

# The American Rescue Plan Act (ARPA)

*An Overview*

**Avon Town Council  
December 2, 2021**

## Funding & Timing

- Town to receive \$5.4 million.
- 1<sup>st</sup> payment of \$2.7 million received 6/22/2021.
- 2<sup>nd</sup> payment of \$2.7 million to be received around 6/22/2022.
- Funds must be obligated by 12/31/2024 and spent by 12/31/2026.

## Eligible Uses

1. Respond to public health emergency & its negative economic impacts.
2. Provide premium pay for essential workers.
3. Provide government services to the extent of revenue lost due to COVID-19.
4. Make necessary investments in water, sewer or broadband infrastructure.

## Eligible Uses

### Category #1:

To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.

- COVID-19 mitigation and prevention
- Medical expenses
- Behavioral health care needs
- Address disparities in public health and economic outcomes
- Assistance to unemployed workers
- Deposits to state unemployment insurance trust
- Loans or grants to small businesses and non-profits to mitigate financial hardship
- Aid to impacted industries such as tourism, travel, hospitality
- Assistance to households for utilities, food assistance, rent/mortgage, home repairs, etc.

# Eligible Uses

## Category #2:

To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.

- **Essential workers** are those workers needed to maintain continuity of operations of essential critical infrastructure.
- **Essential work** is work requiring physical presence at the jobsite.
- Premium may be provided up to \$13/hour above the worker's hourly rate with a maximum of \$25,000 per eligible worker.
- Categories of essential workers include: nursing home, hospital and home care staff; workers at farms, food production facilities, grocery stores and restaurants; janitors and sanitation workers; truck drivers, transit staff and warehouse workers; public health and safety staff; childcare workers, educators, other school staff; and social service and human services staff.

# Eligible Uses

## Category #3:

For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency.

- To use funds under this category, the Town is required to calculate its revenue loss associated with COVID-19 in accordance with a formula provided by the Treasury.
- Revenue loss is to be calculated for each calendar year 2020-2023.
- Funds may be allocated towards most general government services and do not need to meet the eligibility criteria outlined in the other categories.
- Examples might include: maintenance or cash capital for infrastructure projects; roads; cybersecurity; health services; environmental remediation; school or educational services; public safety services.

## Eligible Uses

### Category #4:

To make necessary investments in water, sewer or broadband infrastructure.

- **Eligible sewer projects** include the construction, improvement or repair of wastewater treatment plants; the management and treatment of storm water; the protection of waterbodies from pollution, etc.
- **Eligible water projects** include the construction or upgrade of facilities to improve water quality, transmission, distribution and storage systems; the consolidation or establishment of drinking water systems, etc.
- **Eligible broadband projects** must be designed to deliver service that reliably meets or exceeds upload and download speeds of 100 Mbps with a focus on providing service to unserved or underserved residential and commercial.

## Ineligible Uses

1. Match funds for other federal grants.
2. Pay down unfunded pension liabilities.
3. Pay down interest or principal on outstanding debt.
4. Pay legal settlements.
5. Premium pay for telework.
6. Contributions to “rainy day” funds.

## Next Steps

- Staff continue to develop recommendations for projects including project descriptions; budgets and timelines for completion.
- Projects being proposed are generally coming from the following sources:
  1. Capital Improvement Plan (CIP);
  2. Master planning documents (i.e. POCD, Recreation Master Plan);
  3. Recommendation of a third party professional (i.e. cybersecurity audit);
  4. Fulfill a need that became apparent during the height of the pandemic.

## Next Steps

- Projects that will be recommended to the Town Council will generally meet the following criteria:
  1. Meet one or more of the eligibility categories;
  2. Can be completed within the required timeframe;
  3. Result in little, to no, additional operating expenditures;
  4. Provide the greatest benefit to the community.
- Anticipate bringing staff recommended projects to Council with requests for supplemental appropriations in February/March 2022.



# Potential Projects

AHS RTU Replacement – Phase II	Category #1
BOE District Wide Wi-Fi Improvements	Category #1
Social Services COVID-19 Relief Fund	Category #1
Senior Center HVAC Upgrades	Category #1
Senior Center Technology Upgrade	Category #1
Construction of a Multi-purpose room at Sycamore Hills	Category #1
Shade Shelters at Various Recreation Facilities	Category #1
Sycamore Hills Pool Repair	Category #1
Office 365 Implementation – Town IT	Category #1/#3
Pavement Management	Category #3
Deepwood Drive/New Road Drainage	Category #4