Introduction

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, delivers $350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The program ensures that governments have the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue, and
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

EARLY PROGRAM IMPLEMENTATION

In May 2021, Treasury published the Interim final rule (IFR) describing eligible and ineligible uses of funds (as well as other program provisions), sought feedback from the public on these program rules, and began to distribute funds. The IFR went immediately into effect in May, and since then, governments have used SLFRF funds to meet their immediate pandemic response needs and begin building a strong and equitable recovery, such as through providing vaccine incentives, development of affordable housing, and construction of infrastructure to deliver safe and reliable water.

As governments began to deploy this funding in their communities, Treasury carefully considered the feedback provided through its public comment process and other forums. Treasury received over 1,500 comments, participated in hundreds of meetings, and received correspondence from a wide range of governments and other stakeholders.

KEY CHANGES AND CLARIFICATIONS IN THE FINAL RULE

The final rule delivers broader flexibility and greater simplicity in the program, responsive to feedback in the comment process. Among other clarifications and changes, the final rule provides the features below.

Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of up to $10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

Public Health and Economic Impacts

In addition to programs and services, the final rule clarifies that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, hospitals, and other projects consistent with final rule requirements.

In addition, the final rule provides an expanded set of households and communities that are presumed to be "impacted" and "disproportionately impacted" by the pandemic, thereby allowing recipients to provide responses to a broad set of households and entities without requiring additional analysis. Further, the final rule provides a broader set of uses available for these communities as part of COVID-19 public health and economic response, including making affordable housing, childcare, early learning, and services to address learning loss during the pandemic eligible in all impacted communities and making certain community development and neighborhood revitalization activities eligible for disproportionately impacted communities.

Further, the final rule allows for a broader set of uses to restore and support government employment, including hiring above a recipient's pre-pandemic baseline, providing funds to employees that experienced pay cuts or furloughs, avoiding layoffs, and providing retention incentives.

Premium Pay

The final rule delivers more streamlined options to provide premium pay, by broadening the share of eligible workers who can receive premium pay without a written justification while maintaining a focus on lower-income and frontline workers performing essential work.

Water, Sewer & Broadband Infrastructure

The final rule significantly broadens eligible broadband infrastructure investments to address challenges with broadband access, affordability, and reliability, and adds additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater management projects.

FINAL RULE EFFECTIVE DATE

The final rule takes effect on April 1, 2022. Until that time, the interim final rule remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program.

However, recipients can choose to take advantage of the final rule's flexibilities and simplifications now, even ahead of the effective date. Treasury will not take action to enforce the interim final rule to the extent that a use of funds is consistent with the terms of the final rule, regardless of when the SLFRF funds were used. Recipients may consult the *Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule*, which can be found on Treasury's website, for more information on compliance with the interim final rule and the final rule.

Overview of the Program

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program provides substantial flexibility for each jurisdiction to meet local needs within the four separate eligible use categories. This Overview of the Final Rule addresses the four eligible use categories ordered from the broadest and most flexible to the most specific.

Recipients may use SLFRF funds to:

- **Replace lost public sector revenue**, using this funding to provide government services up to the amount of revenue loss due to the pandemic.
    - Recipients may determine their revenue loss by choosing between two options:
        - A standard allowance of up to $10 million in aggregate, not to exceed their award amount, during the program;
        - Calculating their jurisdiction's specific revenue loss each year using Treasury's formula, which compares actual revenue to a counterfactual trend.
    - Recipients may use funds up to the amount of revenue loss for government services; generally, services traditionally provided by recipient governments are government services, unless Treasury has stated otherwise.
- **Support the COVID-19 public health and economic response** by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector.
    - Recipients can use funds for programs, services, or capital expenditures that respond to the public health and negative economic impacts of the pandemic.
    - To provide simple and clear eligible uses of funds, Treasury provides a list of enumerated uses that recipients can provide to households, populations, or classes (i.e., groups) that experienced pandemic impacts.
    - Public health eligible uses include COVID-19 mitigation and prevention, medical expenses, behavioral healthcare, and preventing and responding to violence.
    - Eligible uses to respond to negative economic impacts are organized by the type of beneficiary: assistance to households, small businesses, and nonprofits.
        - Each category includes assistance for "impacted" and "disproportionately impacted" classes: impacted classes experienced the general, broad-based impacts of the pandemic, while disproportionately impacted classes faced meaningfully more severe impacts, often due to preexisting disparities.
        - To simplify administration, the final rule presumes that some populations and groups were impacted or disproportionately impacted and are eligible for responsive services.

- Eligible uses for assistance to impacted households include aid for re-employment, job training, food, rent, mortgages, utilities, affordable housing development, childcare, early education, addressing learning loss, and many more uses.
- Eligible uses for assistance to impacted small businesses or nonprofits include loans or grants to mitigate financial hardship, technical assistance for small businesses, and many more uses.

- Recipients can also provide assistance to impacted industries like travel, tourism, and hospitality that faced substantial pandemic impacts, or address impacts to the public sector, for example by re-hiring public sector workers cut during the crisis.
- Recipients providing funds for enumerated uses to populations and groups that Treasury has presumed eligible are clearly operating consistently with the final rule. Recipients can also identify (1) other populations or groups, beyond those presumed eligible, that experienced pandemic impacts or disproportionate impacts and (2) other programs, services, or capital expenditures, beyond those enumerated, to respond to those impacts.

- **Provide premium pay for eligible workers performing essential work**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.
  - Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors -- who are below a wage threshold or non-exempt from the Fair Labor Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work.
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet.
  - Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA's Clean Water State Revolving Fund, EPA's Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.
  - Recipients may fund high-speed broadband infrastructure in areas of need that the recipient identifies, such as areas without access to adequate speeds, affordable options, or where connections are inconsistent or unreliable; completed projects must participate in a low-income subsidy program.

While recipients have considerable flexibility to use funds to address the diverse needs of their communities, some restrictions on use apply across all eligible use categories. These include:

- **For states and territories:** No offsets of a reduction in net tax revenue resulting from a change in state or territory law.

- **For all recipients except for Tribal governments:** No extraordinary contributions to a pension fund for the purpose of reducing an accrued, unfunded liability.

- **For all recipients:** No payments for debt service and replenishments of rainy day funds; no satisfaction of settlements and judgments; no uses that contravene or violate the American Rescue Plan Act, Uniform Guidance conflicts of interest requirements, and other federal, state, and local laws and regulations.

Under the SLFRF program, funds must be used for costs incurred on or after March 3, 2021. Further, funds must be obligated by December 31, 2024, and expended by December 31, 2026. This time period, during which recipients can expend SLFRF funds, is the "period of performance."

In addition to SLFRF, the American Rescue Plan includes other sources of funding for state and local governments, including the Coronavirus Capital Projects Fund to fund critical capital investments including broadband infrastructure; the Homeowner Assistance Fund to provide relief for our country's most vulnerable homeowners; the Emergency Rental Assistance Program to assist households that are unable to pay rent or utilities; and the State Small Business Credit Initiative to fund small business credit expansion initiatives. Eligible recipients are encouraged to visit the Treasury website for more information.

Maine Municipal Association
MMA Legal Services

American Rescue Plan:
Considerations for Municipalities

MMA Legal Services

(Current as of January 1, 2022)

Update: The U.S. Treasury Department issued a final regulation governing use of American Rescue Plan (ARPA) funds on January 6, 2022. The Final Rule significantly broadens eligible uses of ARPA funds. As a result, the guidance below has been comprehensively revised.

1. What is the American Rescue Plan?

The American Rescue Plan Act (ARPA) is a federal law that was signed by President Biden on March 11, 2021. One portion of the ARPA amended the Social Security Act to establish a Coronavirus State Fiscal Recovery Fund (§ 602), and a Coronavirus Local Fiscal Recovery Fund (§ 603). (PL 117–2; 42 U.S.C. 802 *et seq.*).

The State and Local Fiscal Recovery Funds established by ARPA are intended to help state, local, and Tribal governments respond to the impact of COVID–19 on their communities, residents, and businesses. The Fiscal Recovery Funds provide over $350 million in emergency funding to state and local governments, building on and expanding assistance provided to these governments over the last year, including through the Coronavirus Relief Fund (CRF).

This guidance focuses on Local Fiscal Recovery Funds ("ARPA Funds") requirements outlined in § 603 of ARPA and corresponding provisions in the Final Rule issued by the U.S. Treasury Department. The State Fiscal Recovery Fund allocated to States, territories, and Tribal Governments under § 602 of ARPA is a separate fund, which together with regulations promulgated thereunder, governs the authorities of state Governors and Tribal governments, rather than municipal officials.

Funding:

2. How much funding will our municipality receive and how will funds be distributed?

The U.S. Treasury Department issued allocations for states and for "metropolitan" cities in May of 2021. There are six municipalities in Maine classified as metropolitan cities for purposes of ARPA allocations: Auburn, Bangor, Biddeford, Lewiston, Portland, and South Portland. See U.S. Treasury Allocation for Metropolitan Cities.

All other municipalities in Maine are classified as "non-entitlement" units of local government (NEUs). The State of Maine will receive a total of $119,223,764.00 for distribution to all Maine NEU municipalities in two tranches. Funding allocations for NEU municipalities were finalized on August 25, 2021. The state received $59.6 million in October, 2021 which has already been distributed to NEU municipalities, with a second tranche of equal value expected to be distributed in approximately one year. The Maine Department of Administrative & Financial Services (DAFS), administers ARPA funding distributions to Maine's NEU municipalities. DAFS established an online portal through which Maine NEUs may request ARPA funding. See link here for instructions or contact DAFS ARPA support at 888-

804-2544 or Maine.ARPA@hornellp.com. The DAFS online portal was active as of August 25, 2021, and NEU municipalities had until **October 24, 2021** to request funds.

There were/are a number tasks necessary to accept the allocation of ARPA Funds from DAFS. These include:

- Review of U.S. Treasury's pre-submission checklist;
- Obtain a DUNS number and a registration with Sam.gov (the federal government portal for conducting financial assistance processes;
- Provide additional payment information including: taxpayer ID, authorized representative information, banking information (bank name and contact information, routing number);
- Appoint an authorized representative (select board/council member);
- Execute necessary authorization documents:
  - U.S. Treasury Award Terms and Conditions for NEUs
  - Assurances of Compliance with Title VI of Civil Rights Act of 1964
- Confirm municipal operating budget upon DAFS request;

We also recommend that municipalities consider the impacts of COVID-19 on their communities, investigate past and present COVID-19 impacts on the municipality, households and businesses, and engage the public in discussion of the community's priorities.

Local Approvals:

3. Does the municipal legislative body need to authorize the fund transfer from the state?

It does not appear that a legislative body vote is needed to simply receive the funds from DAFS. 30-A M.R.S. § 5773(1) allows the municipal officers of a municipality to contract for and accept an "offer or a grant of federal or state aid, or both, for any purpose for which a municipality may raise or expend money." However, municipalities will need to closely track and account for the funds within their internal bookkeeping and accounting systems both for reporting purposes and to segregate them from other unappropriated municipal funds.

4. Is municipal legislative body authorization needed to appropriate the funds for a specific purpose?

Nothing in the ARPA varies the usual rules relating to municipal appropriations of funding and approval of municipal spending. Therefore, the municipality's legislative body will need to appropriate and authorize use of ARPA Funds toward one or more eligible uses in the same way it would appropriate and authorize expenditure of any other municipal revenues. Moreover, because conditions and limitations accompany the grant funds, the municipal legislative body should affirmatively approve the municipality's use of the funds.

The following warrant article may be used as a template for appropriation of funds toward a municipal project in municipalities where the town meeting is the legislative body:

"Art. ____. To see if the Town will vote to appropriate $_____ from Coronavirus Local Fiscal Recovery Funds (*aka* American Rescue Plan Act or ARPA funds) received by the Town from the federal government for the following project: __(describe project)___."

Note that municipalities where a *council* is the legislative body should use language that is customary and/or required by their charters for council appropriations.

5. If our town meeting annually approves a general warrant article allowing the municipal officers to accept all grants and spend them for any purpose allowed – is this sufficient? (Updated 10/1)

MMA Legal Services does not believe a general or "blanket" warrant article is sufficient to accept grants that include specific conditions limiting the use of funds, include specific terms and conditions that the municipality must adhere to, and/or that include possible penalties or repayment of funds. Our recommendation is that the use of ARPA funds and associated grant conditions be approved specifically by the municipal legislative body. Moreover, from a practical standpoint, seeking approval from the municipal legislative body for specific projects is an effective means to allow public input and participation in the process. It can also ensure that the municipal officers have sufficient authority to enter contracts and take other necessary actions to execute the use of the funds.

6. What time limits apply to use and expenditure of the ARPA funds?

Project costs must be incurred by December 31, 2024, but U.S. Treasury interprets this to mean only that municipalities must have "obligated" the funds by that date. To "obligate" the funds means to legally commit the funds to a specific purpose. The allowable performance period runs until December 31, 2026, so municipalities will have a reasonable amount of time to complete projects funded with ARPA Funds.

Municipalities are strongly encouraged to **be patient, strategic,** and **deliberate** in planning for the best use of ARPA Funds received.

7. May we decline the funds?

A municipality may decline its allocation of ARPA funds and allocate them back to the state. To decline the funds, a municipality must sign a U.S. Treasury form designated for that purpose. Formally declining ARPA funding may also require authorization from the municipal legislative body (town meeting or council).

Any municipality considering declining its ARPA allocation is encouraged to wait and go through the effort of assessing eligible uses in the municipality. As explained below, the eligible uses for ARPA Funds were broadened in the Final Rule; therefore, municipalities are encouraged to re-evaluate potential project options. Municipalities have until December 31, 2024 to obligate funds; there does not appear to be a penalty for waiting until then to decide how the funds may be used.

Eligible Uses:

8. What rules govern the use of ARPA funds?

On January 6, 2022, the U.S. Treasury Department issued a Final Rule addressing eligible uses of ARPA Funds. Previously, municipalities had been guided by an Interim Final Rule issued by the department in May 2021. The Interim Final Rule described eligible and ineligible uses of funds, sought feedback from the public on these program rules, and began to distribute funds. The Interim Final Rule went into effect immediately in May, and municipalities have been able to rely on the provisions of the Interim Final Rule to use ARPA funding based on those temporary authorities.

The Final Rule will replace the Interim Final Rule. As a result of stakeholder comments and suggestions, the Final Rule considerably broadens the eligible uses of ARPA Funds. Key changes include offering a new standard allowance option of $10 million worth of revenue loss in the "replacing lost public sector revenue" eligibility category, allowing capital expenditures that support eligible pandemic response actions, and broadening eligibility for broadband infrastructure investments. For more information, see an Overview of the Final Rule published by U.S. Treasury.

9. Do the provisions of the Final Rule apply now?

Yes. Although the Final Rule formally takes effect on April 1, 2022, U.S. Treasury states that recipients may take advantage of the Final Rule's flexibilities and simplifications now, even ahead of the effective date. U.S. Treasury states it will not take action to enforce the Interim Final Rule to the extent that a use of funds is consistent with the terms of the Final Rule. The Interim Rule, will however, technically remain in effect until April 1, 2022.

Municipalities are strongly urged to thoroughly review the U.S. Treasury "Overview of the Final Rule" when considering eligible uses of ARPA Funds.

10. Have the limits on our municipality's use of the funds changed?

Yes, the Final Rule incorporates significant changes that will allow municipalities to use ARPA funds for substantially greater range of projects. The Final Rule also streamlines and clarifies applicable eligibility criteria to make it easier for municipalities to determine if a specific project is an eligible use of ARPA F unding.

The Final Rule retains the four broad categories of eligible uses for ARPA:

- Responding to the public health emergency or its negative economic impacts (i.e. assistance to households, small businesses, and nonprofits, or aid to impacted industries – tourism, travel, hospitality);
- Providing premium pay to eligible workers responding to the public health emergency;
- Providing government services to the extent of the reduction in revenue due to COVID-19 relative to revenues collected in the most recent full fiscal year prior to the COVID-19 pandemic; and
- Making necessary investments in water, sewer and broadband infrastructure.

→ Eligibility criteria have been broadened and clarified in all four categories. However, the most significant change impacting Maine NEUs is in the category of "reduction in revenue." **The Final Rule allows every municipality to presume that it has experienced a revenue loss** without the need to calculate the reduction. The Final Rule allows municipalities to choose to either: (1) calculate their jurisdiction's specific revenue loss each year using Treasury's formula; or (2) opt to use a standard presumption of up to $10 million in assumed revenue reduction, not to exceed their award amount. ARPA Funds may be used to provide "government services" up to the amount of the calculated or presumed revenue reduction. See U.S. Treasury Overview of Final Rule, pages 9 – 11.

11. Are there any uses that are expressly prohibited?

There are several uses that are expressly prohibited. They include:

- Pension funds
- Legal settlements
- Rainy day and other reserve accounts
- Existing debt service
- Federal grant match requirements for some types of projects
- Certain capital projects, such as new correctional facilities, congregate facilities, and convention centers or stadiums

See Overview of Final Rule, pages 41-2.

12. May we use the funds for general governmental services, such as road maintenance, general infrastructure, improvements, equipment, staffing, etc.?

Yes. Under the eligible use category of "Replacing Lost Public Sector Revenue," a municipality that has experienced a reduction in revenue may use ARPA Funds, up to the amount of lost revenue or ARPA grant (whichever is less), to pay for government services.

The Final Rule allows every municipality to presume it has in fact experienced a reduction in revenue, and the Final Rule provides recipients with two options for determining the amount of its revenue loss. Recipients must choose one of the two options and cannot switch between these approaches after an election is made.

Under option #1, recipients may elect a "standard allowance" of $10 million to spend on government services through the period of performance. Under option #2, recipients may calculate their actual revenue loss according to the formula articulated in the Final Rule. See Overview of Final Rule, pages 9 – 11 for detailed discussion of these options.

A municipality may use ARPA Funds, up to the amount of lost revenue or the ARPA grant (whichever is less), to pay for government services. "Government services" is not defined in the Final Rule. However, U.S. Treasury guidance states that "government services generally include any service traditionally provided by a government, unless Treasury has stated otherwise." The Overview of Final Rule contains

a non-exhaustive list of examples, including: construction of schools and hospitals; road building and maintenance, and other infrastructure; health services; general government administration, staff, and administrative facilities; environmental remediation; provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles). However, funds cannot be used to pay debt service or interest costs on infrastructure projects or other prohibitions listed in the Overview of Final Rule, page 41.

13. May we use the funds to reduce the tax commitment?

Probably not. The purpose of the American Rescue Plan is to ensure that needed funding and resources are directed to the vital services, public employees, small businesses and families that have struggled during the pandemic. The U.S. Treasury has confirmed that for uses aimed at addressing the economic impact of the pandemic to households, which a reduction in property tax assessments would be considered, municipalities must demonstrate that any direct payments to individuals are reasonably proportional to the negative economic impacts they are intended to address. Such a calculation is not possible with an across-the-board reduction in the tax commitment.

14. May premium pay be provided to municipal employees or employees of local businesses?

Yes, premium pay may be provided to eligible municipal employees and/or grants may be provided to local businesses to provide premium pay for "eligible workers" performing "essential work" during the pandemic.

Section 603(g)(2) of ARPA defines "eligible workers" as "those workers needed to maintain continuity of operations of essential critical infrastructure sectors." See 42 U.S.C. § 803(g)(2); Final Rule, § 35.3 (scroll to page 406). **An eligible worker must work in a critical infrastructure sector,** which includes emergency response, social services, public health, local government workforces, elections and numerous other areas. The Final Rule clarifies "all public employees of local governments are already included in the definition of 'eligible worker.'" Non-public employees can also be eligible for premium pay, and the final rule simplifies requirements on local governments governing these expenditures. To see a more complete list of critical infrastructure sectors, see Overview of Final Rule, page 35.

Eligible workers must also perform "essential work" which is defined as either (1) regular in-person interactions with patients, the public, or coworkers, or (2) the regular physical handling of items handled by, or that are to be handled by patients, the public, or coworkers of the individual that is performing the work. Teleworking from a residence during the pandemic does not qualify as essential work. See Final Rule, § 35.3 (scroll to page 407), and Overview of Final Rule, page 35.

However, the Final Rule imposes **additional limits on premium pay**:

- An Eligible worker receiving premium pay must be earning (with the premium included) at or below 150% of their residing state or county's average annual wage for all occupations, as defined by the Bureau of Labor Statistics' Occupational Employment and Wage Statistics, whichever is higher, on an annual basis; or
- An Eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions; or

- If a worker does not meet either of the above requirements, the recipient must submit written justification to Treasury detailing how the premium pay is otherwise responsive to workers performing essential work during the public health emergency

See Overview of Final Rule, pages 35-6 for more information on premium pay.

If your municipality is considering appropriating ARPA Funds toward premium pay for municipal workers, the appropriation should be made by the municipal legislative body. In addition, if the municipality will assist local businesses, the municipality's legislative body should first establish a grant program through a simple ordinance or detailed warrant article outlining the basic parameters of the grant program, including maximum grant amounts, objective criteria for evaluating eligibility, and a standardized application and review process. Municipalities will need to request sufficient information from applicants to verify an eligible use of the funds and to enable reporting to U.S. Treasury as to use of the funds.

15. May ARPA Funds be used retroactively to reimburse costs incurred in response to the COVID-19 pandemic?

Generally, no. Use of ARPA Funds is forward looking. The Final Rule only permits ARPA Funds to cover costs incurred during the "covered period," which begins on March 3, 2021. However, it is possible to use ARPA Funds to provide retrospective premium pay to eligible workers for essential work performed during the pandemic.

16. May we use the funds to provide direct payments to municipal residents/households?

Yes, such a use of funds could be considered an eligible use to respond to the public health emergency or its negative economic impacts. Also, the Final Rule has expanded the groups that U.S. Treasury will presume are negatively impacted or disproportionately impacted by the pandemic. See Overview of Final Rule, pages 17 -19 for additional guidance.

It is recommended that a municipality enact an ordinance or detailed warrant article containing objective criteria for determining eligibility for pandemic related economic impacts and a standardized application and review process. Municipalities will need to request sufficient information from applicants to verify an eligible use of the funds and to enable reporting to U.S. Treasury as to use of the funds.

17. May ARPA Funds be used to assist impacted industries, small businesses and nonprofits?

Yes, but significant limitations apply. To be eligible for assistance, industries, small businesses and nonprofits must meet applicable U.S. Treasury definitions and guidelines. See Overview of Final Rule, pages 21-25.

Generally, this assistance would include the development of grant or loan programs. To implement such a loan or grant program, the municipality's legislative body should first enact an ordinance or detailed warrant article outlining the basic parameters of the program, including maximum grant amounts, objective criteria for evaluating eligibility, and a standardized application and review process. Municipalities will need to request sufficient information from applicants to verify an eligible use of the funds and to enable reporting to U.S. Treasury as to use of the funds.

18. May ARPA Funds invest in broadband capability in the municipality?

Yes. ARPA Funds may be used to invest in broadband infrastructure. The Final Rule has broadened the set of eligible broadband infrastructure investments and makes an expanded set of cybersecurity investments eligible. See Overview of Final Rule, pages 39 – 40.

The State of Maine's ConnectMaine Authority and the new Maine Connectivity Authority have a number of resources to assist communities with planning broadband projects.

19. May ARPA Funds be used for water and sewer improvements?

Yes. ARPA Funds may be used to invest in necessary improvements to water and sewer infrastructure that are of the highest priority for the community. The Final Rule expands the list of eligible projects in this category.

Generally, the ARPA aligns its eligible water and sewer eligible uses with those supported by the U.S. Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF). For more information on the types of projects supported by the EPA state revolving funds, or to contact those programs, see the following links: CWSRF eligibilities and DWSRF eligibilities. In addition, the Final Rule contains a list of additional projects that are eligible under this category. See Overview of Final Rule, pages 37-38.

20. Are administrative costs an eligible use of ARPA Funds?

Yes. Municipalities may use ARPA Funds to cover time and resources spent on administrative work related to disbursing payments of the ARPA Funds, managing new grant programs established using ARPA Funds, and for complying with reporting requirements.

Reporting:

21. What type of reporting will be required?

Reporting on the use of ARPA Funds will be required at both the state and local level.

Metropolitan Cities: Municipalities designated as metropolitan cities (those municipalities that received Local Fiscal Recovery Funds directly from the U.S. Treasury Department) must submit an ***interim report*** identifying expenditures by category at the summary level. The interim report will cover activity from the date of award to July 31, 2021 and must be submitted to U.S. Treasury by August 31, 2021. Metropolitan cities will also be required to submit ***quarterly Project and Expenditure reports*** detailing financial data, information on contracts and sub-awards over $50,000, types of projects funded, and other information regarding a recipient's utilization of award funds. The deadline for submission of the first quarterly Project and Expenditure Report was recently extended. This report will cover two calendar quarters from the date of award to December 31, 2021, and must be submitted to U.S. Treasury by **January 31, 2022**. This is a change from the previously communicated October 31, 2021 due date for the Project and Expenditure Report.

Non-entitlement Governments: NEUs (municipalities that received Local Fiscal Recovery Funds from DAFS) must submit an ***annual Project and Expenditure report***. The Deadline for submission of the first

annual Project and Expenditure Report was also recently extended. The first NEU Project and Expenditure report will cover activity from the date of award to March 31, 2022 and must be submitted to U.S. Treasury by **April 30, 2022**. This is a change from the previously communicated October 31, 2021 due date for the NEU Project and Expenditure Report. NEUs are not required to submit an interim report.

Quick Links to Resources:

U.S. Treasury webpage on Coronavirus State and Local Fiscal Recovery Funds

NLC Local Action Tracker

Information for Non-entitlement communities:

U.S. Treasury Non-entitlement webpage (includes links to allocation information)

- FAQs (on Distribution of Funds to NEUs)
- Non-entitlement Unit of Local Government Checklist for Requesting Initial Payment
- Award Terms and Conditions for Non-entitlement Units of Local Government
- Assurances of Compliance with Title VI of the Civil Rights Act of 1964

NLC Guidance on accessing Non-entitlement funds.

NLC Fact Sheet: How States Can Allocate Coronavirus State & Local Fiscal Recovery Funds to Local Governments

Guidance on Eligible Uses:

U.S. Treasury https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf
U.S. Treasury Overview of Final Rule

Guidance on Reporting:

NLC Fact Sheet: How to Meet Reporting Requirements for Coronavirus State & Local Fiscal Recovery Funds

Where can we find more information?

Members are encouraged to contact MMA Legal Services to discuss specific questions and concerns at 800-452-8786 or legal@memun.org .

Also, visit MMA's dedicated webpage on the American Rescue Plan (https://memun.org/Training-Resources/Local-Government/ARP-Local-Relief-Frequently-Asked-Questions) to find links to additional resources.

Select Board Workshop

June 23, 2021

ARP Funds

The Select Board met to discuss potential uses for the American Rescue Plan Funds. Maine Municipal Association released news that the State of Maine is in the process of requesting a 30-day extension for processing the payments of the funds. The 30-day extension would give the State until August 3rd to distribute the funds to municipalities. The Town of Thomaston is slated to receive approximately $289,897.91.

Potential projects and estimates that were discussed by the Board included the following:

1) EMS Department Revenue Loss	$40,000
2) Premium Bonus Pay for First Responders (EMS, Fire, and Police)	$35,000
3) Broadband Infrastructure	$15,000
4) Sewer Infrastructure upgrades	$50,000
5) Cybersecurity programs	$10,000
6) Tourism/Business grants	$15,000
7) Food Stability for disadvantaged/elderly	$10,000
Total:	$175,000

Chair lift for Ems $ 4,000

Watts Hall $30,000

PREMIUM PAY WITH ARPA FUNDS

Town	Pay	Departments
Biddeford	$125/month Bonus	Retro from Feb. 2020 to July 2021, for all employees.
Blue Hill	Per hour rate	For 30 volunteer firefighters and 5 town hall staff based on number of hours worked from March 2020 to June 2021 ($16,680 total)
Bristol	$1.00/hour	For all employees- "not practical nor fair to try to distinguish between different levels of risk of Covid exposure in different positions" ($20,000 total)
Bucksport	$1,000	2:1 match by County so each fire-ems, police, and dispatch will be at $3,000 - capped at $40k town will pay balance
Camden	No Premium Pay	
Cape Elizabeth	$0	Used ARP fund for Fire- EMS wage Adjustments
	$750/part time	All employees
Cumberland	$1400/full-time	
Ellsworth	$1000 hazard pay	$1,000 to each of the 10 firefighters and 18 dispatchers ($28,000 total)
Falmouth	$0	Not considering premium pay
Freeport	Not yet	No Action Yet - considering premium pay
Hampden	$2,400	$1 per hr for 22 Pub Safety empolyees - equaled $2,400 per employee $2400 x22= $52,800 / ($100 x Pop) = 6.8%
Lincoln	$1.00/hr	Based on hour for hours worked, but no overtime and is for full-time and part-time employees/gave a $30 stipend to each election worker for each election worked. $1 per hour - 3-15-20 to 6-30-21 for each non OT hour worked Fire - 56 per week were highest paid 66 weeks x 53= $3,500
Lincoln County	$2,000 Stipend	Stipend paid to all employees whether part-time or full-time
Madison	Equivalent to 2% Wage increase for year	For 16 full-time employees and all volunteer firefighters. ($24,500 total)
Mapleton, Castle Hill, Chapman	$4.00/hr	Based on total hours worked, per current full-time employee
Orono	Not Yet	Might be considering
Rockport	No Premium Pay	
Rockland	Fire/EMS $1,000 Stipend	Stipulation that employees are currently employed and had to be hired as of Dec. 31 2020
	Call Division $250	
	40 hours $750	
	30-37.5 hrs $600	
	Part time at least 10 hrs $200	
Scarborough	Fire 1.75/hr, Police $1.33/hr, Dispatch $0.90/hr	Paid Police, Fire, and Dispatch to date, based on hourly stipend for hours worked March 2020 to June 2021
South Thomaston	.50/hr for EMS/Fire, $250 Stipend	Hourly stipend retro for all EMS/Fire and a $250 Stipend for all other employees
Wells	$0	Not considering premium
Winslow	$1,000	Vaccine bonus- no other bonus rest of money toward infrastructure
Yarmouth	$2,000	Fire- EMS - Police
York	$1000 Stipend	To all First Responders

Axiom Technologies LLC
PO Box 771
Machias, Maine 04654

Phone: (207)255-0679 / Fax: (207)255-5825
http://www.connectwithaxiom.com

Invoice: **136504**
Date: **7/16/2021**

Bill to: 5789
Town of Thomaston
13 Valley Street
Thomaston ME 04861
United States

Sold to / Ship to: 5789
Town of Thomaston
13 Valley Street
Thomaston ME 04861
United States

Phone: (207) 354-6107
Fax: () -

Username: kgeorge@thomastonmaine.gov
PO Number:

Item	Description	Price	Qty	Extended
PSBBPLAN	Broadband Planning	15,000.00	1	15,000.00

Reimburse Economic Development Non-TIF funds for Broadband feasibility study

Salesperson: Kim Emerson

Subtotal	15,000.00
Total Taxes	0.00
Total	15,000.00
Paid	0.00
Due	**$15,000.00**

Signature **Name** **Phone Number**

Stair-PRO®

Stair Chair

3800 E. Centre Avenue
Portage, MI 49002 USA
t: 269 329 2100
toll free: 800 327 0770
ems.stryker.com

Standard Features

- High visibility powder-coated frame
- Color-coded controls
- Extendable foot end lift handles
- Locking rear lift handles
- Molded hand grips
- Lightweight, rugged aluminum construction
- Oversized rear wheels with sealed bearings
- Dual wheel locks
- Compact storage size
- Positive action locking mechanism
- Power washable
- Grease-free maintenance

Model 6252 Standard Features

- Innovative Stair-TREAD™ system
- Extendable upper control handle
- 4 in. (10 cm) front caster wheels

Optional Features

- Two-piece molded ABS seat
- One-piece traditional vinyl seat
- Color-coded patient restraints[4] (plastic buckles)
- Non-absorbent patient restraints4 (metal buckles)
- Polyester patient restraints4 (metal buckles)
- Patient head support (model 6252 only)
- O2 bottle holder
- Vinyl head support
- Polypropylene head support
- IV clip
- Foot support

Specifications[1]

• **Models**	**6252**	
• **Height**	37.5 in.	(95.25 cm)
• **Width**	20.5 in.	(52 cm)
• **Depth[2]**	28 in.	(71 cm)
• **Folded Depth**	8 in.	(20 cm)
• **Weight**	32.8 lb	(14.9 kg)
• **Maximum Load[3]**	500 lb	(228 kg)

Warranty

- One year parts and labor or two year parts only
- fifteen months parts and labor
- Two year parts and labor
- Two year parts, labor and one year soft goods
- Lifetime on all welds*

Extended warranties available.

*7-year service life

[1]Dimensions are measured from the outermost edges of the main frame. Specifications are rounded to the nearest whole number. Conversions are calculated before rounding.

[2]Depth dimensions are measured with extendable handles retracted.

3Maximum load capacity is total weight distributed in accordance to basic human anatomy. EMTs must consider the weight of the patient, equipment and accessories when determining the total weight on the product.

[4]Patient restraint set includes two cross-chest restraints and one ankle restraint. Cross-chest restraints can also be used in a chest and lap restraint configuration.

Stryker reserves the right to change specifications without notice.

Specifications are rounded to the nearest whole number. Conversions are calculated before rounding.

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Town of Thomaston
POLLUTION CONTROL DEPARTMENT

REPLACEMENT OF SANITARY SEWER ON BEECHWOOD STREET

January 2022

Project Overview

This sanitary sewer is about 1,140 feet long on Beechwood Street extending north from the intersection of Beechwood and Erin Streets (manhole 09-365). It was constructed about 1969 as a private sewer to serve about a dozen houses that were beyond the existing sewer. It is 6-inch diameter, asbestos cement pipe (ACP) and has four manholes spaced along it. No design or construction plans exist. It has been maintained by the Town for many years and is in the Town's right-of-way. It is located on the west edge of paving and the west shoulder of the street and most of it is not under paving. About 13 houses are connected to it. The pipe has serious root intrusions, has plugged three times in recent years causing backups into houses and is undersized making maintenance and inspection difficult.

The project was planned to construction a new (8-inch) sewer in the center of the paved road at an elevation that would allow all the current service connections to remain by gravity. The existing sewer would be removed from service as a sanitary sewer but left in place as a clean water drain for sump pump use.

Funding for construction was planned to come from Rural Development and construction was scheduled for the summer of 2020. Because of the pandemic issues and the political problems in Washington RD did not have the funds available and the project was delayed. This project is still on the RD funding list but, as of this date, availability of funds is still not assured.

In July 2021 one of the homeowners connected to this line threatened legal action after their basement had wastewater back up into it again. With Selectboard approval Pollution Control contracted to have the first 200 feet of the new line installed. This was enough to provide a new connection to the property that most often had wastewater back up into their basement. This cost $98,092.94. Paying for all of this out of PCD's budget will necessitate not doing other planned capital projects this year. PCD is requesting that $50,000 of ARP funds received by the Town be used to repay part of this cost.

The remainder of this project is still on the RD and the DEP funding lists waiting for funds to be released from Washington.