

MINUTES OF THE MEETING OF THE  
CADDO PARISH COMMISSION'S  
AMERICAN RESCUE PLAN COMMITTEE  
HELD ON THE 23<sup>RD</sup> DAY OF JUNE, 2022

The Caddo Parish American Rescue Plan Committee met in legal session on the above date, at 12:00 p.m., in the 1<sup>ST</sup> Floor Conference Room, with Mr. Johnson, Chairman, presiding, and the following members in attendance: Commissioners Gage-Watts, Hopkins, and Johnson (3). ABSENT: Commissioners Atkins, and Jones (3).

Mr. Hopkins gave the invocation, and Mr. Johnson led the Committee in the Pledge of Allegiance.

**NEW BUSINESS**

- *Update from American Rescue Plan Consultant*

Mrs. Barnett introduced Postlethwaite & Netterville (P&N) consultants Mrs. Jennifer Butler, Mr. Chris Hickman, Mr. Corey Jambon attending the meeting via Zoom. She also introduced Mr. Sheldon Bartel from the National Development Council (NDC) attending via Zoom.

Mrs. Butler stated that she was with P&N for 18 months and worked for 20 years in federal grant management including Oklahoma City bombing, Homeland Security. Mrs. Butler oversees disaster management and recovery division. She also oversees federal funds and federal programs with organizations in her current position. Mr. Jambon stated that he is responsible for project management and worked for the company for 11 years.

Mr. Hickman gave an overview of the American Rescue Plan Program. He explained that the State and Local Fiscal Recovery Funds (SLFRF) is \$350 billion and has been distributed to state and local governments. \$46 million was allocated to the Parish of Caddo and there are \$16 million of that allocated to fund several projects. Mr. Hickman further explained that allowable uses of funds include replacing lost public sector revenue, public health and economic impacts, premium pay, and water, sewer and broadband infrastructure. He said that funds must be used for costs incurred on or after March 3, 2021. Mr. Hickman stated that funds must be obligated by December 31, 2024 and fully expended by December 31, 2026.

Mrs. Butler explained that certain rules apply on how the funds are spent, because these are federal funds sent to the Parish by the United States Treasury. She said that any procurement or purchasing from federal funds will have to follow uniform guidelines. There must be full and open competition and written policies must be in place for the expenditure of these funds. Mrs. Butler stated they have listed out starting points for rules related to procurement and an appendix of contract provisions. She added that Mrs. Barnett and her team are well versed in internal control policies and procedures already in place and that she will be coordinating with them to adhere to uniform guidelines. Mrs. Butler said that they have a list of nominated projects that would have to follow federal and SEC rules. She explained that if the Parish is going to make a purchase with these federal funds for a project under \$10,000, it needs to be well documented. Mrs. Butler further explained that nominated projects cost between \$10,000 and \$250,000. She said that the Parish would need to obtain adequate quotes from qualified sources for these type of projects. "Basically, if you get three quotes, and make sure they are quotes from people who can deliver that product or service, and then we document that in the file and make sure we have a rationale for why we chose who we chose," she said. Mrs. Butler stated that there are three methods of procurement for project costing over \$250,000. The first type are sealed bids, which is usually used in construction or a low price bids where they would know the exact construction project or items. Mrs. Butler said that the second type are competitive proposals, which usually are RFPs, or request for proposals, where the request includes qualifications and methodology of how the project or service will be performed and the price. Mrs. Butler said the non-competitive proposals are only used in emergency circumstances. She explained that if there is only one vendor, and if you can justify an existing emergency, then the Parish can use non-competitive proposals as a method of procurement. Mrs. Butler pointed out that Louisiana State Bid Law still applies for Public Works, materials and supplies. She explained that the Parish has to properly secure anything over \$30,000 for materials and supplies that follow Louisiana State Bid Laws and anything procured over \$250,000 for Public Works. Mrs. Butler stated that if the Parish, or the organizations implementing its projects, want to hire professional services, the professional service providers have to follow federal rules. She said that professional services are covered under Louisiana State Bid Law. Mrs. Butler reiterated that she will be working closely with Mrs. Barnett and her team to carry out these projects to make sure everyone is aware of the federal rules and that the recipients and sub-recipients are aware of their responsibility to comply.

Mrs. Bryant stated that there are certain projects that the Commission is limited to provide funds for based on the amount of the project. Mrs. Barnett commented that some of the recipients the Commission identifies has to follow the same rules. Mrs. Bryant stated that the NDC is working on housing projects that the Commission provided ARPA funds for. She said that the NDC provided information that is aligned with the information from P&N. Mrs. Bryant stated that Administration wanted to make sure both consultants were on the same page. Both consultants have indicated that the Parish's projects identified through the housing fund have to go through some type of process, such as RFP. Mr. Johnson wanted to know about the water districts. Mrs. Bryant responded that those water districts would have to follow procurement and State Bid Law guidelines for procurement, but the Parish does not have

to issue RFP. Mr. Johnson stated that most of those water district projects are between \$10,000 to \$250,000. He wanted to know if those projects have to go through a pre-bid process. Mrs. Bryant responded that when P&N determines eligibility, then the Parish would go through the RFP process. Mrs. Gage-Watts wanted to know if there is a reason why the dollars would not be used for emergency funding. Mrs. Bryant responded that if it was an emergency it would already be done.

Mr. Cory Jambon explained that the P&N has an existing relationship with the Parish of Caddo in a different service, however their role is to help the Parish understand the funds, distribute the funds, compliance with uniform guidance, treasury reporting and technical assistance. He said that the Parish has an existing infrastructure of compliance, but there may not be any infrastructure for non-component units. Mr. Jambon said that P&N provides technical guidance and training for recipients to understand their responsibility to understand and comply with regulations. He said that P&N will be present during the grant management life cycle. Mr. Jambon stated that P&N will start with project eligibility determinations. He said that they have begun to receive and review applications, which were thorough and helpful for P&N to understand intentions, goals and outcomes. Mr. Jambon said they are able to see who is serving the budget in alignment to the federal budget categories. Mr. Jambon said that they are working with the Parish to request additional preliminary information from applicants that determine if an applicant's engagements fit allowable uses of funds. He stated that reviewing applicant's information will help the Parish determine eligibility. Mr. Jambon said that P&N's approach to documentation is very much in line with their financial audit service. He said that getting additional information from the applicants is a three way process between the Parish, the applicant and P&N. Mr. Jambon said there are several layers of regulations on federal funds. He explained that the Parish is the recipient of the ARPA funds and a subrecipient is an entity that is not affiliated with the Parish. Mr. Jambon said that the Parish are required to perform risk assessments of subrecipients for their non-compliance with federal regulations. He also said that P&N will have questionnaires, conference calls and meetings with the subrecipient to review their policies, understand their accounting systems, personnel and company structure, and their audited financial statements. Mr. Jambon said that all of that information will be documented and distributed to the Parish and the subrecipient. Mr. Jambon said that subrecipient monitoring requires subrecipients submit monthly and quarterly documentation on their performance and financial expenditures. He explained that the documentation would compare the subrecipient's performance against milestones and goals and that their expenditures are in line with eligible uses. Mr. Jambon said that they monitor on a regular basis, because once a project is complete there is little to no influence in changing the outcome of that expenditure. He also said that monitoring ensures that the subrecipient is operating in line with the intended project and the requirements. Mr. Jambon said the last piece of the grant lifecycle is grant closeout. He explained that federal auditors will look at the documentation possibly decades later, so they have procedures in place to be audit ready.

Dr. Wilson wanted to know who writes the RFP for projects over \$250,000. Mrs. Bryant said that the Parish is responsible for writing the RFP, and that the consultants will help draft them. Dr. Wilson also wanted to know if the consultants would help define what the vendors are going to do. Mrs. Barnett said subrecipients would likely be responsible for defining their parameters, but the Parish would help its component units.

Mr. Jambon explained that P&N will provide reference templates on policies, procedures, RFP packages and contractual terms and conditions as a tool for subrecipients, but they can not do the RFP process for the Parish's subrecipients. Mrs. Bryant commented that this refers to a subrecipient's experience and capacity. Mr. Hopkins wanted to know how and when subrecipients will receive monies. Mrs. Bryant said that everything is supposed to be reimbursement based. Dr. Wilson commented that payment is not in advance. Mr. Johnson said that subrecipients will invoice the Parish. Mrs. Bryant said that there is an exception for revenue replacement or helping another organization. Dr. Wilson said that for large projects the subrecipient cannot use the funds as seed money. Mr. Johnson said that the subrecipient would have to submit a financial report for the income loss. Mrs. Barnett said that the Parish will ensure that funds are spent in accordance with federal regulation.

Mr. Johnson wanted to know if the CEA will go through Legal. Mrs. Bryant said that P&N will review the CEA, but the CEA has to go through Legal. Mrs. Butler said that P&N will review the subrecipient agreement to ensure it includes uniform guidance and provide recommendations for cost-reimbursable agreements, scope of work, budget, how the subrecipient will be paid, and the sub-monitoring plan. She said that after eligibility is confirmed, P&N will hold a mandatory meeting to go through the program process in detail. Mrs. Butler said that they have experienced subrecipients wanting to back out and return the money, but P&N has been able to help their clients be compliant without prior experience in receiving federal funds. Dr. Wilson wanted to know whether subrecipients have to demonstrate the capacity to start the project for large projects. Mrs. Butler responded that capacity is one of the items they check for in the financial auditing. Mr. Johnson said wanted to know if the meeting is mandatory in order for a subrecipient to receive funding. Mrs. Barnett said that P&N will host several meetings to ensure that expectations are laid out. Mr. Johnson said that there were organizations that already spent money, but now must go through the eligibility process before receiving any funds. Mrs. Bryant said that the Parish has sent letters telling organizations not to. Mrs. Barnett agreed that organizations are told not to. Mr. Johnson expressed concerns because it happened with Juneteenth and SRAC. He recommended that they record the mandatory meeting. Mrs. Bryant said that the Parish would have more experience with its grant process and the applications may be different in the future. Mr. Johnson said that they should review the priority of their applications, because there were water and sewerage districts that applied late and did not receive funding. Mr. Johnson said that they could reduce funding for one organization to provide funds for another organization. Mrs. Barnett warned that the Commissioners do not try to skirt the law by approving funds that are just under a certain amount. She said the cumulative total amount of the same type of service

would have to go through an RFP process. Mrs. Bryant said that they will work with the consultants to determine whether or not an organization is eligible. Mr. Johnson wanted to know if it would be allowable for a bid request for one type of project but the Commission would accept three organizations for the project and split the money between the three. Bryant responded that if RFP states that the Commission will choose three organizations, then there may not be an issue to doing that. However, she is unable to provide an absolute answer without more details and will look into it.

Point of clarification by Mr. Jambon that should the Commission bring recipients later in the process, P&N will have a meeting with them to make sure they understand their roles and responsibilities. He said that P&N will revisit the subrecipients over the next five years.

Mr. Jackson wanted to know if the Parish is asking all organizations to do reimbursements, regardless of the project cost. Mrs. Bryant and Mrs. Hayley said yes. Mr. Jackson also wanted to know if that is a statutory requirement. Mrs. Bryant said that the Parish is accountable for any issue with funds. Mr. Jackson said that there are organizations that may not be have up to millions of dollars to spend up front. He recommended the Parish to help these organizations achieve their goals by having a bond or insurance requirement. Mr. Jackson expressed concerns for the businesses without financial equity. Mrs. Barnett stated that if an organization does not have the financial capacity to maintain their project, then that would make them high risk. Mrs. Barnett explained that high risk would put them at reimbursement only. Mr. Jackson wanted to know if the risk assessment is going to determine if an organization would be designated as reimbursement only and if that reimbursement only is statutory. Mrs. Jalisa Thomas stated that a risk assessment is required for sub award agreements and that a risk assessment determines how the grantor would follow the reimbursement process. She explained that the CEA will state how reimbursement will proceed and that reimbursement is not a lump sum form of payment. Mr. Jackson reiterated his question on whether the risk assessment is statutorily required under the ARP. Mrs. Thomas responded yes, that a risk assessment is required for all federal funds on any level. Mr. Jackson requested to have a copy of the risk assessment statute. Mrs. Bryant stated that a risk assessment is very important for the Parish to determine the risk of how federal funds would be spent, because the Parish is responsible for repaying misused funds to the government. Mr. Jackson recommended the Parish to build capacity for organizations that would like to partner with the Parish. He reiterated his concerns about organizations having to be on a reimbursement basis. Mrs. Bryant clarified that the Parish will work with its consultants, including the NDC, on housing projects to determine how they will go through the process. She explained that they are giving an update to the Committee on housing projects because of the ARPA dollars. She said that the NDC recommended the Parish to complete a competitive process on the projects and establish policies and procedures in adherence to federal and state guidelines on competitive bidding. Mrs. Bryant stated that they are not making any proposals for housing projects. Mr. Jackson asked if reimbursement may not apply for housing projects. Mrs. Bryant explained that organizations would have to prove their capacity to handle projects. Mrs. Bryant said that the Long-Range Planning Committee is the recommended committee where the housing projects will be discussed.

Mr. Johnson wanted to know would the lowest bidder win an RFP. Dr. Wilson responded that there are several factors to a proposal than the cost. Mrs. Barnett stated that an RFP is not won based on cost alone. Dr. Wilson said that a proposal would be scored and selected by a committee. Mr. Johnson wanted to know which committee. Mrs. Bryant responded that the RFP process will go to the Long Range Planning Committee and that the NDC would be invited. Mr. Johnson wanted to know which committee would hear the other high dollar projects for the Parish. Mrs. Bryant responded that Administration plus one member from the American Rescue Plan Committee would hear the RFPs. Dr. Wilson said that Administration did the same for their internal audit by including a Commissioner. Mrs. Barnett stated that they will do everything they can to keep all parties, the applicant and potential recipient informed. Dr. Wilson said that the risk assessment is very important, because the Parish is held accountable. Mr. Johnson stated that they were voting on a policy today. Dr. Wilson said that the Commission need to set policies, goals and objectives for the Housing Trust Fund. Mrs. Bryant said that they will discuss it in Long Range Planning Committee. Dr. Wilson stated that the board to hearing RFPs is falling on Administration, but they are not the board. He explained that the Commission drafted legislation for a board, but amended the legislation to remove the board. He said that the Parish currently does not have a board.

Mr. Bartel stated that two million dollars does not go far, and recommends that the Parish use ARPA funds as leverage to bring private dollars into the Parish. He said the RFP would bring you the best, brightest and capable bids that are low risk. Dr. Wilson said that the new construction in downtown cost \$1.75 million and that two million dollars might not get enough done. Dr. Wilson said that the Parish does not have a steady source of revenue, but hopes that the NDC can help the Parish identify those sources. Mr. Johnson mentioned that a public-private partnership would be more effective and that housing projects should meet income guidelines. Dr. Wilson reiterated that the Parish will determine its housing policies and goals. Mrs. Bryant stated that the Parish has not defined goals and objectives for its program. Mr. Johnson wanted to know if the Parish could match ARPA funds with USDA programs. Mrs. Bryant stated that they should invite the NDC to the Long-Range Planning Committee to further discuss matching ARPA funding with USDA programs.

Mr. Jackson pointed out that the NDC can establish housing policies and do the RFPs. Mrs. Bryant explained that the Parish and NDC must have a meeting to determine how to use the ARPA dollars in order to draft those policies. Mr. Jackson stated that the NDC has not given the Parish anything to consider. Mrs. Bryant explained that first, the Parish is working through the ARPA plan. Then, the Parish will set a meeting to narrow down policies. She said that they have some policy drafts that are deep, but need to be finalized. Mr. Bartel said that the Parish staff is taking the correct approach to determine what is wanted. Mr. Jackson said that the goal and objective of the Housing Trust Fund is to create more units

of affordable housing in Caddo Parish and that goal is stated in the ordinance. Mr. Bartel said that the RFP does not say that.

Mr. Johnson stated that there are ARPA, ERAP, and Parish funds in the E. Edward Jones Trust Fund. He said that each of these funds have laws to follow. Mrs. Bryant said that they have to follow guidelines for federal dollars which supersede Parish policies.

Mr. Hopkins requested the Clerk to pull an ordinance related to a home mortgage authority.

At this time, there was no further discussion to come before the Committee, so the meeting adjourned at 1:17 p.m.

  
Administrative Specialist I