



County Administrative Office

COUNTY OF TULARE AGENDA ITEM

BOARD OF SUPERVISORS

LARRY MICARI
District One

PETE VANDER POEL
District Two

AMY SHUKLIAN
District Three

EDDIE VALERO
District Four

DENNIS TOWNSEND
District Five

AGENDA DATE: July 30, 2024

Public Hearing Required	N/A
Scheduled Public Hearing w/Clerk	N/A
Published Notice Required	N/A
Advertised Published Notice	N/A
Meet & Confer Required	N/A
Budget Transfer (Aud 308) attached	N/A
Personnel Resolution attached	N/A
Agreement(s) attached	N/A

CONTACT PERSON: Alex Cruz PHONE: 5596365005

SUBJECT: Approve an update to the American Rescue Plan Act Final Recovery Plan

REQUEST(S):

That the Board of Supervisors:

1. Approve an update to the County of Tulare American Rescue Plan Act Final Recovery Plan for the usage of \$90,552,914 of the American Rescue Plan Act funds received to support the County in responding to the economic and public health impact of the coronavirus, COVID-19 pandemic.
2. Approve all budgetary and accounting transactions necessary to process transfers and reimbursements to cover the County of Tulare American Rescue Plan Act Final Recovery Plan costs for Fiscal Year 2024/2025, as determined by the County Administrative Officer with Auditor-Controller concurrence, and in accordance with U.S. Department of the Treasury compliance and reporting guidelines and Final Rule.
3. Authorize the County Administrative Officer to make adjustments to the County of Tulare American Rescue Plan Act Final Recovery Plan projects and programs up to 5% of each expenditure category with Auditor-Controller concurrence and in accordance with U.S. Department of the Treasury compliance and reporting guidelines and Final Rule.
4. Direct the County Administrative Officer to submit the County of Tulare American Rescue Plan Act Final Recovery Plan to the U.S. Department of the Treasury.

SUMMARY:

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. This legislation authorized more than \$1.9 trillion in relief funds to address the continued impact of the COVID-19 pandemic on the economy, public health, state and local

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governments, individuals, and businesses.

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, established by the American Rescue Plan Act of 2021 and administered by the U.S. Department of the Treasury, provides \$350 billion in emergency funding for state, local, territorial, and Tribal governments. Eligible state, territorial, metropolitan city, county, and Tribal governments were eligible to access funding directly from the Treasury Department to assist communities as they recover from the COVID-19 pandemic.

In May 2021, the U.S. Department of the Treasury published the Interim Final Rule describing eligible and ineligible uses of SLFRF and other program requirements. Following the Interim Final Rule and the Compliance and Reporting Guidance set forth by the U.S. Department of the Treasury, on August 24, 2021, the Board of Supervisors approved the County's ARPA Interim Recovery Plan. On January 6, 2022, the U.S. Department of the Treasury adopted the SLFRF Final Rule effective April 1, 2022. Key changes, highlighted in the Treasury's updated Compliance and Reporting Guidance document, included a broader set of eligible uses and associated Expenditure Categories. On March 29, 2022, the County updated its ARPA Interim Recovery Plan to reflect the Final Rule changes in expenditure categories and redistribute funds accordingly.

The SLFRF program, as outlined in the Final Rule, provides flexibility for each jurisdiction to decide how to best meet the needs of their local communities – including support for households, small businesses, impacted industries, essential workers, and the communities hardest hit by the pandemic. Recipients can use funds for the following four statutory purposes:

- To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.
- To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.
- For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency.
- To make necessary investments in water, sewer, or broadband infrastructure.

County of Tulare ARPA Final Recovery Plan

The County's ARPA allocation of \$90,552,914 was disbursed in two tranches - 50% was received by the County in June 2021, and the balance in July 2022. These funds have been allocated to eligible costs in accordance with the Final Plan and must be obligated by December 31, 2024, and fully expended by December 31, 2026.

Annually, states, territories, metropolitan cities, and counties with a population that exceeds 250,00 residents are required to publish and submit to the U.S. Department of

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the Treasury a Recovery Plan performance report by July 31 of each year. The Recovery Plan provides the community and Treasury information on the projects the County is undertaking and corresponding outcomes. The County Administrative Office has prepared the County's Final Recovery Plan which aligns with the Final Rule guidelines set forth by the Treasury. In addition, the Final Plan includes updates to the projects and programs' equity measures, performance indicators, completion status, and other relevant data as requested by the Treasury's guidelines. The County's Final Recovery Plan will be submitted to the U.S. Department of the Treasury and posted on the County's website by July 31, 2024.

The County's projects and programs included in the Plan were organized by Expenditure Categories, as required by the Final Rule. These categories are: Public Health, Negative Economic Impacts, Public Health- Negative Economic Impact: Public Sector Capacity, Premium Pay, Infrastructure, Revenue Replacement, and Administrative. The following is a summary of the amount allocated to each expenditure category:

Expenditure Categories	Total
1. Public Health	\$27,456,095
2. Negative Economic Impacts	\$10,927,807
3. Public Health-Negative Economic Impact: Public Sector Capacity	\$21,002,987
4. Premium Pay	\$6,516,579
5. Infrastructure	\$14,382,910
6. Revenue Replacement	\$10,000,000
7. Administrative	\$266,536
SLFRF Allocated to County of Tulare	\$90,552,914

It is requested that the Board authorize the County Administrative Officer to make any modifications to the ARPA Final Plan of less than 5% per expenditure category. Major modifications, such as adding new projects or programs, removing projects and programs, or any change in dollar amount allocations greater than 5% per ARPA Expenditure Category require the Board of Supervisors' direction and approval.

FISCAL IMPACT/FINANCING:

The County of Tulare ARPA Final Recovery Plan provides an opportunity for the public and Treasury to learn about the changes and updates to the projects and programs. The County has received the total allocation amount of \$90,552,914. From the beginning of the program, March 3, 2021, through June 30, 2024, the County utilized approximately \$75,470,238 in ARPA funds. There is no Net County Cost to the General Fund.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic plan includes the Safety and Security Initiative to provide for the safety and security of the public. The approval of the County of Tulare ARPA Final Recovery Plan addresses impacts, mitigations, emergency preparedness, responses, and effects caused by the public health emergency with respect to the COVID-19 pandemic.

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ADMINISTRATIVE SIGN-OFF:

/S/ Jason T. Britt _____
Jason T. Britt
County Administrative Officer

Cc: County Administrative Office

Attachments: County of Tulare American Rescue Plan Act Final Recovery Plan
And PowerPoint