

**THE VILLAGE OF SAN LEANNA**  
**AGENDA**  
Regular Board of Aldermen Public Meeting  
Thursday, April 15, 2021  
7:00 p.m. – Video Conference Call

**MEETING PARTICIPATION DETAILS:**

Topic: Regular Meeting – Board of Aldermen – April 2021  
Time: April 15, 2021 7:00 PM Central Time

villageofsanleanna.my.webex.com  
**Meeting number (access code): 569 550 2741**  
**Meeting password: 042021**

Dial in by phone: 408-418-9388  
**Meeting number (access code): 569 550 2741**  
**Meeting password: 042021**

**A. MEETING CALLED TO ORDER**

Roll call  
Approval of minutes: Regular B of A Meeting & Public Hearing ..... March 18, 2021

**B. CITIZENS' COMMUNICATION**

1. Citizen Communication

**C. ITEMS SCHEDULED FOR ACTION**

1. Selection of date to hold a document shredding event for village residents.
2. Discussion of updates and potential action pertaining to the Old Manchaca Road Project.
3. Discussion with potential action on the annexation of Tunnel Trail.
4. Consideration to return to in-person Board of Aldermen meetings.
5. Review and approve financial report for March 2021.

**D. ITEMS FOR DISCUSSION**

1. Discussion of funding through the American Rescue Plan Act of 2021.

**E. REPORTS AND INFORMATION**

1. **Mayor's Report**..... Updates re: meeting/symposium attendance, trash service delays
2. **Zoning Report**..... Certificate of Occupancy:  
New building permits:  
Active Building permits:
3. **Administrative Report**... surveys/reports, administrative updates, upcoming seminars/trainings
4. **Roads**..... Current road maintenance needs, road improvement projects, street signs, speed humps
5. **Public Affairs**..... newsletter, Community events
6. **Public Safety**..... Neighborhood Watch, NNO, public safety information, street lights
7. **Water**..... Water system info, drought status, Burn Ban info
8. **Environmental**..... Tree Care Program, mowing/trimming, trash/recycling, burn piles, drainage info, flood prevention

**F. ADJOURNMENT**

**\*\* ALL ITEMS SPECIFICALLY MENTIONED SEPARATE FROM EXECUTIVE SESSION  
MAY HAVE ACTION TAKEN \*\***

The Board of Aldermen of the Village of San Leanna reserves the right to adjourn into executive session at any time to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development).

Posted \_\_\_\_\_ April 12, 2021

\_\_\_\_\_  
Rebecca Howe, Village Administrator

**THE VILLAGE OF SAN LEANNA  
MINUTES**

Regular Board of Aldermen Public Meeting & Public Hearings  
Thursday, March 18, 2021  
7:00 p.m. – Videoconference

**A. MEETING CALLED TO ORDER**

Present: Molly Quirk, Helen Rockenbaugh, Charlie Burks, Danny Villarreal, Mary Wright.

Charlie Burks moved to approve minutes of Regular B of A Meeting on February 18, 2021 as written; Danny Villarreal seconded; motion carried with a vote of 4 in favor – 0 opposed.

**B. CITIZENS' COMMUNICATION**

**C. PUBLIC HEARING**

1. Mayor Quirk opened the public hearing. Council reviewed information concerning request for a variance to Zoning Ordinance No. 13-001 allowing the placement of a permanent accessory structure on a lot without a main residence on lot 6 of the Slaughter Bend Subdivision (ABS 20 SUR 1 SLAUGHTER S F ACR 10.606). Main residence located at 512 River Oaks Dr (lot 1). Don Nyland stated that the Zoning Committee moved to recommend approval of the variance request to allow the placement of a permanent accessory structure on a lot without a main residence on lot 6 of the Slaughter Bend Subdivision.
2. Council reviewed information concerning request for a variance to Zoning Ordinance No. 13-001 allowing the placement of a permanent accessory structure less than 30' of the front property line on lot 6 of the Slaughter Bend Subdivision (ABS 20 SUR 1 SLAUGHTER S F ACR 10.606). Main residence located at 512 River Oaks Dr (lot 1). Don Nyland stated that the Zoning Committee moved to recommend approval of the variance request to allow the placement of a permanent accessory structure less than 30' of the front property line on lot 6 of the Slaughter Bend Subdivision.

Mayor Quirk closed the public hearing.

**D. ITEMS SCHEDULED FOR ACTION**

Helen Rockenbaugh left the meeting temporarily for a phone call.

1. Danny Villareal moved to approve the request for a variance to Zoning Ordinance No. 13-001 allowing the placement of a permanent accessory structure on a lot without a main residence on lot 6 of the Slaughter Bend Subdivision (ABS 20 SUR 1 SLAUGHTER S F ACR 10.606). Main residence located at 512 River Oaks Dr (lot 1).; Charlie Burks seconded; motion carried with a vote of 3 in favor – 0 opposed.
2. Charlie Burks moved to approve the request for a variance to Zoning Ordinance No. 13-001 allowing the placement of a permanent accessory structure less than 30' of the front property line on lot 6 of the Slaughter Bend Subdivision (ABS 20 SUR 1 SLAUGHTER S F ACR

10.606). Main residence located at 512 River Oaks Dr (lot 1).; Mary Wright seconded; motion carried with a vote of 3 in favor – 0 opposed.

3. Council discussed the state of the property located at 11810 Arnold Ln. Neighbor complaints noted trash and junk on the front porch and covering much of the driveway.

Helen Rockenbaugh returned to the meeting.

Danny Villarreal moved to send a follow up letter and refer the Health and Sanitation Ordinance No. 01-005 violation at 11810 Arnold Ln. to Austin Public Health if the violation was not remedied by March 23, 2021 as previously requested by the City Administrator; Charlie Burks seconded; motion carried with a vote of 4 in favor – 0 opposed.

4. Danny Villarreal moved to select May 15, 2021 for Spring Clean-up Day (Bulk Pick-up) provided by Waste Connections; Helen Rockenbaugh seconded; motion carried with a vote of 4 in favor – 0 opposed.
5. Council discussed the possibility of holding a village-wide document shredding event. Danny Villarreal moved to continue with inquiries for event quotes and scheduling; Helen Rockenbaugh seconded; motion carried with a vote of 4 in favor – 0 opposed.
6. Council discussed possible action regarding potential water system testing and improvements. Rebecca Howe reported that she had discussed the matter of residual iron captured in a resident's new water filter with water operator, Byron Townsend. A small amount of iron is not unusual in treated well water systems and Ms. Howe reported that iron levels in the Village of San Leanna water supply are tested and regulated by the State of Texas. The Village of San Leanna has not received any actionable test results on iron levels in the water. Further, Mr. Townsend had reported that he would be having the pump pulled to check for needed repairs after the 2021 Winter Storm and an update would follow. No action was taken.
7. Council discussed the possibility of utility relief measures on water bills affected by the 2021 winter storm. Charlie Burks moved to issue a credit of 80% of the increase between January billing and February billing for all accounts that experiences a bill increase greater than \$20; seconded; Danny Villarreal motion carried with a vote of 4 in favor – 0 opposed.
8. Helen Rockenbaugh moved to approve the February 2021 financial report; Danny Villarreal seconded; motion carried with a vote of 4 in favor – 0 opposed.

#### **E. ITEMS FOR DISCUSSION**

#### **F. REPORTS AND INFORMATION**

1. Mayor's Report: Mayor Quirk reported on a quiet month after the winter storm, thanking Helen Rockenbaugh for coordinating a Thank You event for Mark Hartley for his contributions during the snow storm and congratulating Charlie Burks on the completion of the Jim Payne Park playscape. Mayor Quirk reported on COVID-19 numbers and a potential village clean-up event.

Linda Barrett reported on a very busy month with a certificate of completion at 715 River Oaks Dr, as well as existing permits at 504 Hacienda, 11300 Circle Dr, 11911 Bluebonnet Ln,

500 River Oaks Dr, 11505 Sombrero, 609 Redbud Trail, and 11500 Hunting Creek. There were three additional pending applications.

Mayor Quirk updated council on progress with the RFQ for the Old Manchaca Road project.

2. Administrative: Rebecca Howe reported on progress with the audit, updates on relaxation of the Open Meetings Act, Capital Metro funding, and the annexation of Tunnel Trail.
3. Roads: Danny Villarreal reported on damage to village roads from the winter storm, the sign order, and placement of additional speed bumps on Chapel Ln and near the Jim Payne Park.

Council discussed placing “Children at Play” signs around Jim Payne Park.

4. Public Affairs: Helen Rockenbaugh reported on a small “thank you” event held for Mark Hartley for his contributions to water system repairs, resident plumbing repairs, and giving treated well water out to other residents.

Council discussed future timing for a grand opening event for the playscape.

5. Public Safety: Becky Mullan was not present to report on Public Safety.
6. Water: Mary Wright reported on the drought status and the status of the water system. The Aquifer District had declared a Stage 2 Alarm Stage Drought Status with a mandatory 20% conservation period in place. The City of Austin was in Conservation Stage. Mary Wright reported that well level was down 8.7 feet to 127.4 feet and that the burn ban was in effect.
7. Environmental: Charlie Burks reported on the completion of the playscape, finishing touches still needed, and the formation of a park maintenance committee. Mr. Burks reported on tree health and that the owner of Total Landscaping (the Village’s mowing contractor) had retired and that he would be contacting new potential contractors.

## **G. ADJOURNMENT TO EXECUTIVE SESSION**

1. Council adjourned to executive session.

Council met in Executive Session to discuss performance reviews and personnel matters per Section 551.074 of the Open Meetings Act.

## **H. RESUME REGULAR MEETING**

1. Mayor Quirk resumed the regular meeting.

Charlie Burks moved to award a \$1,500 overtime bonus to Byron Townsend for his work during the 2021 Winter Storm; Mary Wright seconded; motion carried with 4 in favor – 0 opposed.

## **I. ADJOURNMENT**

Charlie Burks moved to adjourn the meeting; Danny Villarreal seconded; meeting adjourned at 8:19 pm.

**Potential Shredding Event Dates:**

(All Saturdays)

May 1<sup>st</sup>

June 5<sup>th</sup>

June 12<sup>th</sup>

June 26<sup>th</sup>

**VILLAGE OF SAN LEANNA  
GENERAL FUND REPORT  
3-1-2021 -- 3-31-2021**

**REVENUES:**

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>AMENDED BUDGET</u>
101	PROPERTY TAXES	\$637.04	\$177,171.04	\$177,808.08	(\$2,808.08)	\$175,000.00
102	FRANCHISE TAXES	\$305.95	\$11,306.72	\$11,612.67	\$3,387.33	\$15,000.00
103	INTEREST	\$7.98	\$162.55	\$170.53	\$329.47	\$500.00
104	BUILDING PERMITS	\$320.00	\$1,780.00	\$2,100.00	\$1,900.00	\$4,000.00
106	MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
109	TRANSFER FROM RESERVE	\$0.00	\$0.00	\$0.00	\$47,691.67	\$47,691.67
<b><u>TOTALS:</u></b>		\$1,270.97	\$190,420.31	\$191,691.28	\$50,600.39	\$242,291.67

**EXPENSES:**

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>BUDGET</u>
112	ROAD MAINTENANCE	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00
113	CITY ADMINISTRATOR	\$3,055.55	\$15,195.65	\$18,251.20	\$18,415.47	\$36,666.67
114	TML INSURANCE	\$0.00	\$1,351.00	\$1,351.00	\$1,449.00	\$2,800.00
115	LEGAL	\$0.00	\$201.50	\$201.50	\$2,798.50	\$3,000.00
116	TAXES	\$416.03	\$1,992.75	\$2,408.78	\$2,491.22	\$4,900.00
117	ENVIRONMENTAL MAINTENANCE	\$779.70	\$29,434.79	\$30,214.49	\$6,785.51	\$37,000.00
118	PUBLIC INFORMATION	\$0.00	\$0.00	\$0.00	\$800.00	\$800.00
119	AUDIT	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
120	SECURITY LIGHTS	\$240.79	\$1,276.00	\$1,516.79	\$1,683.21	\$3,200.00
121	OFFICE EXPENSES	\$498.39	\$1,920.00	\$2,418.39	\$1,081.61	\$3,500.00
122	ORG. MEMBERSHIP DUES	\$0.00	\$705.60	\$705.60	\$294.40	\$1,000.00
123	APPRAISALS	\$358.36	\$0.00	\$358.36	\$466.64	\$825.00
124	BUILDING INSPECTIONS	\$480.00	\$2,930.00	\$3,410.00	\$590.00	\$4,000.00
125	MISCELLANEOUS	\$0.00	\$7.50	\$7.50	\$992.50	\$1,000.00
126	ARBORIST	\$950.00	\$5,280.00	\$6,230.00	\$6,770.00	\$13,000.00
128	COUNCIL EXPENSES	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
129	PUBLIC AFFAIRS	\$48.43	\$135.18	\$183.61	\$4,816.39	\$5,000.00
130	COMMUNITY CENTER	\$178.98	\$346.66	\$525.64	\$1,474.36	\$2,000.00
131	ENGINEER	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00
132	FLOOD PREVENTION	\$0.00	\$35,986.50	\$35,986.50	\$54,013.50	\$90,000.00
133	EMPLOYEE REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
134	HEALTH DEPT. CONTRACT	\$0.00	\$1,500.00	\$1,500.00	\$0.00	\$1,500.00
135	PUBLIC SAFETY	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
136	ADVISOR	\$450.00	\$2,233.20	\$2,683.20	\$3,316.80	\$6,000.00
137	EMPLOYEE BENEFIT STIPEND	\$250.00	\$1,249.99	\$1,499.99	\$1,500.01	\$3,000.00
<b><u>TOTALS:</u></b>		\$7,706.23	\$101,746.32	\$109,452.55	\$132,839.12	\$242,291.67

**VILLAGE OF SAN LEANNA  
WATER FUND REPORT  
3-1-2020 -- 3-31-2020**

**REVENUES:**

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>BUDGET</u>
201	WATER BILLING	\$10,484.73	\$51,109.40	\$61,594.13	\$63,405.87	\$125,000.00
202	WATER TAP FEES	\$0.00	\$0.00	\$0.00	\$4,800.00	\$4,800.00
203	METER DEP/CONNECT FEES	\$0.00	\$750.00	\$750.00	\$250.00	\$1,000.00
204	MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
205	TRANSFER FROM RESERVE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b><u>TOTALS:</u></b>		\$10,484.73	\$51,859.40	\$62,344.13	\$68,555.87	\$130,900.00

**EXPENSES:**

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>BUDGET</u>
210	WATER OPERATOR	\$2,224.00	\$6,672.00	\$8,896.00	\$17,792.00	\$26,688.00
211	DISTRICT FEES	\$50.00	\$1,345.18	\$1,395.18	\$4,604.82	\$6,000.00
212	MAINTENANCE/REPAIR	\$231.51	\$2,318.54	\$2,550.05	\$27,449.95	\$30,000.00
213	ELECTRICITY	\$931.37	\$1,785.77	\$2,717.14	\$4,782.86	\$7,500.00
214	BOOKKEEPER	\$1,527.77	\$4,542.28	\$6,070.05	\$12,263.28	\$18,333.33
215	BILLING SUPPLIES	\$185.50	\$210.00	\$395.50	\$1,204.50	\$1,600.00
216	METER READER	\$154.50	\$463.16	\$617.66	\$1,236.34	\$1,854.00
217	METER REFUNDS	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
218	MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
220	CITY OF AUSTIN CONTRACT	\$0.00	\$0.00	\$0.00	\$2,600.00	\$2,600.00
221	CITY OF AUSTIN WATER	\$2,065.61	\$5,106.91	\$7,172.52	\$17,827.48	\$25,000.00
<b>TOTALS:</b>		\$7,370.26	\$22,443.84	\$29,814.10	\$90,361.23	\$120,175.33

**CHECKING ACCOUNT BALANCE:**

BEGINNING BALANCE	\$19,540.94	\$31,296.64
TOTAL REVENUES	\$11,755.70	
TRANSFER-TEXPOOL	\$0.00	
TOTAL EXPENSES	\$15,076.49	
TRANSFER-TEXPOOL	\$0.00	
INTEREST RET-TEXPOOL	\$7.98	\$15,084.47
<b>ENDING BALANCE</b>		<b>\$16,212.17</b>
<b>CHECKBOOK BALANCE</b>		<b>\$16,212.17</b>

**TEXPOOL BALANCE:**

BEGINNING BALANCE	\$501,039.82
DEPOSITS	\$0.00
INTEREST	\$7.98
<b>TOTAL</b>	<b>\$501,047.80</b>
WITHDRAWALS	\$0.00
<b>ENDING BALANCE</b>	<b>\$501,047.80</b>

**VILLAGE OF SAN LEANNA  
FINANCIAL REPORT  
3-1-2021 -- 3-31-2021**

**WATER SYSTEM - DEBT SERVICE FUND - REGIONS**

**BOND DEBT BALANCE** **\$0.00**

**ROAD IMPROVEMENT FUND - 2017-2021**

<b><u>REVENUES</u></b>	<b><u>CURRENT</u></b>	<b><u>YTD TOTAL</u></b>	<b><u>DIFFERENCE</u></b>	<b><u>BUDGET 20-21</u></b>
	<b><u>MONTH</u></b>			
301 CAPITAL METRO - BTC FUNDING 2021	\$0.00	\$0.00	\$14,000.00	\$14,000.00
302 TRANSFER - CAPITAL METRO - RESERVE	\$28,040.00	\$28,040.00	\$0.00	\$28,040.00
303 CAPMETRO - BTC - PROJECT REIMBURSE	\$0.00	\$0.00	\$42,000.00	\$42,000.00
304 TRANSFER - ROAD PROJECT RESERVED	\$140,000.00	\$140,000.00	\$0.00	\$140,000.00
<b><u>TOTALS:</u></b>	<b>\$168,040.00</b>	<b>\$168,040.00</b>	<b>\$56,000.00</b>	<b>\$224,040.00</b>
<b><u>EXPENSES</u></b>				
310 ROAD IMPROVEMENT - OLD MANCHACA I	\$0.00	\$0.00	\$184,000.00	\$184,000.00
311 MISC - 50TH ANNIVERSARY VLSL SIGNS	\$0.00	\$0.00	\$2,000.00	\$2,000.00
<b><u>TOTALS:</u></b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$186,000.00</b>	<b>\$186,000.00</b>

**RESERVED FUND BALANCES**

<b><u>WATER FUND CONTINGENCY</u></b>	<b>\$50,000</b>	<b>\$50,000</b>
<b><u>ROAD FUND:</u></b>		
RESTRICTED CAPITAL METRO	\$28,040	\$28,040
RESERVE FOR PROJECTS	\$140,000	\$140,000
<b>TOTAL ROAD RESERVE</b>	<b>\$168,040</b>	<b>\$168,040</b>
<b><u>GENERAL FUND CONTINGENCY</u></b>	<b>\$50,000</b>	<b>\$50,000</b>
<b>CURRENT BUDGET RESERVE</b>	<b>\$107,365</b>	<b>\$104,044</b>
<b><u>TOTAL ALL RESERVED FUNDS</u></b>	<b>\$375,405</b>	<b>\$372,084</b>
<b>TOTAL TEXPOOL AND CHECKBOOK</b>	\$520,581	\$517,260
<b>LESS TOTAL RESERVED</b>	<b>\$375,405</b>	<b>\$372,084</b>
<b><u>UNALLOCATED AVAILABLE FUNDS</u></b>	<b>\$145,176</b>	<b>\$145,176</b>



# American Rescue Plan Provides More Relief to Local Governments

March 17, 2021 by [Eric Lowell](#)

Category: [Revenues](#), [COVID-19](#)



*Editor's note: This blog was updated on April 6 to include a reference to the [Federal Transit Administration's ARPA webpage](#) and information about the [Government Finance Officers Association guiding principles for ARPA funding](#).*

On March 11, 2021, the American Rescue Plan Act ("ARPA" or "ARP") was signed into law, which means many local government agencies in Washington State will receive a new round of relief. ARPA is a \$1.9 trillion package that includes direct relief to states, counties, cities, and towns as well as public utilities, libraries, and transit agencies.

Although MRSC does not yet know all the logistics on the rollout of the ARPA funds and programs, this blog will provide preliminary information regarding programs that will be of interest to local governments in Washington State.

## County, City, and Town Local Fiscal Recovery Funds

Title IX, [Subtitle M \(Sec. 9901\)](#) of ARPA establishes the State and Local Fiscal Recovery Funds program, adding several sections to Title VI of the Social Security Act. The new Section 603 establishes the Local Fiscal Recovery Fund, discussed here. (Section 602 establishes the State Fiscal Recovery Fund and pertains solely to states, territories, and tribes.)

Final numbers have not been released, but the U.S. Conference of Mayors has shared an [early estimate](#) (Excel download) of how much direct relief will be received by local counties, cities, and towns. (There are separate tabs for metro cities, counties, and other non-counties.)

The U.S. Treasury will disburse payments in two installments, or “tranches,” with the first distribution no later than May 10, 2021, and the second distribution no earlier than twelve months after the first payment.

Counties and designated “metropolitan” cities will receive their first tranche/distribution directly from the U.S. Treasury no later than May 10, 2021.

All other cities and towns will receive their distributions through the State. The State has an additional 30 days to distribute the recovery funds to recipients which means those cities would receive their distribution by June 9, 2021. The State can apply for a 30-day extension should distribution of the funds cause an “excessive administrative burden,” in which case those cities would receive their distribution at the latest by July 9, 2021.

These local fiscal recovery funds will remain available to cover qualifying expenses through December 31, 2024. ARPA funds can be used by local governments:

- To respond to the public health emergency caused by COVID-19;
- To provide assistance to households, small businesses, and nonprofits related to the negative economic impacts of COVID-19;
- To aid impacted industries such as tourism, travel, and hospitality;
- For premium pay (hazard pay) up to \$13/hour, not to exceed \$25,000 to any individual employee, to eligible local government essential workers;
- For grants to eligible private employers to provide hazard pay to essential workers;
- To provide government services to the extent of the reduction in revenue of such cities/counties due to COVID-19 relative to revenues collected in the most recent full fiscal year prior to the emergency (for cities and counties in Washington, the baseline would be the calendar year 2019 budget); or
- To make necessary investments in water, sewer, or broadband infrastructure.

As it did with the CARES Act, the U.S. Treasury Department is expected to issue more detailed guidelines for the expenditure of funds in the near future. We will post links to this guidance on our website once it is available.

Local governments may also transfer funds to private nonprofit organizations, a public benefit corporation involved in the transportation of passengers or cargo, or a special purpose unit of a State or local government. The legislation does make clear that ARPA funds may not be used for deposit into any pension fund under any circumstances.

When transferring funds to private organizations or individuals, local governments must be mindful of the prohibition on gifts of public funds in Washington State. Historically, MRSC has advised agencies that contributions of funds in the form of grants or loans is generally prohibited. On March 17, 2020, the Washington Attorney General issued a memo to state and local governments clarifying that public funds may be spent “for the primary purpose of protecting and promoting public health which may have an incidental benefit on private citizens and entities.” On April 6, 2020, the Attorney General’s Office issued further guidance that “loans or grants are permissible if local governments can establish a clear nexus between such programs and either protecting the local economy or promoting compliance with public health guidelines.”

Local governments are ultimately responsible for the appropriate use of funds and should ensure that proper internal controls are in place, as well a proper documentation of expenditures. If your local government chooses to transfer ARPA funds to another agency, it should have appropriate contract language to ensure compliance and guidance standards are being met.

## Utility Ratepayer Protection

ARPA appropriates \$500 million to the Secretary of Health and Human Services for public drinking and wastewater services (see [Section 2912](#)). These funds are directed towards reducing the arrearages of low-income households, particularly those with the lowest incomes, that have been impacted by the COVID-19 pandemic. Grants will provide funding to “owners and operators of public water systems or treatment works.”

As of the publication date of this blog, the US Department of Health and Human Services (HHS) has yet to post information regarding ARPA grants on the [Coronavirus \(COVID-19\) Grant Opportunities and Guidance](#) webpage.

Additionally, ARPA appropriates \$4.5 billion to the Low-Income Home Energy Assistance Program (LIHEAP) (see [Section 2911](#)). LIHEAP is a federal program that provides energy assistance to eligible households. Washington State's LIHEAP program is administered through the Department of Commerce (DOC), which maintains a [LIHEAP](#) webpage that includes information about eligibility, services, and county-specific links. Since households are responsible for applying for LIHEAP assistance, local energy utilities may want to provide information about LIHEAP on their website and/or include information with their billings. Households that qualify for support will have payments paid directly to their energy utility.

The funds for water and energy assistance are in addition to the amounts appropriated by the Coronavirus Response Relief Supplemental Appropriations Act (CRRSA) and discussed in our recent blog post [New Federal Funding for Rent and Utility Assistance](#).

## Public Transportation

Another provision of ARPA makes available \$30.5 billion in grants from the Federal Transit Administration (FTA) for the operating expenses of public transit agencies (see [Section 3401](#)). These grants can be used for:

- Payroll;
- Operating expenses to maintain service (including purchase of personal protective equipment, or PPE); or
- Payment of administrative leave due to reductions in service.

Expenses must be included in a transportation improvement plan, long-range transportation plan, statewide transportation plan, or statewide transportation improvement plan.

As of the publication date of this blog, the FTA does not have information regarding the new appropriations. Information regarding programs under the CARES Act and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) can be found on the FTA [American Rescue Act Plan of 2021](#) webpage.

## Libraries

ARPA appropriates \$200 million to the Institute of Museum and Library Services (IMLS) for the necessary expenses to carry out museum and library services (see [Section 2023](#)). 89% of these funds will be distributed to state library agencies, which will be responsible for administering these funds to local libraries. Once available, information on the ARPA grants will be on posted on the Washington State Library [Grants Information](#) webpage.

## FFCRA Leave

The Families First Coronavirus Response Act in 2020 required employers to provide additional paid leave to qualifying employees related to COVID-19. This requirement expired on December 31, 2020.

However, as part of the CRRSA, employers were given the option to allow employees who did not exhaust their FFCRA leave to use any remaining leave until March 31, 2021. ARPA gives employers the option to give workers an additional 10 days of leave for the same qualifying reasons under FFCRA, and adds the additional qualifying reason for the leave (see [Section 9641](#)):

[If] the employee is seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, COVID-19 and such employee has been exposed to COVID-19 or the employee's employer has requested such test or diagnosis, or the employee is obtaining immunization related to COVID-19 or recovering from any injury, disability, illness, or condition related to such immunization...

The new, additional 10 days of leave, with the newly added reason for qualification, are available beginning April 1, 2021 until September 30, 2021. Employers are not mandated to offer the additional 10 days of leave, and as was the case with the original FFCRA leave, it appears local governments are not eligible for the payroll tax credits on their Form 941.

## Other Grant Opportunities

The ARPA legislation is over six hundred pages long, and this article only covers areas most pertinent to local governments. Also included in ARPA are several other potential grant opportunities for local governments. Your agency may want to pursue funding available in these areas, such as:

- Block grants for community mental health services ([Section 2701](#))
- Block grants for prevention and treatment of substance abuse ([Section 2702](#))
- Grants for local substance use disorder services ([Section 2706](#))
- Grants for local behavioral health needs ([Section 2707](#))
- Homelessness assistance and supportive services ([Section 3205](#))

## Keep Updated

MRSC has a topic page on [COVID-19 Local Government Fiscal Impacts](#) that includes the latest updates and information on budget impacts, financial reporting, and links related to COVID-19. As we receive new information regarding ARPA, it will be updated on the topic page. Also, be sure to check the Government Finance Officers Association webpage on [American Rescue Plan Act Spending: Recommended Guiding Principles](#), which provides useful guidance on how to plan for expenditures.

Since ARPA was just passed, granting agencies do not have information about their programs related to the legislation. Check the program links listed in this post periodically over the next weeks in order to keep apprised of updates. For additional questions, please do not hesitate to [email me](#), use our online [Ask MRSC form](#), or call us at (206) 625-1300 or (800) 933-6772.

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*MRSC is a private nonprofit organization serving local governments in Washington State. Eligible government agencies in Washington State may use our free, one-on-one [Ask MRSC service](#) to get answers to legal, policy, or financial questions.*



## About Eric Lowell

Eric Lowell joined MRSC in December 2020 as a Finance Consultant. He has been involved in local government finance for over 13 years, including working in city government as well as for a special purpose district.

Eric received a B.A. in Secondary Education from Arizona State University and a B.S. in Accounting from Central Washington University.

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