Title: American Rescue Plan Act (ARPA) Award Approval of Projects

Action:
Motion to:

1. Approve the use of ARPA funds in the amount not to exceed $1,000,000 for NI-01-CARE Campus Young Adult Recovery Project Capital Investment in accordance with Expenditure Category 1.07 (Public Health-Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency).

2. Approve the use of ARPA funds in the amount not to exceed $1,250,000 for NI-01-CARE Campus Young Adult Recovery Project Program in accordance with Expenditure Category 1.10 (Public Health-Mental Health Services).

3. Approve the use of ARPA funds in the amount not to exceed $2,250,000 for NI-12-CARE Campus Behavioral Health Recovery Project OPC, MATS in accordance with Expenditure Category 1.10 (Public Health-Mental Health Services).

4. Approve the use of ARPA funds in the amount not to exceed $3,335,325 for I-02-Sandia Peak Utilities in accordance with Expenditure Category 5.15 (Infrastructure-Drinking water: Other water infrastructure)

5. Approve the use of ARPA funds in the amount not to exceed $522,346 for I-13-Yes Housing, Calle Cuarta Multi-Family Mixed Use Housing Project in accordance with Expenditure Category 3.10 (Services to Disproportionately Impacted Communities-Housing Support: Affordable Housing)

6. Authorize the County Manager to execute subsequent agreements and amendments for the projects approved by the Board of County Commission (BCC) as presented above under ARPA.

Summary:
Bernalillo County was identified as an eligible local government to receive $131,911,293 in direct aid to combat the COVID-19 pandemic, including the public health and economic impacts.

In developing plans, the county met with departments, outside agencies, and elected officials to discuss recovery needs that comply with ARPA Interim Final Rule guidelines. The suggested uses of funds were discussed in two BCC Work Sessions held on August 19, 2021, and August 23, 2021 and suggested projects were prioritized. These projects were submitted to and approved by the BCC on September 28, 2021 for staff to begin the analysis.

Bernalillo County staff has established procedures for determining the eligibility of ARPA funds.
including assessing risk of potential subrecipients. The procedures outline the guidelines and requirements for vetting projects/initiatives and ensures projects are equitably analyzed. In addition, a Core Team comprised of the Deputy County Manager for Finance, County Manager’s Chief of Staff, Deputy County Manager for Public Works, Economic Development Director, and Procurement and Business Services Director was established to review the analysis and provide recommendations to the BCC.

The projects presented comply with the guidance from U.S. Treasury Department (Treasury) detailed in the ARPA Interim Final Rule (IFR) and the Compliance and Reporting Guidance in accordance with the identified Expenditure Category (EC). Additionally, the County has established an internal monitoring, review and reporting process; will certify eligible expenditures; and adhere to reporting requirements to ensure transparency and accountability for the use of all ARPA dollars.

The Treasury developed very strict reporting requirements for subrecipients. Therefore, anyone who is identified as a subrecipient, is subject to the requirements and run the risk of not receiving funding or funding being withdrawn for non-compliance in eligible spending and/or mandatory reporting. The funding must be spent or encumbered by December 31, 2024 deadline and all ARPA expenditures must be completed by December 31, 2026, as required by federal law.

Bernalillo County staff is recommending the approval of the projects as listed in the presented motions.

**MOTION 1: NI-01-CARE CAMPUS YOUNG ADULT RECOVERY PROJECT CAPITAL INVESTMENT (EC 1.7)**

This motion approves $1,000,000 in ARPA funding for Phase I which will consist of a capital investment in Bernalillo County’s behavioral health public facility by renovating a second-floor residential wing at the CARE Campus and renovations to the living and congregate physical spaces which will help to mitigate the spread of COVID-19 and will provide an environmentally safe location for inpatient treatment services. Renovations will accommodate semi-private rooms for a maximum of 16 clients. Physical space will allow for separate male and female wings, as well as two community rooms for group activities. This project resides in Commission District 3, benefit is countywide.

**MOTION 2: NI-01-CARE CAMPUS YOUNG ADULT RECOVERY PROJECT PROGRAM (EC 1.10)**

This motion approves $1,250,000 ARPA funding for Phase II to support public health mitigation efforts by providing direct behavioral health assistance to young adults adversely impacted by the coronavirus pandemic. Young Adult Recovery Project will service to a maximum of 10-12 young adults monthly, ages 18 to 24. DBHS will hire (10) Full Time Employee (FTE) positions; (2) Clinical Counselors, (2) Community Case Managers, (6) Substance Abuse Technicians. This project resides in Commission District 3, benefit is countywide.

**MOTION 3: NI-12-CARE CAMPUS BEHAVIORAL HEALTH RECOVERY PROJECT OPC, MATS (EC 1.10)**

Page 2
This motion approves $2,250,000 ARPA funding to expand its CARE Campus behavioral health services to include an Outpatient Clinic (OPC) and The Living Room (TLR) Programs. This behavioral health outpatient clinic will be able to provide continuity of care for individuals who have completed detoxification on the CARE Campus. Clients with mental health challenges released from the Bernalillo County Metropolitan Detention Center (MDC) will also be eligible for care. DBHS will contract with the University of New Mexico Hospital (UNMH) to provide comprehensive outpatient behavioral health services and hire (2) Clinical Counselors and (6) Community Case Managers. This project resides in Commission District 3, benefit is countywide.

**MOTION 4: I-02-SANIA PEAK UTILITY COMPANY (SPUC) (EC 5.15)**

This motion approves $3,335,325 APRA funding to purchase AMR/AMI smart meters and to replace aged meters and service lines. With the new AMR/AMI meters in place and new service lines, the water saved is estimated at 5% annually (17,200,000 gallons) with a goal of annual water loss at 7% (23,700,000 gallons) annually. The project is intended to benefit the approximately 6,200 customers of SPUC. This project resides and benefits Commission District 4.

**MOTION 5: I-13-Yes Housing, Inc. Calle Cuarta (EC 3.10)**

This motion approves $522,346 APRA funding for affordable housing development to increase supply of affordable and high-quality living units. The 4.3-acre site which will be a mixed-use development, comprised of 61 affordable housing units, four live work units, ground level retail and 21 townhomes, along with a walking/bike trail, community garden, and a small neighborhood park. The project is intended to benefit low-income individuals and families in need of affordable housing, both rental and home ownership. Additionally, the greater North Valley Community will benefit from the Calle Cuarta development as it will also provide new store front retail services, live-work units, and community amenities. This project resides in Commission District 1, benefit is countywide.

**MOTION 6: AUTHORIZE THE COUNTY MANAGER TO EXECUTE SUBSEQUENT AGREEMENTS FOR APPROVED PROJECTS**

Subsequent agreements will need to be negotiated and executed for each individual project to ensure contractors and/or subrecipients comply with the statutory and regulatory requirements and the terms and conditions of the award. In addition, subsequent agreements are necessary to provide detailed project information, description and project timeline. This motion allows the County Manager to execute subsequent agreements for Bernalillo County.

**Attachments:**

- ARPA Recovery Projects Award Financial Analysis Form_Final (XLSM)
Staff Analysis Summary:

Procurement & Business Services  Steven Baca  Review  Completed  12/02/2021 3:34 PM
Action Memo 16616: No comment required on the proposed motions; however, proper Purchasing procedures will be followed for any and all related procurements.  Steven Baca, Purchasing Administrator, 12/2/2021.

Risk Management  Gina M. Ortega  Review  Completed  12/02/2021 4:59 PM
I have reviewed and recommend the approval of this agenda item.  JS  12/3/2021

Budget  Jackie Sanchez  Review  Completed  12/03/2021 3:47 PM
I have reviewed and recommend the approval of this agenda item.  JS  12/3/2021

Public Works Division  Patricia Benavidez  Review  Completed  12/07/2021 7:36 AM
Recommend approval of the American Rescue Plan Act (ARPA) Award Approval EA 12/7/21

Legal  John T. Grubesic  Review  Completed  12/07/2021 10:58 AM
Approved as to form.  JTLG

Finance  Shirley Ragin  Review  Completed  12/07/2021 11:00 AM
Reviewed and recommend approval to move forward with these projects that will benefit the citizens of Bernalillo County. SMR 12/7/2021

County Manager  Angela Lucero  Review  Completed  12/07/2021 1:42 PM
Several sub-recipient awards of ARPA funding need final Board approval now that detailed project information is known and a risk analysis of subrecipients has been completed for each project.  I recommend approval.  JMB 12/7/21

Board of County Commissioners  Julie Anne Baca  Meeting  Completed  12/14/2021 5:00 PM

RESULT:  ADOPTED [UNANIMOUS]
MOVER:  Debbie O'Malley, Member, District 1
SECONDER:  Charlene E. Pyskoty, Chair, Member, District 5
AYES:  Pyskoty, Quezada, O'Malley, Barboa, Benson
### SECTION 1: GENERAL INFORMATION

**Request Type:** Agenda Item/Financial Resolution (FR)

**Date:** December 14, 2021

**Department:** Finance

**Form Prepared By:**
- *Name, Title & Phone Number:* Denise Benavidez, Principal Financial Management Analyst, 505-468-7208

**Form Reviewed By:**
- *Budget Office Staff Name, Title, & Phone Number:* Dana L. Sanchez, Senior Budget Analyst, 505-448-3254

**1 thru 5 or all** RBC District: All

### SECTION 2: REQUEST OVERVIEW

To approved the American Rescue Plan Act (ARPA) Projects, and authorize the County Manager to execute agreements which will outline each project description, provide detailed project information, and project timeline.

### SECTION 3: FUNDING SOURCE AND/OR REVENUE IMPACT

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>NEW</th>
<th>EXISTING</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTALS</th>
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<td><strong>SUB-TOTAL NON-RECURRING</strong></td>
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**TOTAL REVENUES**: $ 8,357,671

### SECTION 4: EXPENDITURE & STAFF IMPACT

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<th>Expenditure Description</th>
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**Sub-total Operating Expenditures**: $ 8,357,671

**Total Revenues**: $ 8,357,671

### SECTION 5: NARRATIVE

**FISCAL IMPLICATIONS**

- **New = New Funding Request/Not Currently Budgeted OR Existing - Funding Expenditures in the Budget**
- **Status:**
  - FT = Full-Time Equivalent
  - PT = Part-Time FTE
  - T = Term
Manager will be authorized to execute subsequent agreements for Bernalillo County approved ARPA projects. In developing plans, the county met with departments, outside agencies, and elected officials to discuss recovery needs that comply with ARPA Interim Final Rule guidelines. The suggested uses of funds were discussed in two public work sessions with Bernalillo County Commissioners on August 19, 2021 and August 23, 2021 and suggested projects were prioritized. These projects were submitted to and approved by the BCC on September 28, 2021 for staff to begin the analysis.

Bernalillo County staff has established procedures for determining the eligibility of ARPA funds including assessing risk of potential sub recipients. The procedures outline the guidelines and requirements for vetting projects/initiatives and ensures projects are equitably analyzed.

### Current Financial Impact of Proposed Action
- Upon approval, $8,357,671 of the APRPA funding that was a direct allocation payment from the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) are proposed to be used in the following ways:
  1.07 CARE Campus Young Adult Recovery Project (Capital Investment) - Renovations for a maximum of 16 clients and semi private rooms and community rooms $1,000,000
  1.10 CARE Campus Young Adult Recovery Project (Program) - Recovery services on Care Campus provided by specialized staff $1,250,000
  1.10 Care Campus Behavioral Health Recovery Project OPC, MAT - Expand behavioral health service to include Outpatient Clinic $2,250,000
  5.15 Sandia Peak Utilities - Purchase and replace aged water meters and service lines $3,335,325
  3.10 Yes Housing, Calle Cuarta Multi-Family Mixed Use Housing Project $522,346

The County has established an internal monitoring, review and reporting process; will certify eligible expenditures; and adhere to reporting requirements to ensure transparency and accountability for the use of all ARPA dollars.

### Future Financial Implications
- Subsequent agreements will need to be negotiated and executed for each individual project to ensure contractors and/or sub recipients comply with the statutory and regulatory requirements and the terms and conditions of the award. In addition, subsequent agreements are necessary to provide detailed project information, description and project timeline. If approved, the County Manager will be authorized to execute subsequent agreements for Bernalillo County approved ARPA projects.

### OTHER SIGNIFICANT ISSUES
#### Departmental Impacts
- Finance will work with Accounting and Budget to create project identification via WBS or internal orders to ensure accurate reporting of all ARPA expenditures and obligations.

#### Impacts to Other Departments
- Departments identified to receive ARPA funding will be given guidance on the necessary performance and reporting requirements needed to ensure eligible use of funds and advised of all reporting deadlines.

#### Interdepartmental Communication
- As the county further develops its projects and initiatives, key departments will be provided the guidelines for ensuring the most equitable outcomes for underserved communities.

### JUSTIFICATION
**Mandated**
- To ensure government accountability, the county pledges that the planned uses of funds will conform with the U.S Treasury Department’s Interim Final ARPA Rule by being transparent and accountable for the use of ARPA dollars. The county has established an internal monitoring, review and reporting process; certify eligible expenditures; and adhere to reporting requirements.

**Program Relevance**
- The mission of Bernalillo County is to be an effective steward of county resources and a partner in building a high quality of life for county residents, communities and businesses. Bernalillo County’s Recovery Plan supports the critical need for investments and improvements to existing infrastructure in water, sewer, and broadband. Additionally, the Recovery Plan addresses the need of public health and negative economic impacts to services to those communities disproportionately impacted. These objectives are aligned with the county’s Strategic Plan of Governmental Accountability, Public Safety, Economic Vitality, Community Health and Public Infrastructure.

**Other Relevant Information**
- Anyone who is identified as a sub recipient, is subject to the requirements and run the risk of not receiving funding or funding being withdrawn for non-compliance in eligible spending and/or mandatory reporting. The funding must be spent or encumbered by December 31, 2024 deadline and all ARPA expenditures must be completed by December 31, 2026, as required by federal law.

### ALTERNATIVES
- If the Commission does not approve the proposed projects it will cause a delay or may need to be cancelled. Any unspent funding would need to be returned to the US Treasury.

#### BUDGET OFFICE REVIEW
The budget office has reviewed this financial analysis form and sees no issues prohibiting its approval. Upon approval, $8,357,671 of the APRPA funding that was a direct allocation payment from the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) are proposed to be used towards five projects. The County has established an internal monitoring, review and reporting process; will certify eligible expenditures; and adhere to reporting requirements to ensure transparency and accountability for the use of all ARPA dollars.