

**MINUTES OF BOARD OF COUNTY COMMISSIONERS
OF GUILFORD COUNTY
WORK SESSION**

Greensboro, North Carolina
May 7, 2020

The Board of County Commissioners met in a duly noticed Work Session at 4:00PM in the McAdoo Conference Room located on the third floor of the BB&T Building, 201 W. Market St., Greensboro, NC.

PRESENT: Chairman Jeff Phillips, presiding; Vice Chairman Alan Perdue (in at 4:41PM); Commissioners Alan Branson (in at 4:14PM), Melvin “Skip” Alston, Hank Henning and J. Carlvena Foster (in at 4:46PM).
Participating via simultaneous communication: Carolyn Q. Coleman.

ABSENT: None.

ALSO PRESENT: County Manager Marty Lawing; County Attorney Mark Payne; Deputy County Manager Clarence Grier; Clerk to Board Robin Keller; Ariane Webb, Deputy Clerk to Board; Worley Smith, Communications Manager, Don Campbell, Emergency Management Division Director; Jim Albright, Emergency Services Director, Dr. Iulia Vann, Public Health Director, Alex Smith Interim Budget Director; Harley Will, Finance Director; various county staff and members of the media. Virtual participation was made available to the general public.

I. WELCOME AND CALL TO ORDER

Chairman Jeff Phillips welcomed everyone present and called the meeting to order at 4:06PM.

County Manager Marty Lawing shared the purpose of the meeting was to bring everyone up to speed regarding the county’s share of federal Coronavirus Aid, Relief and Economic Security (CARES) Act funding.

II. UPDATE ON GUILFORD COUNTY COVID-19 ACTIVITIES

This update was postponed to the May 7, 2020 regular meeting.

III. DISCUSS FEDERAL CORONAVIRUS RELIEF FUNDING PLAN

Don Campbell, Emergency Management Division Director, briefly reviewed the federal grant guidance and explained some of the terminology to be used in the presentation. He discussed funding priorities and shared that the first order effects include direct costs related to COVID-19

resource needs, and the second order are for those unintended consequences of COVID-19 strategies. Campbell noted Guilford County is considered the first recipient of the funds and will be held accountable for proper use and accounting, and reviewed the federal grant guidance.

Commissioner Alan Branson arrived at the meeting at 4:14PM.

Campbell reviewed the grant funding expenses not allowed, such as damages covered by insurance, payroll or non COVID-related staffing, reimbursement of expenses under other CARES funding allocations, reimbursement to donors for donated goods, workforce bonuses other than hazard pay or overtime, severance pay and legal settlements.

Campbell spoke to the need to ensure the county remains very transparent and equitable with funding distributions and meeting the needs of our community. He stated the goal is to focus on long-term recovery and anticipated managing the effects of, and potential challenges associated with, this virus through the remainder of the year. Campbell discussed the importance of administrative support in efficient management of monies to ensure there is no funding returned back to the federal government.

Campbell outlined the funding strategies, which include: expense reimbursements for Guilford County; mitigation and preparedness costs for future COVID needs, community lifeline support and local business support. He provide examples of eligible expense reimbursements, such as: COVID-19 testing; decontamination reimbursement; quarantine and isolation costs for our homeless population and migrant farm worker population; paid sick and family leave; eligible staff time such as, overtime, certain law enforcement and public health operations; eligible contract costs such as, hotel expenses for isolation and quarantine processes; in addition to eligible materials and equipment. Campbell confirmed this was not an exclusive list.

Campbell reviewed examples of mitigation and preparedness costs, such as: departmental modifications for social distancing such as, waiting room modifications; vehicle decontamination systems for ambulances, DSS transportation and county fleet; preparing and managing additional storage of PPE; technology updates for telecommuting such as, laptops; safe elections enhancements and telemedicine expansion.

Campbell offered examples that would fall under the community lifeline support strategy, such as: distance learning infrastructure for schools; existing and future costs for groups providing care to homeless populations, food bank support; county fire departments support; and other non-profit social service agency support. He noted the local business support strategy would include grants to small businesses with a transparent framework for distribution of funding and potential requirements for qualifying recipients based on the federal Paycheck Protection Program (PPP) model. Campbell spoke to the importance of a Recovery Manager and staffing to efficiently handle the grant application process and associated paperwork.

Campbell stated Guilford County's allocation of CARES funding was \$93.7 million and recommended a Phase 1 allocation of \$67 million which would include \$30 million towards reimbursements, \$10 million towards preparedness, \$7 million towards lifeline support and \$20 million towards small business grants, which would leave the county with approximately \$26.7

million available for a Phase 2 allocation. He noted the phased approach would allow the county to begin work on certain capital renovations would need to be started within the next two (2) weeks, but leave room to initiate certain projects at a later date.

Campbell reviewed the policy committee structure as outlined in the county's Emergency Operations Plan and stated staff would like to move forward with hiring a Recovery Manager and support staffing to begin processing small business grant applications and distributing funding as quickly as possible. He confirmed staff would seek Board approval regarding the grant structure and discussed the proposed recovery timeline. Campbell anticipated staff could begin receiving and processing grant applications in June.

Commissioner Hank Henning spoke to concerns with air conditioning in schools and buildings and the ability to ensure operable windows for circulation of fresh air throughout facilities. He noted certain regulations regarding the building capacity will change as a result of COVID-19 and questioned if CARES funding could be allocated in anticipation of future budget needs.

Campbell stated these funds must be allocated and spent by December 30, 2020.

County Attorney Mark Payne stated there is a significant amount of funding that will be directed from the state to the schools and discussed funding options.

Commissioner Alan Perdue arrived at the meeting at 4:41PM.

Commissioner Carolyn Q. Coleman questioned the potential to support food bank operations.

Campbell stated the funding would allow support of the food banks and any non-profit organizations providing these services.

Commissioner Coleman questioned potential options to provide funding support to cities and towns within the county.

Campbell noted the funding allows the county to provide this support, but there is no requirement offer this support to municipalities. He reiterated the county's responsibility as the initial recipient of the grant funding.

Commissioner Coleman spoke in support of funding these entities, as citizens living within cities and towns also pay county taxes.

Chairman Phillips shared that the objective of today's work session is to receive and offer staff recommendations, but noted within the Board's discretion as to where these funds will be allocated.

Commissioner Kay Cashion questioned if non-profit organizations could apply for federal funding autonomously, or if funding requests must be submitted to the county.

Campbell confirmed their requests must be submitted to the county.

Commissioner Cashion expressed concerns that, in light of the projected long-term recovery needs, how could all funding needs be met by December 30, 2020.

Campbell shared the intent of the funding is to cover not only immediate needs, but also focus on long-term modifications that would provide more stable solutions into the fall or next year.

Commissioner Cashion questioned how the small business grant program would be managed and how staff would determine eligibility.

Commissioner J. Carlvena Foster arrived to the meeting at 4:46PM.

Campbell discussed the PPP model and noted while offered a quick and efficient application, funds were depleted quickly. He shared staff have had many conversations regarding the best model, but have not come to any recommendations, and are currently evaluating other program models, caps and requirements.

Chairman Phillips spoke to the importance of ensuring a simple process designed to provide rapid assistance to small businesses. He noted the initial allocation of \$20 million is a good started point and expressed his support for a Phase 2 allocation to support the program, depending upon additional federal guidance that is offered. Phillips spoke to the county's responsibility to help our community and citizens.

Lawing stated staff will provide a recommended plan for administering COVID-19 treatment, care and funding assistance at an upcoming work session.

Commissioner Branson questioned if small business grant funding will be based upon the company's worth, assets or number of employees.

Chairman Phillips requested staff provide a brief, one-page recommendation for immediate Board feedback.

Commissioner Melvin "Skip" Alston discussed initial parameters considered and spoke to the importance of focusing on businesses with small gross profits and employee bases. He recommended a funding cap of \$10,000 in order to assist as many small businesses as possible, while still retaining funds for a potential Phase 2 allocation. Alston stated he could not support awarding grant dollars to businesses who received PPP funding, and spoke to the need to develop an agreement requiring grantees to reopen their businesses for a minimum of 4-6 months.

Chairman Henning questioned the types of recommendations staff would provide to the Board.

Campbell shared a Phase 1 proposal will provide initial allocations towards specific projects, but noted staff recommendations will take into account the potential for additional federal guidelines and adjustments to funding plans, in anticipation of receiving more applications than expected for the grant programs.

Lawing stated the state will also utilize a phased approach when distributing funding and spoke to its allocation of approximately \$300 million, including \$150 million to counties to cover potential revenue losses. He confirmed the recommended amounts in the county's phased approach may change with the final proposal.

Commissioner Alan Perdue spoke to the importance of maintaining a fund reserve if the time to provide assistance is extended. He recommended including a question on the small business

grant application that addressed the length of time the company was closed as a result of the State's stay-at-home order, and prioritizing funding based upon the response to this question.

Chairman Phillips welcomed all recommendations and ideas for the program, and noted focus would be placed on independent and locally-owned businesses, as national chains had more flexibility to withstand during these times.

Commissioner Alston shared recent discussions have also included options for the small business grant to assist with payroll, rent and utility expenses.

Commissioner Foster questioned funding assistance available for non-profit organizations.

Campbell discussed the funding opportunity available for food banks, homeless shelters and other non-profits that have provided support services during the COVID-19 pandemic.

Commissioner Cashion questioned if Guilford County's portion of the \$150 million in available state funding could be used to mitigate the loss in revenue.

Lawing shared this funding will be held in reserve in case the CARES Act is amended. He clarified Guilford County is not eligible to receive any state funding, but Guilford County Schools (GCS) is eligible.

Commissioner Alston questioned the status of the \$120 million in funding set aside by the state for small business support.

Payne stated this funding will be offered as loans to small businesses and noted there has been no guidance offered for these monies.

Commissioner Branson questioned the source of this funding and how it will be recouped.

Commissioner Perdue spoke to the need for transparency and noted the county could utilize its website to share the funding sources and how these monies will be repaid.

Commissioner Branson spoke to the need for caution on the use and distribution of these funds.

Commissioner Cashion spoke to the potential volume of phone calls and questions requesting access to these funds, and noted when information and guidance regarding the programs are posted, the general public must be made aware of the county's accountability and responsibility for these funds.

Chairman Phillips questioned the reimbursement process.

Campbell shared that, to date, the county has expended approximately \$500,000 towards supplies and approximately \$1 million in staffing and overtime costs. He noted if funding can be utilized towards the costs of first responders, the anticipated expense would be \$23 million towards COVID-19 service providers.

Commissioner Alston expressed concerns related to GCS expenses and noted the presentation did not address these costs. He shared his hope that the final CARES funding plan would take their needs, as well as the needs of municipalities, into consideration.

Lawing discussed his recent conversations with city managers and noted they have not received any direct reimbursement from the state for COVID-related expenses.

Campbell stated the funding plan does include distance learning and infrastructure needs for schools in the community lifeline support strategy, and noted FEMA will reimburse these expenses under its disaster category. He shared cities and schools still have an opportunity to request this reimbursement, thereby making more CARES funding available to the public. Campbell confirmed FEMA is consider the payor of last resort, and due to our direct allocation of CARES Act funding, Guilford County would have to utilize this funding source first for all COVID-related needs.

Commissioner Branson questioned if the food and nutrition program is available to everyone, or only to students and families that are experiencing unemployment.

Campbell discussed the program and noted that, initially, the program was available to other members of the student's family.

Commissioner Foster stated any citizen can collect a meal from one of the GCS Grab and Go sites.

Commissioner Coleman requested staff return to the issue she addressed at the beginning of the meeting relating to churches and non-profit organizations that offer food bank and food distribution services within the community.

Campbell spoke to the many issues associated with development of the plan and noted staff will return at a future work session prepared with more direct recommendations.

Lawing stated once staff have finalized a plan, they will reach out to specific groups that would clearly qualify for assistance.

Commissioner Cashion spoke to several available funding options and expressed concern that the county does not staff an active grant-writing program that could seek additional monies for the benefit of our citizens.

IV. OTHER BUSINESS

By general consensus, the Board scheduled a work session for May 19, 2020 at 9:00AM.

V. ADJOURN

By general consensus, the Board adjourned the meeting at 5:27PM.

Jeffrey M. Phillips, Chairman

Robin B. Keller, Clerk to Board