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**Title:** CONSIDER QUARTERLY FINANCIAL STATUS REPORT ON THE CITY OF CARSON PROJECTS BEING FUNDED BY THE AMERICAN RESCUE PLAN ACT (ARPA).

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**Attachments:** 1. EXHIBIT 1-FY 22-23 ARPA THIRD QUARTER REPORT POWERPOINT, 2. EXHIBIT 2-SMALL BUSINESS GRANTS RECIPIENTS

Date	Ver.	Action By	Action	Result
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**Report to Mayor and City Council**

Tuesday, April 18, 2023

Consent

**SUBJECT:**

**CONSIDER QUARTERLY FINANCIAL STATUS REPORT ON THE CITY OF CARSON PROJECTS BEING FUNDED BY THE AMERICAN RESCUE PLAN ACT (ARPA).**

**I. SUMMARY**

This is a quarterly financial report to the City Council to provide a status update on how ARPA (American Rescue Plan Act) is being used and provide an overview projects timeline, budget and estimated date of completion.

**II. RECOMMENDATION**

RECEIVE and FILE.

**III. ALTERNATIVES**

TAKE any other action the City Council deems appropriate.

## **IV. BACKGROUND**

The American Rescue Plan act is a federal stimulus plan to provide funding to State and Local Governments to assist communities in recovering from the COVID-19 pandemic. The City of Carson received \$17.8 million and on March 15, 2022, the City Council issued specific earmarks for the use of ARPA funds (Budget Resolution 22-039). Per United States Treasury guidelines for ARPA, funds must be obligated by December 31, 2024, and fully expensed by December 31, 2026. City of Carson spent \$11.2 million Year to Date. There is \$6.4 million left and the status updates for each project financed by ARPA is below:

### **\$3.4 Million Citywide Slurry Seal Project**

On September 6<sup>th</sup>, 2022, Council approved contract to be awarded to Petrochem Materials Innovation, LLC. A month later the contract was fully executed, and Purchase Order was issued. The total cost of this project is estimated at \$3.1 million. According to Staff Report 2022-730 presented to Council, the project will seal approximately 35 miles of streets throughout the City of Carson in an equitable manner for each district. The rubberized slurry seal provided better protection to pavement deterioration. The seal is cost effective approach to extending life of pavement and preserving structural capacity.

\$20,000 was spent on the Citywide Rubberized Slurry Seal Project during the third quarter. Record rainfall from January to March delayed completion of the project. Currently there is 40% of the City sealing to be completed. Estimated timeframe of completion between May 1, 2023 and June 15, 2023.

### **\$2.1 Million Tyler Munis/EnerGov Upgrade**

On July 19<sup>th</sup>, 2022, Council approved awarding contract to Integrated Technology Partners to upgrade Tyler Munis software, migrate it offsite to the Cloud, implement EnerGov, and add Tyler Payment Systems. The upgrade will be a “5” version improvement from the current version 11.3 to 2021.5. The migration will move Tyler Munis from “on premises” to be stored in the “Cloud” which will increase Disaster Recovery capabilities. The upgrade will also enhance features which will improve Human Capital Management, Budgeting/Accounting, Procurement/Contract Management, and Financial Reporting. The Tyler Munis upgrade and migration was completed in February 2023. Energov is projected to be completed next year in March 2024.

### **\$1.5 Million Small Business Grants**

On June 21<sup>st</sup>, 2022, Council approved apportionment of \$1 million dollars in ARPA funds for Small Business Grants. On January 17<sup>th</sup> 2023, Council approved to increase apportionment by \$500,000. The premise of the program is to assist business currently affected by the Covid-19 mandated shutdown during the height of the pandemic. Staff provided to Council eligibility criteria, goals, and objectives, and a minimum and maximum range for the grants. Small Business was defined as businesses that employ 1 to 50 employees. The grant amounts range from

\$5,000 to \$25,000. A scoring system determines eligibility and grant amount awarded. Staff initiated review of grant application back in November 2022 and has worked closely with applicants to assemble necessary documentation. At the end of March 2023, a total of 82 application were received. 21 grants have been processed totaling \$440,000 or 30% of \$1.5 million earmarked for this initiative. Grants awarded ranged from \$10,000, \$15,000, \$20,000, and \$25,000 depending on eligibility. See **Exhibit (2)** for listing of businesses that received the grant from City of Carson.

### **\$758,000 Non-Capitalized Items**

During Fiscal Year 21-22 Budget workshop, Council requested staff to provide a list of non-capitalized equipment needs for parks and programs. \$83,000 have been spent Year-to-Date. The items that made up \$83,000 in items purchased are \$47,000 for Carson Event Center Tables, \$9,000 for fence panels, \$7,000 for Community Center Carts, \$6,000 for Supplies, \$5,000 for Community Center Dance Floor Panels, \$2,000 for Carson Center Landscaping, and \$2,000 Storage racks. Staff have planned additional purchases to spend down the remaining \$675,000 by year end.

### **\$250,000 Broadband RFP**

Per Council approval, \$250,000 earmarked for the Broadband RFP will be reallocated to the Small Business Grant Program. Once the assessment is completed, Staff will know the location of greatest need thereby \$250,000 in ARPA funds will be expensed in implementation. The estimated timeframe of completion is in the year 2025. Staff will issue a Request for Proposal (RFP) in January 2023 seeking a consultant to inventory the current broadband assets in the City, conduct a needs assessment, identify broadband service gaps, develop conceptual network design, a phased implementation plan, and assist with evaluating potential partners. Staff will also research potential grant opportunities to fund engineering design, construction management, and cost. Six proposals were received, and three were selected for interviews conducted on March 27, 2023. A notice of intent was issued on April 10, 2023. Recommendations to award contact is planned for May 2, 2023 Council Meeting. If approved by Council, the estimated project timeline will be 8 months and staff intends to provide updates throughout the process.

### **\$350,000 Wi-Fi at the Park**

Project supports Council vision to provide free access to the Internet (Via WIFI) for Carson residents at the City's major parks, Community Center, and City Hall. On September 20<sup>th</sup>, 2022, Council approved contract with Datagear, Inc to provide complete installation and configuration of the network, and contractor will support and maintain infrastructure for period of 3 years. Total cost of the project is \$420,272.94, which exceeded \$350K in ARPA funds awarded. The remaining \$70,000 was paid by the General Fund. Delays in delivery of equipment due to supply chain constraints may extend project completion from First Quarter of

2023 to Fourth Quarter 2023.

### **\$330,000 Emergency Operations Center Upgrade**

Currently Staff is in process of soliciting rates for services from consulting firms to provide three conceptual planning designs. Given the estimated cost of the project which is projected to exceed the earmarked \$330K the goal is to coordinate with approved consultants that Engineering has existing contracts to potentially include this project with scope of work to help expedite the process and maintain control on cost.

### **V. FISCAL IMPACT**

No Fiscal Impact, all remaining ARPA Funds from FY 21-22 was carryforward to FY 22-23.

### **VI. EXHIBITS**

1. ARPA FY 22-23 Third Quarter Report Power Point (pgs.5-17)
2. Small Business Grant recipients (pgs.18)

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