



WEST PALM BEACH

**City of West Palm Beach
Special City Commission**

AGENDA

REVISED

**August 26, 2021
4:00 P.M.**

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY CLERK'S OFFICE, 401 CLEMATIS STREET, WEST PALM BEACH, FLORIDA 33401, {(561) 822-1210}

**MAYOR
KEITH A. JAMES**

**CITY COMMISSION
PRESIDENT JOSEPH A. PEDUZZI**

**COMMISSIONER KELLY SHOAF
COMMISSIONER CHRISTY FOX**

**COMMISSIONER SHALONDA WARREN
COMMISSIONER CHRISTINA LAMBERT**

**ADMINISTRATION
ADMINISTRATOR, FAYE W. JOHNSON
CITY ATTORNEY, KIMBERLY ROTHENBURG
CITY CLERK, HAZELINE CARSON**

CIVILITY AND DECORUM: The City of West Palm Beach is committed to civility and decorum by its officials, employees and members of the public who attend this meeting. The City Code, Secs. 2-31(8), 2-31(18) and 2-31(22), provides in pertinent part:

- Officials shall be recognized by the Chair and shall not interrupt a speaker.
- Public comment shall be addressed to the City Commission as a whole and not to any individual on the dais or in the audience.
- Displays of anger, rudeness, ridicule, impatience, lack of respect and personal attacks are strictly prohibited.
- Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted.
- Offenders may be removed from the meeting.

RESOLUTION (1-2):

1. **Resolution No. 232-21 accepting and acknowledging allocation of \$24,530,823 from the U. S. Department of Treasury under the American Rescue Plan Act of 2021.**

RESOLUTION NO. 232-21: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, ACCEPTING ALLOCATION OF TWENTY-FOUR MILLION FIVE HUNDRED THIRTY THOUSAND EIGHT HUNDRED AND TWENTY-THREE DOLLARS (\$24,530,823) FROM THE U. S. DEPARTMENT OF THE TREASURY AS PART OF THE CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS THROUGH THE AMERICAN RESCUE PLAN ACT OF 2021 ON BEHALF OF THE CITY OF WEST PALM BEACH; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 23461

Staff Recommended Motion:

Approve Resolution No. 232-21.

Background:

On May 10, 2021, the U. S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act of 2021 to provide \$350 billion in emergency funding for eligible state, local, territorial, and tribal governments. Treasury also released guidelines on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis. State, local, territorial, and tribal governments have been on the front

lines of responding to the immense public health and economic needs created by this crisis; from standing up vaccination sites to supporting small businesses; even as these governments confronted revenue shortfalls during the downturn.

Congress has allocated this funding to tens of thousands of jurisdictions, and the City of West Palm Beach as an eligible metropolitan city, has been approved for a total allocation of \$24,530,823, to be distributed in two (2) tranches, with 50% received by the City May 19, 2021, and the balance to be delivered twelve (12) months later.

The first tranche of revenue was received by the City in the amount of \$12,265,411.50.

Administration of the Recovery Funds:

- The funds will be distrusted by the U.S. Department of the Treasury;
- The funds shall be used to cover costs incurred by (i.e. obligated by) December 31, 2024;
- Payments will be divided into two (2) equal tranches;
- The first tranche was received May 19, 2021 in the amount of \$12,265,411.50; and
- The second tranche, remaining 50%, is to be provided twelve (12) months thereafter.

Allowable Uses of the Recovery Funds:

- To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- To provide premium pay to eligible workers performing essential work during the pandemic;
- For the provision of government services to the extent of the reduction in revenue (i.e. online, property or income tax) due to the public health emergency; and
- To make necessary investments in water, sewer, or broadband infrastructure.

Ineligible Uses of Funding

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two (2) ineligible uses of funds:

1. States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent.

2. No recipient may use this funding to make a deposit to a pension fund.

Treasury's Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves. Further, general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision. While the program offers broad flexibility to recipients to address local conditions, these restrictions will help ensure that funds are used to augment existing activities and address pressing needs.

The City Attorney's Office is closely monitoring the Recovery Funds requirements and the Department of Treasury guidance documents. Based on that guidance, under the Mayor's direction, staff has developed a proposed plan on the use of the first payment to include what portion of the funds could be incorporated into the FY22 budget process; particularly for the General Fund. It is important to keep top of mind that the recovery funds are one-time funding that must be utilized as set forth by the ARPA and in compliance with further guidance from the Department of Treasury.

\$12,265,411.50 received May 19, 2021 was recorded and will come forward in FY22 when another Commission Agenda item will identify expenditure budget allocations.

Resolution No. 232-21 approves the acceptance of the total grant award.

Fiscal Note:

\$12,265,411.50 (of the total award of \$24,530,832) received May 19, 2021.

2. **Resolution No. 242-21 approving use of American Rescue Plan Act funds received by the City.**

RESOLUTION NO. 242-21: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, AUTHORIZING A PLAN FOR THE USE OF AMERICAN RESCUE PLAN ACT FUNDS OF 2021 AND TO AUTHORIZE BUDGET ALLOCATIONS IN THE FISCAL YEAR 2021/22 ADOPTED BUDGET IN FUND 126 ; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 23464

Staff Recommended Motion:

Approve Resolution No. 242-21.

Background:

At the August 4, 2021 Mayor/Commission Work Session, the Board heard a presentation from the City Attorney on the American Rescue Plan Act or ARPA. Under the ARPA, the City was allocated \$24,530,823. The funds will be received in two (2) tranches of \$12,265,411.50, and the first tranche was received this past May. At the time of the August 4, 2021 Work Session, it was Administration's recommendation to utilize the \$12,265,411 in the following three (3) eligible categories: (1) Replace Lost Revenue, (2) Provide Premium Pay; and (3) Public Health and Negative Economic Impacts. Administration has now completed the final analysis of the ARPA funds and is recommending for the Board's consideration to use the \$12,265,411 as follows:

I. REIMBURSEMENT OF LOST REVENUE (\$6,490,000):

It is proposed that \$6,490,000 of the ARPA funds be allocated for reimbursement of the \$7M of lost revenue the City incurred during FY2021 due to the adverse impact of the COVID-19 Pandemic. If approved, the funds will be included in the Tentative FY22 General Fund balanced budget presented at the September 8, 2021, First Budget Adoption Public Hearing. Specifically, the funds will be allocated toward the \$10M citywide critical vehicle replacement needs also discussed at the August 4, 2021 Mayor/Commission Work Session.

II. GRANT MANAGEMENT (\$500,411):

It is proposed that \$500,411 of the ARPA funds be allocated for costs associated with staffing and consulting services needed for the proper oversight, management and reporting of ARPA funds. If approved, the funds will also be included in the Tentative FY22 General Fund balanced budget presented at the September 8, 2021, First Budget Adoption Public Hearing.

III. PUBLIC HEALTH (\$780,000):

It is proposed that \$780,000 of the ARPA funds be allocated for a one (1) time Vaccination Incentive for each employee who meets the following criteria:

1. Employee must have received the vaccine subsequent to March 3, 2021, as required by the American Rescue Plan Act.
2. Employee must be fully vaccinated against COVID on or before December 31, 2021.
3. Employee must provide a legible copy of the CDC "COVID-19 Vaccination Record Card" to the Human Resources Department no later than close of business on December 31, 2021.

IV. PREMIUM PAY (\$4,495,000):

It is proposed that \$4,495,000 of the ARPA funds be allocated for Citywide Premium Pay based on the following criteria:

1. Employee must have been employed by the City on or before October 1, 2020.
2. Employee must have routinely worked the majority of the time during the City Pandemic Emergency Period (March 17, 2020 - July 29, 2021) in person at a City facility or in the field. The prescribed time period relates to the Mayor's Declaration of the Pandemic Emergency.
3. Eligible employees will receive a one (1) time, non-pensionable lump sum payment.

It is further recommended that two (2) categories of Eligibility and Premium Pay dollar amounts be approved based on employees' level of potential exposure and interaction with the general public in the performance of their job functions in-person at a City facility or in the field.

Category 1: FOP, IAFF, SEIU, PMSA, and Non-Union employees who routinely worked mainly outside of City facilities and/or had broad potential exposure and interaction with the general public as well as items touched by the public in the community or within City facilities. Amount of Premium Pay: \$3,800.

Category 2: SEIU, PMSA, and Non-Union Employees who routinely worked within City facilities and/or had some degree of potential exposure and interaction with the public in the field or at City facilities as well as items touched by the public. Amount of Premium Pay: \$2,500.

Commission will be provided with an initial list of estimated job classifications that would fall under each of the above described categories. As the list of specific eligible employees for the Premium Pay is finalized, the total number of employees, job classification and the employees' designated category is subject to change. There may also be some unused funds from the Vaccination Incentive and Grant Management. Should there be any unused funds, those funds will be allocated to the reimbursement of lost revenue to make the City whole. Administration will report the amount of such funds back to the Board.

If approved, the COVID-19 Premium Pay shall be non-precedent setting and paid as a non-pensionable, one (1) time lump sum payment in the November 19, 2021 pay check including the vaccine incentive payment if proof of vaccination is provided to Human Resources by the required deadline. Employees providing proof of vaccination after October 31, 2021 and by close of business on December 31, 2021 will receive the payment in the January 28, 2022 pay check.

Resolution No. 242-21 approves the plan for use of the City's American Rescue Plan Act (ARPA) funds and authorization to allocate funds in the FY22 budget under the ARPA Fund 126.

Fiscal Note:

Approval will allocate American Rescue Plan Act Funds.

ADJOURNMENT:

***Pursuant to Resolution No. 179-95, adopted according to the provisions of Section 286.0115, Florida Statutes, members of the Commission shall disclose on the record: 1) ex-parte communications - verbal or written and written communications shall be placed in the record; and 2) site visits, investigations, etc.**

NOTICE: IF ANY PERSON DECIDES TO APPEAL ANY DECISION OF THE CITY COMMISSION AT THIS MEETING, THAT PERSON WILL NEED A RECORD OF THE PROCEEDINGS AND FOR THAT PURPOSE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. THE CITY OF WEST PALM BEACH DOES NOT PREPARE OR PROVIDE SUCH A RECORD.