



AGENDA
WATAUGA CITY COUNCIL
WORKSHOP MEETING
MONDAY, MAY 9, 2022
CITY HALL COUNCIL CHAMBER, 7105 WHITLEY ROAD
5:30 PM

This notice is posted pursuant to the Texas Open Meetings Act. Notice is hereby given that a **City Council Workshop Meeting** of the City of Watauga, Texas will be held at which time the following subjects will be discussed and may be acted upon.

CALL TO ORDER (Council Members, City Staff, Members of the Public - when speaking during the meeting please speak directly into the microphones on the dais or podium)

ROLL CALL

ANNOUNCEMENTS

PRESENTATIONS

1. Presentation and discussion on American Rescue Plan Funding Coronavirus State and Local Fiscal Recovery Funding and Proposed Projects.
Sandra Gibson, Director of Finance

ADJOURNMENT

Meeting Notices and Reservation of Rights

The City Council may retire to executive session any time between the meeting's opening and adjournment for the purpose of consultation with legal counsel pursuant to Chapter 551.071 of the Texas Government Code; discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code if the requisite information is otherwise posted; deliberation regarding real property pursuant to Chapter 551.072 of the Texas Government Code; deliberation regarding economic development negotiations pursuant to Chapter 551.087 of the Texas Government Code; and/or deliberation regarding the deployment, or specific occasions for implementation of security personnel or devices pursuant to Chapter 551.076 of the Texas Government Code (as applicable) when determined necessary by the to address a subject matter on the agenda. Action, if any, will be taken in open session.

Attendance by Other Elected or Appointed Officials: It is anticipated that members of other governmental bodies, and/or city council, boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a possible meeting of the other body, board, commission and/or committee, whose members may be in attendance, if such numbers constitute a quorum. The members of the city council, boards, commissions and/or committees may be permitted to participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that city council, body, board, commission or committee subject to the Texas Open Meetings Act.

NOTICE

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS OR INTERPRETIVE SERVICES MUST BE MADE 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (817) 514-5825, OR FAX (817) 514-3625.

I, Linda Proskey, City Secretary for the City of Watauga, hereby certify that this agenda was posted on the bulletin boards at City Hall, 7105 Whitley Road, Watauga, Texas, on May 6, 2022, before 6:00 p.m., in accordance with Chapter 551 of the Texas Government Code.


Linda Proskey, City Secretary





AGENDA MEMORANDUM

DATE: May 2, 2022

TO: Honorable City Council Members

FROM: Sandra Gibson, Director of Finance

THROUGH: Joshua Jones, City Manager

SUBJECT: Presentation and discussion on American Rescue Plan Funding
Coronavirus State and Local Fiscal Recovery Funding and Proposed
Projects.

BACKGROUND/INFORMATION:

At a meeting on April 11, 2022. City staff presented to the City Council a general funding framework and list of recommended projects utilizing the City's allocation of ARPA funds. After the discussion of the recommended projects, select members of the council asked that information about a possible community "warming and cooling center" being included for review and discussion. The presentation has been updated to include that information.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

This item does not require a recommendation as it is a presentation/report.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. CITY OF WATAUGA ARPA PROPOSED BUDGET WITH ALL PROGRAM REQUESTS (5-9-2022)V2 (version 2).xlsb
2. ARPA Presentation Update - May 9th to Council

REVIEWED BY:

Joshua Jones, City Manager

Joshua Jones, City Manager

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 5/4/2022

Approved - 5/4/2022

Final Approval - 5/4/2022



American Rescue Plan Act Fiscal Recovery Proposed Budget and Unfunded Program Requests

March 1, 2021 to December 31, 2026

		PROPOSED BUDGET PROGRAM REQUESTS	OTHER SUBMITTED PROGRAM REQUESTS
	GRANT DISTRIBUTION (REVENUES)		
	Grant Funds August, 2021 (received) \$ 3,033,000		
	Grant Funds August, 2022 (to be received) \$ 3,033,000		
	TOTAL GRANT FUNDS \$ 6,066,000		
Proposed Programs/Expenditures	Project Overview and Identified Need		
Category: Infrastructure			
1. Water and Wastewater Projects (Group 3)	Provides funding for projects (group 3 in City's CIP) for Summertime Lane paving, drainage, water and sanitary sewer improvements. (Enhances funding from 2019 CO proceeds)	\$ 1,308,410	
2. Park Vista Stormwater Rehabilitation	Program to extend culvert within Park Vista Park and better manage stormwater	\$ 807,520	
3. Lead Pipe Identification	Funding to locate and identify water service pipe materials throughout the City.	\$ 800,000	
4. Hickory Hill Road Sanitary Sewer	Project involved replacement and rehabilitation of insufficient existing centralized wastewater collection and conveyance materials.	\$ 383,300	
5. Water and Wastewater CIP (Group 1)	Project involves the replacement and rehabilitation of existing deteriorating centralized wastewater collection and conveyance materials at various locations. Funding is currently provided by 2019 Certificates of Obligation.		\$ 2,277,600
6. Water and Wastewater CIP (Group 2)	Project involves the replacement and rehabilitation of existing deteriorating centralized wastewater collection and conveyance materials for Echo Hill and Quail Run. Funding is currently provided by 2019 Certificates of Obligation.		\$ 1,689,759
7. Water and Wastewater CIP (Group 4)	Project involves installation, replacement, and rehabilitation of transmission and distribution infrastructure to improve water pressure to safe levels and reduce leakage at Derek Drive, Melina Drive, and Macarthur Drive. Funding is currently provided by 2019 Certificates of Obligation.		\$ 1,372,705
8. Whitley Road 4 CIP	Project involves replacement and rehabilitation of insufficient existing centralized wastewater collection and conveyance materials, stormwater management, and rehab of transmission and distribution infrastructure for Whitley Road. Funding is currently provided by 2019 Certificates of Obligation.		\$ 1,108,758
	Infrastructure Total	\$ 3,299,230	\$ 6,448,822
Category: Personnel			
1. Rehiring of Public Sector Staff	Address unfunded positions during City budget process as prioritized by City Manager	\$ 655,000	
2. Leave bank liability reduction	Addresses budgetary issue and supports leave reduction plan	\$ 575,000	
3. Retention Pay/Aid in Comp & Class Study implementation	Funding to assist with retention of staff issue in order to provide continued services to citizens. May use funds to aid in implementation of compensation and classification study that is currently underway.	\$ 548,250	
4. Position Funding	Provides funding for 1/2 Finance Grant position to manage ARPA Grant and Human Resources position to manage additional reporting requirements and HR duties.	\$ 242,500	
5. Police Special Unit Program	Funding to provide additional development opportunities to police officers to help with retention. Program provides funding for officers being equipped and trained on Special Weapons and Tactics Team (SWAT).	\$ 60,000	
6. Recruitment incentives	Addresses recruitment issues for various departments	\$ 70,000	
7. Premium Pay	Premium Pay for employees who worked directly or in support of the City's covid response		\$ 650,000
8. Hiring Police Officers	New Mental Health Officers(2) and funding for (4) Police Officers		\$ 1,347,000
9. Police Staff Training	Mental Health Peace Officer training		\$ 2,020
	Personnel Total	\$ 2,150,750	\$ 1,999,020
Category: Equipment			
1. Public Works Generator	Replace and upgrade existing backup generator and build housing for weather protection	\$ 300,000	
2. Personal Protective Equipment	Personal Protective Equipment for Fire Personnel to better equip and protect emergency service workers	\$ 115,475	
3. EV Charging Stations	Install Level II Electric Vehicle charging stations, foundation, and software. Supplies alternate fueling needs for public and city use.	\$ 70,000	
4. Remote Access Devices	Provides for additional devices for checkout/remote devices	\$ 10,500	
5. Community Center Warming/Cooling Center	Retrofit Community Center for equipment and services for warming/cooling center		\$ 620,000
6. Skywatch Tower	Skywatch tower to increase patrol and surveillance capabilities of large crowds		\$ 244,000
	Equipment Total	\$ 495,975	\$ 864,000
Category: Supplies/Contractual Services			
1. Cybersecurity enhancements/software	Enhanced protection of City network	\$ 69,200	
2. Single Audit and software for grant compliance	Grant Compliance tools	\$ 32,750	
3. Municipal Court Software Enhancements	Software to enhance efficiency in court operations	\$ 15,375	
4. City Wide sanitizer stations	City wide placement of sanitizer stations to reduce transmission of virus	\$ 2,720	
	Supplies/Services Total	\$ 120,045	\$ -
Some projects dollar amounts that were funded may have been reduced/adjusted from what was submitted by departments.			
	TOTALS	\$ 6,066,000	\$ 9,311,842
GRAND TOTAL ALL PROJECTS		\$	15,377,842

AMERICAN RESCUE PLAN ACT UPDATE

presented April 11, 2022
updated May 9, 2022

Coronavirus State and Local Fiscal Recovery Funds

Agenda



**Background & ARPA
Framework**



ARPA Revenue



**Completed
Tasks**

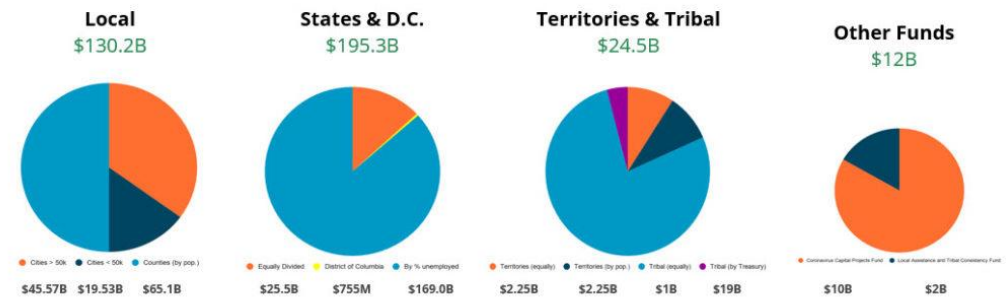


**ARPA Checklist
Spending Plan
Next Steps**

BACKGROUND

- The American Rescue Plan Act (ARPA) of 2021 is a \$1.9 trillion economic stimulus bill.
 - Within ARPA, the Coronavirus State and Local Fiscal Recovery Fund provides \$350 billion for states, municipalities, counties, tribes, and territories, including \$130.2 billion for local governments split evenly between municipalities and counties.
 - Populations under 50,000 or less residents are defined by the Treasury as a non-entitlement unit (NEU) and payments are made to the State for distribution to the NEU.

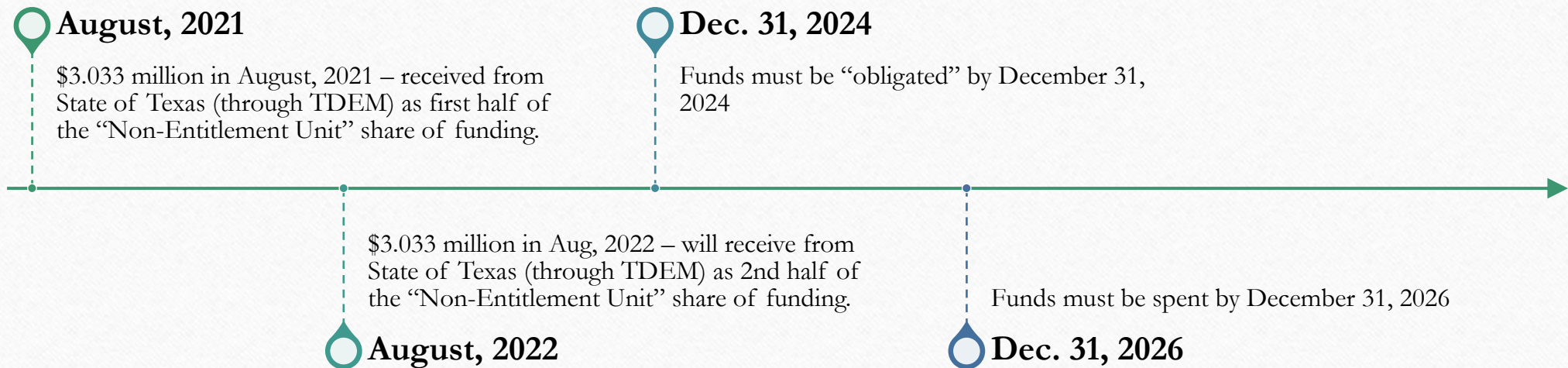
ARPA STATE & LOCAL FUNDING: DISTRIBUTION



ARPA Grant Funding Highlights

- Broad COVID-related – Designed to rebuild the economic impacts of pandemic
- Funds released in two allotments (August 2021 and August 2022)
- 3+ years to spend
- Revenue Replacement allowed
- Total City allocation will be \$6.066 million
- City must provide periodic reports directly to Treasury

City of Watauga ARPA Budget Revenue Timeline



Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet

ARPA PROGRAM FUNDING GOALS

Use prudently and sustainable operating performance

- Avoid ongoing financial commitment beyond available funding –if ongoing, ensure it can be fit into future budgets
- Prioritize funding for existing programs or needs

Address Labor Needs and Maintain/Restore Service Levels

- Focus on solutions that have immediate impact
- Restore service levels and programs
- Address employee hiring/retention issues

Achieve Long-Term Benefits

- Consider one-time projects with high or ongoing positive impacts
- Strategic investments in long-lived assets

What's new?

Treasury Final Rule Issuance effective 4/1/2022

- Final Rule provides more direction and greater certainty for local governments
- Final rule makes it easier for small cities and towns (NEUs) to spend in familiar way.
 - Replacement of lost revenue “standard allowance” of up to \$10 million for the lifetime of grant
 - Lost revenue can be used for general government services

Completed Tasks to date



- Staff has gathered information, resources, and attending training on ARPA and use of funds.
- ARPA Staff Committee has developed a proposed spending plan with eligible projects for Council review and approval.
- Internal control rules, and policies and procedures have been put in place to ensure compliance with the grant requirements.



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Next Steps

- Review and Approval of Spending Plan (multi-year)
- Budget Adjustment for ARPA funds/expenditures for programs/projects to be funded in FY2022
- Transparent Reporting (Quarterly Reports to Council)
- Ensure Grant Reporting/Compliance requirements met (Finance)

Questions?
