

SPECIAL COMMISSIONERS' MEETING - FRIDAY, AUGUST 24, 2022
ARPA COMMITTEE

The meeting was called to order by Chairman Brian Baird, Commissioner, at 1:00 p.m. Ron Deer, Councilman, Kevin Walls, Commissioner, Ron West, Commissioner, Jonathan T. Myers, Councilman, and Rob Henderson, Councilman, were present.

Johnson County REMC and JCFiber - Discussion of a Second Tranche of ARPA Funds

John Sturm, Chief Executive Officer Johnson County REMC, and President, JCFiber, appeared before the Commissioners to give an update on the JCREMC/JCFiber Project. Mr. Sturm introduced the following JCFiber Board of Directors who were present in the audience: James Meredith, Vice- President, Dennis Stewart, Member, Seth Brown, Secretary/Treasurer, Lee Ann Wilbur, President, Nick Stainbrook, Director of Fiber Operations, and Terry Miller, Director of Finance and Accounting. Mr. Sturm thanked the ARPA Committee for the initial \$1,000,000 of ARPA money for the Fiber Project. He pointed out the initial request was for \$2,000,000; the ARPA Committee opted to put this amount into two different tranches, the first being \$1,000,000. He said he was here today requesting the second tranche of the ARPA Grant to fund zones four (4), five (5), and six (6) and potentially make fiber broadband more affordable in all zones of this project. The following two options were put before the ARPA Committee for consideration:

1. \$1,000,000 for status quo pricing and installation costs
2. \$3,000,000 with a commitment for significant affordability adjustments for all customers

Mr. Sturm further stated prior commitments made for zones one (1) through three (3) would apply to zones four (4) through (6) and are noted as follows:

- Serve County residences where DSL is the only current wired option
- Change to a twelve month contract term versus a thirty month contract
- Offer low-income discounts via the Federal ACP Program (\$30.00 monthly discount)
- Commit to Operate JCFiber under the same cooperative business model as JCREMC
- Commit to set prices based on cost and use with future profits reducing monthly prices

Mr. Sturm gave a summary update of the JCFIBER project status of zones one (1), two (2), and three (3). He reported zone one (1) is 100% complete, zone two (2) is 90% complete, and zone three (3) is 60% complete with a finish date of 2022. Total passing's is 3,592; 100% of the initial \$1,000,000 grant was expended in zones one (1) through three (3); the average cost of fiber material is up 33.5%; \$15,000,000 has been invested in the entire network to date. Discussion was held and all questions were answered satisfactorily.

The Commissioners agreed to take the information and data under advisement and consider both of the options. They will return in three weeks with their decision; options being, \$1,000,000 for status quo pricing and installation costs, or \$3,000,000 with a commitment for significant affordability adjustments for all customers.

Mr. Walls made a motion to amend Ordinance 2022-O-5 authorizing distribution and/or expenditure of the proceeds of *Johnson County's Grant from the American Rescue Plan ACT of 2021 ("ACT")*. The ordinance amendment for JCFIBER will include disbursement of an

additional \$1,000,000 originally agreed upon by the ARPA Committee. Mr. Henderson seconded the motion, which carried unanimously.

Barnes & Thornburg – Consultant for Administering the Grant Funds

Jacob German, Partner, appeared before the Commissioners via zoom, to discuss Barnes & Thornburg being retained as a Consultant for the Administration of ARPA Grant Funds.

Mr. German stated Barnes & Thornburg works with Government Services and Public Finance Groups, noting he represents local units of Government in Indiana on various municipal and county matters. He gave a current update on ARPA Fund Regulations in general, giving examples of how Barnes & Thornburg could be an asset for Johnson County and their ARPA projects moving forward. He further stated Barnes & Thornburg had experience in administering ARPA Funds as block grants, large scale infrastructure projects, and individual grants. He stated they would work with the current vision of the ARPA Committee as well as the taxpayers of Johnson County. Discussion was held and all questions were addressed accordingly.

Mr. Deer made a motion to enter into a four (4) month contract with Barnes & Thornburg to administer ARPA Grant Funds; beginning immediately and ending at the end of 2022 for a fixed fee amount of \$20,000.00. Mr. Baird stated all questions pertaining to ARPA Funds should be submitted via email to Adam Gadberry, County Attorney, with a copy to Mr. German, Barnes & Thornburg; they will work together on a response. Mr. Henderson seconded the motion, which unanimously carried.

Discussion of Homeless/Emergency Housing

Lydia Wales, Trustee of Franklin, Union, and Needham Townships, approached the podium to engage in conversation with the ARPA Committee regarding the need for homeless and emergency housing in Johnson County. Mrs. Wales spoke on the following topics:

- Current transitional housing available in Johnson County
- Structure and dynamics of transitional housing
- Process of working with other counties and organizations on transitional housing
- Explained the difference between transitional housing and being homeless
- Examples of the program being geared to real life situations for some county residents
- Responsibility and upkeep on existing transitional properties
- Location of potential new transitional housing
- Fees and usage of transitional housing if funded by ARPA dollars

Discussion was held and all questions and concerns were addressed accordingly. The Committee was in agreeance that Mrs. Wales should come back at a future date with a proposal that meets all necessary zoning requirements for transitional housing. They also asked Mrs. Wales once she found a potential home that would qualify as transitional housing, to provide the Committee with the dollar amount to be requested. Mr. Walls stated the Committee would give her a definitive answer once further information was provided. Mrs. Wales stated she would immediately begin to look for a home that could be used as transitional housing.

Discussion of Smith Valley Road Design

Luke Mastin, Highway Supervisor, appeared before the ARPA Committee to discuss the Smith Valley Road Design Contract. Mr. Mastin stated the ARPA Committee had previously identified \$3,000,000 dollars for road repairs on rural roads and rural subdivision streets where needed. He further stated ARPA funds are Federal dollars and he would like to propose the \$3,000,000 of ARPA Funds previously designated for rural projects be swapped with the Smith Valley Road Design Contract funding instead.

He suggested \$3,000,000 of either Rainy Day appropriations or one of the funding mechanisms that was identified to fund the design of the Smith Valley Road Project during a prior LIT discussion, be used as replacement funds for the rural road project rather than using ARPA funds. The reason for this request is any time Federal dollars are involved, there are Federal guidelines that must be followed. These guidelines are above and beyond the state statutes that apply to local funds. The County has followed INDOT's consultant selection requirements for federally-funded projects for the Smith Valley Road Design Contract, which he stated should be in compliance with any federal requirements for the use of ARPA funding.

Mr. Mastin then explained that INDOT handles construction contracts for Federal-Aid projects when Federal-Aid money is involved. Their contracts are drafted to address potential Federal requirements that he may not be familiar with. For example, when we put something such as a paving contract out for bid, we follow state guidelines for the purpose of bidding. We are not as familiar with the construction requirements that come with Federal Funds as opposed to state or local dollars.

He said this proposed change is net neutral; however, it will insure nothing was missed in regards to ARPA compliance issues. This allows us to know we have followed the required Federal-Aid Process for the Smith Valley Road Design Contract.

Conversation was held and all questions were addressed.

Mr. Baird suggested Mr. Mastin do some additional investigation and then bring a proposal before the Commissioners for further discussion and possible approval; everyone was in agreement.

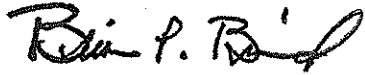
Mr. Deer stated he would like to discuss future meeting dates for the ARPA Committee. It was mutually decided the next ARPA meeting would be September 26, 2022 at 3:00 p.m.

Mr. Baird stated he would be resigning as the ARPA Committee Chairman; he would stay on the Committee but would be stepping down as Chairman. Mr. Baird suggested Mr. West take the position as Chairman of the ARPA Committee moving forward. Mr. West said he would take the position as ARPA Committee Chairman. Everyone agreed this subject would be discussed at the next ARPA meeting.

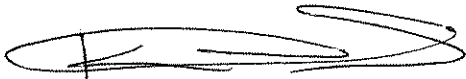
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AJOURNMENT

There being no further business, Mr. Walls moved to adjourn. Mr. Myers seconded the motion, which unanimously carried.



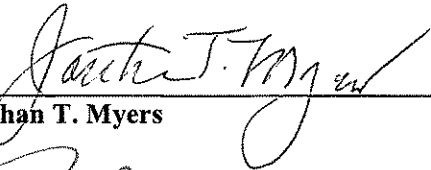
Brian Baird



Kevin Walls



Ron West



Jonathan T. Myers



Rob Henderson



Ron Deer

Attest:

Pamela J. Burton
Auditor

