

M E M O R A N D U M

To: Tom Harmer, Town Manager
From: Susan Smith, Finance Director
Report date: August 5, 2020
Meeting date: September 14, 2020
Subject: Request for Authorization to Execute an Interlocal Agreement with Manatee County for CARES Act Funding

Recommended Action

Authorize the Manager to execute the Interlocal Agreement with Manatee County for CARES Act Funding.

Background

The State of Florida declared a State of Emergency due to the COVID-19 pandemic on March 9, 2020. Subsequently, the Manatee County Board of County Commissioners adopted Resolution R-20-098, declaring a County-wide Public Emergency pursuant to Section 2-13-17 of Manatee Code of Ordinances due to the pandemic. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law by President Trump, creating the Coronavirus Relief Fund, providing approximately \$8.3 Billion to the State of Florida. Of the total allocation, 55% was allocated to the State and the remaining 45% was allocated through the State counties, of which \$70 million was allocated to Manatee County.

The first 25%, or \$17.5 million, for Phase 1 is currently being processed, and the other 75%, Phase 2, will be disbursed on a cost reimbursement basis.

The County has allocated the funding into four categories:

- Public Health/Safety 30% or \$5.2 million;
- Economic Recovery 30% or \$5.2 million;
- Community Health and Well-being 30% or \$5.2 million; and,
- Government and Community Facilities 10% or \$1.7 million.

From the Government and Community Facilities allocation, the Town of Longboat Key is allocated \$10,645 of funding from the first 25% based on population of Cities and Towns located within Manatee County. Pursuant to Section 2.2 County Contribution Toward Funding, of the Interlocal agreement the allocation amount can be amended by County Administrator to fulfill unexpected needs.

Based on communication between the Town and the County Administrator and County Finance Director, we were directed to request for reimbursement all our

eligible expenses for consideration, based on Section 2.2. The County Administrator indicated that there may be additional funding available within another qualified category or in the Phase 2 funding to cover eligible expenses.

The Town identified \$78,500 in eligible expenses for reimbursement through CARES Act as of July 31, 2020, which includes costs of firefighter's overtime, beach access closure enforcement overtime, as well the cost associated with the purchases of personal protective equipment and sanitizing supplies to respond to the pandemic. As the pandemic continues, the expenses are expected to increase. There has been conflicting guidance regarding the eligibility of straight-time wages and are therefore excluded in this estimate.

There are specific guidelines we must follow to receive funding as outlined in the Interlocal Agreement. The Town must identify costs incurred as a result of COVID-19 and the expenses must be in accordance with, but not limited to, the following requirements:

1. Only necessary expenditures incurred by the Town due to public health emergency with respect to the Coronavirus Disease (COVID-19) shall be included;
2. Expenditures shall not be accounted for in the most recently approved budget as of March 27, 2020; and,
3. Expenditures shall be incurred by the Town during the period that begins March 1, 2020, and ends on December 30, 2020.

Furthermore, the Agreement requires that the Town's invoices to be claimed for reimbursement are required to be split between Manatee (33.62%) and Sarasota County (66.38%) based on the percentage of the population that represents Manatee County as of the 2019 U.S. Census Estimates. We have requested Manatee County to reimburse 100% of certain expenses that may have taken place entirely within the County.

Sarasota County recently announced at its August 19, 2020 Special Meeting on CARES Act that no Phase 1 monies were allocated to Government, therefore, the Town will need to wait until Phase 2 to request reimbursement for the Sarasota County share. The staff has provided Sarasota County our list of current expenses and projected costs to be considered in the Phase 2 funding. Sarasota County will be requiring a sub-recipient agreement with each municipality. They have not yet drafted those agreements and are not under the same time pressure as no Phase 1 funds have been designated for local government.

Both Counties have indicated that they expect between the two processes, Longboat Key should be able to receive funding for all qualified expenses. There is still some confusion on how FEMA reimbursement may be impacted by the CARES Act funding.

This Interlocal Agreement shall terminate on September 30, 2021. To enter into the Agreement requires authorization from the Town Commission.

Staff Recommendation

Authorize the Manager to execute the Interlocal Agreement with Manatee County for CARES Act Funding.

Attachments

- A. Town of Longboat Key CARES Act Interlocal Agreement (Available in Town Clerk's Office)
- B. Exhibit A-Signed Manatee County CARES Act Funding Agreement (Available in Town Clerk's Office)

End of Agenda Item