

CITY COUNCIL STRATEGIC PLANNING MEETING
300 WEST CROWELL STREET
MONROE, NORTH CAROLINA 28112
NOVEMBER 9, 2021 – 4:00 P.M.
AGENDA
www.monroenc.org

Due to the increased risk of exposure and possibility of transmission associated with the Delta strain of COVID 19, **all guests, staff and officials will be required to wear face masks.** The number of guests will be limited to the number of available seats inside the Council Chambers. There will be an additional room with limited seating for guests to hear the proceedings and/or remain until they are called to speak.
The mask requirement and seating limitation will be enforced by law enforcement.

1. American Rescue Plan Act (ARPA) Funding

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- **Agenda** is tentative and is subject to change up to and including the time of the meeting.
 - At the discretion of City Council, **Agenda Items** listed above that are not discussed at the Strategic Planning Meeting or moved at the request of Council, may be carried forward to the City Council Regular Meeting at 6:00 p.m. to be considered.
 - **Cell Phones/Pagers:** As a courtesy, please turn off cell phones and pagers while Meeting is in progress.



STAFF REPORT

TO: City Council

VIA: Brian Borne, Interim City Manager

DATE: November 9, 2021

FROM: Lisa Strickland, Finance Director

PREPARED BY: Lisa Strickland, Finance Director

SUBJECT: American Rescue Plan Act Presentation and Budget Ordinance

SUMMARY STATEMENT

The purpose of this report is to update Council on the American Rescue Plan Act funding that has been awarded to the City. A Budget Ordinance is being submitted for City Council Consideration for some immediate funding needs.

REVIEW

A presentation will be given to provide information about the American Rescue Plan funding that has been awarded to the City in the amount of \$11,326,507.16. The presentation will cover grant guidance and requirements in order for a project to be grant eligible. There are a few suggested projects that staff is seeking approval for as follows:

- Planning/Permitting Depart Lobby COVID Compliance Improvements \$75,000
- Outdoor Payment Kiosk(s) for Cash Utility Payments \$10,000
- Permanent Sneeze Shield for COVID Compliance (reimbursement) \$56,855
- Grant Fiscal Compliance Administrative Expenses (partial funding FT Position) \$50,000
- Small Business Assistance for Economic Recovery / Potential Public/Private Partnerships with SPCC Small Business Center, Chamber of Commerce and Downtown Monroe \$1,000,000
- Housing Related Projects / Current public/private partners \$1,000,000
- Environmental Improvements (QCT) \$200,000

• Bearskin Creek Phase III Greenway Connect to Creft Park (QCT)	\$1,020,000
• Data storage for backups in the event of a cyber attack (reimbursement)	\$179,798
• IT Initiative to Expand/Modernize City Network Needs	\$1,950,000
• Space Needs in City Hall (relocation, remodeling, etc.)	\$1,500,000
• Downtown Parking Improvements	\$1,500,000
• Bearskin Creek Stream Restoration Project at Goulston	\$1,375,000
• Stormwater Control Measures at Stewarts Creek Watershed	\$261,545
• Pindell Ave Culvert Replacement	\$520,000
• Equipment Waste Disposal Facility Project	\$165,000
• Fax Server for Water/Wastewater Reporting	\$4,500
• Cyber Security Compliance for Water/Wastewater	\$325,000

A Budget Ordinance is being submitted for City Council consideration for these items totaling \$11,192,698. An alternate Budget Ordinance has also been provided for a shorter list of projects that have been completed within the grant time frame (reimbursements) or that are needed more quickly.

RECOMMENDATION

Staff recommends approval of Budget Ordinance BO-2021-19 for project funding for projects listed above from the American Rescue Plan Act.

Attachment: BO-2021-19
Alternate BO-2021-17
ARPA Presentation

**CITY OF MONROE, NORTH CAROLINA
SPECIAL REVENUE FUND PROJECT BUDGET ORDINANCE
AMERICAN RESCUE PLAN ACT OF 2021
OBLIGATION OF FUNDING FOR SPECIFIC PROJECTS
BO-2021-19**

WHEREAS, the federal government allocated local governments funding in the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021; and

WHEREAS, the City has been allocated funds in the American Rescue Plan Act of 2021 as a non-entitlement municipality; and

WHEREAS, the City has been awarded \$11,326,507.16; and

WHEREAS, the City has identified a need that meets grant requirements and wishes to obligate funding to the following projects:

- Planning/Permitting Depart Lobby COVID Compliance Improvements \$75,000
- Outdoor Payment Kiosk(s) for Cash Utility Payments \$10,000
- Permanent Sneeze Shield for COVID Compliance (reimbursement) \$56,855
- Grant Fiscal Compliance Administrative Expenses (partial funding FT Position) \$50,000
- Small Business Assistance for Economic Recovery / Potential Public/Private Partnerships with SPCC Small Business Center, Chamber of Commerce and Downtown Monroe \$1,000,000
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- Fax Server for Water/Wastewater Reporting \$4,500
- Cyber Security Compliance for Water/Wastewater \$325,000

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Monroe obligates funding in the special revenue project fund for the project listed above:

Special Revenue Project Fund:

Expense:

Reserved for Future Projects ARP021	(\$11,192,698)
Various Projects Listed Above	\$11,192,698

Adopted this 9th day November 2021.

Attest:

Bobby G. Kilgore, Mayor

Bridgette H. Robinson, City Clerk

**CITY OF MONROE, NORTH CAROLINA
SPECIAL REVENUE FUND PROJECT BUDGET ORDINANCE
AMERICAN RESCUE PLAN ACT OF 2021
OBLIGATION OF FUNDING FOR SPECIFIC PROJECTS
BO-2021-17**

WHEREAS, the federal government allocated local governments funding in the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021; and

WHEREAS, the City has been allocated funds in the American Rescue Plan Act of 2021 as a non-entitlement municipality; and

WHEREAS, the City has been awarded \$11,326,507.16; and

WHEREAS, the City has identified needs that meets grant requirements and wishes to obligate funding to the following projects:

- Data storage for backups in the event of a cyber attack (reimbursement) \$179,798
- Planning/Permitting Depart Lobby COVID Compliance Improvements \$75,000
- Permanent Sneeze Shield for COVID Compliance (reimbursement) \$56,855
- Fax Server for Water/Wastewater Reporting \$4,500

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Monroe obligates funding in the special revenue project fund for the project listed above:

Special Revenue Project Fund:

Expense:

Reserved for Future Projects ARP021	(\$316,153)
Various Projects Listed Above	\$316,153

Adopted this 9th day November 2021.

Attest:

Bobby G. Kilgore, Mayor

Bridgette H. Robinson, City Clerk

AMERICAN RESCUE PLAN ACT

Brian J. Borne, Interim City Manager
Lisa Strickland, Finance Director

AMERICAN RESCUE PLAN ACT DISCUSSION

- AMOUNT OF AWARD
- US TREASURY - INTERIM FINAL GUIDANCE
- POTENTIAL PROJECT FUNDING

NC Local Governments:

\$2.037B to counties

\$668M to metro cities

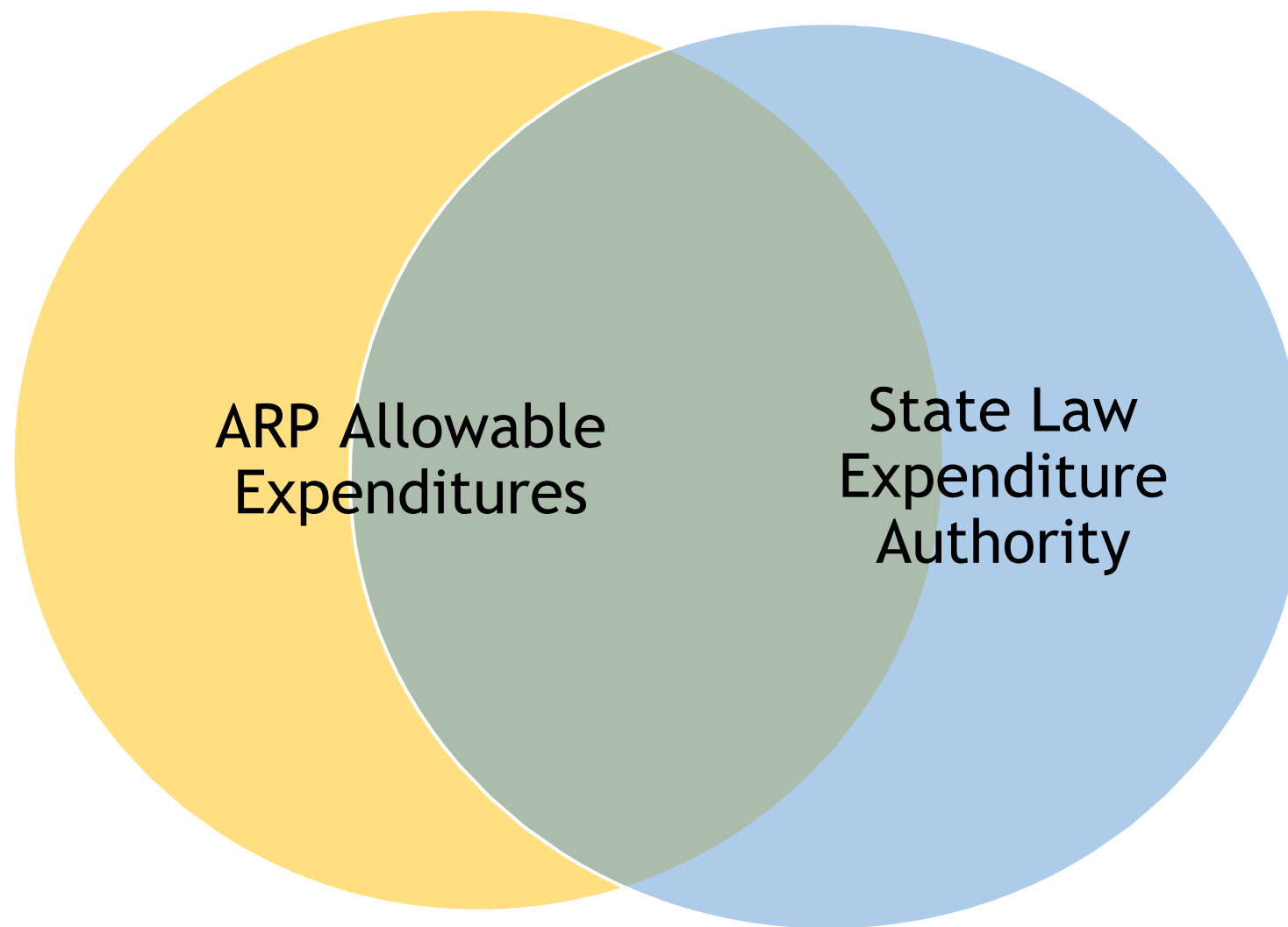
\$705M to non-entitlement units

**Funds must be obligated by 12/31/24
and expended by 12/31/26**

Monroe is a Non-Entitlement Unit

Monroe Award is \$11,326,507.16

First Disbursement \$5,663,253.58 received 8/13/21



What Determines ARP Allowable Expenditures?

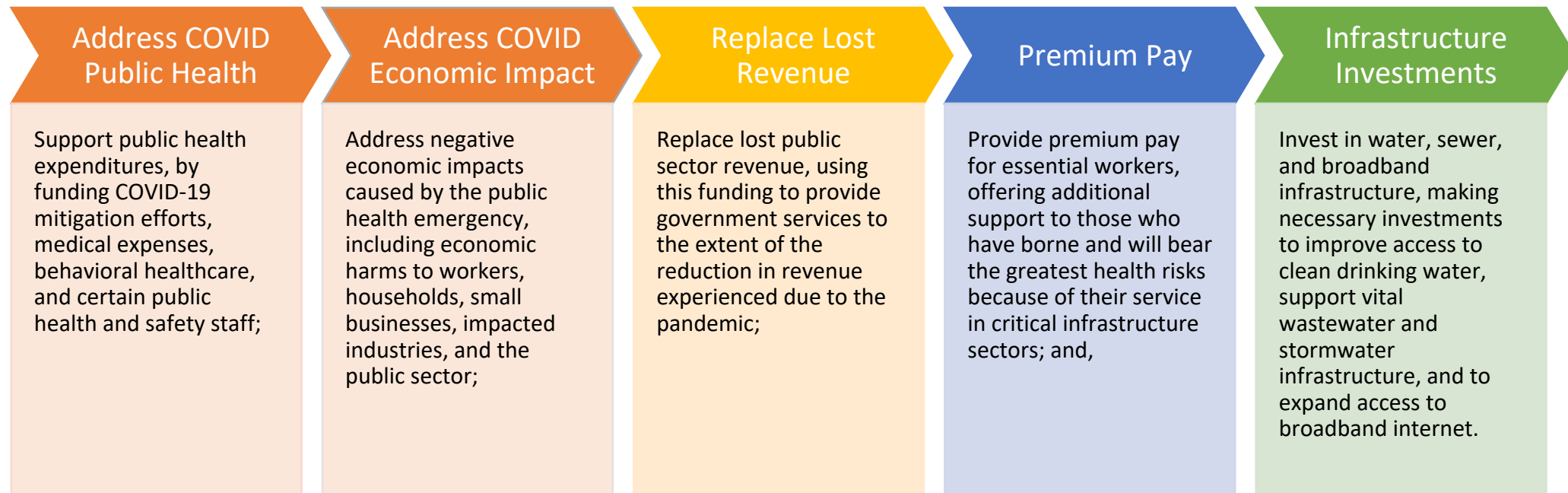
Federal Law

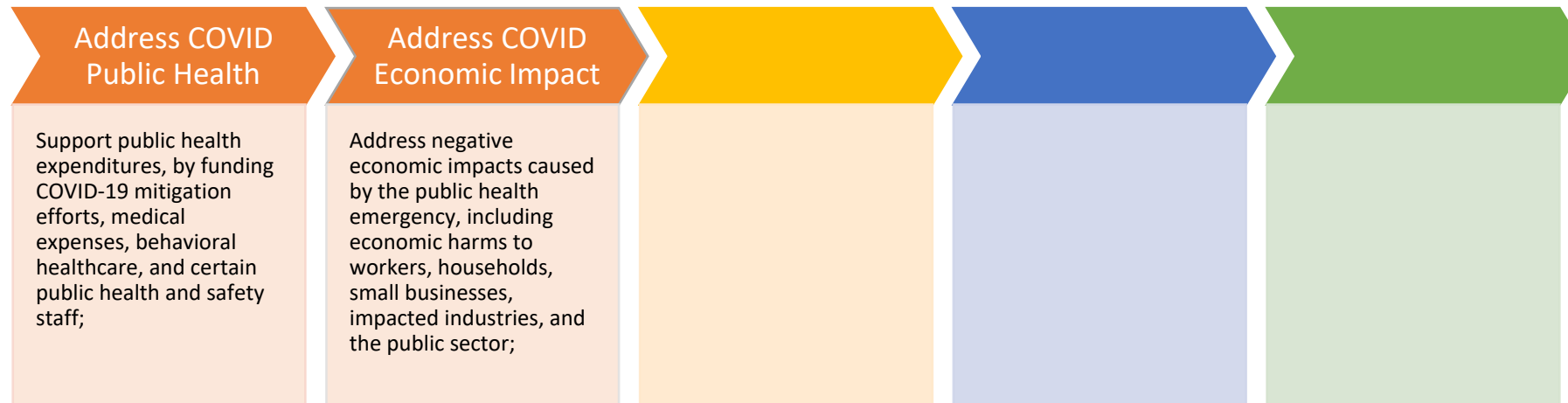
- Part 8, [Subtitle M—Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021](#)

US Treasury Regulations & Guidance

- [31 CFR Part 35](#) (Interim Final Rule; Will be Final Soon)
- [US Treasury FAQs](#) (updated periodically)
- [Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds](#)

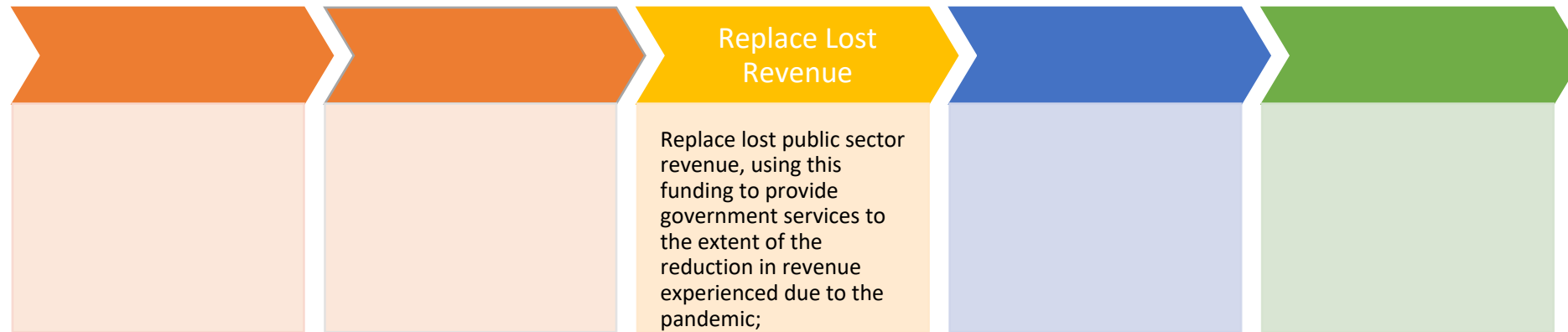
ARP Allowable Expenditures





“Eligible uses under this category must be in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency”

- AV Equipment in Council Chamber and Conference Room \$110,000 FUNDED
- Planning/Permitting Depart Lobby COVID Compliance Improvements \$75,000
- Outdoor Payment Kiosk(s) for Cash Utility Payments \$10,000
- Permanent Sneeze Shield for COVID Compliance (reimbursement) \$56,855
- Grant Fiscal Compliance Administrative Expenses (partial funding FT Position) \$50,000
- Small Business Assistance for Economic Recovery / Potential
Public/Private Partnerships with SPCC Small Business Center,
Chamber of Commerce and Downtown Monroe \$1,000,000
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- Environmental Improvements (QCT) \$200,000
- Bearskin Creek Phase III Greenway Connect to Creft Park (QCT) \$1,020,000



Allows a local government to use ARP monies to fund (most) general government services, to the extent that the local government experiences a reduction in general revenue during the pandemic, according to specified formula.

THE CALCULATED LOST REVENUE FOR YEAR #1 FOR MONROE IS \$5,132,671

- | | |
|--|-------------|
| • Data Storage to Provide Backups in the Event of a Cyber Attack (reimbursement) | \$179,798 |
| • IT Initiative to Expand/Modernize City Network Needs | \$1,950,000 |
| • Space Needs in City Hall (relocation, remodeling, etc.) | \$1,500,000 |
| • Downtown Parking Improvements | \$1,500,000 |



“[T]o provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency....”

Eligibility for local government employees is defined as:

1. Is not performed while teleworking from a residence; AND
2. Involves:
 - i. Regular in-person interactions with public or coworkers; or
 - ii. Regular physical handling of items that were handled by public or coworkers.

Not considering premium pay at this time.



Aligns eligible uses with the types or categories of projects that would be eligible to receive financial assistance through the EPA's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

- | | |
|---|-------------|
| • Bearskin Creek Stream Restoration Project at Goulston | \$1,375,000 |
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ARP Checklist

1

Identify potential program or project

2

Identify state law authority

3

Identify ARP category

4

Look for specific guidance from US Treasury (IFR and/or FAQs)

5

If no specific guidance, use framework set by US Treasury

6

Identify specific reporting requirements

7

Follow contracting requirements (if applicable)

8

Call SOG, NCLM, NCACC, COG, NCPRO, NCDST, NCDEQ

9

Check with your attorney

Ineligible uses

- Debt payments/refinance
- Contribute to reserves (or “rainy day” fund)
- Pension fund payments
- Litigation costs
- As a non-Federal match for other Federal funds, included SRF grants
- Day to day operating expenses
- Drinking water system growth that may not materialize (See section 3.4.1, page 14, [DWSRF handbook](#))

Sharing ARP funds with Nonprofits and Other Private Entities



See G.S. 160A-20.1 & G.S. 153A-449

Questions???

