

**Narrows Town Council Meeting  
ARPA Funding Workshop  
October 25, 2021**

Mayor Tom Spangler called the meeting to order. Council Members present were Clyde Turner, Sara Bowles, George Conley, John Mills, and Joe Goorskey

Staff members present were John Davis, Susan Kidd, Benji Ratcliffe, and Debbie Thomas.

Mayor Tom Spangler gave the invocation.

Council and audience recited the Pledge of Allegiance.

**Discussion of ARPA Funding for Town of Narrows**

Susan Kidd said council has a copy of suggestions from staff on what they would like to purchase with ARPA funds. Council is welcome to add/delete items to this list, but they are going to have to see if any of these items are allowable to purchase. There are so many rules and regulations that they are not sure what is or is not allowable. She spoke to someone at the county, and they would think a purchase was allowable but when they asked someone with ARPA they would say it was not allowable.

Mayor Spangler asked if their final list can be altered if they find out there is going to be a surplus or a deficit?

Susan Kidd said yes. This is the town's money; it is already in the bank. On page 3 of the "Compliance and Reporting Guide" there are 4 topics that are very broad that list what the funds can be spent on. They are:

1. To respond to the COVID-19 public health emergency or its negative economic impacts
2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work
3. For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency
4. To make necessary investments in water, sewer, or broadband infrastructure

Susan Kidd said she and Debbie Thomas spent about 8 hours one day working on the "ARPA Revenue Replacement Calculator" and came up with a reduction in revenue of \$183,115, which can be transferred to the town's general fund.

Councilman Conley asked if this would include incentives for law enforcement?

Susan Kidd said that is a different pot of money, but any employee can receive an incentive, including law enforcement.

Mayor Spangler asked if an independent person/entity would need to check to see if these purchases would qualify?

Susan Kidd said that is up to council, but she is recommending the New River Valley Regional Commission do this.

Mayor Spangler asked if there had been any determination on what their fee would be?

Susan Kidd said they will need to know what our projects are. Normally they ask for 10% of what the project is but they would not ask for that amount for this because it is too big a pot of money. They would base it on what we ask them to do. Would we want them to manage a project, only review the requests, make sure we are in compliance and do the reporting? These are things the NRVRC will have to know.

Councilman Mills asked if there was anything on the request list that could not be handled in-house?

John Davis said they could do some of the sewer upgrade but not the sewer line replacement because they do not have the manpower or equipment.

Councilman Mills said with the \$600,000 for the sewer upgrade they would have to anticipate a certain percentage for engineering.

Susan Kidd said if they choose to go with that.

John Davis said Peed & Bortz did the engineering. Some of the lines are in more need of replacement than others.

Councilman Mills said they need to spend these funds wisely but they need to spend it all. They need to find out how much someone is going to charge to administer this, subtract that from the total, and spend the rest of it.

Susan Kidd said she was looking through this document today and on page 5 under “Eligible Costs Timeframe” the first paragraph says the funds can cover eligible costs that your organization incurred during the period that begins on March 3, 2021 and ends on December 31, 2024. When you look at item D it states “to cover costs incurred for eligible projects planned or started prior to March 3, 2021”. The sewer project would qualify but if they wanted to do a new water project it would not qualify.

Mayor Spangler asked if they were to approve all requests on the list they have been given and they find out one or more of the items cost more than what is listed could they delete items and add funds to the other items?

Susan Kidd said yes. They only have to report when they spend funds but they need to make sure the items are going to qualify.

Debbie Thomas said there will have to be a separate audit for these funds.

Susan Kidd said they can use part of these funds for an administration fee.

Councilman Conley said he hears 3 things from residents they would like to see improved: water, sewer, and streets. The town does need to hire the NRVRC to oversee these funds.

Councilman Mills asked if we engage with the NRVRC to do this for the town do they have insurance that would cover if something went wrong?

Susan Kidd said the town would have an agreement with them that would have to be signed.

John Davis asked if we want to pick and choose what the NRVRC helps us with, i.e., the sewer project?

Susan Kidd said in that case they may just want the NRVRC to do the reporting.

Councilman Mills said once they know what their obligation is to the 3<sup>rd</sup> party they need to get the rest of the money spent.

Susan Kidd said they also need to try to get around the pre-planning thing. How many places had projects in place before March 3<sup>rd</sup>?

Debbie Thomas said employees of the town that have to create a login with ID.me+Treasury to report spending of ARPA funds have to use their own social security number.

Susan Kidd said she is also going to talk to the NRVRC concerning this.

Councilmember Bowles said she would like to see air conditioning installed at the splash pad and concession stand.

Susan Kidd said if you can relate something back to Covid it should be covered. We can justify those kinds of things.

Councilman Goorskey said the biggest thing he wants to know is with everything Peed & Bortz has listed to be upgraded what size project is that?

Mayor Spangler said it was \$598,000.

John Davis said that included the replacement of 3 sewer lines. Peed & Bortz is looking at how much more inflow is coming into the sewer plant, and they are trying to cut this down.

Councilman Goorskey said they know their water and sewer infrastructure is old and one day it will all have to be replaced. Can we spend more money on water and sewer infrastructure? Can we apply for grants and use these funds as the 10% down?

Susan Kidd said you cannot use these funds as match.

Councilman Mills asked if the town could spend \$600,000 on this project could they not spend \$1.2 million?

Councilman Goorskey said he knows the town can do a lot of stuff in-house, there is no doubt about that, but it ties up their manpower and resources. If they can get that done and paid for he is fine with paying a contractor to do it. He knows people are gearing up to do a lot of spending in this area. When trying to get equipment to use it is usually already gone. He has no problem with any of the items on the request list and he would also agree to putting more money in employee's hands.

Councilman Mills said if they do something for employees it should be a one-time stipend. If you give a raise, it is in the budget forever. Our staff deserves anything that comes their way.

Mayor Spangler asked if the town normally does a Thanksgiving/Christmas dinner?

Susan Kidd said no.

Mayor Spangler said it would be nice to have something like that and have it catered. It should not be all that expensive.

Susan Kidd asked council if they wanted John Davis to talk to Peed & Bortz about expanding that project?

Council and Mayor said yes.

John Davis said they have to get the inflow to the sewer plant down, but their biggest cost is water. They have to put some money in their water system.

Susan Kidd said they have spoken to some engineering firms about whether the town wanted to do water projects and they seemed interested. Maybe they can talk to them about how you get around pre-planning. Other places are working on water and she cannot imagine they had PER's sitting on the shelf waiting.

Mayor Spangler asked if everyone is in agreement with the requests that have been given to them and do they have anything else they would like to see added?

Councilmember Bowles said she would like to put air conditioning/air purifying in the splash pad and concession stand.

Mayor Spangler said the concession stand needs a complete overhaul.

Councilmember Bowles said they are going to discuss that at the next parks and rec meeting.

John Davis said they have a nice new building at the Lurich ballfield that is not used.

Councilman Conley said, if it is covered, he would like to see the worst streets in town identified and repaved/repared.

John Davis said he believes infrastructure is more important. They do not need to pave and then tear it up to work on water/sewer lines.

Councilman Mills said the NRVRC needs to be contacted to discuss this.

Susan Kidd said she will contact them and try to have something for council by the next meeting.

Councilmember Bowles asked if after Susan Kidd speaks to the NRVRC will they then know if a stipend can be given?

Susan Kidd said yes. They will need to know the particulars on that also.

Mayor Spangler said a stipend for employees is not listed on the request sheet.

Susan Kidd said Kevin Byrd wants to know if the town wants him to administer the projects, i.e., if the town does the sewer project do they want him to oversee the project or do they just want him to do the compliance and reporting?

Councilman Mills asked Susan Kidd what she wants to happen?

Susan Kidd said she would feel more comfortable if they do the compliance and reporting. She does not know about administering the project. In a grant project the NRVRC requests funds, does a drawdown of funds, and sends the paperwork in. The town will not have to do this with ARPA funds because they already has them. It would only be the reporting.

Councilman Mills said the NRVRC can be asked both ways.

Susan Kidd said Kevin Byrd will probably say that is something they do not need to do if they believe the town could do it or they may say it would be better if the NRVRC did it.

Councilman Mills said if the price is right you could let them do it all.

John Davis said he does not mind administering the on-site work but when he does it takes away from his office work.

Councilman Mills said it may not be that much more money to let them do it all.

Councilman Goorskey said he believes they are going to find they can do projects that have not been already planned. Answers are what they need right now to move forward.

Councilman Mills told Susan Kidd to be sure and ask for a stipend for employees.

John Davis said he had spoken with Susan Kidd about raises. They are going to start paying \$11/hour in January 2022 and \$12/hour in January 2023. Some of the employees that will be making \$12/hour will be making more than some supervisors.

Mayor Spangler said that does not work.

Susan Kidd said the budget for January 2022 is fine because they budgeted for \$11/hour. January 2023 they are going to have to take a hard look at it.

Councilman Mills asked why someone would take on responsibility for the same money?

Susan Kidd said she cannot keep giving 3% raises for supervisors and \$1/hour raises for the people they are hiring in new. Sooner or later things really get out of kilter.

Mayor Spangler asked what was the current average rate for employees?

John Davis said he does not know an average.

Susan Kidd said about \$13/hour and that would probably be on the high side. There are 6 employees that received a 3% raise in July that will have to be raised to \$11/hour in January. That will put them very close to what their supervisors are making.

Mayor Spangler said he agreed with Councilman Mills: why would you take on a supervisor role when you are making around the same amount of money the people are making that you are supervising? That does not work.

Susan Kidd said they will take a long look at wages and bring something to council before budget time.

Mayor Spangler told Susan Kidd his suggestion is to take this list and anything else she deems worthy and find out based on what they have in front of them, and what they want the NRVRC to do, and find out what the cost would be.

Councilman Goorskey asked Susan Kidd if she knew the amount of delinquent water/sewer during the time they could not turn customer's water off?

Susan Kidd said there is another part of ARPA money they received notice of last week that is just to pay delinquent water accounts. She told the gentleman that contacted her concerning this that the town still had funds given to the town last time for paying delinquent utility bills that customers had not applied for. The gentleman told her that this is not for the customer to apply for but the town. Tasha Riddle went through accounts this past Friday, it had to be in by Friday afternoon, for a certain period of time and it came to around \$16,000. This amount has been applied for and will be used to apply to utility accounts.

Mayor Spangler said he would suggest Susan Kidd contact Kevin Byrd with the NRVRC concerning ARPA funds.

Susan Kidd said she will also ask Kevin Byrd about applying for the ID.me+Treasury portal and having to use a social security number.

**Councilman Mills made a motion to adjourn. Councilman Goorskey seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

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Clerk, Debbie Thomas

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Mayor, Tom Spangler