

RESOLUTION NO. 2021-70

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT WITH HdL
ECONSOLUTIONS TO ASSIST THE CITY WITH ADMINISTRATION OF
FUNDING FROM THE AMERICAN RESCUE PLAN ACT (ARPA) AND
DEVELOPMENT OF AN ACTION STRATEGY FOR COVID-19 RELIEF AND
ECONOMIC RECOVERY PROGRAMS AND AUTHORIZING THE FINANCE
DIRECTOR TO MAKE THE NECESSARY ACCOUNTING AND BUDGETARY
REVISIONS SUBJECT TO FINAL REVIEW AND APPROVAL OF THE CITY
ATTORNEY

WHEREAS, the Federal Government has approved the American Rescue Plan Act (ARPA) to mitigate the effects of the COVID-19 emergency; and

WHEREAS, the City of Marina is considered a Non-Entitlement Unit (NEU) in California and will be receiving \$5,449,699 in ARPA funds; and

WHEREAS, the U.S. Treasury Department has established rules for the use of these funds as well as administrative procedures and reporting requirements; and

WHEREAS, the City has a need for assistance with compliance and administration of the ARPA funds and in formulating a comprehensive COVID-19 relief and economic recovery program for both the short and long term which will leverage these funds to get the maximum benefit for the City; and

WHEREAS, the City has received a proposal from HdL to provide these services on an hourly basis for an amount not-to-exceed \$44,000.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Marina does hereby:

1. Adopt Resolution No. 2021-, authorizing the City Manager to sign an agreement with HdL ECONSOLUTION to assist the City with administration of funding from the ARPA and development of an action strategy for COVID-19 relief and economic recovery programs and authorizing the Finance Director to make necessary accounting and budgetary revisions subject to final review and approval of the City Attorney.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Marina duly held on the 15th day of June 2021 by the following vote:

AYES: COUNCIL MEMBERS: Burnett, Berkley, Biala, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: Medina Dirksen

ABSTAIN: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

June 2, 2021

Item No. **8g(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 15, 2021

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2021-,
AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT
WITH HdL ECONSOLUTIONS TO ASSIST THE CITY WITH
ADMINISTRATION OF FUNDING FROM THE AMERICAN RESCUE
PLAN ACT (ARPA) AND DEVELOPMENT OF AN ACTION STRATEGY
FOR COVID-19 RELIEF AND ECONOMIC RECOVERY PROGRAMS
AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE THE
NECESSARY ACCOUNTING AND BUDGETARY REVISIONS SUBJECT
TO FINAL REVIEW AND APPROVAL OF THE CITY ATTORNEY**

RECOMMENDATION:

It is requested that the City Council:

1. Consider adopting Resolution No. 2021-, authorizing the City Manager to sign an agreement with HdL ECONSolutions to assist the City with administration of funding from the American Rescue Plan Act (ARPA) and development of an action strategy for COVID-19 relief and economic recovery programs and authorizing the Finance Director to make the necessary accounting and budgetary revisions subject to final review and approval of the City Attorney.

BACKGROUND:

The Federal Government has approved the American Rescue Plan Act (ARPA) which will provide \$350 billion for eligible state, local, territorial, and tribal governments to mitigate the fiscal effects of the COVID-19 emergency. California's allocation is \$41.9 billion. The City of Marina is considered a Non-Entitlement Unit (NEU) in California and will be receiving \$5,449,699 million dollars.

The U.S. Treasury Department has established rules for the use of these funds as well as administrative procedures and reporting requirements. It will be the City of Marina's responsibility for adhering to the U.S. Treasury's requirements for expending and reporting on this funding.

Eligible usages of these funds include:

- Respond to the COVID-19 public health emergency and support various activities to decrease the spread of the virus
- Address negative economic impacts caused by the public health emergency
- Replace lost public sector revenue due to the pandemic
- Provide premium pay to eligible workers or grants to eligible employers of essential workers
- Invest in water, sewer, and broadband infrastructure.

Marina's \$5.4 million in funds must be obligated by December 31, 2024 and expended by December 31, 2026.

The City of Marina is currently in the process of submitting the required information for the disbursement of funds. This information must be submitted before June 23, 2021. The disbursement of funds will come in two separate tranches or allocations. The first disbursement will be \$2.7 million, and the second disbursement will be another \$2.7 million and will come 12 months later. Marina has the option to decline these funds, however, the City will not be exercising that option.

ANALYSIS:

HdL will assist city staff in overall administration and reporting requirements for ARPA funds which will include compliance with U.S. Treasury Department rules. HdL will also assist the City in formulating a comprehensive COVID-19 relief and economic recovery program for both the short and long term which will leverage these funds to get the maximum benefit for the City. This will include designing and developing an economic recovery strategy working with the City Council, City staff and key stakeholders in our community.

The contract with HdL will be paid on an hourly basis, with an estimated cost of \$40,000 and a not-to-exceed amount of \$44,000. The funds for a contract with HdL are all reimbursable from ARPA funds.

FISCAL IMPACT:

No impact on the General Fund. The \$44,000 contract is fully reimbursable from ARPA funds.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Layne P. Long
City Manager
City of Marina