# VIGO COUNTY COUNCIL
## Special Call Joint Meeting Minutes with City Council
## Thursday, May 11, 2023 at 10:00 A.M.
## Council Chamber, Vigo County Government Center

County Council President Todd Thacker called the special joint meeting of the County Council to order at 10:00 a.m. He said this is a combined meeting between the City and County Councils. The reason for this meeting is for the ARPA Seminar and will be conducted by RJL Solutions and Baker Tilly. Public comment will not be allowed and no action will be taken by the County Council except for roll call and adjournment. The County Council will not vote on any ordinances or resolutions at this meeting and there was a quorum. This is just an informational meeting. Auditor James Bramble called the roll as follows: David Thompson - absent, Travis Norris - present, Marie Theisz - present, Todd Thacker – present, Vicki Weger - present, Nancy Allsup – absent, Aaron Loudermilk – absent.

City Council President Curtis Debaun called the special joint meeting of the City Council to order at 10:05 a.m. This meeting was being held at the Vigo County Annex at 127 Oak Street. In conjunction with the Vigo County Council, the City Council is attending an informational meeting of RJL Solutions and Baker Tilly concerning ARPA reporting requirements. This is an official meeting of the City Council. Notice was disbursed in order to comply with any Open Door Law requirements. Public comments at this meeting will not be allowed. No action will be taken by the City Council excluding the roll call and adjournment. The City Council will not vote on any ordinances or resolutions during this meeting. This seminar is being presented by RJL Solutions and Baker Tilly concerning ARPA compliance processes and procedures. Clerk Michelle Edwards called the roll as follows: Amy Auler – absent, George Azar – present, Tammy Boland – present, Martha Crossen – present, Curtis Debaun – present, Earl Elliott – present, Neil Garrison – absent, Cheryl Loudermilk – present, Todd Nation – present. 7 are present and 2 are absent.

Rachel Leslie of RJL Solutions welcomed everyone. Over $50 million is being invested in Terre Haute and Vigo County and the purpose today is to make sure we are compliant and heading in the right direction in spending those dollars in the correct way to impact Terre Haute and Vigo County moving forward. Mayor Duke Bennett and Commissioner Mike Morris each gave some brief opening comments and thanked everyone for all the participation and cooperation being exhibited.

Ms. Leslie gave a brief overview of what would be covered today and then turned the meeting over to Lucas Peterson, principal advisory consultant with Baker Tilly, regarding ARPA funds. Mr. Peterson said they had four main areas to look at. First will be uniform guidance and compliance. This is federal money and there are always lots of strings attached to it. Next will be eligibility, just making sure that this money is being spent in an eligible manner with the American Rescue Plan of 2021. Finally, the real reason why you're listening today, is next steps. That is specifically the next steps, from Baker Tilly's perspective, of making sure that these projects are compliant with the American Rescue Plan Act ("ARPA"). It is really easy to rush right in and try to spend the money but it's really important to realize what this federal spending act is and what it's goals and objectives are. Mr. Peterson briefly talked about the $1.9 trillion dollar Rescue Plan Act breakdown. This money is referred to as ARPA funds or SLFRF funds. The US Treasury has basically said there are three main goals for the money: to fight the pandemic and support families and businesses struggling with public health and economic impacts, maintain the vital public services even amid declines in revenue resulting from the crisis, and to build a strong, resilient and equitable recovery by making investments that support long term growth and opportunity. The Treasury has put out four uses of funds that this money will be trying to place the spending under. The first, and probably most important, is to replace lost public sector revenue. Many of the revenue streams of the states and counties were lost during the pandemic and one of the uses is to replace that lost tax revenue and to use those funds for any really normal government service. The next use of funds is to respond to the far reaching public health and negative economic impact of the pandemic. This includes things like purchasing masks all the way to giving grants to small business. It is a very varied category. Next would be to provide premium pay for the essential workers (i.e. paramedics and those on the front lines during the pandemic). Finally, although you might not immediately think of using these funds for this, is to invest in water, sewer, and broadband infrastructure. There is a local government ARPA investment tracker provided by the National League of Cities and the National Association of Counties. This shows how other cities and counties are using their funds. He emphasized there is no right or wrong way to spend this money. There are non-compliant and ineligible ways to spend the money but there is no right or wrong way to go through the process. You can access this tracker by googling local government ARP investment tracker. You can see by looking at this that of these 331 local governments (out of 30,000) that 75% of their funds are budgeted. That is not a good or bad thing. That is just demonstrating that some communities have taken the money and really rushed into those decisions. They might have allocated their money into one project, got it done, wiped their hands clean and they're finished. That is not the stage that we're at. The County and City have chosen to make this a process that is open, transparent, and thorough. In talking about Uniform Guidance and Compliance, the stakeholders will be asked to provide very specific information and asked to do very specific things. This also helps stakeholders understand the considerations that this elected body has to make when it comes to spending federal money and not get them in trouble. The first large requirement with this federal money is all these funds need to be committed by December 31, 2024 (something like a contract needs to be signed on a project) and these funds need to be expended no later than December 31, 2026, which means basically everything has been put into the ground and construction finished. The award of these monies that the city and county have received must adhere to uniform guidance. The statute can be found at Title 2, Subtitle A, Chapter 2, Part 200 and it's called Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. There are a few main subparts in uniform guidance. The first subpart covers acronyms and definitions. Subpart (b) is general provisions for federal awards in general. Subpart (c) is pre-award requirements. Subpart (d) is post-award requirements and is the most extensive section. This is where a "single audit" comes in and information on that. Subpart (e) is cost principles and Subpart (f) is audit requirements. Because this is federal money, the federal government, along with county government, wants to make sure that this money is spent in the way that stakeholders, whenever projects are approved and completed, say that the money is being spent. That means the federal government might require a single audit to be completed on some specific projects. For informational purposes, if you expend more than $750,000 in federal awards during a fiscal year, your organization will be subject to an audit under the single audit act. Don't panic, just be aware that this could be something your organization might have to do. It's nothing scary. Sub-recipient monitoring means you just need to make sure the money is being spent appropriately and in the way that stakeholders say and tell the City and County that it is being spent.

What does all this mean? Generally, just follow the law. There are not any surprises or "gotchas". Uniform guidance is basically very simple things, i.e. you can't break the Civil Rights Act; you can't dump pollution into rivers and streams, you have to follow environmental rules and regulations. Be responsive to the city and county. They have to do their due diligence and make sure that it's done in the correct manner that follows the uniform guidance and all the federal requirements. Finally, as a stakeholder, you might want to speak to your accountant sooner rather than later once your project is approved. You will have to do some of your own due diligence. The process of eligibility has started already. The US Treasury is the one making sure the funds reach the cities and counties but they have also provided something called "the final rule". That is guidance for cities and counties to know how to report the projects they are going to be spending the money on to the Treasury. The way they have organized that method of communication is by eligibility categories. There are 83 categories underneath 7 main categories. He then set out how that would be determined. To help Baker Tilly decide which category(ies) the project would fit into, they have something called an eligibility questionnaire for the stakeholders to complete. This information will be used to determine eligibility. The completed eligibility questionnaires will be used to fill out the eligibility evaluation form. The Stakeholders will not have to do anything with the evaluation forms. This is for internal city and county usage. This is a very important single source document created by Baker Tilly. The information contained in this single source document will provide any and all information needed to make the process quicker and easier should questions arise in the future about the project.

For compliance, you just have to make sure you follow the uniform guidance. The compliance section is really for the stakeholders and city and county officials to understand that whenever it comes to compliance, RJL and Baker Tilly are going to make sure that compliance requirements are being met. They do ask that you pay close attention to all communication coming from RJL, Baker Tilly, the city and county for safeguard purposes. Also, ask questions if you have them.

Eligibility evaluations are still in process on all projects. More information has been requested from many stakeholders. If no contact has yet been made, it will be. After the questionnaire is complete, based upon who you are as an organization and what specific project you're wanting to do, there may be more follow up questions.

Betsy Peperak then talked about the presentation that stakeholders will be required to present to the City and/or County Council to tell the story of how your project is going to positively impact Terre Haute and Vigo County. This will allow the Councils to be more engaged in the process of appropriating the ARPA funds. A project description and summary will be needed. This should show the high level points of the project, and what it is designed to accomplish. Be as detailed as possible. It should also contain a timeline from start to completion. The more details the better. You will need an itemized budget that should include two breakdowns: a breakdown of the ARPA funds specifically and a breakdown of all money you will be spending, including your matching dollars. It should contain what you anticipate the outcomes of your project will be and how you will measure your success. She gave examples of how those can vary depending on the project. They can help you determine what those look like. If you have renderings, preliminary designs, or images, you should include them in the presentation. The more visual you can be, the better. Technology should be used for the presentation (i.e. Powerpoint). Presentations should be limited to 15 minutes to allow time for Council members to ask questions. Voting will not take place after presentation but at the following meeting. Presentations should be given on or before December 31 of this year in order to be able to meet the federal deadlines for use/spending of the funds. You will need to notify Jordan Marvel of RJL Solutions when you are ready to present. RJL would like to know a date when you anticipate presenting by June 9, 2023 so they will know what the overall schedule looks like and can help in the preparation of your presentation to allow you to be successful.

Jordan Marvel indicated that all stakeholders should have already received an email from him containing documents required for disbursement of funds. That was not a finalized packet. You should receive the finalized packet within the next couple of weeks. The claim form contains procurement requirements. Those requirements are solely for purchase and are not determined by the amount that has been allocated to the stakeholder. There are three types of procurements: micropurchase is for anything under $10,000 and can be made without going to bid or obtaining quotes; small purchase is for a contract more than $10,000 but less than $250,000 and price quotes must be obtained from at least two sources; and sealed bids are for contracts that exceed $250,000 and bids must be publicly advertised and opened/awarded publicly.

Leslie Ellis, City Controller, was introduced and gave a few brief comments. She indicated that the city had already expended some of their ARPA funds and she was familiar with requirements and filing the quarterly reports with the federal government each period. They have also experienced a single audit where everything was successful.

County Auditor Jim Bramble and Chief Deputy Auditor Cheryl Loudermilk were introduced and Mr. Bramble gave a few brief comments.

There was a question and answer session. Jim Speer with the Terre Haute Foods Cooperative Market asked how the stakeholders were chosen and contacted. Rachel Leslie said there would be a fund that is going to hopefully be approved by the Council that would go to the United Way. There will be a process in which those in the food cooperative will be able to apply for those funds. Those receiving those funds will be a sub-recipient stakeholder versus an actual stakeholder. City Councilwoman Tammy Boland asked what the process would look like for sub-recipients. That has not yet been determined. Stakeholders have to first be identified by Councils before that process can move forward and Ms. Leslie explained how that will work. City Councilwoman Martha Crossen asked if all stakeholders had been identified or could other groups in the community come forward to apply. Mayor Bennett said today was the first step. Some things are figured out, some are not. Sub-recipients can apply once a group has been chosen to administer the fund previously discussed. Commissioner Chris Switzer said they had selected the United Way because they are already organized with committees and already do so much in the community with child care and things like that. It was felt they could come up with an application process that can truly meet the needs of non-profits, small businesses, child care, whatever, for the sub-recipients. Once United Way has given their presentation to the County Council, and if they are chosen to administer the fund, they can present that sub-recipient application. County Council President Todd Thacker noted that just because you give a presentation does not guarantee that you will be chosen. He would also like to see the deadline moved to an earlier date. City Councilman Todd Nation asked for a list of stakeholders and/or sub-recipients that had been chosen. Ms. Leslie said she did not have a list with her but would get one to Mr. Nation.

**Adjournment**

Todd Thacker said this had been an informational meeting only and no action had been taken. Vicki Weger made a motion to adjourn. Marie Theisz seconded the motion. By a unanimous voice vote, the County Council meeting was adjourned at 11:00 a.m.

Curtis DeBaun thanked everyone for showing up today. George Azar made a motion to adjourn the City Council. Cheryl Loudermilk seconded the motion. By a unanimous voice vote, the City Council meeting was adjourned at 11:05 a.m.

# MINUTES OF THE SPECIAL CALL JOINT MEETING OF THE VIGO COUNTY COUNCIL AND TERRE HAUTE CITY COUNCIL

## May 11, 2023

*Presented to the Vigo County Council, read in full and adopted as written this 13th day of June, 2023.*

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|---|---|---|
| Aye ☑ Absent ☐<br>Nay ☐ Abstain ☐ | David Thompson | |
| Aye ☑ Absent ☐<br>Nay ☐ Abstain ☐ | Travis Norris | |
| Aye ☑ Absent ☐<br>Nay ☐ Abstain ☐ | Marie Theisz | |
| Aye ☑ Absent ☐<br>Nay ☐ Abstain ☐ | R. Todd Thacker, President | |
| Aye ☑ Absent ☐<br>Nay ☐ Abstain ☐ | Vicki Weger | Vicki Weger |
| Aye ☑ Absent ☐<br>Nay ☐ Abstain ☐ | Nancy Allsup | |
| Aye ☐ Absent ☐<br>Nay ☐ Abstain ☑ | Aaron Loudermilk | |

*Attest:*

James W. Bramble
Vigo Auditor