

# BERN



Count on us.

## 2023 Legislative Conference Federal Funding Workshop January 18, 2023

Bernalillo County  
American Rescue Plan Act (ARPA)  
Initiatives, Best Practices, and Hurdles/Challenges

# American Rescue Plan Act (ARPA) Funds Bernalillo County

- Bernalillo County was identified as an eligible local government to receive \$131,911,293 in direct aid to combat the economic impact of the COVID-19 pandemic (two tranches: \$65,955,646.50 in 2021, \$ 65,955,646.50 in 2022).

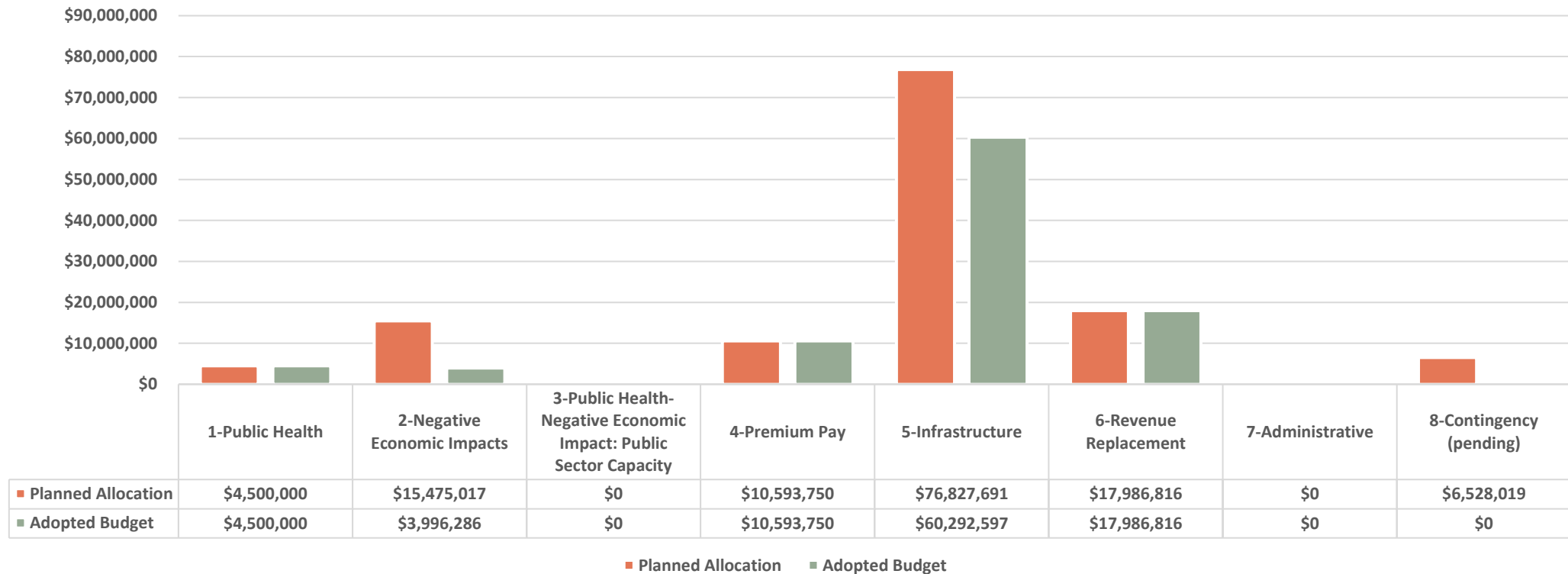
## Planned Allocation of Funding by Expenditure Category as of December 31, 2022

Expenditure Category		Planned Allocation	Adopted Budget
1	Public Health	\$4,500,000	\$4,500,000
2	Negative Economic Impacts	\$15,475,017	\$3,996,286
3	Public Health-Negative Economic Impact: Public Sector Capacity	\$0	\$0
4	Premium Pay	\$10,593,750	\$10,593,750
5	Infrastructure	\$76,827,691	\$60,292,597
6	Revenue Replacement	\$17,986,816	\$17,986,816
7	Administrative	\$0	\$0
8	Contingency (pending)	\$6,528,019	\$0
<b>TOTAL</b>		<b>\$131,911,293</b>	<b>\$97,371,949</b>



# American Rescue Plan Act (ARPA) Funds Bernalillo County

Planned Allocations and Adopted Budget  
As of 12/31/2022



# Bernalillo County ARPA Initiatives Started

- **Public Health (EC 1)**
  - \$1.0m - Care Campus Services Young Adult Recovery Project – Capital Improvement
  - \$1.25m - Care Campus Services Young Adult Recover Project – Program
  - \$2.25m - Care Campus Behavioral Health Recovery Project (Outpatient Clinic (OPC), Medication Assisted Treatment (MAT))
- **Negative Economic Impacts (EC 2)**
  - \$1.87m - Bernalillo County Economic Relief (UpTogether)
  - \$522k - YES Housing-Calle Cuarta Multi-Family Mixed Use Housing
  - \$1.6m - Community Connections Supportive Housing Recovery Project
- **Premium Pay (EC 4)**
  - \$5.0m – Premium Pay Private Sector (Grants to Employers)
  - \$5.5m – Premium Pay Public (Bernalillo County Employees)
- **Revenue Replacement (EC 6)**
  - \$4.0m – Cybersecurity Investment
  - \$5.0m – Commission District Initiatives (\$1m per district)

# Bernalillo County ARPA Initiatives Started

- **Water, Sewer, and Broadband Infrastructure (EC 5)**

Albuquerque Bernalillo County Water Utility Authority (ABCWUA)/Bernalillo County Partnership projects

- \$3.8m - Carnuel Sewage Collection System
- \$4.2m - MDC Water & Sewer Improvements
- \$4.9m - Mesa del Sol Non-Potable Re-Use Booster Pump & Reservoir
- \$8.0m - South Valley Drinking Water Project, Phase 8/9
- \$15.0m - KAFB Tijeras Interceptor Rehabilitation
- \$15.0m - Volcano Cliffs & Corrales Trunk Reservoir & Transmission Line Improvements
- \$2.8m - Bosque Non-Potable Water Reclamation Plant and Reuse System
- \$1.0m - Carnuel Water System Expansion
- \$1.0m - Tohajiilee Water Line Extension

Other Infrastructure projects

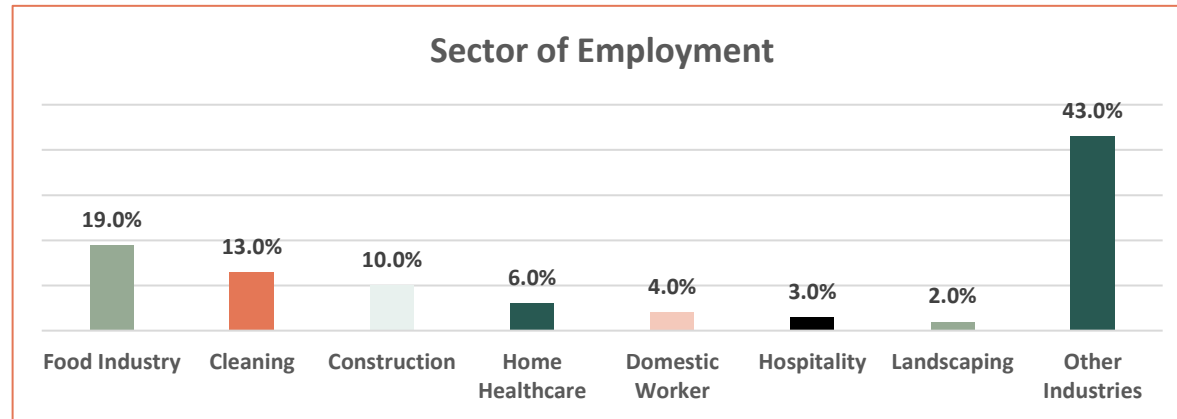
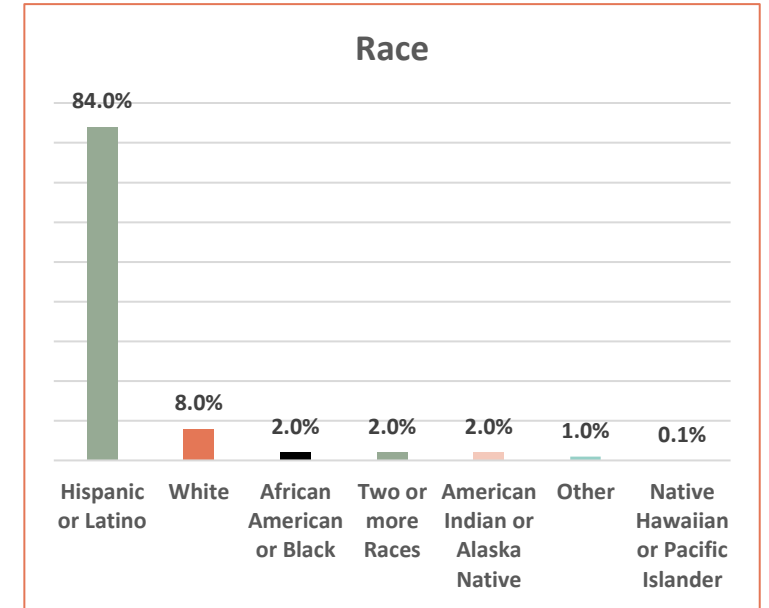
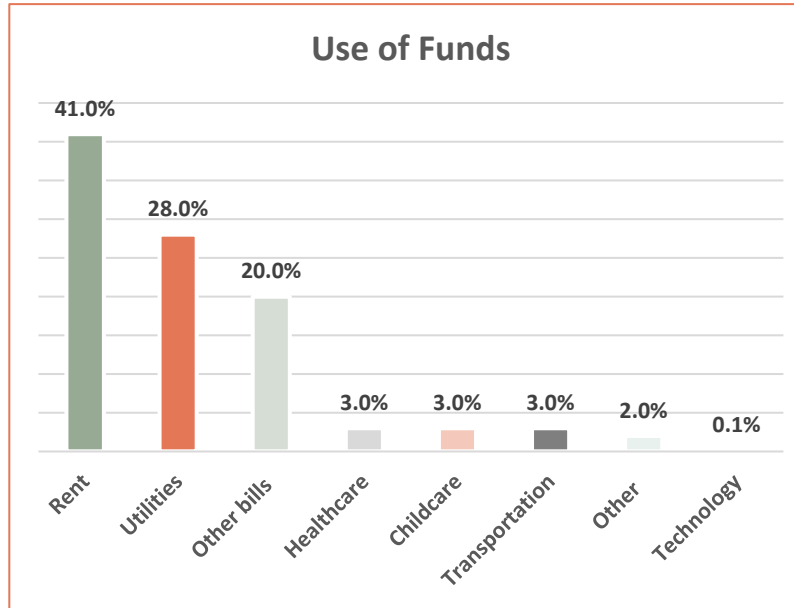
- \$2.0m - Mesa Del Sol Phase 2 Athletic Fields
- \$3.3m - Sandia Peak Utilities-replace meters & lines

Broadband projects

- \$10.0m has been allocated for a Design Build East Mountain Broadband project

# Economic Relief Partnership – UpTogether

In August of 2022, Bernalillo County, in partnership with UpTogether launched the Bernalillo County Economic Relief program. This program provided a total of \$1.8 million in one-time direct cash payments of \$1,000 to each eligible individual who did not qualify for previously issued Federal Stimulus funding. To date, UpTogether has disbursed 1,710 payments, totaling \$1.71 million. UpTogether prioritized those residents who live within Bernalillo County (unincorporated) but outside of the City of Albuquerque (incorporated).



# Best Practices and Hurdles

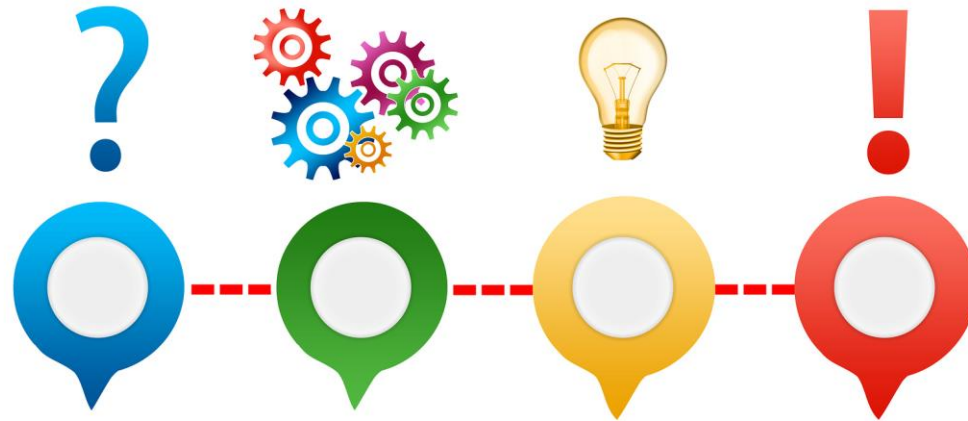
- **Hurdles/Challenges**

- Timelines on projects have been pushed out due to several factors including:
  - Continually changing guidance (Reporting Guidance and Final Rule)
  - Uniform Guidance requirements and the need to update internal procedures
  - Rising cost of construction on infrastructure and capital projects
    - Increasing cost of labor and shortage of workers
    - Increasing cost of materials
  - Supply chain issues (acquisition and additional resources)
  - Bernalillo County's Community Workforce Agreement (CWA) challenges

- **Best Practices**

- Created and maintaining written procedures for the administration of ARPA
- Established governance teams to oversee ARPA projects
- Followed GFOA guiding principles on implementation (see Supplemental Information)
- Conducting risk-based due diligence
- Developed archive system to maintain records
- Maintaining public engagement and transparency (link to website below)  
<https://www.bernco.gov/finance/american-rescue-plan-act/>

# Wrap Up - Question and Answers





# Contact Information

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# Supplemental Information

Brief Project Summaries  
GFOA Guiding Principles

# Brief Project Summaries

Expenditure Category	Expenditure Sub-Category	Project / Initiative	Amount
1. Public Health	1.12 Public Health: Mental Health Services*^	Care Campus Services (Young Adult-Program Services)	1,250,000.00
1. Public Health	1.12 Public Health: Mental Health Services*^	Care Campus Services (Outpatient Clinic (OPC), Medication Assisted Treatment (MAT))	2,250,000.00
1. Public Health	1.4 Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.)*^	Care Campus Services (Young Adult-Capital Renovation)	1,000,000.00
2. Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing*^	Calle Cuarta Multi Family/Mixed Use Housing Utilities	522,346.63
2. Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing*^	Single Site Housing	2,300,000.00
2. Negative Economic Impacts	2.16-Long-Term Housing Security: Services for Unhoused persons	Care Campus Expansion of the existing Community Connections Supportive Housing Service	1,604,166.67
2. Negative Economic Impacts	2.3 Household Assistance: Cash Transfers* ^	Bernalillo County Economic Relief funding administered by Up Together	1,869,772.73
4. Premium Pay	4.1 Public Sector Employees	Premium Pay for County Employees	5,593,750.00
4. Premium Pay	4.2 Private Sector: Grants to Other Employers	Premium Pay for Private sector employees	5,000,000.00
5. Infrastructure - Water	5.11 Drinking water: Transmission & Distribution	South Valley Drinking Water Project, Phase 8/9	8,000,000.00
5. Infrastructure - Water	5.11 Drinking water: Transmission & Distribution	Volcano Cliffs & Corrales Trunk Reservoir & Transmission Line Improvements	15,000,000.00
5. Infrastructure - Sewer	5.11 Drinking water: Transmission & Distribution	Carnuel Water System Expansion	1,000,000.00
5. Infrastructure - Sewer	5.15 Drinking water: Other water infrastructure	Sandia Peak Utilities. Replace aged water meters and service lines	3,335,325.00
5. Infrastructure - Broadband	5.17 Broadband: Other projects	East Mountain Design Build Broadband Project	10,000,000.00
5. Infrastructure - Sewer	5.2 Clean Water: Centralized Wastewater Collection and Conveyance	Carnuel Sewage Collection System	3,845,000.00
5. Infrastructure - Sewer	5.2 Clean Water: Centralized Wastewater Collection and Conveyance	MDC Water & Sewer Improvements	4,200,000.00
5. Infrastructure - Sewer	5.5 Clean Water: Other Sewer Infrastructure	KAFB Tijeras Interceptor Rehabilitation	15,000,000.00
5. Infrastructure - Water	5.6 Clean Water: Stormwater	South La Cueva Arroyo Retention and Water Quality Infrastructure	5,000,000.00
5. Infrastructure - Sewer	5.8 Clean Water: Water Conservation	Mesa del Sol Non-Potable Re-Use Booster Pump & Reservoir	4,896,536.00
5. Infrastructure - Sewer	5.8 Clean Water: Water Conservation	Bosque Non-Potable Water Reclamation Plant and Reuse System	2,875,037.00
5. Infrastructure - Water	5.8 Clean Water: Water Conservation	Mesa del Sol Phase 2 Athletic Fields	2,000,000.00
6. Revenue Replacement	6.1 Provision of Government Services	Westside Park Phase 2 Improvements	1,000,000.00
6. Revenue Replacement	6.1 Provision of Government Services	Cybersecurity Investment	4,000,000.00
6. Revenue Replacement	6.1 Provision of Government Services	Tom Tenorio Park Phases 5 & 6	4,500,000.00
6. Revenue Replacement	6.1 Provision of Government Services	Commission District Initiatives	5,000,000.00

# **Government Financial Officers Association (GFOA) Guiding Principles**

## **American Rescue Plan Act – CORONAVIRUS State & Local Fiscal Recovery Funds (CSLFRF)**

Administration of \$132 million direct allocation

# GFOA guiding principles on implementation

- **Temporary Nature:** ARPA funds are non-recurring so their use should be applied primarily to non-recurring expenditures.

Guiding Principle	County's Actions
Care should be taken to avoid creating new programs or add-ons to existing programs that require an ongoing financial commitment	The county has no plans to expand existing programs that require on-going financial commitment. However, could consider one-time initiatives within those programs after the appropriate analysis.
Replenishing reserves used to offset revenue declines during the pandemic should be given high priority to rebuild financial flexibility/stability and restore fiscal resiliency.	County reserves are at required levels and there are no current plans to increase existing reserves.
Use of ARPA funds to cover operating deficits caused by COVID-19 should be considered temporary and additional budget restraint may be necessary to achieve/maintain structural balance in future budgets.	We <b>WILL NOT</b> be using the ARPA funds to cover or address operating deficits.
Investment in critical infrastructure is particularly well-suited use of ARPA funds because it is a non-recurring expenditure that can be targeted to strategically important long-term assets that provide benefits over many years. However, care should be taken to assess any on-going operating costs that may be associated with the project.	<p>We are starting by reviewing and prioritizing projects from the CIP that are lacking funding to complete and can be completed by December 31, 2024.</p> <p>The first projects from the CIP being considered and prioritized are the infrastructure projects related to:</p> <ul style="list-style-type: none"> <li>● Water</li> <li>● Sewer</li> <li>● Broadband</li> </ul> <p><b>Any associated on-going (recurring) operating costs will be assessed as these can't be funded with ARPA funds.</b></p>

# GFOA guiding principles on implementation

- **ARPA Scanning and Partnering Efforts:** State and local jurisdictions should be aware of plans for ARPA funding throughout their communities.

Guiding Principle	County's Actions
<p>Local jurisdictions should be cognizant of state-level ARPA efforts, especially regarding infrastructure, potential enhancements of state funding resources, and existing or new state law requirements.</p>	<p>We are working with both federal and state lobbyists on issues. In addition, we will coordinate with New Mexico Counties (NMC), State of New Mexico, City of Albuquerque and other entities as necessary.</p>
<p>Consider regional initiatives, including partnering with other ARPA recipients. It is possible there are many beneficiaries of ARPA funding within your community, such as schools, transportation agencies and local economic development authorities. Be sure to understand what they are planning and augment their efforts; alternatively, creating cooperative spending plans to enhance the structural financial condition of your community.</p>	<p>Similar response as above. The county may collaborate, coordinate and potentially partner with other governmental bodies or agencies as necessary to appropriately address and fund regional initiatives after thorough analysis. Examples of entities are:</p> <ul style="list-style-type: none"> <li>● New Mexico Counties (NMC),</li> <li>● State of New Mexico</li> <li>● City of Albuquerque</li> <li>● Other entities</li> </ul> <p>A process and/or approach would need to be defined.</p> <p>We are tapping into all resources to gain the best understanding of all information and proposed initiatives. Additionally, the county participates in calls, webinars or other calls for action that are addressing all aspects of the ARPA such as:</p> <ul style="list-style-type: none"> <li>● NACo membership calls</li> <li>● GFOA weekly membership calls</li> <li>● Federal lobbyists</li> <li>● State lobbyists</li> <li>● US Department of the Treasury</li> </ul>

# GFOA guiding principles on implementation

- Take Time and Careful Consideration:** ARPA funds will be issued in two tranches to local governments. Throughout the years of outlays, and until the end of calendar year 2024, consider how the funds may be used to address rescue efforts and lead to recovery.

Guiding Principle	County's Actions
<p>Use other dedicated grants and programs first whenever possible and save ARPA funds for priorities not eligible for other federal and state assistance programs.</p>	<p>In assessing current projects in the CIP, all funding sources are being considered along with the requirements.</p>
<p>Whenever possible, expenditures related to the ARPA funding should be spread over the qualifying period (through December 31, 2024) to enhance budgetary and financial stability.</p>	<p>To the extent that funding is assigned to capital projects, the project timelines will be followed and used to plan cash flow needs for spending and investments.</p> <p><i>Potential to create bonding capacity for other projects in the 2022 and 2024 GO Bond elections.</i></p>
<p>Adequate time should be taken to carefully consider all alternatives for the prudent use of ARPA funding prior to committing the resources to ensure the best use of the temporary funding.</p>	<p>The county has begun prioritizing initiatives, consulting with management and commissioners to ensure alignment with county priorities to maximize the use of the ARPA funds.</p>