supporting cultural events by non-profits and small businesses.
- Similar activities as funded in the CG Cares Program (Business and Residential Assistance Programs)
- Developing a program to assist residents with past due balances on sewer and trash billings.
- Developing a program to assist non-profits that lease City facilities and have been unable to pay rents due to the lack of programming on their part.

DISCUSSION:

ARPA funding is designed to provide flexibility for local governments to respond to local needs. Costs under ARPA must be incurred (monies obligated) by December 31, 2024, with funds to be expended by December 31, 2026. Funds from ARPA cannot be used to fund pension deposits, neither can they be used to reduce taxes or delay a tax increase. Further, funds may not be used as non-federal match for other federal programs.

The City will be required to provide an interim report on the expenditure of funds by August 31, 2021. This report will cover the period from the date of the award to July 31, 2021. A quarterly report will be due by October 31st and will cover the types of projects funded by ARPA monies and other information regarding the City's utilization of the award funds. Subsequent quarterly reports will be due within 30 days after each calendar quarter. Annual reports will cover the period July 1st to June 30th and will be due by July 31st.

FISCAL IMPACT:

ARPA will provide much needed funds to assist the community, and also build/upgrade the City's wastewater treatment infrastructure.

ALTERNATIVES:

N/A

Attachments

[Res. 5309](#)

[GO TO PREVIOUS PAGE](#)[GO TO THE TOP OF THE PAGE](#)