



Coronavirus Ad Hoc Committee
July 28, 2020 – 4:00 PM
Zoom Meeting
2020 Hampton Street, Columbia, SC 29204

Yvonne McBride	Paul Livingston	Joe Walker	Dalhi Myers	Chakisse Newton
District 3	District 4	District 6	District 10	District 11

Committee Members Present: Paul Livingston, Chair; Yvonne McBride, Joe Walker, Dalhi Myers and Chakisse Newton

Others Present: Bill Malinowski, Allison Terracio, Ashiya Myers, Ashley Powell, John Thompson, Leonardo Brown, Michelle Onley, Clayton Voignier, Angela Weathersby, Kyle Holsclaw, Mike King, Larry Smith, Elizabeth McLean and James Hayes

1. **Call to Order** – Mr. Livingston called the meeting to order at approximately 4:00 PM.

2. **Approval of Minutes**
 - a. **May 12, 2020** – Ms. Newton moved, seconded by Ms. Myers, to approve the minutes as distributed.

In Favor: Livingston, Myers and Newton

Not Present: McBride and Walker

The vote in favor was unanimous.

 - b. **May 19, 2020** – Ms. Newton moved, seconded by Ms. Myers, to approve the minutes as distributed.

In Favor: Livingston, Myers and Newton

Not Present: McBride and Walker

The vote in favor was unanimous.

 - c. **June 2, 2020** – Ms. Newton moved, seconded by Ms. Myers, to approve the minutes as distributed.

In Favor: Livingston, Myers and Newton

Not Present: McBride and Walker

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The vote in favor was unanimous.

Ms. Newton inquired if the Coronavirus Blue Ribbon Committee was going to be discussed during this meeting.

Mr. Brown and Mr. Livingston both indicated that it would not be addressed at this meeting.

Mr. Malinowski

3. **Adoption of Agenda** – Ms. Myers moved, seconded by Ms. Newton, to adopt the agenda as published.

In Favor: McBride, Livingston, Myers and Newton

The vote in favor was unanimous.

4. **Coronavirus Relief Fund Requirements** – Mr. Beekman stated there are five (5) funding sources the County has received funding from through the CARES Act:

- a. **FEMA: COVID-19 Public Assistance** – Program that has been traditionally used on presidentially declared disasters. We are currently in the incident period, and working on submitting our applications for funding. It is traditionally 75% Federal Share; 25% Local Share.
- b. **HUD: CDBG-CV** – County has received approximately \$957,000. We are awaiting the Federal Register, which is the instruction manual of how the money is to be spent and reported.
- c. **Health and Human Services** – The EMS Department has received approximately \$350,000. There is an opportunity to apply for additional funding for COVID direct related activities.
- d. **Department of Justice: Criminal Relief Fund** – The Sheriff's Department has received approximately \$485,000, which is to be used for PPE and overtime.
- e. **Coronavirus Relief Fund** – The funding goes through the State of South Carolina prior to going to the sub-recipient. The CARES Act provided \$1,996,000,000 to the State to be used for Coronavirus relief efforts. According to the Federal Q&A, the funds were to be allocated to local county governments based on their population base. Greenville County received approximately \$93M. Using that formula, we projected that Richland County would receive approximately \$77M. However, the State changed that. On June 25th, the General Assembly enacted a joint resolution (Act 142), which authorized the initial expenditure of \$1.3 Billion to the Coronavirus relief efforts. In Phase I, the State will reimburse expenses from March 1 – June 30, and the County has to demonstrate that these expenses were necessary to prevent, prepare and/or respond to the Coronavirus Pandemic. There are six (6) areas they will provide reimbursement for: medical expenses, public health expenses, payroll expenses, compliance expenses, economic expenses, and other COVID-19 related expenses. We have to show that the expenses were not accounted for in the most recently enacted budget, and they were incurred during the Phase I time period. One of the obvious concerns is that only \$270M will be allocated to local government and State agencies. One of the biggest concerns is the Small Business Assistance Program the County initiated. There is no way the County can put up the millions of dollars necessary for this initiative, and then be reimbursed. In addition, there is no guarantee the County will receive reimbursement for Phase I, and no guarantee that Phase II will be enacted.

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Mr. King stated they have met with all the department heads and key personnel to get the information necessary for submission by August 15th. The significant negative impact is that we are competing with all of the counties in South Carolina, as well as State agencies.

Mr. Brown stated the reason he felt it was important to bring this to the committee is because of the allocation process versus the reimbursement process. As Mr. King articulated, it is important to note that instead of having funds provided by the Federal government to Richland County, to respond to COVID-19, we would have to have funds on hand to spend, in addition to funds we are going to be accounting for through our normal budget course to navigate COVID-19.

Ms. Myers inquired as to how Greenville County got a direct allocation, instead of the process presented by staff.

Mr. Beekman responded Federal Law gave direct allocation to any jurisdiction that had over 500,000 citizens. The State was supposed to take 45% of the remaining \$1.9 Billion and distribute it by population. The State did not do that, so we are not getting the approximate \$77M. The State is going to take control of the remaining funds, and determine an equitable distribution amongst the counties and State agencies.

Ms. Myers inquired how the statute reads that outlines who gets what amounts of money.

Mr. Beekman responded the law says it is 500,000 citizens, or more, and then it is broken out how much the State would get for the remainder of their population. He stated the FAQ, included in the agenda package, outlined how the Federal government wanted the State to distribute the funds across counties. What surprised us, was that the State decided they would allocate the \$1.9 Billion dollars, and there will be no direct pass through, but would be 100% reimbursable.

Ms. Myers inquired if Tetra Tech has checked with the County's Legal Department to see what their thoughts are on this. She is not sure that this is something the State has the authority to do, and the counties may need to band together and go to court.

Mr. Livingston inquired about where the Association of Counties is on this matter.

Mr. Brown responded he has not heard any discussions regarding this matter.

Ms. Myers stated this seems to be an issue that needs to be resolved upfront. We need to see if there are other states where they are doing the same thing as our Governor, and if it is legal. The Legal Department and the lobbyist need to be working on this matter.

Ms. Newton inquired if this is the only revenue stream staff is worried about.

Mr. Brown stated this is not the only funding source we are looking at. The other funding sources have tie-ins that would have made this funding source easier to utilize.

Ms. Newton requested some examples of things we had hoped to utilize these funds for, and we may now have to pause on.



Mr. Brown responded he had discussed utilizing the funds for protective equipment; infrastructure and resources so citizens have the ability to access County services easier; and County employees to perform their services in a remote environment.

Ms. Myers inquired about the costs of the items the Administrator outlined.

Mr. King stated they also discussed utilizing this funding to assist small businesses getting back on their feet.

Mr. Beekman stated the Coronavirus Relief Funds was going to be the most flexible funding stream because we would get the funds, and then the County could decide how to disperse the funds. In his opinion, the State is violating the equitability standard that the Federal government outlined.

Mr. Brown stated it is important to ensure that people's areas are thoroughly cleaned with the appropriate products. These costs would have also been covered with the CRF funding.

Ms. McBride stated, for clarification, does this mean that the County will not receive CRF funding.

Mr. Brown responded the County will have to submit all of their documentation by the August 15th deadline. If the State approves those expenditures, the County could then receive reimbursement.

Mr. Livingston stated it appears there will be less funds than we anticipated because of the way the Governor is going to distribute the funds.

Ms. McBride inquired if testing was included in any of those provisions.

Mr. Brown stated, if we had funding, testing would have been included in those funds.

Mr. Livingston stated, when this comes before Council, we need to direct Legal and staff to pursue this from the legal perspective to ensure that the law allows the Governor to do what he is doing.

Ms. Myers moved, seconded by Ms. McBride, to forward to Council with a recommendation that staff and Tetra Tech work with the Legal Department, the Association of Counties, and our lobbyists to ascertain whether what the Governor has proposed is consistent with the Federal statute, and determine what actions we should take to protect the interest of the citizens of Richland County.

In Favor: McBride, Livingston, Myers and Newton

Not Present: Walker

The vote in favor was unanimous.

Mr. Smith inquired if the motion included moving forward should they determine that action is needed to protect the citizens of Richland County.



Ms. Myers amended the motion to include the Legal Department recommending and taking action, consistent with protecting the interest of the citizens of Richland County, in accessing a proportionate and fair share of the Federal funds, under the CARES Act.

5. **Subrecipient Agreement for Coronavirus Relief Funds** – Mr. Brown stated there was an amendment included in the agenda packet. He sent the original agreement to various members of staff, as well as the County Attorney, for review and feedback on any concerns they may have. The Legal Department, Risk Management and Emergency Management noticed there was language in the document that did not represent what should be in the agreement. Mr. Smith reached out to the sender of the agreement, and shared our concerns. Whereupon, we were provided with the amendment. He communicated it is important that everybody be engaged, so our voices can be heard. He is not sure how many people signed the agreement with the original language, but in order to access the portal to receive reimbursements, counties have to sign this agreement.

Mr. Smith noted there was an indemnification and hold harmless clause in the agreement. It has been a longstanding South Carolina law that governmental entities cannot execute and enter into agreements with hold harmless and indemnification language. The agreement had the County indemnifying and holding harmless the State for anything they did related to the disbursement of these funds, their review of the process and their allocation. He brought this to Mr. Brown's attention, as well as Mr. Gaines, the sender. He sent Mr. Gaines an email, along with the case law that said they could not do that, and they reversed course.

Mr. Brown stated the process is the Chief Administrative Officer and the Chair of Council has to execute the agreement, prior to the State granting access to the portal.

Mr. Smith stated there is also language, if the County signs the agreement, agreeing to allow the State to allocate these funds under this formula. Our argument is that we believe they have not followed the CARES Act. If we sign this agreement, we may waive that argument.

Ms. Myers inquired if Mr. Smith will be prepared to give Council guidance on how we move forward, and preserve our rights, at tonight's meeting.

Mr. Smith responded he will do his best to provide guidance at the meeting.

6. **Relief Grant Program** – Mr. Brown stated, as a part of the relief grant program the County enacted, there was some information we put out about timelines, but we also talked about being adaptable. Earlier on, we set a timeline from March to the end of the fiscal year. At that time, we did not think we would still be awarding dollars. Considering that we just made some grant awards, we need to change the information in the program to say the funds need to be expended by October 31st, instead of August 31st. He stated it would not be equitable to have the grantees expended, and report back to the County, by August 31st.

Ms. Myers moved, seconded by Ms. Newton, to forward to Council with a recommendation to adopt and approve the Administrator's recommendation.

Ms. McBride inquired if October 31st will give the grantees adequate time to expend the funds.

Mr. Brown responded we need to allow them enough time to spend the funds, do their paperwork and the County receive its information, so we can potentially receive reimbursement.



Ms. McBride inquired if the grantees have received their checks.

Mr. Hayes responded that not every group has received their funding, which is why he brought this to Mr. Brown's attention. As this is a new program, a lot of the small businesses were having trouble turning in the proper documentation. We felt to give them time to submit the proper documents, to comply with the grant program, we needed to extend the deadline. As soon as staff receives the proper documentation, the checks will be expedited.

Mr. Brown stated, if the deadline needs to be extended, this matter will be brought back to the committee for action.

In Favor: McBride, Livingston, Myers and Newton

Not Present: Walker

The vote in favor was unanimous.

Ms. Myers requested the committee set a standard meeting time.

7. **Adjournment** – The meeting adjourned at approximately 5:00 PM.