

Platinum Roads Panel  
October 20, 2022

Compliance Responsibilities –  
Activities Relevant to the Drainage Project(s)  
Funded by the American Rescue Plan Act

Eligible Uses:

The drainage improvement project(s) falls within the fourth statutory category of eligible uses for funds received under the State and Local Fiscal Recovery Funds (SLFRF): “To make necessary investments in water, sewer, or broadband infrastructure.”

Eligible Costs Timeframe:

- The SLFRF award funds may be used to cover eligible costs incurred during the period beginning March 3, 2021, and ending on December 31, 2024.
- Funds must be spent by December 31, 2026.
- Any funds not obligated or spent by these timelines must be returned to the U. S. Treasury.

Eligible Costs Principles:

- SLFRF funds may be used, but are not required to be, used along with other funding sources for an eligible project.
- SLFRF funds may be used for administering the program, including costs for consultants.

Other Requirements:

- The City must develop procedures, and retain records, to ensure funds are used for eligible purposes.
- The City must also develop and implement internal controls for the use of these funds.
- Reporting is required (this task will be assigned to the Office Administrator).

Specific to the Request for Proposals and Contract Award:

- Formal statement of mission, values, principles, and professional standards. This may include a code of conduct for contractors and subcontractors.
- Risk-based compliance monitoring. Periodic monitoring of projects funded by the SLFRF funds.
- Records maintenance: Records and financial documents relevant to this project and funds must be retained for a period of five (5) years after all funds have been spent.

### Civil Rights Compliance:

- The City, its consultants, and its contractors relevant to this project are required to meet all legal requirements relating to nondiscrimination.
  - The City must ensure its consultants, contractors, and subcontractors do not deny benefits, services, or opportunities on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity).
  - Procurement contracts must include a provision to this effect.

### Project and Expenditure Reports:

- As a non-eligible unit (NEU) the City of Woodcreek is not required to produce quarterly reports.
- There are required reporting periods – the City’s Administrator will be the primary responsible party for reporting, data entry, and interaction with the Treasury Portal.

### Project Expenditures – Required Information:

- Reporting Schedule – Once a project is entered, the report must include
  - Obligations and Expenditures.
    - Current period obligation
    - Cumulative obligation
    - Current period expenditure
    - Cumulative Expenditure
  - Project Status:
    - Not Started
    - Completed less than 50 percent
    - Completed 50 percent or more
    - Completed

### Awards, Contracts, Grants, Loans, Transfers, Direct Payments Reporting:

- Contracts, Awards, Subawards, Transfers, Loans, Grants
  - For contracts equal; to or greater than \$50,000
    - Identifying and demographic information (UEI/TIN and location)
    - Contract Number
    - Contract date, type, amount, and description
    - Payment method
    - Place of performance
    - Period of performance
    - Quarterly expenditures
    - Quarterly obligations

- Note: We are not required to provide monthly reports – once the Office Administrator has the opportunity to review the Treasury Portal, we will have more information on report timelines.

#### Other Reporting:

- Civil Rights Compliance: The U. S. Department of Treasury will request information on the City's compliance with Title VI of the Civil Rights Act of 1964, as amended, on annual basis.

#### **Required Programmatic Data for Infrastructure Projects:**

Water, Sewer, and Broadband Expenditure Categories have requirements for more detailed project-level information. The project is required to report expenditure data described above, but it is also required to report the following information:

- Projected/actual construction start date (month and year)
- Projected/actual initiation of operations/completion date (month and year)
- Location

Once the project starts there may be additional requirements – the current documents from the U. S. Treasury seem to require information on median household income of service area and lower quintile income of the service area.

#### **Distribution to NEU's**

The City of Woodcreek received the funds of this award through the State of Texas (The Division of Emergency Management) rather than a direct award from the Federal Government. Because of population and rural status, the City was not eligible to participate in the initial award. Once distribution to eligible units was complete, surplus funds were available for distribution, and that responsibility was given to the State of Texas (TDEM).

Once we start reporting, which will be done through our Office Administrator, we will have specific requirements to identify ourselves as an NEU.