



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA SARDA Regular Special

Meeting Date: August 9, 2022

Title: Second Tranche of Coronavirus State and Local Fiscal Recovery Funds (SLFRF), part of the American Rescue Plan

Background: The City was awarded \$1,190,364 from the SLFRF program. \$595,182 was received in July 2021, and Council allocated the funds to the Advanced Metering Infrastructure (AMI) project.

The second tranche of \$595,182 was received in July 2022.

The City lost \$127,362 in TOT revenue during the pandemic months in FY 19, and \$17,042 in sales tax revenue during the same period, that can be recovered.

Allocate Legacy Foundation \$2,500 for the youth program and SBCS \$2,500 to youth program.

Staff time, materials, and supplies to respond to COVID, not reimbursed by FEMA project #14179, \$7,302.25, and FEMA project #16415 \$8,708.99.

That leaves a balance of \$429,767 that the City can allocate. The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs within these four separate eligible-use categories:

- 1. To replace public sector revenue**, using this funding to provide government services up to the amount of revenue lost due to the pandemic
- 2. To respond to the far-reaching public health and negative economic impacts of the pandemic**, by supporting the health of communities, and helping households, small business, impacted industries, nonprofits, and the public sector recover from economic impacts
- 3. To provide premium pay for essential workers**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors

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4. **To 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

Fiscal Impact: \$595,182 in one-time revenue received as part of the American Rescue Plan

Recommendation: Authorize the allocation of the second tranche of the SLFRF funds as follows: Replace revenue lost due to the pandemic, TOT \$127,362, Sales tax \$17,042, \$2,500 to Legacy for youth program, \$2,500 for SBCS for youth program, \$16,011 to recover FEMA grant expenditures not reimbursed

Council direction to allocate balance of \$429,767 to general reserve.

Submitted By: Rick Daniels, City Manager

City Management Review: Rick

Date: 8/2/22

Approved:

Not Approved:

Tabled:

Other:

Agenda Item: 24