



## City of Colusa California

### STAFF REPORT

**DATE:** May 16, 2023  
**TO:** City of Colusa Mayor and Council Members  
**FROM:** Jesse Cain, City Manager

**AGENDA ITEM:**

Council to consider adopting resolution 23- ARPA spending plan.

**Recommendation:** Adopt Resolution 23-

On March 11, 2021, President Joe Biden signed the American Rescue Plan Act into law. ARPA, a substantial federal stimulus bill aimed at addressing many aspects and impacts of the COVID-19 pandemic. One component of the bill is the State and Local Fiscal Recovery portion, which allocates approximately \$350 billion in one-time federal funds directly to state, local, territorial, and tribal governments. The funds are intended to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. The City of Colusa's share of the funding is approximately \$1.44 million, calculated by the California Department of the Treasury.

On May 10, 2021, the Department of the Treasury released its Interim Final Rule describing the detailed requirements and rules surrounding using this one-time funding. There are four eligible categories of funding uses:

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.
2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.
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 before the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

On April 1, 2022, the Department of the Treasury released its Final Rule describing again the

detailed requirements and rules surrounding this one-time funding. The four (4) categories of funding remained from Interim Rule, with a few changes to cover broader spending, within four rules, for municipalities.

City Staff has presented spending requests individually to the Council in the last year, totaling spending of 20% of allocated one-time ARPA funds. The details and information for already approved and spent monies are noted below and in the attached spreadsheet.

Below are recommended uses by area of emphasis- based on **Department Heads recommendations.**

#### **Community Assistance Programs for Nonprofit and Community Organizations**

##### **- \$80,000**

- **Nonprofit & Community Organization Grant Program** \$30,000 - The pandemic has resulted in several Colusa NPO and Community Organizations losing valuable revenues from canceling events and fundraising opportunities. This program would allot \$15,000 per FY for two (2) fiscal years (23/24 and 24/25) for NPO and Organizations are to be granted seed money to bring their events and programming back or to build the momentum of events back to pre-pandemic numbers. Acceptable events would have requirements to serve as free to residents of Colusa and cannot be used for any personal, political, or closed events. Examples include Lion's Club Fair Parade, Lion's Club Easter Egg Hunt, Colusa Swim Teams Community Swim Meet, Helping Hands Weekly Meal Program, Scout Pancake Breakfast, etc. Funds not allocated in year one would roll over to year two.

- **Parks & Recreation Youth Camp Programming** - \$50,000- As parents have returned to the workplace and others struggle with having the resources needed to have recreation and educational opportunities for their children, staff is proposing to use ARPA funds provide funding through the Parks & Recreation Department to assist with the cost of childcare services to the community. This program would offer day and weekly FULL DAY camp/enrichment opportunities for little to no-cost during CUSD unscheduled school days. \$25,000 per year will cover additional temporary staffing needs and materials to host camps during Thanksgiving, Christmas, February, and Spring Breaks and misc. "no school" days throughout the year.

##### **Community Projects - \$100,000**

- **City Park Improvements** - \$100,000 – The pandemic brought our city parks to the forefront of our community's minds. They were used for play, entertainment, and gathering. With the uptick in park use, the current state of equipment was also brought to the attention of city staff by PRT Commissioners and many residents. Staff proposes \$100K to address and implement park improvements, including but not limited to tennis court repair and addition of lights, replacement of picnic tables and water

fountains, replacement of playground equipment as well as the addition of equipment to serve all abilities of our children.

#### **Workplace Safety, Technology, and Equipment Upgrades - \$1.037 million**

- **Colusa Fire Department Equipment Replacement** – \$315,145 – CFD needs have been minimally funded, resulting in aging and outdated necessary equipment. Having reliable fire trucks and apparatus for fire and emergency response is critical. Funding of \$315,145 is recommended to purchase equipment such as PPE, fire shelters, AED defibrillation, Vehicle extraction tool set, digital BK radios, and update a 30-year-old dispatch system. This new equipment would replace high-use gear that is outdated and unreliable.
- **Colusa Police Department Equipment Replacement** – \$156,200.00 – In 2022 Council approved the allocation of \$165,035 for two new patrol vehicles and additional equipment to outfit the cars. Approving the ARPA allocation would add \$156,200.00 for purchasing a third Patrol Vehicle, fully fitted as required. Having reliable patrol vehicles for emergency response and daily patrol is critical to ensure public safety. This new vehicle would replace a high mileage patrol vehicle that must be replaced within the following year. The total request also allows the Police Department to update it's very old and server, and purchase mobile radios for all officers to use.
- **Department of Public Works Equipment Upgrade** - \$241,000 - Due to decades of vehicle and equipment disinvestment from lack of funding, DPW vehicle and equipment needs have been minimally funded, resulting in an aging City fleet. This allocation would purchase one (1) new pick-up trucks and one (1) 3500 Flatbed Dump Truck, one (1) Cart Away system for small project cement work, such as curbs and sidewalks. both of which are used to serve many departments and needs of the City, such as road, tree, and part maintenance. They will also have increased use during the "leaf pick-up" to create a dependable and efficient schedule to keep debris-free roads and storm drains.
- **City Hall Master Server Replacement** - \$100,000 – The pandemic showed city staff that the importance of having the option to communicate via the web is essential and critical to continuing operations. An update to our Primary server will allow us to continue to provide better service to our residents and business, as well as enable our finance team to operate a new accounting software.
- **City Hall Multi line Phone System Update** - \$75,000 – The City's current phone system is over 25 years old, and replacement parts are no longer available. An update to our current multi-line system will allow us to open additional lines to residents, providing better customer service and support. This new system will enable all departments to communicate better than ever.
- **Accounting Software Update** - \$150,000 – The current accounting software the finance department uses is over 30 years old and does not allow city staff or Council to look at revenues and expenditures in a way that will enable and empower better decisions regarding the budget. The new software will also allow for refined canned and ad-hoc reporting, giving the City an edge in financial reporting it has not had before.

### **For Council Direction**

The spending plan presented above, reflects all request by Department Heads and City Manager, including previously discussed items that have alternative funding options. Itemized spending plan provided in attachment is a total of \$1,507,192.05 total spend. An overage of \$67,192.05 needs to be addressed.

Staff is asking for councils' consideration on what line items to remove to not exceed the \$1,440,000.00 full ARPA allotment.

#### **Options:**

Removal of Community Programing and Park Improvement's (-\$180,000) full or partial

Removal of 2 Police Vehicles and Build out to SLEFS (-\$110,000)

Removal of DPW Cart Away and Flatbed Truck out to LTF (-\$176,450)

Funds must be committed by December 31, 2024, and expended by December 31, 2026.

### **PUBLIC OUTREACH**

Council gave direction to staff at the Council meeting on April 5<sup>th</sup> 2022 to hold formal conversations with residents to inform them of the parameters of ARPA Funds, how they may be spent, and what community priorities are. Staff held two public meetings, the first on May 4, 2022, at the Colusa County Library and at the end of May 2022 at City Hall. Notice for these Community conversations was published in the newspaper, on City social media and Community monthly newsletters (print and email). In addition to community conversations, the Survey was open to all residents and community members. The Survey was "open" for participation for six weeks between May 2 and June 17th, 2023. The public was also welcome to contact staff via phone or email for conversations regarding ARPA and encouraged to participate in Survey after learning more. The survey results are featured on the first page of the included packet with spending details.

### **FINANCIAL IMPACTS**

The City's ARPA approximate funding allocation is \$1.4 million. The City has received approximately 100% of the allocation. Since March 1, 2021, \$289,847.00 (20%) has been spent with Council Approval. A recommended investment plan, including monies already allocated and spent, has been presented here and includes three areas of emphasis.

#### **Attachments:**

**Resolution 23-**

**Spending plan**