CITY OF SANDY OAKS, TEXAS

RESOLUTION NO. 2022-150

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANDY OAKS, TEXAS DETERMINING REVENUE LOSS AND TO STATE AND AUTHORIZE ADDITIONAL INTENDED USES OF THE CITY OF SANDY OAKS, TEXAS' ALLOTMENT OF LOCAL FISCAL RECOVERY FUNDS THROUGH THE AMERICAN RESCUE PLAN ACT FUNDS.

WHEREAS, on March 11, 2021, the President of the United States signed into law House Bill 1315, the American Rescue Plan Act of 2021 (ARPA), to provide fiscal relief funds to state and local governments, and other program area aimed at mitigating the continuing impact of the COVID-19 pandemic; and

WHEREAS, on May 10, 2021, the United States Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds (the "Fiscal Recovery Funds" or CSLFRF), established by ARPA, to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments to recover from the COVID-19 pandemic; and

WHEREAS, ARPA is intended to provide support to local governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 in their communities, residents, and businesses; and

WHEREAS, the City of Sandy Oaks, Texas ("City") has been negatively impacted by the COVID-19 pandemic and has experienced revenue loss due to the onset of the COVID-19 public health emergency; and

WHEREAS, the City Council authorized the acceptance of the allocation of \$1,126,401.00 in funding under ARPA of Fiscal Recovery Funds from the United States Department of Treasury up to the maximum allowed by the terms and conditions of the ARPA by Resolution No. 2022-145;

WHEREAS, on January 6, 2022, the United States Department of Treasury announced that it had issued the final rule defining acceptable uses for ARPA recovery funds, which adopts the interim final rule, which was published on May 17, 2021, with amendments, and takes effect April 1, 2022, however, recipients can choose to take advantage of the final rule's flexibilities and simplifications prior to the effective date; and

WHEREAS, the final rule provides state and local governments with increased flexibility to pursue a wider range of uses, as well as greater simplicity so governments can focus on responding to the crisis in their communities and maximizing the impact of their funds; and

WHEREAS, 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 providing that recipients that select the standard allowance may use that amount for government services, with streamlined reporting requirements; and

WHEREAS, in order to use funds under government services, recipients should first determine revenue loss which allows them to spend up to that amount on general government services; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANDY OAKS, TEXAS:

- **Section 1.** Findings of Fact. That the above recitals are hereby found to be true and correct legislative and factual findings of the City Council of the City and are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.
- **Section 2.** <u>Authorization of Receipt or Use of ARPA Funds.</u> Subject to the provisions of Section 6 below, the Mayor, the City Administrator, City Clerk and any City signatories required to do so, are authorized to apply for, obtain, or otherwise assure authorization of the receipt or use of ARPA Funds as set forth in this resolution.
- **Section 3.** Expenditure of ARPA Funds. As set forth more fully below, the City Council expresses its intent to expend these funds for eligible, immediate needs within the categories below, which may be specified by Council by resolution or Council action:
 - A. Replace lost public sector revenue
 - B. Support the COVID-19 public health and economic response
 - C. Provide premium pay for eligible workers performing essential work,
 - D. Invest in water, sewer, and broadband infrastructure
- **Section 4. Determining Revenue Loss.** The City Council hereby elects a standard allowance of \$10 million to spend on government services through the period of performance.
- **Section 5.** Compliance with the American Rescue Plan Act. The City will ensure compliance with prevailing Federal Guidance at the time the funds are committed for expenditure.
- **Section 6.** <u>Authorization for Other Actions</u>. Nothing in this resolution shall be construed as taking the place of any action otherwise required by the City Council to authorize the Mayor to enter into requisite contracts associated with expenditures of ARPA Funds that have been or may be subsequently approved by City Council.
- **Section 7.** Repealer Clause. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.
- **Section 8.** Severability Clause. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.
- **Section 9.** Open Meetings. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.
- **Section 10.** Effective Date. This Resolution shall take effect immediately from and after the passage and approval of this Resolution.

PASSED AND APPROVED on this 10th day of March 2022.

CITY OF SANDY OAKS, TEXAS

Charles Fillinger, Mayor

ATTEST:

Charlotte Rabe, City Clerk