



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** December 19, 2024

Staff Contact: Nancy Paulson, City Manager

Agenda Title:

For Possible Action: Discussion and possible action regarding proposed changes to the Plan of Expenditure for the Coronavirus Local Fiscal Recovery Fund, established by the American Rescue Plan Act ("ARPA") of 2021 ("ARPA Plan of Expenditure"), for the allocation of an additional \$456,837.20 of unused funds to Transportation District 1-5 Projects and allocation of the remaining approximately \$40,000 of unused funds to another project. (Sheri Russell-Benabou, srussell@carson.org and Stephanie Hicks, shicks@carson.org)

Staff Summary: City staff is recommending changes to the ARPA Plan of Expenditure in order to reallocate unused funds from various categories to meet the obligation deadline of December 31, 2024. City staff recommends the allocation of \$456,837.20 of unused funds to Transportation District 1-5 Projects, and the allocation of the remaining approximately \$40,000 of unused funds to the Quill Water Treatment Plant Rehabilitation Project ("Quill Project").

Agenda Action: Formal Action / Motion **Time Requested:** 5 Minutes

Proposed Motion

I move to approve the reallocation of ARPA funds as discussed.

Board's Strategic Goal

Efficient Government

Previous Action

December 11, 2024 (Item 5.C) - The Regional Transportation Commission ("RTC") approved a recommendation to the Board of Supervisors ("Board") to allocate an additional \$456,837.20 in unused ARPA funds to ARPA District 2 and 4A Pavement Preservation projects and pavement preservation projects proposed on Hillview Drive and Lepire Drive.

September 19, 2024 (Item 19.C) - The Board approved changes to the ARPA Plan of Expenditure for the allocation of \$500,000 of undesignated funds to the Quill Project.

May 18, 2023 (Item 17.B) - The Board approved changes to the ARPA Plan of Expenditure for the allocation of \$410,000 of undesignated funds to the Centennial Park Tennis Courts Rehabilitation Project.

January 19, 2023 (Item 15.A) - The Board approved changes to the ARPA Plan of Expenditure allocations leaving an undesignated balance of \$841,601.

February 25, 2022 (Item 5.E) - The Board approved changes to the ARPA Plan of Expenditure.

August 5, 2021 (Item 12.B) - The Board approved the original ARPA Plan of Expenditure.

Background/Issues & Analysis

The current ARPA Plan of Expenditure includes \$2,250,000 for park restrooms; however, after the contracts were awarded at the December 5, 2024 Board meeting a balance remains of approximately \$400,248. In addition, it is estimated that unused amounts of \$9,319 from the City COVID-19 mitigation efforts allocation, approximately \$40,000 from the Night Off the Streets, Inc. ("NOTS") allocation, and \$47,270 from the Grants Coordinator allocation are available.

According to the 2022 Final Rule issued by the U.S. Department of the Treasury, recipients may use ARPA funding for the provision of government services up to a total of \$10,000,000. As such, the original ARPA Plan of Expenditure included \$2,500,000 in funding for Transportation District 1-5 Projects. In anticipation of the obligation deadline of December 31, 2024, staff is recommending that \$456,837.20 in unused funds identified above be reallocated to Transportation District 1-5 Projects as recommended by the RTC. Of that, \$256,837.20 would be used to fund a portion of Contract No. 25300285 - ARPA District 2 and 4A Pavement Preservation projects and \$200,000 would be used for two new, relatively small pavement preservation projects proposed on Hillview Drive and Lepire Drive.

The remaining unused funds of approximately \$40,000 would be allocated to another project; staff recommends the Quill Project, where a contract is already awarded, which would reduce the amount needed from the Water Fund. Finance will not know the exact balance of the unused NOTS award until the final reimbursement request is submitted in January 2025, for October through December 2024. It is clear that NOTS will not use all of their awarded ARPA funding; therefore, the request is to move any remaining funds to another project.

Applicable Statute, Code, Policy, Rule or Regulation

American Rescue Plan Act of 2021, Pub. L. No. 117-2 (2021).

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Grant Fund, General Government Department 2750600-50XXXX - ARPA Master Grant G070121010
Parks Restroom Sub Project #P504622005
ARPA District 2 and 4A Pavement Preservation Sub Projects #P303524009
Quill Sub Project #P350521004
Hillview Drive and Lepire Drive Projects #P (to be determined)

Is it currently budgeted? Yes

Explanation of Fiscal Impact: ARPA funding is currently budgeted. If approved, a transfer will be made to reallocate \$456,837.20 between ARPA projects. Administrative Salaries \$47,270 and COVID

19 mitigation efforts \$9,319 fall under the Master Project G070121010, and Project P504622005 Parks Restroom project will be reduced by \$400,248, the total of these three \$456,837.20, and if the reallocation is approved, will be added to the ARPA District 2 and 4A Pavement Preservation Projects P303524009 and the Hillview Drive and Lepire Drive projects. Additionally, it is anticipated that NOTS will have approximately \$40,000 or less at the conclusion of their award period December 31, 2024, which staff is requesting be transferred to Project P350521004 Quill Water Treatment Plant.

Alternatives

Do not approve the adjusted Plan of Expenditure.

Attachment(s):

[ARP Plan of Expenditure BOS Approved LTD spent 9_30_24.pdf](#)

[RTC Agenda Item 5.A.pdf](#)

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)