



American Rescue Plan Act

August 24, 2021 | City of Pflugerville | Finance

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COVID-19 Stimulus Relief Package

- \$1.9 trillion COVID-19 stimulus relief package
- Signed into law March 11, 2021
- \$350 billion in direct aid to state and local governments
- Community Development: \$10 billion in Coronavirus Capital Projects Fund
- Ineligible Uses of Fiscal Recovery Funding
 - May not be used to offset a reduction in the net tax revenue
 - May not be deposited into any pension fund
 - Cannot be used as a match to federal programs
 - Funds may not be used for road improvement

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What We Know

- The Interim Final Rule feedback response deadline was July 16. In the coming weeks we should see clarification on allowable use guidance
- We have submitted our question for the interim final rule
 - Could we use the allocated funds to incentivize broadband providers to install the fiber infrastructure in the underserved areas of the community?
- Texas has not revealed any application process for Coronavirus Capital Project funds
- Guidance on competitive grants is still in development
- Projects will not be pre-approved you must have a complete spending plan prepared.

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Highlights

- Final amount of award and sequence
 - \$6.1 million for the City of Pflugerville (\$3.1M June 2021; \$3.1M June 2022)
- Timeline for Use
 - March 3, 2021 through December 31, 2026
 - Must be obligated in a contract by December 31, 2024
 - Completely Expended by 2026
- Reporting requirements
 - City is responsible for quarterly reporting directly to the federal government through 2026
 - Includes responsibility of any sub-recipients



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Coronavirus Relief Funds

- Coronavirus Relief Funds (CRF) under the CARES Act was signed into law on March 27, 2020 for a total \$2 trillion economic relief package.
- City of Pflugerville received \$3.5 million through Travis County interlocal
 - Economic Support Grants: \$1.2M
 - Public Health Expenses - \$192K
 - Payroll COVID-19 Response: \$1.7M
 - COVID-19 Public Health Compliance: \$371K

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Lessons Learned - CRF vs ARPA

- In 2020, the Treasury Department issued guidance on the use of CRF funds late in the process and then issued revisions that impacted program design and post-expenditure reporting requirements.
- ARPA provides more time to determine how to best utilize the funds.
 - The City of Pflugerville may be liable for repayment of expenditures that are deemed ineligible for one-time ARPA funds.

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CRF Small Business Assistance

Submitted Applications	Tier 1 \$15K	Tier 2 \$50K	Tier 3 \$75K	Total Decisions
Approved Applications*	20	6	6	31
Approved Applicants opting for TCTX Thrive	6	0	0	6
Unqualified/Ineligible	18	5	1	24
Undecided (Pending Review or Add. Docs)	0	0	0	0
Total Submitted Applications	43	11	7	61

*While there were 37 eligible businesses recommended for funding, 6 businesses decided to accept the Travis County Thrive small business grant program. 31 eligible applicants have determined they will move forward with accepting the funding from Pflugerville Cares.

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CRF Small Business Assistance

Recommendation Funding Totals	Tier 1 \$15K	Tier 2 \$50K	Tier 3 \$75K	Total
Initial Recommendation amount	\$300,000	\$300,000	\$300,000	\$900,000
Additional Recommendation Amount	\$0	\$0	\$150,000	\$150,000
Funding Total	\$300,000	\$300,000	\$450,000	\$1,050,000

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Capital Projects Fund in Texas

- Community Development: \$10 billion in Coronavirus Capital Projects Fund
 - Anticipate guidelines from Treasury upon the release of the Final Rule on ARPA
- Texas will receive \$483.8 million
 - States will administer funds

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Recommended Funding Sources

Eligible Projects/ Expenses	Projected Cost	Allocation \$6.1M	Capital Project Grants \$483.8M
Infrastructure for clean water and wastewater			
CIP - Wastewater Interceptor	\$24.5M		X
CIP - Water Meter Conversion	\$4M	X	X
CIP - Water Treatment Plant Standby Generators	\$10M		X
CIP - Elevated Storage Tank	\$18.3M		X
CIP - Water Lines	\$32.8M		X
Technology to support remote work			
CIP - Fiber Ring	\$3.5M	X	X
CIP - ERP Cloud-base System	\$4.2M	X	X
CIP - Upgrade firewalls, routers, switches, access points	\$250K	X	
Payment Kiosk	\$500K	X	
E-Permitting	\$455K	X	
Voice Over IP System Upgrade	\$191K	X	

X : recommended funding source applying for capital project grants first

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Council Feedback

- What are your goals for use of these funds?
- What are your prioritized projects/expenses?

Thank You



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