RESOLUTION NO. RC-44-21

A Resolution of the Common Council Adopting a Plan for Distribution of the Proceeds of the City’s Grant from the American Rescue Plan Act of 2021

WHEREAS, the City of Noblesville has been awarded a grant from the American Rescue Plan Act of 2021 ("the Act"), in the amount of Six Million, Two Hundred and Twelve Thousand, Eight Hundred and Forty-One Dollars ($6,212,841) ("the Grant Funds"), half of which, or Three Million, One Hundred and Six Thousand, Four Hundred and Twenty Dollars and Fifty Cents ($3,106,420.50) was received on July 7, 2021, and the remaining balance to be received in 2022; and,

WHEREAS, the Act requires a Grant Recipient to adopt a plan (the “Plan”) to distribute the Grant Funds; and,

WHEREAS, the Act provides that the legislative body of the City shall adopt the definition of “Eligible Employees” as defined in Section 603(g)(2) of the Act for purposes of distributing Premium Pay to Eligible Employees as authorized by the Act; and,

WHEREAS, the City intends to use portions of the Grant Funds to recover 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 of the City prior to the emergency, pursuant to Section 603(c)(1)(C) of the Act; and,

WHEREAS, the City intends to use portions of the Grant Funds to make necessary investments in water, sewer, and broadband infrastructure, pursuant to Section 603(c)(1)(D) of the Act; and,

WHEREAS, this Plan is subject to amendments approved by the Noblesville Common Council (the “Council”) as permitted the Act.
NOW, THEREFORE, BE IT ORDERED, ESTABLISHED, AND ORDAINED by the Common Council of the City of Noblesville, as follows:

SECTION I. Introduction.

The City’s Plan for distribution of the Grant funds are as follows:

1. The payments identified in this Plan and future amendments to the Plan shall be authorized uses of the Grant Funds.

2. The Plan may be amended to comply with the Act, any subsequent Amendments to the Act, rules adopted by the U.S. Treasury Department including 31 CFR Part 35, or at the discretion of the Council, to the extent provided by the Act.

3. The payment of all Grant Funds and any subsequent Grant Funds received pursuant to the Act, shall be subject to appropriation by the Council.

4. The Plan’s procedures and designated uses for distribution of the Grant Funds from the Act are stated as follows in sections below.

SECTION II. Premium Pay to Eligible Employees.

1. The Council found that all employees of the City of Noblesville, including employees of Noblesville Wastewater Utilities, who worked for the City between January 27, 2020, through June 25, 2021, (the “Special Distribution Period”), were performing duties necessary to maintain continuity of operations of essential functions of city government. Those essential functions were necessary to protect the health, safety, and welfare of the citizens of Noblesville. Therefore, all of the above designated employees were designated as “Eligible Employees,” pursuant to Section 603(g)(2) of the Act, for purposes of receiving special distribution payments, premium pay, pursuant to the Act. See Section 603(g)(6) of the Act.

2. Premium Pay to Eligible Employees:
2.1. The City will issue "Premium Pay" to all "Eligible Employees," including full time, part time, seasonal, and department heads (collectively "Eligible Employees"), a special distribution, premium pay, of Two Dollars ($2.00) per hour for all hours worked that constituted "Essential Work" under the Treasury Department Rule at the Eligible Employees assigned workstation or premises (as hereinafter described) during the Special Distribution Period. The term "hours worked" did not include vacation time, sick time, COVID-19 time, holiday time, or any other non-worked time. The Act prohibits the payment to Eligible Employees for hours worked remotely (remote work) from a residence or other premises unrelated to the location where the Eligible Employee regularly performs their assigned duties for the City. Therefore, the Eligible Employees did not receive any Premium Pay for hours performing remote work.

2.2. All directors and elected officials reviewed all hours and time records of each Eligible Employee under their supervision and certified, under oath, the number of Essential Work hours during the Special Distribution Period that the Eligible Employee worked at their designated workstation, not including remote work, during the Special Distribution Period.

2.3. No eligible civilian employee may receive gross pay from the Premium Pay of more than One Thousand Four Hundred Dollars ($1,400). All eligible civilian employees who performed at least Seven Hundred (700) hours of Essential Work during the Special Distribution Period may receive the maximum Premium Pay for civilian employees of One Thousand Four Hundred Dollars ($1,400).

2.4. No eligible sworn firefighter or police officer may receive gross pay from the Premium Pay of more than Two Thousand Four Hundred Dollars ($2,400). All eligible sworn
firefighters and police officers who performed at least One Thousand Two Hundred (1,200) hours of Essential Work during the Special Distribution Period may receive the maximum Premium Pay for sworn public safety employees of Two Thousand Four Hundred Dollars ($2,400).

2.5. This Premium Pay will increase total compensation for certain workers, for the years overlapping the Special Distribution Period, to above One Hundred Fifty Percent (150%) of the State’s average annual wage for all occupations, as determined by the Bureau of Labor Statistics Occupational Employment and Wage Statistics. As required by 41 CFR 35.5(c), the City has determined that the distribution formula set forth above is appropriate given the known and potential risks Eligible Employees faced while performing Essential Work on behalf of the constituents of the City. The higher maximum Premium Pay amount for sworn firefighters and police officers has been set in light of unique risks and duties those employees faced and carried out during the public health emergency.

2.6. Regular reductions for state and local income tax and the Eligible Employees’ FICA deduction were deducted from the Premium Pay to the Eligible Employees.

2.7. The City used part of the Grant Funds to pay the FICA taxes, which the City must pay attributable to the Premium Pay; also the Grant Funds were used to pay mandatory retirement plan contributions attributable to the Premium Pay, as required under State law.

2.8. To substantiate the City’s records for auditing purposes, all elected officials, department heads and other supervisors filed, with the Controller, a Certification of Eligible Hours (the “Certification”) form; certifying the number of hours worked by Eligible Employees on or before July 30, 2021.

SECTION III. Recovering Lost Revenue Due to COVID-19
1. The second permitted use of the initial Grant Funds shall be to recover the City’s reduction in revenue (the “Lost Revenue”) due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the City prior to the emergency, pursuant to Section 603(c)(1)(C) of the Act.

2. This permitted use shall allow the City to use Grant Funds to avoid cuts to essential government services or to meet other obligations of the City to ensure that fiscal austerity measures taken during the pandemic do not hamper the local economic recovery.

3. The Lost Revenue shall include, but not limited to:

3.1. Local Property Tax Receipts due to Property Value Losses Resulting from the COVID-19 Public Health Emergency.

3.2. Local Income Tax Receipts.

3.3. Food and Beverage Tax Receipts.

3.4. Fuel Tax and Vehicle License Fee Distributions from the State.

3.5. Rental and Enrollment Fee Receipts for City Facilities and Programs.


4. The Lost Revenue will be calculated pursuant to the requirements provided by the Act.

4.1. Calculating Lost Revenue shall be done pursuant to the guidelines provided by the Department of the Treasury.

5. The Lost Revenue determinations through 2024 may be added as an amendment to the Plan once the Department of the Treasury adopts a Final Rule providing guidance on specifics concerning calculations and data becomes available to complete corresponding calculations.

6. The Act provides broad and flexible uses of Lost Revenue recoupment outside of the eligibility requirements stated in other categories of permitted uses by the Act. Subject to appropriation
actions, the City has broad latitude to use the Lost Revenue funds for the provision of government services as follows:

6.1. Government services, which can be funded from Lost Revenue funds, may include, but not limited to:

6.1.1. Maintenance or “pay-go” funding for building of infrastructure, including roads.

6.1.1.1. “Pay-go” infrastructure is defined as the practice of funding capital projects with cash-on-hand from taxes, fees, grants, and other sources, rather than with borrowed sums.

6.1.2. Modernization of cybersecurity, including hardware, software, and protection of critical infrastructure.

6.1.3. Health services.

6.1.4. Environmental remediation.

6.1.5. The provision of police, fire, and other public safety services.

6.2. Lost Revenue funds shall not be used to replenish the City’s “rainy day” fund, other City reserve funds, nor for additional (i.e. extra) principal payments on City debt.

6.3. Consistent with the Act, the City has broad discretion to determine what government services shall be funded by the Lost Revenue funds and how much of the Lost Revenue funds shall be used for each selected government service.

7. The permitted uses of Loss Revenue funds are subject to change and amendments to the Plan for the use of Loss Revenue funds shall be considered by Council upon request from the Administration or subject to the Act itself.

SECTION IV. Drainage Projects.
1. The third permitted use of the initial Grant Funds shall be to make necessary investments in water, stormwater, drainage, and sewer infrastructure pursuant to Section 603(c)(1)(D) of the Act as implemented by the Treasury Guidance.

2. The Act provides the City with wide latitude to identify investments and projects in water and sewer infrastructure that are of the highest priority to the City, which may include projects on privately-owned property.

3. To be permitted under the Act, any project or category of project must be eligible to receive financial assistance from the Environmental Protection Agency’s (“EPA”) Clean Water State Revolving Fund (“CWSRF”) or Drinking Water State Revolving Fund (“DWSRF”).

3.1. The CWSRF provides financial assistance for a wide range of water infrastructure projects to improve water quality and address water pollution.

3.1.1. The types of projects eligible under the Act and CWSRF include projects to construct, improve, and repair wastewater treatment plants, control non-point sources of pollution, improve resilience of infrastructure to severe weather events, create green infrastructure, and protect waterbodies from pollution.

3.2. The DWSRF provides financial assistance for projects to protect public health and comply with drinking water regulations.

3.2.1. The types of projects eligible under the Act and the DWSRF include projects that improve water infrastructure capital improvements, including the installation and replacement of failing treatment and distribution systems.

4. The City Engineer shall provide the Mayor and Council a report containing a list of prioritized projects, that are compliant with the CWSRF and DWSRF requirements and regulations, and the Mayor shall evaluate the proposed projects to determine which would respond most to the
needs of the City. The Mayor has preliminarily determined that the stormwater and drainage work for Phase One of the Pleasant Street project and the wastewater infrastructure project to provide a connection point between the existing collection system limits on State Road 38 and a strategic location in Wayne Township, near the intersection with Boden Road, are the two most impactful projects for the City.

4.1. The City Engineer’s list shall be submitted via an amendment to this Plan once completed.

SECTION V. Conclusion.

1. Pursuant to the Act, the City shall only use Grant Funds obligated prior to December 31, 2024.

2. The period of performance for projects funded by the Grant Funds shall conclude on December 31, 2026; all projects funded by Grant Funds must be completed on or prior to this date.

3. This Plan is subject to amendments as more permitted uses are determined by the Act, U.S. Treasury Department guidance, and as priorities for the City develop.

4. This Ordinance and Plan shall be in full force and effect upon passage and may be subsequently amended to conform with the Act.

IN WITNESS THEREOF, the Common Council of the City of Noblesville, Indiana have adopted this Resolution and American Rescue Plan usage plan this 13th day of July, 2021.
Approved on this 13th day of July, 2021 by the Common Council of the City of Noblesville, Indiana:

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ATTEST:  
Evelyn L. Lees, City Clerk

Presented by me to the Mayor of the City of Noblesville, Indiana, this 13th day of July, 2021 at 8:13 P.M.

Evelyn L. Lees, City Clerk

MAYOR’S APPROVAL

Chris Jensen, Mayor  

7-13-2021  
Date

MAYOR’S VETO

Chris Jensen, Mayor  

Date
ATTEST:  
Evelyn L. Lees, City Clerk