



Office of the
**INDIAN RIVER COUNTY
ADMINISTRATOR**

Jason E. Brown, County Administrator
Michael C. Zito, Assistant County Administrator

MEMORANDUM

TO: Members of the Board
of County Commissioners

FROM: Jason E. Brown
County Administrator

DATE: November 2, 2020

SUBJECT: CARES Act Phase 2 - Proposed Spending Plan Revisions

BACKGROUND:

On July 14, 2020, the Board of County Commissioners approved the initial CARES Act Spending Plan for the first 25% allocation received from the State. Subsequently, on August 18, 2020, the Board approved revisions to the initial plan. On September 22, 2020 the Board approved allocating an additional \$4,662,600 under the Phase 2 Spending Plan, bringing the total proposed plan to \$11,638,933. The State has recently provided guidance stating that in order to receive the next 20%, or \$5,581,066 advance, the County must provide a Spending Plan that encumbers the entire first 45% by November 16, 2020. The following plan details proposed spending for the first 48.5%. Any expenses that exceed the 45%, or \$12,557,399 will be processed on a reimbursement basis only. Should the County exceed this amount in actual expenditures, a temporary loan from the General Fund will be necessary to cover the shortfall until reimbursement from the CARES Act is received. It should be noted that this carries some risk to the County as there is the possibility that the State does not make such funding available to the County. This dynamic has been considered in the development of the proposed spending plan.

ANALYSIS:

The table below shows the currently approved allocation by category and requested revisions to the plan.

Phase 1 & Phase 2 Spending Plan			
Type of Expense	Approved Allocation	Additional Need	Revised Total
Municipalities	\$1,972,596	(\$46,600)	\$1,925,996
Constitutional Officer Expenses	\$1,555,000	\$859,041	\$2,414,041
BCC Expenses	\$1,996,337	\$1,074,077	\$3,070,414
Health Department	\$400,000	\$0	\$400,000
Other Healthcare Providers	\$200,000	\$0	\$200,000
State Agencies	\$30,000	\$0	\$30,000
Economic Development	\$810,000	\$0	\$810,000
Community Support	\$4,675,000	\$0	\$4,675,000
Total	\$11,638,933	\$1,886,518	\$13,525,451

As shown in the table above, \$1,886,518 in revisions are being requested which brings the total Spending Plan to \$13,525,451. Details regarding individual changes are itemized below.

Municipalities

The Board approved allocation to municipalities as detailed above is \$1,972,596. At this time, the only municipality requesting a change to their allocation is the Town of Orchid. The Town of Orchid's original request for Phase 2 funding was \$47,600, however the Town has since indicated that only \$1,000 in additional funding is needed. The Town of Orchid did request that their unused allocation be contributed to the rental and mortgage assistance, or the small business assistance program as needed. Should additional funding in these programs be necessary, staff will incorporate these changes into future plan revisions. The City of Vero Beach has also requested an amendment to their initial scope of work, however the dollar amount of their allocation will remain unchanged. The City is proposing to decrease planned spending on COVID-19 testing, public safety measures, and disinfection of public areas and increase their spending for food delivery. In summary, the proposed funding allocations for municipalities is decreasing by \$46,600.

Constitutional Officers

An allocation of \$1,555,000 has been approved for Constitutional Officer expenses. County staff continues to coordinate with the Constitutional Officers and is requesting an additional allocation of \$859,041. The majority of this increase is to cover 10% of personnel costs for Sheriff's Office employees working in the Correctional Facility who are spending time of COVID-19 related activities. The Treasury has released guidance stating that,

“as an administrative accommodation, governments may presume that public health and public safety employees meet the substantially dedicated test, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise”

This statement indicates that local governments have the ability to receive 100% reimbursement for all public health and public safety salary and benefit costs from March 1, 2020 – December 30, 2020, unless the chief executive determines specific circumstances indicate otherwise. Staff has determined that it is in the County’s best interest to only charge the amount of staff time for public health and public safety employees that has been incurred as a direct result of COVID-19. The 10% determination has been made in consultation with Sheriff’s Office staff. This conservative practice only seeks reimbursement for costs incurred, as opposed to recapturing costs for already budgeted expenses which is not allowable under the Treasury’s guidance.

The Tax Collector is requesting an additional allocation of \$20,041 for touchless pin pads in order to conduct contactless business.

BCC Expenses

Staff estimates that an additional \$1,074,077 will be needed for BCC expenses through December 30th. The increases in straight time, reduction in local match for FEMA overtime, and the newly added category for COVID-19 related overtime is presented as a result of staff’s interest in applying these costs towards the CARES Act as opposed to the COVID-19/FEMA claim. Staff is recommending this option due to the length of time FEMA traditionally takes to reimburse the County for eligible expenses and the amount of staff time a FEMA claim takes to process. These expenses can be funded immediately under the CARES Act. As mentioned above, staff will charge only a percentage (15% - 20%) of public health employee expenses to the CARES Act. This allocation will cover the supervisors’ time spent on COVID-19 related activities such as managing COVID-19 rescue units, ordering and distributing PPE, tracking positive patients, etc. All overtime expenses incurred as a result of the two additional COVID-19 rescue units was directly captured and charged to the CARES Act.

Bi-polar ionization is also being proposed for Buildings A & B, the Courthouse, iG Facility, the Health Department and the EOC. Bi-polar ionization will be added to the existing HVAC systems in order to effectively reduce the airborne spread of COVID-19. Due to an unanticipated HVAC failure at the Health Department, bi-polar ionization will be also be installed as part of the replacement HVAC project. Unfortunately, it is not feasible to install these units in the remaining HVAC systems due to the age of those units. Staff is intending to replace the remaining units over the next six months and will add bi-polar ionization systems as part of that process. The cost of the remaining units will not be reimbursable under the CARES Act since the work will be performed after December 30th. IT upgrades are being proposed to conduct remote meetings at the iG Facility and move to a more paperless working environment in order to promote social distancing and contactless business. Additionally, educational videos are planned to replace in person learning opportunities that were conducted pre-COVID for our conservation lands areas.

Type of Expense	Approved Allocation	Additional Need	Revised Total
BCC Expenses	\$1,996,337	\$1,074,077	\$3,070,414
COVID-19 Leave Time	\$317,963	\$0	\$317,963
COVID-19 Straight Time	\$278,157	\$415,000	\$693,157
Local (12.5%) Match for FEMA OT Claim	\$66,491	(\$66,491)	\$0

COVID-19 Overtime	\$0	\$500,000	\$500,000
Worker's Comp - First Responders	\$242,561	\$0	\$242,561
Miscellaneous Purchases (PPE, Plexiglas Dividers, Signage, etc.)	\$442,670	\$0	\$442,670
Bi-Polar Ionization	\$0	\$184,568	\$184,568
IT Upgrades	\$297,093	\$41,000	\$338,093
Temperature Taking Kiosks	\$44,551	\$0	\$44,551
Munis Modules to Support Teleworking	\$85,250	\$0	\$85,250
Enhanced Cleaning of Buildings	\$96,601	\$0	\$96,601
Consultant Services	\$50,000	\$0	\$50,000
Educational Campaigns	\$75,000	\$0	\$75,000

RECOMMENDATION:

Staff recommends that the Board approve the Spending Plan revisions which total \$1,886,518 as detailed above (see attachment) which brings the total Spending Plan to \$13,525,451 and approve the revised Spending Plan (attached). Staff further recommends that the Board authorize the Chair to execute amendments to the subrecipient agreements as follows:

- Town of Orchid - \$1,000 in additional funding (since initial revision was not executed)
- City of Vero Beach – scope modifications