

(Misc. 2024-06)

WELLS COUNTY, INDIANA

AMERICAN RESCUE PLAN ACT COUNTY PLAN

UPDATED AS OF SEPTEMBER 2, 2021

UPDATED AS OF APRIL 18, 2022

UPDATED AS OF NOVEMBER 18, 2024

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Overview of Funding

American Rescue Plan Act & Coronavirus State and Local Fiscal Recovery Fund

On March 11, 2021, President Joe Biden signed the American Rescue Plan Act (“ARPA”) into law. Among its many provisions intended to address the COVID-19 pandemic, the ARPA included the Coronavirus Local Fiscal Recovery Fund (“FRF”), intended to provide local governments with funds to respond to the impact of COVID-19. The FRF funds may be used by recipients, including counties, for the following four purposes:

1. To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
2. To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers;
3. For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

On May 17, 2021, the United States Department of the Treasury (“Treasury”) issued an Interim Final Rule (“IFR”), providing guidance and clarifying the nature and scope of expenses eligible for payment using FRF funds.

Wells County’s Allocated Funding

Congress allocated the FRF funds under the ARPA to eligible counties based on each county’s population share of the total population of all counties. In sum, the FRF provided \$65.1 billion to counties. Wells County has been allocated \$5,496,166 in FRF funds. Wells County received its first tranche of funds in the amount of \$2,748,083 on June 7, 2021, and expects to receive its second tranche in May 2022.

Wells County ARPA Plan

In accordance with guidance issued by the Indiana State Board of Accounts, Wells County has adopted this plan outlining the intended uses, amounts, and justifications for its FRF expenditures. This plan describes how the county will spend the funds both tranches. These numbers are estimates for each category and may change based on need, COVID conditions and or bids/quotes that come in higher or lower. Likewise, projects may be added and or removed. This plan is to layout a roadmap for Wells County Government to utilize these dollars to have the greatest overall impact on Wells County. Input for this plan has been received from community members, business leaders, department heads and elected officials. Prior to the distribution of any amounts from the FRF in accordance with this plan, the County Council will complete all legal procedures required to appropriate such amounts from the FRF.

Summary of Proposed Uses of Funding

Wells County plans to use its FRF funds in permitted categories and all FRF funds expended shall be considered "Revenue Loss" pursuant to Wells County Ordinance 2022-08, attached hereto as Exhibit B.

Wells County, Indiana ARPA Funding Plan for 2021-2022

Proposed Actions to Respond to COVID-19 Public Health Emergency

County Jail Renovation

Proposed Action: Wells County plans to use funds to renovate the county jail to mitigate the spread of COVID-19 in the facility. Planned renovations include the following: replacement of air handling units to enhance filtration, a new inmate/intake processing space allow for social distancing among inmates and staff, and new visitation stations to allow for social distancing between inmates and visitors. See Exhibit A for further details on the anticipated projects.

Estimated cost: \$2,750,000 - *actual paid \$2,745,714*

Justification: Ventilation improvements to public facilities and adaptations to public buildings to implement COVID-19 mitigation tactics are eligible uses of the funds.¹ Mitigation and prevention in congregate living facilities such as jails are also eligible uses of the funds.²

¹ "A broad range of services and programming are needed to contain COVID-19. Mitigation and prevention efforts for COVID-19 include... ventilation improvements in congregate settings, health care settings, or other key locations... They also include capital investments in public facilities to meet pandemic operational needs, such as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics." Federal Register, Vol. 86, No. 93, p. 26790 (May 17, 2021) (hereinafter "Federal Register").

² "A broad range of services and programming are needed to contain COVID-19. Mitigation and prevention efforts for COVID-19 include... support for prevention, mitigation, or other services in congregate living facilities (e.g., nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools..." Federal Register, p. 26790.

Proposed Actions to Invest in Water, Sewer, and Broadband Infrastructure

Regional Sewer District

Proposed Action: ARPA funds were requested on behalf of the Regional Sewer District ("RSD"). The RSD is working on 6 new project service areas. The request was to earmark \$2 million for grant match dollars for development of projects for future grant and construction applications. Funding for the jail project will be maximized prior to distributing funding to other areas. The RSD advised that \$1 million would be enough to get projects started and generate matching funding.

Estimated cost: \$2,000,000

Justification: Funds may be transferred to nonentitlement units, including sewer districts, to maximize the impact of ARPA funding.³ The transfer of funds to the RSD for water/sewer infrastructure improvements is conditioned upon verification that the projects are eligible under the DWSRF⁴ and/or CWSRF.⁴

³ "The statute authorizes State, territorial, and Tribal governments; counties; metropolitan cities; and nonentitlement units of local government (counties, metropolitan cities, and nonentitlement units of local government are collectively referred to as "local governments") to transfer amounts paid from the Fiscal Recovery Funds to a number of specified entities. By permitting these transfers, Congress recognized the importance of providing flexibility to governments seeking to achieve the greatest impact with their funds, including by working with other levels or units of government or private entities to assist recipient governments in carrying out their programs. This includes special-purpose districts that perform specific functions in the community, such as fire, water, sewer, or mosquito abatement districts." Federal Register, p. 26813.

⁴ "Understanding that State, local, and Tribal governments have a broad range of water and sewer infrastructure needs, the interim final rule provides these governments with wide latitude to identify investments in water and sewer infrastructure that are of the highest priority for their own communities, which may include projects on privately-owned infrastructure. The interim final rule does this by aligning eligible uses of the Fiscal Recovery Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)." Federal Register, p. 26802.

Proposed Actions to Invest in Emergency Vehicles

Wells County Sheriff

Proposed Action: ARPA funds were requested on behalf of the Wells County Sheriff. The purpose of the request would be to acquire emergency vehicles due to the loss of other revenue.

Estimated cost: \$71,614.87

Justification: Counties can use funds spent in the revenue loss category on any traditional government service. This is the most flexible spending category, and Treasury takes a broad view of what constitutes a government service. The Final Rule defines “government services” as any service provided by a government.⁵

⁵ Examples of eligible government services include the construction of schools and hospitals; road building and maintenance, and other infrastructure; health services; general government administration, staff, and administrative facilities; environmental remediation; and the provisioning of police, fire, and other public safety services (including the purchase of fire trucks and police vehicles. <https://www.naco.org/resources/featured/naco-recovery-fund-faqs>

Proposed Actions to Invest in Infrastructure

Wells County Highway Department

Proposed Action: ARPA funds were requested on behalf of the Highway Department to connect utilities to a new structure to support, health, safety, welfare. These funds should be considered requested as a loss of revenue, but they are also considered for water/ sewer infrastructure improvements. This may also be viewed as an additional cost for a change order or contract contingency.

Estimated cost: \$678,837.13

Justification: This flexibility is consistent with recipients' ability to terminate a contract for convenience and to use SLFRF funds for costs associated with change orders and contingencies that are contemplated by their contracts and subawards.⁶

Total \$ 5,496,166. Total receipts and total expenditures

⁶ Recipients satisfy the obligation requirement by using revenue loss funds to cover purchase orders, contracts, and similar transactions requiring payment entered into by December 31, 2024, including interagency agreements meeting certain conditions entered into by December 31, 2024. Recipients also satisfy the obligation requirement by using revenue loss funds to satisfy a requirement under federal law or regulation or provision of the award terms and conditions to which a recipient becomes subject as a result of receiving or expending funds. Treasury previously determined that subrecipient relationships do not arise under the revenue loss eligible use category, but recipients nevertheless may use funds to cover the costs of agreements entered into with nonprofits and other counterparties.

Exhibit A

[Letter from Ameresco to Sheriff Holiday, dated 9/1/2021]



5875 Castle Creek Pkwy N Dr #155
Indianapolis, IN 46250
ameresco.com

Exhibit A

[Letter from Ameresco to Sheriff Holliday, dated
9/1/2021]

September 1, 2021

Wells County Sheriff's Office
1615 Western Avenue
Bluffton, IN 46714
Attn: Sheriff Scott Holliday

Dear Sheriff Holliday,

Ameresco has finalized the scope and pricing for the facility upgrade project proposed at your Jail facility. This letter summarizes the portions of this project that are COVID-19 driven and justify the County's application of \$2.9M in ARPA funds.

Scope Items Included as a direct result of COVID-19 Pandemic:

- The project will replace 13 existing Air Handling units (~35 years old). The new units will have enhanced filtration (MERV 13) as recommended by ASHRAE guidelines for the minimization of infectious disease transfer. Each AHU will also include the installation of bipolar ionization units that reduce airborne pathogens. This application for funding includes the incremental cost to include these enhancements.
- The project will add a new inmate intake/processing space with the major objective of enhancing the ability to deal with inmates who may have COVID-19 or any other infectious disease. The plan includes 4 isolation cells that feature negative pressure (exhausting the room air directly to the outside) which prevents the virus from spreading via ductwork to other parts of the facility. Inmates can effectively be quarantined in the processing area until they can be evaluated and held until their status is determined. Another feature is the breathalyzer room, which is immediately off the intake sallyport, so if the arrestee blows negative and under the legal limit, they are released immediately and never enter the general population. This application for funding includes the cost of the addition including design, soil borings, general construction, HVAC systems, power, lighting, plumbing, fire protection, security equipment and controls.

Wells County, Indiana
June 29, 2021
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- Another feature of the renovation includes 2 new video visitation stations off the main lobby. This prevents visitors from entering beyond the main lobby and potentially exposing inmates and staff to viruses, while allowing a video visit with the inmate via a monitor. Also off the lobby is a space for attorneys and bail bondsmen to meet with their client through a secure glass wall, avoiding direct contact with each other.

We believe these modifications will significantly reduce the risk of infectious disease entering and/or spreading within the facility.

Ameresco estimates that approximately \$2.9M of the project cost can be directly attributed to the COVID modifications described above and could qualify for ARPA funding.

Please review this information and let me know if you have any questions.

Respectfully,

Alex Barghout

Alexander Barghout, PE
Engineering Manager
abarghout@ameresco.com

Exhibit B

[Wells County Ordinance 2022-08, dated 4/18/2022]



WELLS COUNTY ORDINANCE NO. 2022-08

An Ordinance of the Wells County Board of Commissioners Regarding the Wells County ARP Coronavirus Fiscal Recovery Plan and "Lost Revenue"

WHEREAS, The Wells County Commissioners passed Ordinance 2021-11 on September 7, 2021 establishing the Wells County ARP Coronavirus Fiscal Recovery Plan.

WHEREAS, The U.S. Treasury Department allows local government units who have a ARP Coronavirus Fiscal Recovery Plan to make a one-time election of the standard allowance of up to Ten Million Dollars (\$10,000,000.00) to be included under "Revenue Loss" provisions of the America Rescue Plan by April 30, 2022.

WHEREAS, "Revenue Loss" funds may be used to provide government services regardless of whether or not the local unit suffered revenue losses pursuant to Treasury regulations.

WHEREAS, the Wells County Commissioners desire to create an ordinance stating that projects and expenses related to government services and paid for from ARP funds be considered in the "Revenue Loss Category" of reporting.

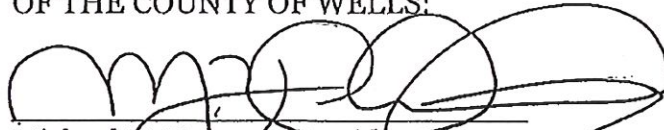
NOW, THEREFORE BE IT ORDAINED AND ESTABLISHED BY THE BOARD OF COMMISSIONERS OF WELLS COUNTY, INDIANA, THAT:


All ARP projects of Wells County shall be considered as a "Revenue Loss Expenditure" and categorized as the same.

[signatures next page]

All as Passed and Ordained this 18th day of April, 2022.

THE BOARD OF COMMISSIONERS
OF THE COUNTY OF WELLS:


Michael K. Vanover, President


Blake Gerber, Vice President


Jeff Stringer, Member

ATTEST:


Lisa McCormick, Auditor

This instrument was prepared by the Wells County Attorney, Colin Z. Andrews, Attorney No. 26767-49, 116 South Main St., Bluffton, IN 46714. *I affirm, under penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. /s/ Colin Z. Andrews*