

City of Santa Paula

City Council

MAYOR JENNY CROSSWHITE
VICE MAYOR ANDY SOBEL
COUNCILMEMBER RICHARD ARAIZA
COUNCILMEMBER CARLOS JUAREZ
COUNCILMEMBER LESLIE CORNEJO



CITY COUNCIL SPECIAL MEETING OF THE SANTA PAULA CITY COUNCIL

WEDNESDAY, JUNE 1, 2022

4:30 PM - City Council Special Meeting

SANTA PAULA CITY HALL
970 VENTURA STREET
SANTA PAULA, CA 93060

JULIE LATSHAW, CITY CLERK
DAN SINGER, CITY MANAGER
JOHN C. COTTI, CITY ATTORNEY

BRINGING ITEMS BEFORE THE CITY COUNCIL

You are invited to participate in all Regular City Council meetings. Agendas are posted in the front of Santa Paula City Hall, 970 Ventura Street, Santa Paula, 72 hours in advance of the scheduled meetings. The City Council's regular meetings start at 6:30 p.m. the first and third Wednesday of each month in the City Hall Council Chambers located at 970 Ventura Street in Santa Paula. Special and Closed Sessions vary by date and time.

HOW TO PARTICIPATE IN PERSON DURING THE MEETING: If you wish to speak at a City Council meeting, please fill out a **Public Comment Form** noting your name and address and submit the form to the City Clerk. Include the Agenda item number you wish to speak on. Members of the public may address the Council on items on this agenda only. **Public Comments are limited to 3 minutes.**

HOW TO PARTICIPATE BEFORE THE MEETING: Members of the public are encouraged to submit email correspondence on any agenda item by sending an email to cityclerk@spcity.org. All public correspondence received by three hours before the meeting date will be provided to the legislative body before the meeting. Public Comments received after, will be provided to the legislative body the next day.

Your Participation in this meeting is in the public domain; meetings are cablecast; minutes of this meeting will reflect your participation in this meeting and are posted on the city's website.

PLEASE NOTE: *Be advised that if you bring a legal challenge to an action, you may be limited to raising only those issues you or someone else raised at the meeting described in this Agenda, or in written correspondence delivered to the City Council at or before the meeting. Any action is subject to the ninety-day time period set forth in Code of Civil Procedure § 1094.6.*

*In compliance with the **Americans with Disabilities Act**, if you need special assistance to participate in this meeting, please contact the City Clerk at (805) 933-4208. Notification 48 hours before the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35, 102-35.104 ADA Title II). Written materials distributed to the City Council within 72 hours of the City Council meeting are available for public inspection immediately upon distribution in the City Clerk's office.*

SPECIAL MEETING - COUNCIL CHAMBERS

1. CALL TO ORDER

REMINDER: in order to minimize distractions during public meetings, all personal communication devices should be turned off or put in a non-audible mode.

2. FLAG SALUTE

3. ROLL CALL

4. PUBLIC COMMENT

At this time, members of the public may comment on items appearing on this agenda only. A Public Comment Form must be submitted to the City Clerk prior to the beginning of the Public Comment period in order to be recognized to speak. Individual Councilmembers may briefly respond to Public Comments or ask questions for clarification. Public Comments are limited to 3 minutes.

5. ACTION ITEMS

5.A AMERICAN RESCUE PLAN ACT (ARPA) TRANCHE 2 FUNDING RECOMMENDATION:

1. Review options for use of the City's final disbursement of American Rescue Plan Act (ARPA) funds from Tranche 2.

6. ADJOURNMENT

State of California)-

County of Ventura)- ss

City of Santa Paula)-

I declare under penalty of perjury that I posted this City Council Agenda on the bulletin board near the front door of City Hall, 970 Ventura Street, Santa Paula, California.

On _____, at _____ Signed: _____

Julie Latshaw

City Clerk

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Jonathan Royas, Management Analyst

Subject: AMERICAN RESCUE PLAN ACT (ARPA) TRANCHE 2 FUNDING

Date: June 1, 2022

Agenda Item: 5.A

RECOMMENDATION:

1. Review options for use of the City's final disbursement of American Rescue Plan Act (ARPA) funds from Tranche 2.

BACKGROUND:

Like many municipalities across the country, Santa Paula has a unique and unprecedented opportunity to utilize Federal stimulus funds known as the American Rescue Plan Act (ARPA). As a part of the \$1.9 trillion package passed by the U.S. Congress and Senate and signed by the President, some \$65.1 billion have been allocated to local jurisdictions, of which Santa Paula will receive a total of approximately \$7.1 million dollars. Santa Paula's funds are split into two allocations, known as tranches, with the first half already in receipt as of July 2021, and in the next 60-90 days, our second and final half will be disbursed, approximately \$3.55 million dollars.

As a non-entitlement city with a population under 50,000, funds will be distributed to the City through the State as a pass through. Additionally, unlike FEMA funds, the City is not required to front the costs and then seek reimbursement, rather the City's allocation will be sent to us in advance. Recipients must obligate all funds by December 31, 2024 and expend funds by December 31, 2026.

Attached to this report, Exhibit A – ARPA Funds Allocated & Budgeted To Date, outlines all Council approved budget allocations of Tranche 1 funds in the amount of \$3,565,114.00, representing the City's first half of ARPA funds.

ANALYSIS:

With Tranche 2 funds disbursement eminent, staff has compiled the accompanying report, Exhibit B – ARPA Project Ideas, to provide Council a robust list of projects, programs and partnerships City staff have created to guide Council's discussion on proposed uses of ARPA Tranche 2 funds. The list was compiled based on several factors including, but not limited to:

- Council's two-year Strategic Plan;
- Items not fully funded or accounted for in the current two-year fiscal budget;

- Pent-up maintenance, equipment and facility needs;
- Council-approved Capital Improvement Projects which are no longer adequately funded;
- Department Director's input to think creatively about how Santa Paula can address various deficiencies and desired projects; and
- Council's direct input from the ARPA workshop conducted on May 5, 2021

It should be noted, the projects and programs contained in Exhibit B are not meant to preempt ideas Councilmembers may wish to bring to the table for Tranche 2. In fact, several items remaining on this list were Tranche 1 ideas Council fully supported, however, were either never funded or not fully funded due to other project priorities, namely Harvard Blvd. Water/Wastewater and Re-pavement Project.

Eligible Uses of ARPA Funds

Since Council's original workshop in May 2021, the Department of Treasury has released several new guidance documents including the Final Rule, establishing clear guidelines on eligible uses for ARPA funds. The most notable change is guidance that ARPA funds can be used to pay for government services. Government services generally include any service traditionally provided by a government, including construction of roads and other infrastructure, provision of public safety and other services, and health and educational services. Funds spent under government services are subject to streamlined reporting and compliance requirements. In essence, this new allowance provides us with extreme flexibility when considering uses for Tranche 2.

Exhibit B – ARPA Spending Ideas

There are a total of 33 projects identified in this attachment. Each item has a title, brief description, whether or not funds were allocated from Tranche 1 and a Tranche 2 recommendation. Additionally, where applicable, items indicate consistency with Council's two-year Strategic Plan, as well as whether or not other funding might exist which either compliments or replaces the need for ARPA funding support. For example, the Water Facility Security and Surveillance System project is an eligible ARPA expense and is therefore identified on the attached list, but we also know that costs attributable to water and wastewater enterprise accounts can typically be funded through those accounts, albeit at a potential cost to the ratepayers. However, to generate the greatest benefit from our allocation of ARPA funds, Council may wish to avoid duplicating funding that could come from other sources.

It is worth noting that the total project list far exceeds the available funding in Tranche 2. The purpose of this Council Workshop is therefore to assess Council's priorities and form consensus around a diverse prioritization for funding. On the one hand, this approach may prove a frustrating or exhausting exercise; after all, there are great needs throughout the City, making it hard to leave items off the list. On the other hand, it is important to be honest and transparent about what the City's true needs are and allowing the Council to help prioritize from there.

In conclusion, Council is asked to review each item and provide feedback on a preferred funding list, removing or eliminating less desirable items or modifying the allocation amounts.

STRATEGIC PLAN:

Funding support for the projects and programs presented above will assist in moving several

of Council's Strategic Goals forward as noted in Exhibit B.

FISCAL IMPACTS:

Santa Paula's second and final ARPA allocation will arrive in the next 60 to 90 days. Once Council has provided direction on those projects and programs you would like to support, staff will return with an adopting resolution allocating such funds. Other than administrative staff time, there are no direct fiscal impacts to the City.

OPTIONS:

1. Direct staff to return at a later time with recommendations on ARPA Tranche 2 spending; however, this will put on hold several programs and projects which require funding to move forward.

ATTACHMENTS:

[Exhibit A - ARPA Funds Allocated & Budgeted To Date.pdf](#)

[Exhibit B - ARPA Project Ideas.pdf](#)

EXHIBIT A -
ARPA Funds
Allocated &
Budgeted To
Date

ARPA Funds Allocated & Budgeted To Date			Year 1	Year 2
Total T1 Allocated			3,565,114.00	
T1 Round 1 Funds			3,565,114.00	
Remainder T1				
Total T2 Already Allocated				218,500.00
Approved	Account #	Description	21/22	22/23
Budget	412-4-7500-4277	ARP Funding Revenue	536,495.00	218,500.00
Budget	412-5-1501-209	American Bloom	20,000.00	20,000.00
Budget	412-5-4501-610	Formerly 100-5-4501-610 Radio Upgrades and Key Mgmt. System	65,495.00	
Budget	412-5-5011-227	Formerly 100-5-5011-227 PW Temp Personnel	15,000.00	
Budget	412-5-3002-209	Formerly 100-5-3002-209 Economic Development	20,000.00	30,000.00
Budget	412-5-3002-209	Formerly part of 100-5-3002-209 - Willdan (Code Compliance)	40,000.00	
Budget	412-5-2002-209	Formerly 100-5-2002-209 - Fee/DIF Study	50,000.00	
Budget	412-5-1532-610	Formerly 100-5-1532-610 field rental	10,000.00	10,000.00
Budget	412-5-1532-370	Formerly 100-5-1532-370 Soccer goal	12,500.00	
Budget	412-5-1501-123	Formerly 100-5-1501-123 Comm Ctr /Sr Ctr	6,500.00	7,500.00
Budget	412-5-5011-209	Formerly 100-5-0511-209 Prof. Services (Outreach, etc.)	90,000.00	55,000.00
Budget	412-5-7501-758	Formerly 100-5-7501-758 Transfer to Mobile Fund	10,000.00	10,000.00
Budget	412-5-3002-209	Formerly 100-5-3002-209 HVTB Tourism Support	10,000.00	10,000.00
Budget	412-5-9XXX-660	Fleet Shop Insulation and Heating	18,000.00	15,000.00
Budget	412-5-9XXX-660	Eucalyptus Tree Removal & Tree Replacement	50,000.00	61,000.00
Budget	412-5-9XXX-660	City Bikeway Project	25,000.00	
Budget	412-5-9XXX-660	Local Road Safety Plan (LRSP)	20,000.00	
Budget	412-5-9XXX-660	City Bldg Lighting Retrofit	74,000.00	
FY 20/21 Bud Adj.	412-4-7500-4277	ARP Funding Revenue	320,000.00	
Reso 7342	412-5-7501-199	Small Business Outreach	10,000.00	
Reso 7342	412-5-7501-199	Homeless Shelter Support	-	
Reso 7342	412-5-9372-660	WRF Equipment	90,000.00	
Reso 7342	412-5-1502-209	Reduced/Waived Recreation Fees	25,000.00	
Reso 7342	412-5-1501-610	Mobile Activity Center	85,000.00	
Reso 7342	412-5-XXXX-0XX	Employee Enhancements	110,000.00	
FY 21/22 Bud Adj.	412-4-7500-4277	ARP Funding Revenue	792,000.00	
Reso 7351	412-5-0501-323	City Council Event Support	30,000.00	
Reso 7351	412-5-0511-209	Grant Writing/Lobbying Efforts	42,000.00	
Reso 7351	412-5-1501-660	Boys & Girls Club	300,000.00	
Reso 7351	412-5-4502-610	Archer Anti-Vehicle Barriers	160,000.00	
Reso 7351	412-5-XXXX-0XX	Employee Enhancements	110,000.00	
Reso 7351	412-5-5028-209	Citywide FEMA Floodplain Re-Study	150,000.00	
FY 21/22 Bud Adj.	412-4-7500-4277	ARP Funding Revenue	1,521,619.00	
Reso 7366	412-5-9324-660	Harvard Boulevard Water Sewer Improvement Project	1,500,000.00	
Reso 7366	412-5-9XXX-295	ADA Self Evaluation and Transition Plan	21,619.00	
FY 21/22 Bud Adj.	412-4-7500-4277	ARP Funding Revenue	395,000.00	
Reso 7381	412-5-7501-199	Community Nonprofits	250,000.00	
Reso 7381	412-5-4501-610	Police Department CAD System	45,000.00	
Reso 7381	412-5-9XXX-XXX	Downtown Beautification	50,000.00	
Reso 7381	412-5-XXXX-XXX	Banner Program	10,000.00	
Reso 7381	412-5-7501-199	Farmers Market	10,000.00	
Reso 7381	412-5-9XXX-XXX	Economic Develop & DT Enhancement	30,000.00	

American Rescue Plan Act (ARPA) Project Ideas

- Potential Alternative Funding Sources denotes alternative grants or funds which may be another source of funding to complete project.

Tranche 2 Already Budgeted Tranche 2 Total Allocation	<u>Tranche 1</u> \$642,000	<u>Tranche 2</u> \$7,759,250	<u>T2 Variance</u> (\$4,412,636)	
		\$218,500		
		\$3,565,114		
Description	Tranche 1 Funds Allocated	Tranche 2 Recommendation	Strategic Plan	Potential Alternative Funding Sources
<u>Utility Bill Relief</u>	\$0	\$425,000	Community Vitality #6	Y
As of 05/26/2022, there is a past due balance of \$1.4M for sewer and water bills. Of that total, \$428K is owed by inactive accounts. While staff requested funding from the sewer arrearage program, what we know is that the majority of inactive accounts were prior to the relief period and therefore will not be creditable to the City. This relief will allow us to clear this bad debt off our books.				
<u>Limited-term (pro-active) Code Compliance and funds for Neighborhood Improvements</u>	\$40,000	\$160,000	Community Vitality #4	N
Council allocated during budgeting \$70K from T1 for this. On 3/2/22 Council authorized moving \$30K from this project, due to delays, to the consulting services account leaving \$40K for code compliance. Funding would help assist residents to come into compliance with various codes by creating a two-year employment assignment for pro-active code compliance (\$150,000), with funds to assist violators to help clean-up their property (\$50,000).				
<u>Homeless Encampment and/or Assistance</u>	\$0	\$80,000	Public Safety #1	Y
Homeless encampment cleanup and/or assistance along watershed basin, river bottom and rail corridor; potential partnership/request for County ARPA funds and partnership.				
<u>Downtown enhancements and beautification efforts</u>	\$50,000	\$150,000	Community Vitality #2	Y
Combined this category with Overall City Beautification, of which council supported for \$150K independent of downtown enhancements. Council allocated \$50K in T1 for downtown enhancements which will most likely go to support the PBID in establishing a facade improvement program in the next couple of months. The \$150K from T2 would assist with additional beautification efforts such as wayfinding; tree wells; benches; lighting; new trash receptacles, etc.				
<u>Public/Private Partnerships to enhance quality of life in SP</u>	\$250,000	\$250,000		N

Funds for local non-profit organizations were hard hit by the pandemic, impacting programs and services and the ability to fundraise. In addition, Santa Paula Together, a new 501c3 in town, will support youth/senior programs and a PAL chapter in town and will be requesting support.

<u>"Green" investment in vehicles, charging stations, etc.</u>	\$0	\$100,000	Infrastructure, Transportation & Mobility #4	Y
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Though rebates, grants and incentives are available for various charging station infrastructure, some local funds are usually required. Funds would be used for possible charging stations at public facilities and for other "green" investments.

<u>Community Center Upgrades</u>	\$0	\$100,000	Community Vitality #7	N
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Lobby and restroom remodel.

<u>Street Improvement Funding (PMP)</u>	\$0	\$1,000,000		Y
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Could fund various street improvements including upgraded traffic lights, roundabouts and additional phases of the 5-Year Pavement Management Plan (PMP).

<u>Customer Service Enhancements for the City</u>	\$0	\$30,000	Community Vitality #3; Operational Excellence #1	N
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Fund improved signage, information kiosks, interactive website with on-line forms and payments, etc.

<u>Skip Loader Public Works</u>	\$0	\$100,000		Y
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Skip Loader for PW Dept. assists with landscaping, utility, loading applications, Parks & Rec. and emergency use.

<u>Police CAD System Upgrade</u>	\$45,000	\$173,000	Operational Excellence #8	Y
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24 yr. old PD CAD server system replacement. 12/15/21 Council allocated \$45K from T1 to fund the first two payments to accelerate the implementation of a new system. Total initial implementation costs are \$218K not including subscription services.

<u>Expand surveillance cameras throughout City</u>	\$0	\$146,000	Public Safety #2	Y
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Funds for 60 cameras and license plate readers, citywide, to assist with monitoring school zones, key intersections, public facilities, and persons of interest or missing persons.

<u>Municipal Code Overhaul</u>	\$0	\$0	Operational Excellence #2	Y
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Set aside funds for a comprehensive update of the City's Municipal Code. City will utilize General Plan DIF fees to pay for this effort.

<u>Funding for grant writing and lobbying efforts</u>	\$42,000	\$117,000	Several Strategic Plan items request pursuit of grant funding	N
Council set aside T1 funds to cover one year of grant writing services which have proven to be a great ROI to the City. T2 funding support would provide another year of services from CA Consulting (\$45K) and fund continued lobbying services (\$72K) Having funds set-aside for the next year to better respond to upcoming grant cycles and stimulus programs could be a worthy investment.				
<u>City Corps Start-up Equipment</u>	\$0	\$15,000		Y
Council recently allocated \$30K in Measure T funds for City Corps PT help staff. These funds would support funding for equipment such as canopies, recycling cans, pickers, gloves, tables, chairs, shirts, etc...				
<u>Broadband Master Plan & Infrastructure</u>	\$0	\$134,250		Y
Funding could be used to access broadband conduit/fiber installation in coordination with the upcoming CIP projects.				
<u>City Event Sponsorship Program</u>	\$30,000	\$30,000	Arts, Culture & Entertainment #2, #3, #4, #6	N
T2 funds will be used to continue this program into the next fiscal year.				
<u>Marketing & Communications Plan</u>	\$0	\$50,000	Economic Development #1, #6; Connected & Healthy Community #1, #2, #3, #5; Public Safety #3	N
Invest in activities to bolster the City's image, communications with residents and emergency preparedness (Nixle - \$15K); Assessment (\$8K-\$30K) + Plan (\$13K-\$15K) + Re-Branding (\$10K-\$15K)				
<u>Water (Palm) Yard Facility Improvements</u>	\$0	\$350,000	Operational Excellence #8	Y
Improve and expand existing operations facility at the City's Corporate Water Yard on Palm Avenue to improve restrooms, break room, and offices. These could be funded through Enterprise funds, however it would limit other CIP's currently scheduled.				
<u>Water Facility Security and Surveillance System</u>	\$0	\$200,000	Public Safety #2	Y
Installing reinforced fencing at various water tank sites, along with security and surveillance systems would further protect the City's investment in our water infrastructure. Enterprise funds could be used, however it would limit other CIP's currently scheduled.				

<u>Economic Development</u>	\$50,000	\$30,000	Economic Development #2, #4, #5, #10	N
Council originally budgeted \$20K from T1 and on 12/15 allocated another \$30K from T1 to assist with RRM design plans, etc.; Council originally budgeted \$30K from T2 which has already been accounted for at the top of this document; Staff is requesting an additional allocation of \$30K from T2 to assist with "triangle" property highest and best use assessment along with ED opportunities related to business roundtables, welcome kit printing costs, farmers market marketing and business recognition programs. Total T2 allocation would represent \$60K if approved.				
<u>Tree Removal/Replacement</u>	\$50,000	\$89,000	Community Vitality #3	Y
Council Budgeted \$50K from T1 and \$61K from T2 which has already been accounted for here; Staff is requesting an additional allocation of \$89K to assist with rehabilitation plans for the Eucalyptus grove by Cemetery Rd.				
<u>MESA Tanks Replacement</u>	\$0	\$1,500,000		Y
The project scope includes replacing the two aging aboveground steel water tanks in dire condition with two new water storage tanks. Funding could come from the Water Enterprise funds which could require ratepayer adjustments. An additional option staff is researching is if we can loan ARPA funds to the Enterprise fund to move the project forward and then have the Enterprise fund pay the funds back over time. While this will have to be investigated further by Finance, per ARPA guidelines, recipients must obligate all funds by December 31, 2024 and expend funds by December 31, 2026.				
<u>Crosstown Pipeline Project</u>	\$0	\$1,000,000		Y
The project scope will provide a large diameter pipeline to link the wellfield and completed west side reservoir to the main reservoir on 10th Street. Due to recent unit cost increases, staff anticipates the estimated total project cost could increase significantly by the time 100% design documents are completed. Alternative funding sources would be the Water Enterprise Fund. Estimated to cost \$6.7M.				
<u>Electric Landscaping Equipment</u>	\$0	\$60,000		Y
Funds would support the purchase of an electric 72" riding mower to replace a diesel mower.				
<u>Train Depot Remodel</u>	\$0	\$100,000		N
Funds could help with structural repairs, deck repairs and upstairs improvements, which would enable the City to lease out the space.				
<u>Cultural Arts Commission Start-Up Funds</u>	\$0	\$30,000	Arts, Culture & Entertainment #1, #4, #6	Y
Staff will be coming to Council on June 15th with recommendations regarding the formation of a Cultural Arts entity in town to support the arts. The entity will most likely require startup funding to establish themselves.				

<u>SPPD Remodel/Remediation Work</u>	\$0	\$1,200,000		N
Funding will allow RCW to complete necessary reconfiguration, security enhancements, and upgrades that will help accommodate the department's growth and extend the life of the station by at least 15-20 years. We have \$1.35 million set aside for this project, yet the entire project is estimated to cost \$2.5 million.				
<u>Bike Master Plan / Bike Assessment Study</u>	\$25,000	\$25,000	Infrastructure, Transportation & Mobility #2	Y
Funding would support a bike trail assessment study and/or plans for potential bike paths throughout the City.				
<u>Farmers Market</u>	\$10,000	\$15,000		N
Council allocated \$10K in T1 funds to help purchase a light system with generator power that can be used at the market to provide light when the time changes. As costs have increased the lighting system will cost anywhere from \$13K-19K. Lighting unit would be a City asset which could be used by several other departments, namely P&R and the Streets division. Any additional funds would be utilized to purchase market enhancements such as tables, chairs, umbrellas, etc.				
<u>User Fee / DIF Fee Study</u>	\$50,000	\$50,000		N
Council budgeted \$50K in T1 funds for the User Fee study. Staff is requesting an additional \$50,000 to complete the DIF study simultaneously.				
<u>Banner Program</u>	\$0	\$10,000		N
Council allocated \$10K in T1 funds to partner with the PBID to revitalize the banner program. Of those funds, almost all funds have been obligated to pay for hardware, banners and the new Military banner program coming in July. Additional T2 funds will assist in providing seasonal banner changes in collaboration with the PBID.				
<u>Internship Program</u>	\$0	\$40,000	Community Vitality #2	N
Funds could support internship opportunities in the City such as the LFA program, AmeriCorp or internal internships. Our most recent LFA intern proved how valuable supporting an initiative such as this can be.				