



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** August 20, 2020

Staff Contact: Sheri Russell, Chief Financial Officer (SRussell@Carson.org)

Agenda Title: For Possible Action: Discussion and possible action regarding the Final Plan of Expenditure for the amount of \$10,211,415 that the State of Nevada has granted to Carson City through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. (Sheri Russell, srussell@carson.org)

Staff Summary: Through the CARES Act, the State of Nevada has allocated \$10,211,415 in Coronavirus Relief Funds ("CRF") to Carson City. At the August 6, 2020 Board of Supervisors meeting, staff presented the Preliminary Plan of Expenditure, which had been submitted to the State on July 21, 2020, to receive the first half of the CRF, which was received on July 28, 2020. Approval of the Final Plan of Expenditure will allow the City to receive the second half of the funding.

Agenda Action: Formal Action / Motion **Time Requested:** 10 Minutes

Proposed Motion

I move to approve the Final Plan of Expenditure.

Board's Strategic Goal

Efficient Government

Previous Action

7/16/20 - Staff presented the Plan of Expenditure informally.

8/6/20 - The Board of Supervisors approved the Preliminary Plan of expenditure and awards for Carson Tahoe Hospital ("CTH"), Carson City School District ("CCSD") and Eagle Valley Care Center, LLC ("Eagle Valley").

Background/Issues & Analysis

The CARES Act, Public Law 116-136, was signed on March 27, 2020. Carson City received notification on June 11, 2020 that it would receive \$10,211,415 in Coronavirus Relief Funds, which is considered federal financial assistance, not a grant. The CRF will be included on the Schedule of Federal Awards as part of the City's annual compliance audit. Since June 11, 2020 staff has received estimates from the City, CCSD, CTH and Eagle Valley, and advertised and received applications for funding to Non-profits located in Carson City, in order to develop a Plan of Expenditure, in accordance with the direction received from the Board of Supervisors. Staff received guidance on July 11, 2020 as to the State of Nevada's requirements to release funds to the City. Per the State's direction, a preliminary Plan of Expenditure was provided to the State of Nevada on July 21, 2020, the first half of the funding was received on July 28, 2020, and staff distributed awards to the CCSD, CTH and Eagle Valley on August 7, 2020. In a separate item, staff will present the recommended non-profit organization awards to the Board of Supervisors today. Recommended awards are included in the Final Plan of Expenditure; however, changes can be made as directed before submission to the State. The Final Plan of Expenditure can be submitted to the State before September 1, 2020 to receive the

second half of the funding in advance. If the Final Plan of Expenditure is not submitted before September 1, 2020, the City will still be able to receive the second half of the funding, but funding will be received on a reimbursement basis from the State.

Applicable Statute, Code, Policy, Rule or Regulation

N/A

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Grant Fund 2751081-431010 for Revenues and 2750600-501225 for Expenses, G070120017.

Is it currently budgeted? No

Explanation of Fiscal Impact: As the City was just advised of this funding on June 11, 2020, it was not included in the original FY 2021 Budget. Staff will be augmenting the budget for the federal financial assistance during the first round of budget augmentations in FY 2021.

Alternatives

Do not approve the Final Plan of Expenditure.

Attachments:

[FINAL Expenditure Plan.docx](#)

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)



Coronavirus Relief Fund – Carson City \$10,211,415

Fund Expenditure Plan

Problem Statement Explaining why funds are needed:

Carson City is taking extraordinary measures to protect our residents during the COVID-19 pandemic while continuing to provide the basic services our community relies on. The impacts from this pandemic were unprecedented and the necessary expenditures in order to respond to this public health emergency were not accounted for in the City's budget. Funding from the Coronavirus Relief Fund will help Carson City cover the immediate impacts of the COVID-19 emergency and its continued response and recovery efforts. Furthermore, economic effects have been significant, and City schools, hospital, long-term care facilities, non-profits and businesses need funding assistance to facilitate compliance with public health measures.

Some of the funding needs (both direct costs to the City and indirect costs to our community) are listed below:

1. Carson City will be purchasing personal protective equipment and sanitation supplies for Citywide distribution to ensure the safety of public employees, hospital employees, businesses, patrons, adults and children.
2. Carson City has scheduled plexiglass improvement projects for City buildings which are open for services to protect the public as well as employees. The City implemented telework policies, purchased hardware and software in order to keep employees working and the City operating while ensuring the safety of the City's employees. City Health, Police, Fire, and Ambulance Department staff were involved with the activation of the Quad-County Emergency Operations Center (EOC), testing, contact tracing, compliance issues, and have been responding to increased calls from the public which puts them at a higher risk of exposure.
3. The Carson City School District has been working on their re-opening plan to bring students back to school on block schedules in mid-August. Schools are known for easily passing germs between children, and they have several needs in order to meet social distancing requirements and provide distance learning, so students don't fall behind in school.
4. A secondary effect of schools and daycares being closed, is working parents are trying to retain their jobs while simultaneously being a teacher and full-time caregiver to their children. Therefore, another priority is to safely increase available childcare when the school year starts as school reopening plans have restricted class schedules.
5. The Carson Tahoe Hospital erected a tent in their parking lot and hired an army of nurses to provide COVID 19 screenings. They transitioned their professional staff to work remotely and need personal protective equipment. Additionally, they have lost revenues as their elective surgery work was shut down, but they have not laid off any of their employees.

Estimate amount of funds required to meet this need:

Carson City:

Plexiglass Projects Citywide	\$ 784,500
Library Hands Free Operation	175,500
Healthcare Equipment and PPE	190,000
Additional Sanitation Needs	100,000
Personal Protective Equipment	50,000
EOC Salaries and Meals	250,000
Information Technology Needs	161,000
Public Safety and Health Salaries	<u>2,900,415</u>
Total Carson City	\$ 4,611,415

School District:

Nurses Office Redesign	\$ 32,705
Personal Protective Equipment	65,000
Small Equipment for Safety	16,500
Additional Sanitation Needs	64,795
Bus Reconfigure Technology	300,000
Plexiglass Projects and Signage	200,000
Distance Learning Needs	<u>871,000</u>
Total School District	\$ 1,550,000

Carson Tahoe Hospital:

Travel Nurses	\$ 1,082,000
Meals for Tent Workers	5,000
Additional Cleaning Supplies	5,000
Personal Protective Equipment & Medical Supplies	561,000
Computer Equipment for Tent & Work at Home	97,000
Retrofits & Plexiglass installation	70,000
Rental of Tent & Port-a-potty	<u>30,000</u>
Total Carson Valley Hospital	\$ 1,850,000

Long Term Care Facility:

Retrofit and Plexiglass installation	\$ 200,000
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Non-Profit:

Boys & Girls Club of Western Nevada	\$ 57,700
Carson City Community Counseling	66,375
Children's Museum of Northern Nevada	3,000
Friends in Service Helping (FISH)	56,111
Hope Crossing Community Church	4,200
Life Choices Community Pregnancy Clinic	7,160
Nevada Day, Inc.	9,250
Nevada Health Centers	190,004
Nevada Humane Society	3,300
Northern Nevada Dream Center	38,046

Ron Wood Family Resource Center	100,000
Spirit of Hope Inc.	124,756
Salvation Army	125,000
Volunteer Attorneys of Rural Nevada (VARN)	899
Wild Horse Productions	4,668
Not Yet Allocated	<u>209,531</u>
Total Non-Profit Awards	\$1,000,000

Businesses:

Personal Protective Supplies for Distribution	<u>\$ 1,000,000</u>
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Total Expected Distribution	<u>\$10,211,415</u>
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Use of Funds:

Carson City proposes to use Coronavirus Relief Funds to both respond directly to the COVID-19 public health emergency and for indirect expenses. Based on the estimate of funds needed above, below please find a brief overview of how the funds will be spent for each entity/category.

Carson City: All expenses included were not budgeted and were not contemplated prior to the current emergency with the exception of Health and Public Safety employees, who are excluded from the budget rule, as all of their work is deemed to be directly related to the Health emergency. The City implemented Webex software in order to hold virtual meetings for the Board of Supervisors and other committees and commissions, with the ability to get public comment (the public is not currently permitted to attend public meetings). Carson City proposes to use the funding to reconfigure the City's meeting rooms in order to accommodate social distancing requirements on the dais for the Board of Supervisors, and other boards and committees, and allow for public to attend the meetings in person. A secondary effect of the pandemic required the placement of several Sani-huts around the City and at Parks to serve the homeless population as businesses with restroom services were closed. Lastly, during the activation of the Quad- County EOC it was vital for members of the EOC and the Health Department to remain onsite and isolated for health reasons. Therefore, lunches were brought onsite for a period of time to ensure these critical functions remained operational.

School District: Carson City School District is proposing funding to cover expenses related to social distancing improvements to the schools, bus safety reconfiguration, personal protective supplies, cleaning supplies, and distance learning costs. Distance learning costs includes Pearson Online and Edgenuity Online, as well as various hot spots, messaging, google meetings and zoom needs. None of these expenses are being reimbursed by other federal or state funds.

Carson Tahoe Hospital: In response to the pandemic, Carson Tahoe Hospital brought in an army of traveling nurses and rented a tent to facilitate an outdoor facility for testing and screening patients. Office staff were transitioned to working from home if possible; therefore, laptops and telecommuting software are being purchased. The use of personal protective equipment for hospital staff as well as those working in the tent has increased dramatically. Food for nurses working in the tent was brought in as the Hospital wanted to protect the nurses from exposure. Additionally, the hospital rented port-a-potties for use of the public during testing events.

Long-Term Care Facility: One facility has requested funding for a social distancing improvement project in order to create an area to isolate exposed or positive residents. The project is \$200,000 for

remodeling 11 units in one wing of the building, including the installation of personal rest rooms and showers to replace the communal restroom. The project would include remodeling a courtyard to isolate residents.

Non-Profit Distribution: Carson City proposes allocating \$1,000,000 to non-profit organizations throughout the community that continue to provide community assistance during the COVID-19 public health emergency. City advertised available funding, provided two weeks for response, and received 17 applications. Each applicant was required to provide a detailed budget and an expenditure plan of no more than 4 pages explaining in detail how they planned to use the funds. The program will be reimbursement based, each awardee will provide the City with a monthly Expenditure Summary Form, supporting documentation for each expense and proof of payment in order to receive reimbursement. A City executive team went through those applications in detail to ensure requests followed the CARES Act, Coronavirus Relief Fund guidance as well as direction we've received from the Board of Supervisors and recommended awards to the Board of Supervisors on August 20th. Approved awards were distributed on August 21st.

Businesses: The City worked closely with the Chamber of Commerce and Culture and Tourism Authority in Carson City to determine needs for the business community, and it was determined that businesses need personal protective and sanitation supplies. Carson City is proposing to use \$1,000,000 to purchase masks (washable and disposable), gloves (differing sizes), hand sanitizer and other sanitation supplies in bulk and distributing them to businesses. The City will use space in one of its warehouses and will hire a part time person to organize and distribute the supplies.

Ensure all expenses meet Federal Guidance:

Carson City has been working with National Association of Counties and keeping up to speed on the provisions of the CARES Act. Currently, workshops and training sessions are not providing new information, which indicates that the City is doing an excellent job of keeping up with the changes to the funding provisions. Carson City received confirmation that Health and Public Safety employees' salaries can be covered by the CARES Act regardless of what was included in the budgeted. Carson City has enough in Health and Public Safety salaries to absorb the entire \$10.2 million in CARES funding. Nevertheless, Carson City would prefer a broader distribution of the CARES Act funds throughout the community, and therefore, will only request a percentage of health and public safety salaries to be reimbursed.

Carson City regularly receives over \$750,000 in Federal Funds; therefore, as required by federal law, Carson City has all the necessary internal controls and systems in place for tracking expenses related to Federal Grants. CARES Act funds will be distributed on a reimbursement basis to those entities awarded funding. Each entity will be required to provide a monthly summary of expenses on the applicable State form, with supporting invoices, payroll related documentation, and proof of payment. Carson City will carefully review the documentation provided for compliance with CARES Act guidance before distributing funds. Carson City is requesting that this documentation be provided on a monthly basis, before the 7th of the following month. This should facilitate the ability to provide monthly information to the State by the 10th of the month. Due to the short timeframe required for reporting, expenses that are not allowed will need to be adjusted on our State report the following month. To close out the CARES Act funding as smoothly as possible, Carson City is requesting that entities spend the award before December 30th, 2020 and provide proof of payment by the January 7th deadline. Given the large amount of Carson City Health and Public Safety salaries, the City does not anticipate having unspent dollars; however, if there are remaining unspent dollars, they will be returned to the State as required.