

ARPA FUND SUGGESTIONS:

To date, the following suggestions have been submitted for Selectboard consideration:

Newly added to the list:

~ I'd like some funds to digitize additional land records. One land record book cost is approximately \$600. We've digitized 11 books back to December 2014.

Digitizing records is an eligible use of ARPA funds.

Ideally attorneys research 40 years which would equate to another 59 books at a cost of \$35,400. I'd be happy to receive any amount.

See above.

Can we recoup the \$23,277.51 in lost ordinance fine income?

This may be able to be replenished up to an amount calculated by the REVENUE LOSS CALCULATION

Would a dog park qualify?

There are multiple ways that investments in improving outdoor spaces could qualify as eligible uses; several are highlighted below, though there may be other ways that a specific investment in outdoor spaces would meet eligible use criteria.

First, in recognition of the disproportionate negative economic impacts on certain communities and populations, the Interim Final Rule identifies certain types of services that are eligible uses when provided in a Qualified Census Tract (QCT), to families and individuals living in QCTs, or when these services are provided by Tribal governments. Recipients may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic.

These programs and services include services designed to build stronger neighborhoods and communities and to address health disparities and the social determinants of health. The Interim Final Rule provides a non-exhaustive list of eligible services to respond to the needs of communities disproportionately impacted by the pandemic, and recipients may identify other uses of funds that do so, consistent with the Rule's framework. For example, investments in parks, public plazas, and other public outdoor recreation spaces may be responsive to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.

Second, recipients may provide assistance to small businesses in all communities. Assistance to small businesses could include support to enhance outdoor spaces for COVID-19 mitigation (e.g., restaurant patios) or to improve the built environment of the neighborhood (e.g., façade improvements).

Third, many governments saw significantly increased use of parks during the pandemic that resulted in damage or increased maintenance needs. The Interim Final Rule recognizes that “decrease[s to] a state or local government’s ability to effectively administer services” can constitute a negative economic impact of the pandemic.

~The wastewater treatment facility needs it's 20-year evaluation and that will bring out issues through the engineers report. The plant needs work and is showing its age.

I believe it was determined that this was already budgeted.

The emergency source needs a face lift. Fence trees etc... just keeps getting put off.

The Interim Final Rule generally aligns eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency’s Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

Under the DWSRF, categories of eligible projects include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.

Under the CWSRF, categories of eligible projects include: construction of publicly-owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

As mentioned in the Interim Final Rule, eligible projects under the DWSRF and CWSRF support efforts to address climate change, as well as to meet cybersecurity needs to protect water and sewer infrastructure. Given the lifelong impacts of lead exposure for children, and the widespread nature of lead service lines, Treasury also encourages recipients to consider projects to replace lead service lines.

We are switching to smart meters. Budget for only 40 per year so slow. Lots of old pipe could be replaced. Lodge line needs replacing its currently leaking again.

See Above.

Upgrade the ballfield concessions to a building with water.

See Dog Park Response. Also...

Recipients may use funds for maintenance of infrastructure or pay-go* spending for building of new infrastructure as part of the general provision of government services, to the extent of the estimated reduction in revenue due to the public health emergency. A general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

*Pay-go infrastructure funding refers to the practice of funding capital projects with cash on hand from taxes, fees, grants, and other sources rather than borrowed sums.

The sewer collection could use a good evaluation. Cleaning and camera work. Manhole to manhole.

See response to “The emergency source needs a face lift. Fence trees etc... just keeps getting put off.”

Leak detection equipment, portable generator, cut off saw and gas trash pump are all big ticket items needed. Submitted by Chris Hayes, Simons Operations.

See response to “The emergency source needs a face lift. Fence trees etc... just keeps getting put off.”

~ Clean municipal stormwater drains in the village – typically costs about \$2,500 annually.

See response to “The emergency source needs a face lift. Fence trees etc... just keeps getting put off.”

”

~ How About helping Wallingford Rescue Squad update some of their equipment. The Squad could use one updated monitor from a 4 lead to a 12 lead. The Squad does have one 12 monitor and must switch it to the ambulance that's first up in a given month as we switch ambulances each month to keep them in running condition. The second ambulance is back up and has the out dated 4 lead monitor. Submitted by Ed Dias, note that Eric Davenport sent an email indicating Ed did not have the authority to speak on Wallingford Rescue's behalf.

The Sub-recipient (Rescue Squad) would have to use the funds for eligible ARPA projects and expenditures. I will look further into how equipment falls under those guidelines.

Previous List already sent to you:

~ **The Gilbert Hart Library would like to request the possibility of leveraging some of the ARPA funds to help fund the replacement of the hip tiles in the library's roof. We anticipate that the project could run in the neighborhood of \$10,000 – submitted by Michael Luzader.**

See Response to **“Upgrade the ballfield concessions to a building with water.”**

Also...A general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

~ **I would love to see a year-round walking/bike/general rec path. The stone meadow is fabulous, but I'd love something during the winter I could go for a casual walk with my family on.**

See response to **“Would a dog park qualify?”**

Another thought - grants to businesses in town that have started during the pandemic, and have chosen to be based in Wallingford – submitted by Abbey Harlow.

Assistance to small business and non-profits includes, but is not limited to:

- loans or grants to mitigate financial hardship such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs;
- Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs; and
- Technical assistance, counseling, or other services to assist with business planning needs

~ **Broadband in the South Wallingford area, specifically from the Sparkle Barn to the Danby/Wallingford line, including Hartsboro and Homer Stone Roads – submitted by Jill Stone Teer.**

The Interim Final Rule requires eligible projects to reliably deliver minimum speeds of 100 Mbps download and 100 Mbps upload. In cases where it is impracticable due to geography, topography, or financial cost to meet those standards, projects must reliably deliver at least 100 Mbps download speed, at least 20 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.

Projects must also be designed to serve unserved or underserved households and businesses, defined as those that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed.

~ Replace/upgrade water lines – submitted by Anne Awad.

The Interim Final Rule generally aligns eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

Under the DWSRF, categories of eligible projects include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.

Under the CWSRF, categories of eligible projects include: construction of publicly-owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

As mentioned in the Interim Final Rule, eligible projects under the DWSRF and CWSRF support efforts to address climate change, as well as to meet cybersecurity needs to protect water and sewer infrastructure. Given the lifelong impacts of lead exposure for children, and the widespread nature of lead service lines, Treasury also encourages recipients to consider projects to replace lead service lines.

~ Update water lines – submitted by Bill Brooks.

See Above

~ I would hope that some of the funds can be invested in local businesses, especially nonprofits. I recently began working at Lenny Burke Farm and the people they serve could greatly benefit from everyday personal technology, like smart speakers (i.e.) Amazon Echo) tablets and SmartTVs. While there is an ongoing effort to bring broadband to more Vermonters, many people can't afford the devices that allow them to connect and actively participate in the virtual world. These digital devices and training in their use, would allow more people to have opportunities for lifelong learning and participation in their community. There is definitely a need for local "digital equity." – submitted by Jordan Jankus.

Yes, provided that the loan is an eligible use and the cost of the loan is tracked and reported in accordance with the points that follow. See 31 CFR 35.6. For example, a recipient may use Coronavirus State and Local Fiscal Recovery Funds to make loans to small businesses. See 31 CFR 35.6(b)(6). In addition, a recipient may use Funds to finance a necessary investment in water, sewer or broadband, as described in the Interim Final Rule. See 31 CFR 35.6(e). Funds must be used to cover "costs incurred" by the recipient between March 3, 2021, and December 31, 2024, and Funds must be expended by December 31, 2026. See Section III.D of the Interim Final Rule; 31 CFR 35.5. Accordingly, recipients must be able to determine the amount of Funds used to make a loan.

- For loans that mature or are forgiven on or before December 31, 2026, the recipient must account for the use of funds on a cash flow basis, consistent with the approach to loans taken in the Coronavirus Relief Fund.
 - o Recipients may use Fiscal Recovery Funds to fund the principal of the loan and in that case must track repayment of principal and interest (i.e., “program income,” as defined under 2 CFR 200).
 - o When the loan is made, recipients must report the principal of the loan as an expense.
 - o Repayment of principal may be re-used only for eligible uses, and subject to restrictions on timing of use of funds. Interest payments received prior to the end of the period of performance will be considered an addition to the total award and may be used for any purpose that is an eligible use of funds under the statute and IFR. Recipients are not subject to restrictions under 2 CFR 200.307(e)(1) with respect to such payments.

- For loans with maturities longer than December 31, 2026, the recipient may use Fiscal Recovery Funds for only the projected cost of the loan. Recipients may estimate the subsidy cost of the loan, which equals the expected cash flows associated with the loan discounted at the recipient’s cost of funding. A recipient’s cost of funding can be determined based on the interest rates of securities with a similar maturity to the cash flow being discounted that were either (i) recently issued by the recipient or (ii) recently issued by a unit of state, local, or Tribal government similar to the recipient. Recipients that have adopted the Current Expected Credit Loss (CECL) standard may also treat the cost of the loan as equal to the CECL-based expected credit losses over the life of the loan. Recipients may measure projected losses either once, at the time the loan is extended, or annually over the covered period. Under either approach for measuring the amount of funds used to make loans with maturities longer than December 31, 2026, recipients would not be subject to restrictions under 2 CFR 200.307(e)(1) and need not separately track repayment of principal or interest.

I asked RRPC’s Eric Hall to research use of ARPA Funds for the following:

- 1) What is the process for transferring funds to Fire District #1 in Wallingford for water and sewer projects? Once transferred, is the Town or Fire District responsible for spending the funds according to ARPA rules?**

The recipient (TOWN) remains responsible for monitoring and overseeing the subrecipient’s use of Fiscal Recovery Funds and other activities related to the award to ensure that the subrecipient complies with the statutory and regulatory requirements and the terms and conditions of the award. Recipients also remain responsible for reporting to Treasury on their subrecipients’ use of payments from the Fiscal Recovery Funds for the duration of the award.

Compliance and Reporting:

- a. Metros just completed their Interim Reporting with expenditures by category as of July 31st. It was due August 31st.
- b. NEUs and Metros have their first Project and Expenditure Reports due to Treasury by October 31st. ***EXTENDED TO 4/30/2022.

c. It will cover the period of “Award Date-September 30, 2021.” Some things to remember for your munis when the time comes:

- i. NEUs will need their “NEU Recipient Number.” This is a unique identification code for each NEU assigned by the State to the NEU as part of its request for funding. It was contained in the confirmation email that was sent to each municipality after they successfully certified. I have asked my partners at AoA to add the NEU Recipient Number to the Local Fiscal Recovery Payments file to help eliminate panic when the time comes. Hopefully we will see that file updated in the near future.
- ii. Tip (you will see it in our biweekly email)– urge your municipalities to not formally identify projects or spend any ARPA dollars, if possible, until after September 30th. This will mean the reporting to Treasury will be just the bare minimum for this first go round, allowing munis to get their feet wet in the portal without a huge learning curve. If they can go this route, then the requirements will be easy:

- j. **NEU Documentation (NEUs only):** Each NEU will also be asked to provide the following information with their first report submitted by October 31, 2021:
 - Copy of the signed award terms and conditions agreement (which was signed and submitted to the State as part of the request for funding)
 - Copy of the signed assurances of compliance with Title VI of the Civil Rights Act of 1964 (which was signed and submitted to the State as part of the request for funding)
 - Copy of actual budget documents validating the top-line budget total provided to the State as part of the request for funding

- iii. I emailed Treasury about when we can expect a User Guide for NEUs. This response: *“There is currently no set date for when the Project and Expenditure Reporting User Guide will be published, but recipients will receive an email when it is available and it will be posted to Treasury's website.”*
- iv. Let’s wait to push NEUs to go through the ID.me process until we know for sure that Treasury is going to require this.
- v. When the State does their Interim Reporting this week, they will be passing along to Treasury the municipal information they gathered through the certification process. Treasury will use this information to contact municipalities when the time comes. Now we wait....

- 2) **Can ARPA funds be used to hire someone to assess the Town Hall cybersecurity and then complete upgrades as needed?** YES as long as funds are then spend to make the recommended upgrades.
- 3) **Can ARPA funds be used to purchase a generator for Town Hall as it is the LEOP headquarters in the event of an emergency?** IMPROVEENTS & UPGRADES TO AN EOC APPEAR TO BE ELIGIBLE USES OF ARPA FUNDS.
- 4) **Is there a process/formula to distribute ARPA funds to businesses impacted by the pandemic?** YES PROVIDED THAT THE EXTENT OF THE IMPACT IN SUCH INDUSTRIES AS COMPARED TO TOURISM/TRAVEL/HOSPITALITY – MAKE SURE IMPACTS WERE DUE TO COVID-19 NOT JUST LONGER-TERM ECONOMIC OR INDUSTRIAL TRENDS UNRELATED TO THE PANDEMIC
- 5) **Is there any way the Town can build a salt shed with ARPA funds?** Up to the amount of the Lost Revenue Calculation Possibly. Otherwise A general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless

the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

Other ideas discussed during Select Board meetings:

Installing public access wifi at Town Hall and possibly the town garage

This is likely eligible

Insulating the Town Hall basement since it houses the food shelf (As the EOC, then Maybe)

Air purifier at Town Hall YES

heat pumps at Town Hall YES As long as it improves ventilation

Dehumidifier system for Town Hall basement MAYBE (this might be a stretch)

Clean out storm drains as part of stormwater infrastructure; SEE WATER/WASTEWATER DISCUSSIONS ABOVE

Recovering lost municipal revenue due to COVID UP TO REVENUE LOSS CALCULATION

~ I've heard other communities hoping to use funds to replace playground equipment...I wonder if the Meadow Street playground equipment could be replaced or install playground equipment at Elfin Lake. **SEE DOG PARK RESPONSE ABOVE**

~I've read where Towns outside of Vermont plan to use ARPA funds for new roofs on municipal buildings and new furnaces. Town Hall's furnace will need to be replaced within the next 5 years. Some Towns are using funds to replace voting machines.

General infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

~ **Fund other non-profit requests – The Wallingford Rescue Squad; local church roof/steeple/paint projects; Wallingford Historical Society project, etc.**

What types of services are eligible as responses to the negative economic impacts of the pandemic?

Eligible uses in this category include assistance to households; small businesses and non-profits; and aid to impacted industries.

Assistance to households includes, but is not limited to: food assistance; rent, mortgage, or utility assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance;

emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training to address negative economic or public health impacts experienced due to a worker's occupation or level of training.

Assistance to small business and non-profits includes, but is not limited to:

- loans or grants to mitigate financial hardship such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs;
- Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs; and
- Technical assistance, counseling, or other services to assist with business planning needs

Projects the Town was told that were not allowed: sidewalk repairs, paving and/or bridge projects.

General infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).