

American Rescue Plan Act Overview



Castle Pines North Metro District
Board of Director's Meeting

March 21, 2022

Staff Representative: Dan Avery

Timing

- American Rescue Plan Act passed in March of 2021.
- Douglas County received 50% of the funds in May of 2021 and will receive the other 50% in May of 2022
- Covers expenses beginning March 3, 2021
- Interim Rule issued in May of 2021
- Final Rule issued in February of 2022
- Expenses incurred and funds obligated by December 31, 2024
- Funds are to be fully expended with relevant work complete by December 31, 2026

Douglas County Allocations

- \$68,207,548 to Douglas County
- \$5,703,100 to Castle Rock
- \$4,452,437 to Parker
- \$3,288,157 to Lone Tree
- \$2,705,277 to Castle Pines
- \$53,286 to Larkspur

Process to Date

- 2Q 2021:
 - Internal Needs Assessment
 - Stakeholder groups and task forces:
 - Mental Health Initiative
 - Housing Partnership
 - Human Needs Task Force
 - Pastor Roundtable
 - Community of Care service providers
 - Homeless Initiative
 - IDD service providers
- 2Q and 3Q, 2021:
 - Proposal consideration in public work sessions

Process to Date

- 4Q 2021:
 - Water and Wastewater project solicitation
 - Live Town Hall
 - Development of Funding Principles and Priority Investment Areas
 - Approved funding for:
 - Broadband needs assessment
 - Operational support for Rocky Mountain Crisis Partners (988 suicide prevention hotline)
- 1Q 2022:
 - Analysis of Treasury Final Rule, Infrastructure Bill, State ARPA working groups
 - Water Supply Project review
 - RWR due diligence process
 - Platte Valley Water Partnership work session
 - Highway 85 wastewater work sessions

Principles and Priorities

Funding Principles

- One-time funding for legacy benefit
- Responsive to immediate needs, then forward looking
- Integration with Board Priorities
- Avoid duplication with other sources and leverage partnership opportunities

Initial Priority Investment Areas

- Mental health
- Water and wastewater
- Broadband
- Community and Economic Recovery
- Other: Public health investments

ARPA Uses: Responding to the Public Health Emergency

- COVID-19 Mitigation and Prevention
 - Vaccination programs, PPE, disinfection, ventilation, temporary medical facilities
- Medical Expenses including sick/family and medical leave
- Behavioral Health Care
 - Mental health treatment, substance misuse treatment, and other behavioral health services
- Public Health and Safety Staff (COVID specific staff time)
- Establishing or enhancing public health data systems (to improve programs addressing COVID)

ARPA Uses: Economic Recovery

- Job training and other assistance to unemployed workers
- Aid to Small Businesses and Non-profits
 - Loans or grants to mitigate financial hardship including payroll, mortgage, rent, utility, and operational costs.
- Aid to Impacted Industries
 - Tourism, travel, hospitality, other

ARPA Uses: Community Recovery

- Household Assistance
 - Food programs; rent, mortgage and utility aid; cash transfers; internet access programs; eviction prevention
- Projects that facilitate access to health and social services.
- Programs or services that address housing insecurity, lack of affordable housing, or homelessness
- Projects that address or mitigate the impacts of the COVID-19 public health emergency on education.
- Projects that address or mitigate the impacts of the COVID-19 public health emergency on childhood health or welfare.

ARPA Uses: Infrastructure Investments

- Water Infrastructure
- Storm water management
- Wastewater Infrastructure
- Broadband in locations without reliable wireline
100 Mbps download/20 Mbps upload

PROJECTS ELIGIBLE UNDER EPA'S DRINKING WATER STATE REVOLVING FUND (DWSRF)

Eligible drinking water projects under the DWSRF, and the final rule, include:

- ✓ Facilities to improve drinking water quality
- ✓ Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- ✓ New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage
- ✓ Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- ✓ Storage of drinking water, such as to prevent contaminants or equalize water demands
- ✓ Purchase of water systems and interconnection of systems
- ✓ New community water systems

PROJECTS ELIGIBLE UNDER EPA'S CLEAN WATER STATE REVOLVING FUND (CWSRF)

Eligible projects under the CWSRF, and the final rule, include:

- ✓ Construction of publicly owned treatment works
- ✓ Projects pursuant to implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- ✓ Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- ✓ Management and treatment of stormwater or subsurface drainage water
- ✓ Water conservation, efficiency, or reuse measures
- ✓ Development and implementation of a conservation and management plan under the CWA
- ✓ Watershed projects meeting the criteria set forth in the CWA
- ✓ Energy consumption reduction for publicly owned treatment works
- ✓ Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- ✓ Security of publicly owned treatment works

ADDITIONAL ELIGIBLE PROJECTS

With broadened eligibility under the final rule, SLFRF funds may be used to fund additional types of projects— such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined below.

- ✓ Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure
- ✓ Infrastructure to improve access to safe drinking water for individual served by residential wells, including testing initiatives, and treatment/remediation strategies that address contamination
- ✓ Dam and reservoir rehabilitation if primary purpose of dam or reservoir is for drinking water supply and project is necessary for provision of drinking water
- ✓ Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities

A “necessary” investment in infrastructure must be:

- (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise,
- (2) a cost-effective means for meeting that need, taking into account available alternatives, and
- (3) for investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life.

ARPA Uses: Other Expenditure Categories

- Premium pay for eligible essential workers subject to specific limitations
- Local government revenue replacement
- Rehiring State, Local, and Tribal Government Staff (to pre-pandemic levels **plus 7.5%**)
- Expenses to Improve Efficacy of Economic Relief Programs
- Certain capital expenditures
- Can't be used for pension contributions, debt service, reserves, court settlements, and financing activities.

CAPITAL EXPENDITURES

EXAMPLES <u>ELIGIBLE</u> CAPITAL EXPENDITURE PROJECTS	EXAMPLES <u>INELIGIBLE</u> CAPITAL EXPENDITURE PROJECTS
<ul style="list-style-type: none">• Schools• Childcare facilities• Medical facilities generally dedicated to COVID-19 treatment and mitigation (i.e. ICUs, emergency rooms, etc.)• Temporary medical facilities• Emergency operation centers• Behavioral health facilities• Affordable housing and permanent supportive housing• Primary care clinics, hospitals• Improvements to vacant/abandoned properties	<ul style="list-style-type: none">• Construction of new correctional facilities• Construction of new congregate facilities• Construction of convention centers, stadiums and other larger capital projects intended for general economic development