



Berryville Town Council

MEETING AGENDA

Berryville-Clarke County Government Center

101 Chalmers Court, Second Floor

Main Meeting Room

Work Session

April 5, 2021

3:00 PM

Item

Page

1. **Call to Order**

2. **Approval of Agenda**

3. **Unfinished Business**

4. **New Business**

American Rescue Plan Act of 2021

5. **Other**

6. **Closed Session**

7. **Adjourn**

Memorandum

Date: March 29, 2021
To: Town Council
From: Keith R. Dalton, Town Manager 
Cc: Department Heads
Finance Clerk
Utilities Clerk
Subject: American Rescue Plan Act of 2021

OVERVIEW

The Town is slated to receive \$3,972,481 as a result of the passage of the American Rescue Plan Act of 2021 (ARPA).

Details about how the money can be spent, procurement requirements, and reporting requirements are scant. Accordingly, any approach endorsed by the Council may have to change once the Town receives detailed instructions. The Council must determine whether proposed expenditures meet federal requirements.

At this point, this is what we know about the ARPA:

- The Town is to receive 50% of the funds (\$1,986,240.50) within 60 days.
- The remaining funds (\$1,986,240.50) may be requested a year from now.
- Funds must be spent before December 31, 2024.
- The funds in question may be used to:
 - o respond to the pandemic and its negative effects in order to assist households, businesses, and non-profits,
 - o provide for premium or hazard pay for employees,
 - o address reduced government revenues, and
 - o make necessary investments in water, sewer, and broadband infrastructure.

Staff recommends the following approach be adopted/implemented by the Town Council:

PHASING OF EXPENDITURES

The Town will expend ARPA funds in the following fiscal years:

- FY21
- FY22
- FY23
- FY24
- FY25 (first half)

PROPOSED PROJECTS/EXPENDITURES

Aid to households and businesses

- Pay balance on delinquent water and sewer accounts.

This action would pay for all water and sewer account delinquencies that are 60 days or more in arrears as of April 1, 2021.

Note: As a part of this action, it should be established that no additional grant funds will be allocated for this purpose.

- Credit \$37.37 to each water and sewer account for six months.

This action would cover the cost of admin. fees (based on current rate) and 1,000 gallons of water and sewer usage.

Estimated cost of these actions:

- Payment of delinquent accounts	\$ 12,000
- Water and sewer account credits	\$ 390,000
- Total	\$ 402,000

Fiscal year(s)	FY21 & FY22
Percentage of total federal grant	10.1%
Funds used from first payment	\$ 402,000
Funds used from second payment	\$ 0
Funds remaining from first payment	\$1,584,240.50
Funds remaining from second payment	\$1,986,240.50

Implementation

- Qualified account delinquencies would be paid within 5 days of receipt of first payment from federal government.
- Credits would be applied to all qualifying accounts after meters are read in a given billing period. It is expected that qualifying accounts would be credited during the weeks of:
 - April 18, 2021
 - May 19, 2021
 - June 20, 2021
 - July 18, 2021
 - August 15, 2021
 - September 19, 2021

Economic Development

- Complete wayfinding sign project.

This action would provide funding for all phases of a wayfinding sign package and provide for installation of new signage at Rose Hill Park, John Rixey Moore Parking Lot, and Crow Street Parking Lot.

- Establish a program to provide reimbursement funds for qualifying improvements to eligible commercial buildings.

This action would provide for individual reimbursement grants to improve commercial properties in certain areas of Town. Individual grants would not exceed \$7,500. Work will be completed in 2021, 2022, and 2023.

Qualifying improvements would fall into the following categories:

- o accessibility improvements (with primary focus on providing access into the businesses)
- o sign replacement or refurbishment
- o building façade improvement
- o site cleaning and beautification

Reimbursement grants would be limited to businesses, excluding home occupations, fronting on Main, Buckmarsh, Crow, and Church Streets.

Estimated cost of these actions

- Wayfinding signage	\$ 120,000
- Facades, signs, accessibility	\$ 120,000
- Total	\$ 240,000

Fiscal year(s)	FY22, FY23, & FY24
Percentage of total federal grant	6%
Funds used from first payment	\$ 120,000
Funds used from second payment	\$ 120,000
Funds remaining from first payment	\$1,464,240.50
Funds remaining from second payment	\$1,866,240.50

Implementation:

- Council and staff would work with a consultant and VDOT officials to complete all three phases of the wayfinding project by January 1, 2023.
- Accessibility, sign, and façade improvement grants would be available until funds are depleted with the first grant cycle following this schedule:
 - o May 20, 2021 Announcement of grant cycle opening
 - o July 1, 2021 Applications for first cycle due*
 - o August 1, 2021 Notices of grant award*
 - o July 1, 2022 Deadline for work to be completed and reimbursement requests submitted

* The Town Council's Community Development Committee would review applications and award grants.

Subsequent cycles would be announced if funds remain unspent or unencumbered and the Council determines that there is interest in additional grants.

Hazard Pay

- Provide hazard pay for Town employees

This action would provide qualifying employees hazard pay of \$400 per month for the period of time from March 2020 to April 2021.

To qualify for this payment employees must:

- be full-time regular employees or introductory employees,

Funds used from first payment	\$ 60,000
Funds used from second payment	\$ 60,000
Funds remaining from first payment	\$1,174,240.50
Funds remaining from second payment	\$1,806,240.50

Implementation

- Non-profit grants would be available in two cycles. The first grant cycle would follow this schedule:
 - o July 15, 2021 Announcement of grant cycle opening
 - o August 15, 2021 Applications for first cycle due**
 - o Sept. 30, 2021 Notices of grant award**
 - o Oct. 15, 2021 Disbursement of funds
 - o July 1, 2022 Deadline for funds to have been utilized and report submitted
- ** The Town Council's Budget and Finance Committee would review applications and award grants.

The schedule for the second grant cycle will be announced at a later date.

General Fund Revenue Replacement

Revenue deficits that occurred during the pandemic would be replaced.

This action would provide for replacing lost revenues from FY20 and FY21.

In FY 2020 the Town received less in revenues than expected in the following categories:

Fines and forfeitures	\$19,409
Lodging tax	\$ 3,753
Total	\$23,162

It is expected that FY21 revenues will also have been affected by COVID-19.

The revenue deficit from FY20 would be paid to the Town's general fund. The timing of this transfer would be determined after consultation with the Town's auditor.

Once the FY21 audit is received the revenue loss for that year would be identified and paid to the general fund in a manner recommended by the Town's auditor.

Estimated cost of these payments	
For FY2020	\$23,162
For FY2021	\$40,000
Total	\$63,162

Phase(s)	FY21 & FY22
Percentage of total federal grant	1.6%
Funds used from first payment	\$ 63,162
Funds used from second payment	\$ 0
Funds remaining from first payment	\$1,111,078.50
Funds remaining from second payment	\$1,806,240.50

The remaining ARPA Funds, \$2,917,319, or 73.4% of the federal grant, would be used for necessary improvements to the Town's water and sewer infrastructure. Further, funds not expended as enumerated in categories above will, unless otherwise encumbered by the Town Council, be utilized for water and sewer infrastructure projects.

Preliminary List of Water and Sewer Infrastructure Projects and Covid Response

The following is a list of projects that could be considered for funding during FY21, FY22, FY23, FY24, and FY25.

- Purchase decontamination equipment/supplies for vehicles and facilities (health of public and Town Personnel).
- Purchase PPE, cleaners, materials/supplies to improve conditions when employees must stay at work for extended periods of time to cover shifts, etc. (health of public and Town personnel).
- Improve security at water and sewer facilities: Includes cameras and access controls such as gates (security of critical infrastructure and safeguarding public health).
- Conduct an I&I study in sewer collection system (identify deficiencies in system).
- Conduct a leak evaluation on the water distribution system (identify deficiencies in system).
- Sump pump/sewer system connection abatement:

- Town announces that strict enforcement of the prohibition on the connection of sump pumps (that receive ground water, flow from drains, flow from downspouts, etc.) to the sanitary sewer collection system would begin in March 2023.
- Town announces a program that will provide reimbursement of costs to remove sump pumps from the sanitary system.
 - Permit issued from Town at no cost.
 - Applicant must acquire any required County permits and inspections.
 - Town will inspect work.
 - Reimbursement of up to \$600 within 30 days of satisfactory inspection.
- Beginning in March 2023 the Town utilizes funds to detect sump pump connections and enforce to compel compliance.
- Replace water meter retrofitters/meter setters (improve distribution system security).
- Osborne Street, North Church, Bundy Street water and sewer improvements (improve fire protection and improve systems).
- Josephine Street water improvements (improve fire protection, reduce leaks, and improve system).
- Rockcrott water improvements (improve fire protection and improve system).
- Bel Voi water improvements, including water improvements through True Value property (improve fire protection and improve system).
- Battletown Drive water improvements (improve fire protection and improve system).
- Computer upgrades at Business Office, Water Treatment Plant, and Wastewater Treatment Plant (security, efficiency, and dependability).
- Communications upgrades in water and sewer systems (security and ability to monitor).
- Water meter replacement (efficiency of system / service to customer).
- Upgrade Hermitage sewer pump station and add generator (dependability).
- Upgrade Berryville Glen sewer pump station and add generator (dependability).
- Eliminate river and blower disconnects (improve dependability of systems).
- Remove sludge from WWTP lagoon (improve capacity of WWTP equalization).
- Rehab brick manholes (reduce I&I).

- Line and replace sewer mains (reduce I&I).
- South Church Street water main from Taylor Street to Crow Street (improve fire protection and improve system).
- Crow Street water main (improve fire protection and improve system).
- Acquire and deploy meter reading technology (cost reduction to funds /ability to monitor usage/customer service).
- Replace transmission main from WTP (reliability of water dist. system).
- Purchase additional property around river intake (enable Town to better address erosion from road run-off and prepare for work in 2026).
- Tear down structure at WWTP outfall (improve important sewer treatment system related property).

Over the next several years the Streets and Utilities Committee and staff would recommend to the Council that specific water and sewer projects be completed.

REPORTING

The Town Manager and Treasurer would, as a part of the monthly regular Town Council meeting packet, provide report on ARPA activity. Other reporting as required would be provided.