



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: December 24, 2020

SUBJECT: CARES Act 2.0 - Proposed Spending Plan

BACKGROUND:

On July 7, 2020, the Board of County Commissioners approved the initial CARES Act Spending Plan for the first 25% allocation received from the State, with slight revisions approved on July 14, 2020. Subsequently, on August 18, 2020, the Board approved further revisions to the initial plan. On September 22, 2020, the Board approved allocating an additional \$4,662,600 under the Phase 2 Spending Plan. On November 17, 2020, the Board made other revisions to the plan for an additional \$1,866,518, bringing the total proposed plan to \$13,525,451. On December 1, 2020 the Board approved use of the full \$27,905,330 Indian River County has been allocated. Any expenses that exceed 45%, or \$12,557,399 will be processed on a reimbursement basis only. Funding for these expenses will be funded with General Fund Reserves until reimbursement from the CARES Act is received.

Because the Board elected to draw down all remaining funding totaling \$12,723,176 via reimbursement for public health/public safety payroll expenses, the Board has discretion on awarding these funds after the initial December 30, 2020 CARES Act deadline. The following plan details proposed allocations for the remaining \$12,723,176 "CARES ACT 2.0" funds. Staff has coordinated with the currently funded agencies, municipalities, and Constitutional Officers to fund their COVID-19 related expenditures and programs from January – March 2021. On December 27, 2020, legislation was approved that extended the original CARES Act deadline of December 30, 2020 to December 30, 2021. Staff is recommending the Board approve time

extensions with each agency funded to grant them the remainder of the current fiscal year to spend their original allocations.

ANALYSIS:

The following table shows the currently approved allocation by category and potential revisions to the CARES Act 2.0 plan. As shown \$12,547,634 of proposed spending is being presented. Details regarding individual changes are itemized below.

CARES Act 2.0		
Type of Expense	Approved Allocation	PH/PS Reallocation
Municipalities	\$1,925,996	\$409,933
Constitutional Officer Expenses	\$2,685,753	\$702,820
BCC Expenses	\$3,070,414	\$3,825,560
Health Department	\$400,000	\$791,541
Other Healthcare Providers	\$200,000	\$80,280
State Agencies	\$30,000	\$0
Economic Development	\$810,000	\$1,500,000
Community Support	\$5,033,301	\$5,237,500
School District of IRC	\$1,026,690	\$0
PH/PS Payroll to be Reallocated	\$12,723,176	-\$12,547,634
Total	\$27,905,330	\$0

Municipalities

Additional funding totaling \$409,933 is being requested by the municipalities. The City of Vero Beach has requested an additional \$42,000 for enhanced cleaning of buildings. The Town of Orchid has requested an additional \$7,000 for PPE, enhanced cleaning of buildings and legal counsel expenses. The City of Fellsmere has requested an additional \$210,933. The majority of this expense, \$175,000 is for providing 100% reimbursement for Police Officers’ payroll for the time period of October – December 2020. Staff has reservations about funding this portion of Fellsmere’s request. A better option would be to reserve funds in this amount for future COVID-19 related expenses for the City, similar to what was done with the County’s public safety salaries. There is also a concern that other municipalities may request a similar reimbursement for their public safety salaries. An additional \$45,000 is being requested for renovation of Council Chambers to allow for social distancing and technology upgrades. Slight decreases to other items in their original scope of work make up the difference for their request. The City of Sebastian has requested an additional \$100,000 for PPE and other COVID-19 related expenditures as well as an additional \$50,000 to be allocated towards their mortgage/rental assistance program.

Constitutional Officers

Additional funding totaling \$702,820 is being requested for Constitutional Officers' expenses. This funding will be used to cover additional PPE, cleaning of facilities, staff time, building security, and other expenses directly related to COVID-19.

BCC Expenses

The BCC Departments are in need of \$3,825,560 for January – March COVID-19 related expenditures. This request includes COVID-19 leave time, straight time, overtime, wastewater treatment facility testing, desk shields, enhanced cleaning of public facilities, IT upgrades, worker's compensation for First Responders, PPE, educational campaigns, and other miscellaneous costs related to COVID-19.

Staff is also requesting the Board authorize a change order to the existing work order with Witt O'Brien's (WOB) to provide additional mortgage/rental assistance program application reviews. Initially, staff had executed a \$50,000 work order with WOB for consulting services related to the CARES Act. At the September 22, 2020 BCC meeting, staff was directed by the Board to enlist consulting services to assist in the review of the mortgage/rental assistance program applications. Because the majority of those funds have been exhausted, staff is requesting the Board authorize a change order to work order No.1 to increase the amount to \$100,000 and authorize the County Administrator to make any further changes as necessary.

Staff is proposing \$543,609 be transferred into the Emergency Services District (ESD) as funding for COVID-19 related PPE, staff time, and medical supplies continue to be incurred. It is estimated that approximately \$215,227 in overtime expenses will be necessary to fund the eight weeks ESD personnel will be working to assist the Health Department in administering mass vaccinations. Staff has also included an estimate for necessary PPE and medical supplies as well as one month of operating costs for running a rescue unit. Although a dedicated COVID-19 rescue unit is not currently in service, it is possible that with the increase in cases this unit will need to be operational once again.

BCC Expenses	Additional Need
COVID-19 Leave Time	\$2,041,951
COVID-19 Sick Time	\$165,000
COVID-19 Overtime	\$50,000
Worker's Compensation for First Responders	\$250,000
Emergency Services District Reserves	\$543,609
Miscellaneous Purchases	\$50,000
IT Upgrades	\$580,000
Enhanced Cleaning of Buildings	\$50,000
Consultant Services	\$50,000
Educational Campaigns	\$45,000

Health Department

The Health Department has requested an additional \$791,541 allocation for COVID-19 related expenses for January – June 2021 in order to complete their current fiscal year expenses. This request includes 10 Information Clerk positions to assist with mass vaccinations, 5 Nurses to support case investigation and mass vaccinations, as well as 4 800MHz radios, ultra cold freezers, and existing staff salary to support the mass vaccination process. The Health Department has also requested that their annual contract be amended to reflect this change. Funding through June has been requested by the Health Department in order to secure necessary personnel as well as funding for essential items that may not be received by March. Staff supports this request.

Other Healthcare Providers

At this time, Treasure Coast Community Health (TCCH) is not requesting additional funding for 2021 expenses. TCCH has however volunteered to be a point of distribution with the Health Department for the vaccine. In the event staff time is incurred as a result of vaccination distribution, TCCH may request funding at a later date. Staff has been in contact with Whole Family Health, which has been providing testing to County residents throughout the pandemic. They are currently providing testing Monday through Saturday. There are no out-of-pocket costs for the patient for the tests. Whole Family Health has estimated costs of \$80,280 for the next three months. Staff supports this request which will help Whole Family Health continue to provide these testing services going forward.

Economic Development

As the pandemic carries on, local small businesses continue to experience negative financial impacts as a result. Originally, \$750,000 had been awarded by the County to the small business grant program, with an additional \$120,000 contributed by the City of Vero Beach's CARES Act allocation to be awarded in \$5,000 increments. As of December 28, 2020, \$713,400 has been awarded under this program. Currently, eligible businesses included those primarily in the hospitality industry, businesses that were affected by the ban on large gatherings, businesses that were subject to full or partial closure and other miscellaneous businesses that may be tourism or hospitality related. Not included were businesses such as auto repair, various types of construction industries, realtors, medical businesses, and vacation rental businesses just as an example. Staff has earmarked an additional \$1.5 M towards the small business grant program. During the December 1, 2020 BCC meeting, the Board discussed potential changes to the program such as increasing the funding amount available to small businesses. Staff recommends increasing the funding amount from \$5,000 to \$10,000 and allowing businesses that already received funding to be eligible for the full \$10,000 grant. Additionally, staff is seeking Board direction as to whether the Board wishes to expand the existing program to businesses that did not previously qualify for funding. Staff has received requests to fund non-medical aesthetic services such as tattoo parlors and small family farms, and is recommending adding these as eligible businesses to the program. Staff is seeking further direction on whether the Board wishes to approve funding decorator services or vacation rentals as these industries have sought funding but were not originally included as eligible businesses. The small business grant application has been included as an attachment to this agenda item which includes a listing of currently eligible businesses. If the

Board approves the increase from \$5,000 to \$10,000, the businesses that already received funding would double to \$1,426,800, leaving \$943,200 remaining in the program.

Community Support

An additional \$5,237,500 is being requested for community support programs. The Treasure Coast Food Bank continues to provide food supplies to residents affected by COVID-19 at overwhelming rates. Staff is recommending an additional \$800,000 allocation for the Treasure Coast Food Bank's January – March food, storage, and staffing expenses for Indian River County residents. The Senior Resource Association has requested \$150,000 to supply meals to homebound elderly residents who are in the high-risk category for contracting COVID-19. The Senior Resource Association will continue to provide the shopping assistance service as well. Staff is proposing to allocate an additional \$75,000 to PPE kits for local businesses and non-profit agencies in need as part of the CARES Act 2.0 spending plan.

The United Way continues to work together with the County and their numerous partners to provide services to residents who have been severely impacted by COVID-19. Under their current allocation, the United Way awarded funding to 23 local non-profit agencies, some of which were direct applicants and others who assisted the United Way in implementing community support programs. For the CARES Act 2.0, the United Way has requested \$1,712,500 for 2021. Because of the time it takes to implement programs with the various agencies and the ongoing need of our residents, staff supports extending their allocation through September 30, 2021 with an extension to calendar yearend, if needed. Programs offered will include mortgage/rental assistance, utility assistance, vehicle expense assistance to qualifying individuals, broadband services, mental health services, legal assistance for those facing eviction/foreclosure, food supply, childcare scholarships as well as childcare supplies, and staffing costs required to implement the aforementioned programs.

The United Way, along with United Against Poverty, the Economic Opportunities Council, and Treasure Coast Homeless Services have worked to award \$615,808 in mortgage/rental assistance funding to 456 applicants through December 28, 2020 with their first allocation. The City of Sebastian is also running a mortgage/rental assistance program for their residents and has awarded relief to 10 applicants. This coupled with the County run mortgage/rental assistance program translates to 593 Indian River County applicants served for a total of \$1,017,663 expended. Because the need for mortgage/rental assistance continues to be a top priority, staff is recommending an additional \$2.5 M be allocated towards the County run program in order to ensure sufficient funding is available to qualifying residents. In addition, the County Administrator has approved up to three months of mortgage/rent paid by the County in the event an applicant has already been provided services from the United Way. This change was made with the logic in mind that the average United Way mortgage/rental assistance is only \$1,350 which is vastly under the \$4,500 threshold the County has set, and with different months being funded, no duplications of benefits has occurred.

RECOMMENDATION:

Staff recommends that the Board consider the proposed CARES Act 2.0 Allocation totaling \$12,547,634, make any changes to the plan and adopt the proposed plan with any applicable changes. Staff recommends that the Board approve an increase in funding for the Small Business Assistance Program from \$5,000 to \$10,000 and other minor changes to eligible businesses as

stated above. Staff recommends that the Board approve contract extensions for existing subgrantee agreements from December 30, 2020 to September 30, 2021. Staff also recommends that the Board approve an agreement with Whole Family Health Center for \$80,280 for the provision of free COVID-19 tests. Staff recommends that the Board authorize the County Attorney's Office to work with the Health Department to draft and authorize the chair to sign an amendment to the Health Department Annual contract in the amount of \$791,541. Staff also recommends amendments to agreements for the agencies listed below:

City of Fellsmere	\$210,933
City of Vero Beach	\$42,000
Town of Orchid	\$7,000
City of Sebastian	\$150,000
United Way of IRC	\$1,712,500
Treasure Coast Food Bank	\$800,000
Senior Resource Association	\$150,000