



# Town of Franklin

## ARPA Funds Overview Update

Franklin Town Council  
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<https://www.franklinma.gov/town-budget>

# Overview of Federal Funds

## Previous Federal Authorizations

- CARES Act - \$2.92 million (spent by statutory deadline)
- FEMA - reimbursement approximately \$480,000. All cities and towns are waiting for the reimbursement. The reimbursement rules continue to be modified. We have no ETA for reimbursement.
- ARPA - American Rescue Plan Act - \$10,188,837.
- Detailed [breakdown is here](#) for previous federal stimulus money and the town budget site will house historical information on the federal spending.

<https://www.franklinma.gov/town-budget>

# Overview of Federal Funds

## ARPA Slide 1

- ARPA - American Rescue Plan Act - \$10,188,837.
  - Congressional legislation approved and signed by President Biden March 2021.
  - The funds are through two pots of monies (Municipal & County) and these dates of receipt have been altered within the last six months:
    - Municipal Allocation #1: \$1,783,919 (received July 2021)
    - Municipal Allocation #2: \$1,783,919 (anticipated Fall 2022)
    - County Allocation #1: \$3,310,500 (anticipated Summer 2022)
    - County Allocation #2: \$3,310,500 (anticipated Summer 2023)
  - All funds have a new expiration date of December 31, 2026. But, projects need to be procured prior to December 31, 2024.

# Overview of Federal Funds

## ARPA Slide 2

- ARPA Funds are available for the following five/six categories:
  - Support public health
  - Economic impact
  - Revenue replacement
  - Employee premium pay
  - Infrastructure - Water & Sewer (including certain Stormwater work)
  - Infrastructure - Broadband
  
- Norfolk County Commissioners are the gatekeeper in distributing the “County allocations”.
  - All county funds will have 3% taken off the top for Norfolk County to Administer the Program on behalf of the cities and towns.
  - Franklin loses \$198,630 to the County.
  - Counties, such as Middlesex, have already received their county portions and have fewer restrictions because they do not have a recognized county government
  
- Tonight’s legislation for action finalizes the first application to the County. If approved, I anticipate receiving the funds this summer.

# Overview of Federal Funds

## ARPA Slide 3

- Guidance on ARPA funds will continue to evolve.
  - Eligibility is restrictive at this point, but less restrictive than 6 months ago.
  - I expect there will be major competition for service providers which could slow projects down, or drive up costs. Also, inflation.
  
- New Interim Rule January 2022.
  - The key change for Franklin is the “revenue replacement” category.
  - Allows for up to \$10 million revenue loss “standard allowance” option.
  - Town Administrator will exercise this clause for more flexible spending on Municipal allocation ONLY.
  
- Revenue Replacement designation for County money is cumulative.
  - \$10 million revenue loss TOTAL for Norfolk County.
  
- Congressman Auchincloss meeting last week.

# Town of Franklin Round 1 Plan

## County Allocations, slide #1

- County Allocation #1 (\$3,211,185) Proposed Round 1 Projects list:
  - Project #1: Year 3 Water Main replacement plan & associated costs - \$1,471,185
  - Project #2: (eligible) Stormwater infrastructure - \$1,500,000
  - Project #3: Mental Health Clinician, Franklin Police Department - \$240,000
  - All of these projects benefit the public at-large and save taxpayer money.
- Previous projects ideas no longer needed:
  - North side Public Safety tower - private developer approved tower next door - they have granted town the top 40' for public safety.
  - Vax Fridge - purchased with last remaining CARES Act money

# Town of Franklin Round 1 Plan

## County Allocations, slide #2

- Project #1: Year 3 & 4 Water Main replacement plan & associated costs - \$1,471,185
  - Will pay for the water main replacements or roadwork for the Year 3 scheduled work.
  - Water ratepayers will not have to subsidize these projects to help stabilize water rates.
  - Projects are:
    - Arlington Street neighborhood.
    - Country Club Drive neighborhood
    - Section of Jordan Road.
  - See memo in the packet for more details. The projects listed are subject to procurement. Prices and projects could fluctuate.

# Town of Franklin Round 1 Plan

## County Allocations, slide #3

- Project #2: (eligible) Stormwater infrastructure - \$1,500,000
  - Drainage Basins, Outfalls and Culvert repairs for drainage improvements throughout town.
  - These monies will credit toward the Town's MS4 permit.
  - Ensures utility rate payers or taxpayers will not need to fund this required work.
  - Helps bridge the gap between now and the utility fee implementation.
  - See memo in the packet for more details. The projects listed are subject to procurement. Prices and projects could fluctuate due to inflation/bids.

# Town of Franklin Round 1 Plan

## County Allocations, slide #4

- Project #3: Mental Health Clinician Franklin Police Department - \$240,000
  - A second mental health clinician would be hired from Advocates, Inc.
  - Target 7/1/22. Will fund 3 years of service.
  - Would allow for a second shift clinician - possible evening hours/weekends.
    - Medway is also hiring additional staff to this program.
  - Mental Health cases/calls continue to rise and stress the ER/Police/EMS system.
  - Town Administrator hopes for more investment in mental health through ARPA process.
    - System is bursting at the seams.
    - Increase anxiety, stress, loss, substance abuse, mental health.
    - Supply & Demand. Large demand, not enough clinicians/therapists.

# Town of Franklin Round 1 Plan

## Municipal Allocations

- Municipal Allocation #1 (\$1,783,936 million) has been received (July 2021)
  - Current expenditures (\$142,000)
    - Filter replacements \$91,000
    - BOH medical supplies - \$1,000
    - Consultant - reserve approx \$50,000 for federal reporting, filing, applications.
  - Roads, Infrastructure, Sidewalks, Maintenance (\$1,000,000)
    - Reserve approximately \$1 million to roads, infrastructure
    - Possible due to the new Interim rule “revenue replacement” provision
    - Allows the Town to make up for Hotel tax revenue loss, which always went to roadwork.  
This amount should make the Town whole on the losses from the past two years.
  - Withholding the remaining funds for now until the all the pieces described this evening get settled. We will revisit the plan for these monies as projects and give an update later this summer. Municipal allocation #2 expected later this year.

# Helpful Links

- Town website: <https://www.franklinma.gov/town-budget>
- Massachusetts Municipal Association website:  
<https://www.mma.org/resources/federal-funds-resources/>
- United States Treasury:  
<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>