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MOBILE COUNTY COMMISSION

The Mobile County Commission met in special session in the Mobile Government Plaza Auditorium, in the City of Mobile, Alabama on Monday, August 1, 2022, at 10:00 a.m. The following members of the Commission were present: Connie Hudson, President, Randall Dueitt and Merceria Ludgood, Members. Also present were Glenn L. Hodge, County Administrator/Clerk of the Commission, Jay Ross, County Attorney, and W. Bryan Kegley II, County Engineer. President Hudson chaired the meeting.

INVOCATION

The invocation was given by Commissioner Connie Hudson, District 2.

President Connie Hudson: Do we have any speakers this morning?

Sharee Broussard, Public Affairs Director: Yes, ma'am. We have two (2) speakers; one is Charlie Miller, a representative from Avaap. He would like to make a quick announcement related to the Workday implementation.

President Hudson: Okay.

Charlie Miller, Senior Engagement Manager, Avaap: We are a Workday implementation partner. I'm here to provide a few updates and announcements about the Workday implementation, which goes live today for the Finance Department. Thank you so much for allowing me to take a few minutes to speak. I'm the Senior Engagement Manager with Avaap, and I have been working with Dana Foster-Allen, Finance Director, and the Mobile County team members on the Workday implementation. The first phase went live today, August 1, 2022. This is a nine-month implementation of the Workday financial system. We also have the human resources capital management system, which will be ongoing and is scheduled to go live in January 2023. Today is a very good milestone. Mobile County has the distinction of being the fastest financial first implementation of Workday for a county government. Congratulations to all.

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Just a couple of details about the project. We started in November 2021 with our planning stage. I came into the project in February 2022, which was the start of our initial prototype configuration tenant. After that, we focused this past spring and summer on our testing to ensure all configurations were sound and adhered to Mobile County accounting standards and processes. The scope of deployment we went live with is the financial data management, which is our financial accounting and general ledger system. Also, cash management and treasury functions, which include banking and settlement, budgets, and accounts receivable, which in Workday terms are customer accounts. We have accounts payable and purchasing, which are our procurement and suppliers, business assets, and capital projects. Upcoming for January 2023, as I mentioned, is our core human resources and human capital management. We also will implement compensation and employee onboarding processes, talent management, benefits, payroll, time tracking, absences, and Workday learning management.

One (1) final thing, and I know Dana Foster-Allen, Finance Director, may have a few words in appreciation for her team, but I wanted to mention the team members from Avaap who participated in this event up until this point:

- Charlie Miller, Senior Engagement Manager
- Rich Walega, Practice Director - Government
- Maggie MacIntosh, Practice Director - Solutions Architecture
- Paige Mann, Financial Lead Consultant
- Bryan Babcock, Financial Lead Consultant
- Keerthi Venigalla, Financial Consultant
- Melissa Pick, Financial Consultant
- Manish Patel, Financial Consultant
- Frank Schonenborn, Integration Lead Consultant
- Ramesh Sundarem, Integration Consultant
- Kevin Hare, Reporting Consultant
- Terri Canady, Reporting Consultant
- Cynthia Tulloch, Data Conversion Consultant
- Mike Diehl, Business Intelligence Consultant
- Jarrod Alspach, Business Intelligence Consultant
- Chioma Ukaegbu, Change Management Consultant

Thank you for your time this morning, and I'm available afterward for any questions anyone might have.

President Hudson: Thank you very much. Dana Foster-Allen, Finance Director, did you have anything? I'm sure you have some comments. First of all, I am so proud of our departments that have worked together to implement this. The Commissioners haven't been involved in the

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day-to-day implementation of this. We know what it does. We're going to be like everyone else, and we will be trained on it. It has been a tremendous amount of work. You can only imagine when you completely change a system what all goes into that. Especially when it involves payroll, finances, and so forth. You really have to have people who know what they're doing and are dedicated to getting it done. That is what we exactly have. I'm so proud of our team and the consultants who have been a big part of this as well. Thank you for working with us. Dana Foster-Allen, Finance Director, do you have any of your staff here today?

Dana Foster-Allen, Finance Director: No, they're working.

President Hudson: Let's have everybody who has been involved in this stand.

Dana Foster-Allen: Thank you.

President Hudson: You certainly deserve that. We appreciate it.

Dana Foster-Allen: First, I want to thank the County Commission. Last year in the budget, you approved a \$3 million investment. Throughout this journey, because implementing Workday was a journey, I had complete support from Glenn L. Hodge, County Administrator, and E. Edwin Kerr, Deputy County Administrator, on some decisions that had to be made. Thank you. I had meltdowns in Glenn L. Hodge, County Administrator's office, numerous times. Thank you, Glenn L. Hodge, County Administrator. I was surprised to learn that we were the fastest. That wasn't my goal. My goal was to get Mobile County a system that wouldn't be used by the Finance Department alone. It's actually a County system. I think we have developed and designed something that everybody will be proud. It puts real-time data at your fingertips. Feel free to call me if you need information, but you'll be able to get it on your smartphone or the Workday website. I have the best team. They worked tirelessly. They worked nights and weekends. I've locked all vacations. You know, sometimes I'm surprised I didn't have four (4) flat tires in the basement. They were really good. They rose, and they went above and beyond what was required. This wouldn't have been possible without my staff. They were very impressive, and I'm so proud of them. This is actually their moment. I'm just witnessing it. Thank you so much to everybody that helped.

President Hudson: To Administration as well, because the buck stops with Administration. Our Administrators get involved in helping figure out those problems. It's

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definitely a large team effort here. We appreciate it again. Any questions or comments?

Charlie Miller: Thank you very much.

President Hudson: Thank you.

President Connie Hudson: Do we have another speaker?

Sharee Broussard, Public Affairs Director: We do have another speaker. Before our presentation by Volkert, Inc. and Horne LLP, we have Michael Burt, who has signed up to speak about Agenda Item #1.

President Hudson: Okay.

Michael Burt, 351 Conti Street, Apartment #816, Mobile, Alabama 36602: I really didn't plan on speaking today, but since it's extemporaneous, I hope you all forgive me. Regarding what will be decided about the money involved, I am familiar with the American Rescue Plan Act (ARPA). It involves emergency housing vouchers, public housing agencies, and all those acronyms everybody uses these days. It takes a lot to figure out what's what. I'd like to tell everybody a story about a friend of mine. His name is John. John used to play for Auburn University. He has been homeless for a few years. He was diagnosed with a disability; he is blind. He also has cirrhosis of the liver but not from drinking alcohol; he got it from a hepatitis situation. In addition, he happens to be dealing with a hernia. John is in pretty bad shape. I went with John to Housing First, Inc. to try and see about getting him on the list to get him into some housing. I was familiar with what was allowed. He qualified for the emergency voucher. When I went in with him, he gave the information to a young lady. When he finished, she said she would put him on the list, but it is probably a list he will never get off. We're all talking about a great deal of money. My question is, what's being done for not just John but everyone out there to help them get off the street, to help them move on? I think a lot of these funds were intended for that. Ladies and gentlemen, I was homeless from 2014 through 2018. It was really hard work to get out of that situation. There wasn't a lot of help from any authorities. I'm proposing you consider before you distribute those funds to try and get a hold of the Public Housing Authority; you can't. They have transferred everything over to Housing First, Inc. Try to get a hold of Continuation of Care; you can't. They have passed it off

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to somebody else. There are deadlines for when this will end. Those people don't even have access to the internet to be able to find out when the deadline is. There's been no outreach. Who's going to the man on the street? Do you want to talk about the empty retail department store, Gayfer's not being used? What about the Mobile Press Register building? What about those other facilities that could be used to temporarily house people to get them off the street? When John finished his second meeting with them at Housing First, Inc., they handed him a tent and a sleeping bag. Is that the way we house people in Mobile, Alabama? With a tent and a sleeping bag? Anyway, I thank you for your patience. Thank you for your understanding. I just hope everybody will consider the things we need in this city before distributing all the money. I would love some new sidewalks, but we need those things. Let's look out for individuals. John was told he was on a list he might never get off. There's only one list I want to be on that way: the Lord's list. I'm to be called with Him, and I hope all of you feel the same way. Let's get rid of the people on the list before we spend the money elsewhere. Thank you, I appreciate it.

President Hudson: Thank you, Mr. Burt.

Sharee Broussard, Public Affairs Director: No one else has signed up.

President Connie Hudson: Okay.

AGENDA #1

APPROVE MOBILE COUNTY AMERICAN RESCUE PLAN ACT (ARPA) STRATEGIC SPENDING PLAN TIER 1

President Connie Hudson: I recommend that since this is the first tier of this plan, there will be some follow-up spending, as well as my understanding that we perhaps add in Strategic Spending Plan Tier 1 just to identify it as the first phase.

Glenn L. Hodge, County Administrator: Tier 1? Okay.

President Hudson: This morning, we have one (1) agenda item to approve, the Mobile County American Rescue Plan Act (ARPA) Strategic Spending Plan - Tier 1. We worked for about a year and a half through our consultant group with Horne LLP and Volkert, Inc. It has been quite a comprehensive and lengthy process that has required a lot

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of input from not only the community but from the Mobile County Commission as well. I think where we are today; we have identified critical needs within the community that this funding intends to support. If there is one thing that we know, there are a lot more needs out there than dollars to spend, unfortunately. We have done our very best, at least in this first tier, and there will be more phases to come to try to balance spending in areas that we feel meet the requirements of the guidelines of the United States Department of Treasury. It will affect the human condition very positively throughout Mobile County. With that said, I know we have Laura Russell from Volkert, Inc. I see Stan in addition to George Talbot, but I think he is here as an observer. We also have Timothy Smith with Horne LLP. At this point, I will turn the presentation over to you. I know you will go through and explain each of the allocations as well as how the process worked to get us to this point today.

Laura Russell, Volkert, Inc.: Today, we will talk about the American Rescue Plan Act (ARPA) Strategic Spending Plan Tier 1.

Commissioner Merceria Ludgood: Excuse me, are we making a motion after the presentation?

President Hudson: Yes.

Commissioner Ludgood: Okay.

Laura Russell: Alright, we will go over the agenda today. First, on the agenda, we will talk about the American Rescue Plan Act (ARPA). Then we will go over the four (4) different eligible use categories and the spending framework that the staff, the Commissioners, and we have all agreed on as a development for evaluating these projects. After that, we will go over the proposed spending plan and the projects detailed within that spending plan. Then we'll go over the next steps, which are administering the funds, compliance, reporting, and the project closeout.

Timothy Smith, Horne LLP: Good morning, Commissioners and attendees. First, I want to echo Commissioner Connie Hudson's statements that there's been a lot of deliberate work over the last year or two to get Mobile County to a position to actually start to expend money in a compliant manner. From day one, the Horne LLP and Volkert, Inc. team goal has been to prevent negative audits and negative feedback and prevent drawbacks of funds. We have not been in the position to choose recipients of funds, but we've been in the position to work with Mobile County to develop

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a framework to evaluate both the eligibility of the applicant as well as the program that is proposed by the County. In so doing, we have to draw on a lot of different federal and state guidance that existed before the American Rescue Plan Act (ARPA), as well as the precepts and requirements that are associated with the American Rescue Plan Act (ARPA). Very briefly, I think a lot of people hear the term American Rescue Plan Act (ARPA), but they may have very little familiarity with it.

What is the American Rescue Plan Act (ARPA)?

- Signed into law on March 11, 2021 by President Joe Biden.
- \$1.9 trillion in federal funding provides financial aid to families, governments, businesses, schools, non-profits, and others impacted by COVID-19 public health crisis.
- \$350 billion for state and local government's Fiscal Recovery Fund.
- Mobile County receives \$80.26 million.

Timothy Smith: We can actually make expenditures or reimburse expenditures that occurred and are documented as correct after March 3, 2021. It is a unique bill that ran through the United States Department of Treasury. Typically speaking, the United States Department of Treasury does not allocate funds in this manner, particularly in this way. Each state received an allocation under the State Local Fiscal Recovery Fund. Every county in the United States received its own allocation. All municipalities received a direct allocation that has over fifty thousand (50,000) in population. Municipalities under fifty thousand (50,000) were also able to receive an allocation after they requested it through their state. Those are called non-entitlement units of government. The deal is responsive to Coronavirus/COVID-19. It provides financial aid to families, governments, businesses, schools, non-profits, and other entities impacted by Coronavirus/COVID-19. I think it's a little bit of a misnomer in that a lot of people believe it's just the kind of money you can spend as long as it seems like it's a good use or a traditional government service, then you can spend it in that way. Unfortunately, that is not necessarily the case. We could talk more nuance about that as we proceed forward.

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Coronavirus State and Local Fiscal Recovery
Funds (SLFRF) Final Rule Key Objectives

Key objectives of this funding

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts.
- Maintain vital public services, even amid declines in revenue resulting from the crisis.
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.
- The American Rescue Plan provides four (4) major categories of eligible uses to tackle the broad range of public health and economic challenges caused or exacerbated by the COVID-19 emergency.

Timothy Smith: These objectives are from the United States Department of Treasury, which is put out by them. Before I go any further, I need to make sure we impress on everybody that we are dealing with the State and Local Fiscal Recovery Fund, which is just one (1) component of the American Rescue Plan Act (ARPA). There are a bunch of different objectives and criteria associated with that. We have built our framework around those rules and regulations.

Eligible Uses

- **Public Health and Economic Impact:** To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits, or aid to impacted industries such as tourism, travel, and hospitality.
 - o Recipients may use these funds to respond to a broad range of public health and economic impacts of the pandemic for households, communities, businesses, and the public sector.
 - o Negative economic impacts (impacted or disproportionately impacted), including assistance to:
 - Households
 - Small businesses
 - Non-profits
 - Impacted industries
 - ❖ Travel
 - ❖ Tourism
 - ❖ Hospitality sectors
 - Public sector capacity and workforce

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- ❖ Public safety, public health, and human services staff
- ❖ Government employment and rehiring public sector staff
- ❖ Effective service delivery
- Public Health Impacts
 - COVID-19 mitigation and containment
 - Medical expenses
 - Behavioral health
 - Preventing and responding to violence
- **Revenue Replacement:** 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.
 - Recipients may use these funds to provide government services, up to the amount of revenue loss experienced due to the COVID-19 public health emergency.
 - Determine revenue loss using one of two available options:
 - Elect a "standard allowance" of up to \$10,000,000.00 to spend on government services through the life of the program, which greatly simplifies the program for small localities.
 - Calculate actual revenue loss according to the United States Department of Treasury's formula.
 - Spend on government services up to the revenue loss amount - government services generally include any service traditionally provided by a government unless the United States Department of Treasury has stated otherwise, such as:
 - Construction of schools and hospitals
 - Road building and maintenance and other infrastructure
 - Health and other services
 - Environmental remediation
 - Provision of police, fire, and other public safety services
- **Premium Pay:** To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.
 - Recipients may use this funding to provide premium pay to eligible workers performing essential work, either in public sector roles or through grants to third-party employers.
 - Eligible workers are those in critical infrastructure sectors.
 - Essential work involves regular in-person interactions or physical handling of items handled by others.

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- o Pay must respond to worker needs:
 - Serves workers who:
 - ❖ Earn at or below 150% of their state or county's average annual wage, or
 - ❖ Are not exempt from Fair Labor Standards Act overtime rules.
 - Or the recipient provides written justification of how it meets the needs.
- o Example professions and sectors eligible:
 - Staff at nursing homes, hospitals, and home-care settings
 - Public health, safety, and emergency response
 - State, local, and tribal government workforce
 - Workers at food production facilities, grocery stores, restaurants, and food delivery services
 - Janitors and sanitation workers
 - Truck drivers, transit staff, and warehouse workers
 - Public health and safety staff
 - Childcare workers, educators, and school staff
 - Social service and human services staff
 - Additional sectors designated by recipients
- **Infrastructure:** To make necessary investments in water, sewer, or broadband infrastructure.
 - o Recipients may use these funds to make a broad range of necessary investments in water and sewer infrastructure.
 - o Projects eligible under the United States Environmental Protection Agency (EPA) State's revolving funds, including:
 - Construction of publicly owned treatment works
 - Decentralized wastewater systems construction, upgrades, and repairs
 - Management and treatment of storm water or subsurface drainage water
 - Water conservation, efficiency, or reuse measures
 - Reuse or recycling of wastewater, stormwater, or subsurface drainage water
 - New facilities to improve drinking water quality
 - New sources to replace contaminated drinking water or increase drought resilience
 - Green infrastructure
 - Storage of drinking water
 - New community water systems
 - Lead service line replacement
 - o Recipients may use these funds to make a broad range of necessary investments in broadband infrastructure in order to meet access, affordability, and other challenges.
 - o Identify an eligible area for investment.
 - Recipients are encouraged to invest in locations without reliable wireline service of at least

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- 100/200 Mbps speed but are broadly able to invest in locations where the recipient has identified
- o Design project to meet high-speed technical standards
- o Require enrollment in a low-income subsidy program
 - Recipients must require service providers for a broadband project that provides service to households to either:
 - ❖ Participate in the Federal Communications Commission (FCC) Affordable Connectivity Program
 - ❖ Provide access to a broad-based, low-income affordability program commensurate to the Affordable Connectivity Program.

Timothy Smith: What are the eligible uses? In all candor, they're actually very restricted in many respects. You can see the emphasis on public health, economic impact, premium pay for workers, and infrastructure. I know premium pay has been a very controversial topic as to who is eligible to receive premium pay. We had to look into that. I would be remiss if I did not state this money is not intended to replace the Causeway Bridge. That's not the design. The United States Department of Treasury has been very restrictive in what infrastructure spins are there. Initially, the only infrastructure expenditures were for drinking water, wastewater, stormwater, and broadband. Interestingly, those do not have to have your expenditures there. They don't have to have a tie to COVID-19, necessarily. Having said that, and we'll get into it in a second, there is a revenue loss category that allows for the use of the funds in a broader fashion related to traditional government services. Some infrastructure expenditures are permissible. The main goal when the law was passed was certainly to address the public health impact of COVID-19. We have all lived through it. There was a tremendous impact on communities, businesses, households, government, and non-profits. They all felt the weight of this global pandemic. The money is not enough to make any entity whole, but it is certainly designed to provide a benefit to this community to help overcome the impacts they experienced because of COVID-19. The money can be used with a tie to COVID-19. It's actually pretty broad, but you have to be able to substantiate that. That's one of the things that Horne LLP and Volkert, Inc. did. In our due diligence around the expenditure of these funds, we were very deliberate in trying to make sure that within the restricted expenditure categories, we could articulate an actual tie to COVID-19. It's not something said to pass the red face test, but something is actual. Eventually, all of this money is going to be audited, and we need to be able to substantiate the expenditures.

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Revenue replacement is a very good tool that has been expanded as the American Rescue Plan Act (ARPA) guidance has continued to be made available to the public. This allows Mobile County and other recipients to spend money in a more traditional way. One of the misnomers with the revenue replacement is that when entities receive this money because it's the normal pathway that made Mobile County push the money out, they're kind of free and clear. They sign a contract, get the money, and spend it like they say they're going to. This is a national misconception. The money still has the same federal strings attached to it that would be attached to any other source of federal funds. We mean that you still have to be 2 CFR 200 Compliant. That means all your procurements have to be federally compliant. If the project is large enough, you have to adhere to the Davis-Bacon and Related Acts requirements with your wage requirements. Things like that are quite burdensome, honestly. They still stick to this money. It's not free money. Because of the ability to articulate a loss due to COVID-19, Mobile County chose to calculate its actual revenue loss via a formula the United States Department of Treasury provided. For that reason, it allows the County to grab more money out of the \$80.26 billion it received to use for more general purpose methods.

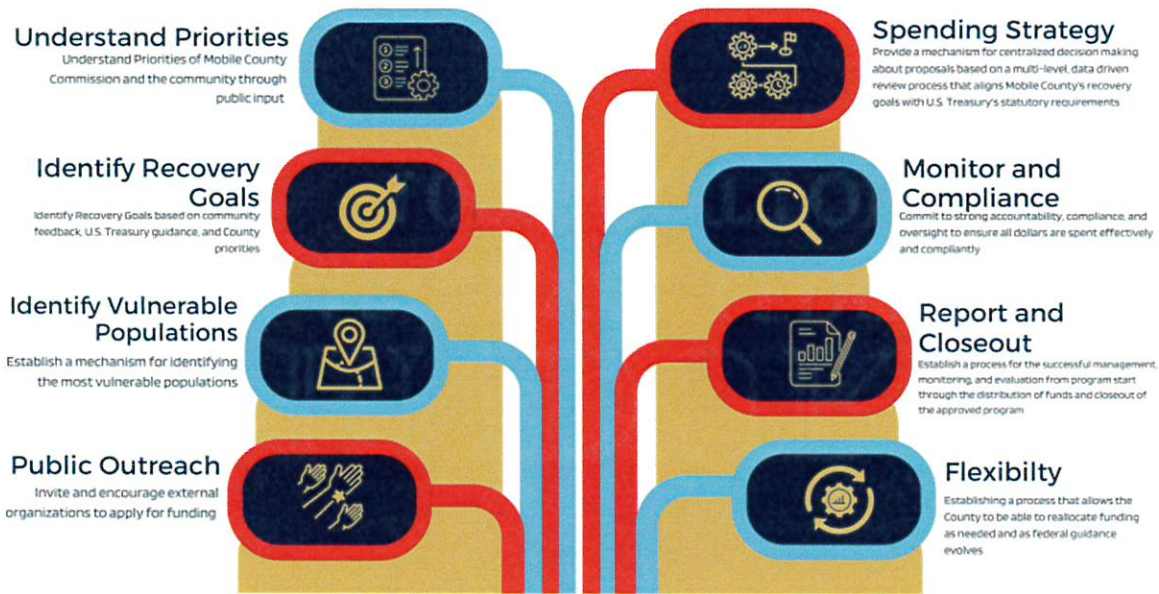
Premium pay, as I stated, has been a source of a lot of confusion around the country. It's one of the things that we tried to be extremely deliberate in explaining. I acknowledged that many surrounding areas had used the money in the premium pay method, which caused confusion for the Horne LLP and Volkert, Inc. teams. We were hired to try and make sure that Mobile County adhered strictly to the guidance provided by the United States Department of Treasury. The money is supposed to be restricted to people working in harm's way during the COVID-19 public health emergency.

Everybody is trying to use the infrastructure money to enhance infrastructure because it's a lot of money. There's not a lot of money available in the infrastructure space that typically comes from the federal government outside of things like state revolving funds for water. We have received a lot of requests for different infrastructure projects. We vetted those with scrutiny in a way, but we're simply trying to call balls and strikes. We're not declaring who should receive funding or who should not on a practical matter, not on a regulatory matter. Can they be funded, or can they not and allow the County to make those decisions.

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Spending Framework

The developed framework provides a solid foundation for approved expenditures aligned with County priorities and eligibility under the United States Department of Treasury’s final rule and applicable guidance.



Laura Russell: We contracted about a year ago with the Mobile County Commission to help develop a strategic spending plan consisting of a framework with some guideposts. Those guideposts allowed us to establish recovery goals for Mobile County and make sure that the projects we chose aligned with County priorities. They also hit on the eligible use categories that Timothy Smith discussed earlier. You can see some of the spending framework and guideposts we established for the County.

Public Engagement

- July 30, 2021 - Launched public input survey requesting input regarding how they should spend the County’s \$80.26 million American Rescue Plan Act (ARPA) allocation.
- The survey was launched on July 30, 2021, and remained open through August 30, 2021, on Mobile County’s website.
 - Boosted across social media platforms
 - Picked up by local news stations
 - Published in multiple organizations’ newsletters
- The survey received 146 responses.
- The Facebook post reached 21,171 people, received 164 engagements, and was shared 110 times.

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Laura Russell: The first thing we did with Mobile County was launch a public input survey. We sent this public input survey out to get an idea of how everyone in the community wanted to spend these dollars. It was open for about thirty (30) days.

Recovery Goals

- Five (5) specific recovery goals were identified to address community needs, aid in the immediate response to the COVID-19 pandemic, and invest in long-term growth initiatives that support strong, resilient, and equitable recovery.
 - Mobile County's allocation from the American Rescue Plan Act (ARPA) - \$80.26 million
 1. Provide direct response to the public health crisis
 2. Strengthen local government operations
 3. Improve public facilities and infrastructure
 4. Provide aid to the most vulnerable populations
 5. Increase economic recovery and growth efforts
-

Public Outreach for Proposals

- September 27, 2021 - Published a news release seeking proposals from agencies, non-profit organizations, private entities, and local governments for project funding through Mobile County's \$80.26 million American Rescue Plan Act (ARPA) allocation.
- Public webinars and training were held to educate external agencies about the online application process and eligible uses set forth in Treasury's interim final rule.
- Mobile County's website:
 - o Outlined details and requirements for submitting requests, including the application and eligibility memo in English and Spanish.
 - o Links to all the United States Department of Treasury guidance.
 - o Resources should applicants have questions.
 - o Recordings of the public educational webinar.
- Proposals were accepted from September 27, 2021 through October 25, 2021, and received nearly 214 applications with funding requests totaling more than four times the County's \$80.26 million allocation.

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Laura Russell: Mobile County noticed they should put out a Request for Proposal (RFP) to receive proposals on how they should seek funds through the public from agencies, non-profit organizations, private entities, and local government. It was out for about thirty (30) days as well. We received more than four (4) times the allocation amount in funding requests, which says a lot.

Timothy Smith: We risk assessed every one of those, so we went through a deliberate process, multiple levels of review, and determining the eligibility of the requested program. That was our first filter or test for what could potentially be funded out of those applications.

Spending Strategy

- Acts as a guidepost for Coronavirus State and Local Fiscal Recovery Funds (SLFRF) investments.
- Provides rationale for selecting projects and programs that best align with the goals established to recover from the pandemic.
- Mobile County Commissioners and staff established a strategy to understand the needs expressed by the community, evaluate, and score each potential project to ensure proper justification of the United States Department of Treasury guidance as well as alignment of County priorities.
- The proposal process not only evaluated American Rescue Plan Act (ARPA) eligibility and alignment with County priorities, but it also included a robust and comprehensive review of applicant operations, processes, resources, and past performances to evaluate the applicant's potential risk of non-compliance.

Proposal Evaluation Process

- Eligibility assessment and complexity rating
- Location and equity assessment
- County staff review
- Commissioner briefing
- Sub-recipient evaluation

Laura Russell: During the proposal evaluation process, there were five (5) main categories that we broke down and looked at it. As Timothy Smith, Horne LLP, mentioned, we did a thorough risk assessment and an eligibility assessment on all two hundred fourteen (214)

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applications. There was a complexity rating put on each one of those projects to determine how complex that project was. We had a Geographic Information System (GIS) identifying all project locations on a map. We could see if it fell within a Qualified Census Tract (QCT) or if the project was more geared towards impacted or disproportionately impacted areas. With that, there was an equity assessment done. After we went through those two (2) processes, we met with the County staff and reviewed all two hundred fourteen (214) applications. It was a full, long day of a work session, but they did a great job going through, looking at, and vetting every single one of those projects. Once we went through them, we met with Commissioners individually to brief them on the results of their proposals and evaluations. Therefore, they could look further and break those eligible projects down to the recommended spending plan you'll see here shortly. I guess it was towards the end of April 2022 that our Commissioners identified the Tier 1 and Tier 2 projects. Those projects moved into a sub-recipient evaluation phase where we vetted those sub-recipients in more detail. We went through a thorough process of evaluating the sub-recipient's risk of non-compliance.

Timothy Smith: Potential sub-recipients here today have received calls and responded to emails from our team; we greatly appreciate it. We know that it's fairly invasive, but it's a necessary step to ensure that these projects will be good. It's necessary to evaluate risk so that the Commissioners can make the most informed decision possible. They may have received a request for audits and financials. We had questions if they received federal funds, how much staff they have, and things of that nature. It's a little invasive, but these are going through a risk evaluation to help educate the County before they move forward with a contractual agreement.

Proposed Spending Plan

- In addition to the funding required to mitigate COVID-19-related lost revenue; Mobile County prioritized dedicating its allocation to:
 - Economic development
 - Health and social services
 - Affordable housing
- Mobile County's Strategic Spending Plan:
 - It was created to balance community investments and government services.
 - Outlines the County's priority projects and how funds are proposed to be spent.

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- o Is flexible; the County may adjust these projects and award totals as needed.

Laura Russell: Now is the spending plan that we are going to jump into and discuss the different projects that are broken out into the spending plan and how they are broken out by expenditure categories. There will be a Tier 2 spending plan to go with that.

Proposed Spending by Expenditure Category

- \$58,093,894.03 - Total allocated
 - o \$18,740,000.00 - Revenue replacement
 - o \$17,222,743.03 - Negative economic impact
 - o \$11,916,597.14 - Public health
 - o \$ 4,413,915.86 - Public health/negative impact to public sector
 - o \$ 4,013,060.00 - Administration
 - o \$ 1,787,578.00 - Infrastructure

Laura Russell: To kind of hit on the revenue replacement, the calculated revenue replacement was nineteen million dollars (\$19,000,000.00). There are still two hundred sixty thousand dollars (\$260,000.00) to identify there.

Negative Economic Impact

- Total Proposed Funds - \$17,222,743.03
- Number of projects - 17
- Percentage of all proposed funds in this spending plan - 30%

Mobile County Emergency Medical Services	Cardiac arrest units	\$ 1,050,000.00
Mobile County Volunteer Fire Department	Capacity enhancements	\$ 1,500,000.00
MOWA Band of Choctaw Indians	Emergency food and utility assistance	\$ 300,000.00
RESTORE Mobile	Build and rehab single-family affordable homes	\$ 1,250,000.00
Sickle Cell Disease Association of America - Mobile Chapter	Financial assistance to households with Sickle Cell Disease	\$ 223,677.15
Habitat for Humanity	Affordable homes	\$ 645,000.00
Africatown Redevelopment Corporation	Historical preservation and affordable housing	\$ 3,000,000.00
Boys and Girls Club	Summer enrichment program	\$ 660,000.00
Mobile Community Corrections	Inside out program	\$ 677,217.00
100 Black Men of Greater Mobile	Leadership program	\$ 750,000.00
Mobile Area Interfaith Conference	Academy of career development	\$ 180,000.00
Commonwealth National Bank	Economic development program	\$ 1,000,000.00

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Friends of the African American Heritage Trail	Community revitalization	\$ 500,000.00
Boys and Girls Club	New DIP facility	\$ 456,848.88
USS Battleship Memorial Park	Teak deck replacement	\$ 1,000,000.00
Mobile Sports Authority	Portable basketball and volleyball courts	\$ 530,000.00
Mobile County Government	Master plan for the Civil Rights and Cultural Heritage Districts	\$ 3,500,000.00
Total		\$ 17,222,743.03

Laura Russell: Jumping into the Negative Economic Impact. I'm not going to go through and read off all of the projects unless you guys would like me to. The Detailed Strategic Spending Plan will be online for anyone to view as well as these projects.

Public Health

- Total proposed funds - \$11,916,597.14
 - o Number of projects - 6
 - o Percentage of all proposed funds in this spending plan - 21%

AltaPointe Health Systems	BayPointe bed addition	\$ 6,000,000.00
Mount Vernon Senior Center	Disability transportation	\$ 252,250.00
Veterans Recovery Resources	Renovation for a clinically managed detoxification and residential treatment program	\$ 3,800,000.00
Mobile County Government	COVID-19 expenses	\$ 864,347.14
City of Semmes	Public safety complex	\$ 200,000.00
Mobile County Government	Plaza outdoor pocket park	\$ 800,000.00
Total		\$ 11,916,597.14

Infrastructure

- Total proposed funds - \$1,787,578.00
 - o Number of projects - 2
 - o Percentage of all proposed funds in this spending plan - 3%

Mobile County Government	Cybersecurity IT hardware and software	\$ 887,578.00
Mobile County Government	Mobile Metro Jail	\$ 900,000.00
Total		\$ 1,787,578.00

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Public Health - Negative Economic
Impact to Public Sector

- Total proposed funds - \$4,413,915.86
 - o Number of projects - 2
 - o Percentage of all proposed funds in this spending plan - 7%

Mobile County Government	Court technology	\$	869,283.86
Mobile County Government	Finance and accounting software	\$	3,544,632.00
Total		\$	4,413,915.86

Administration

- Total proposed funds - \$4,013,060.00
 - o Number of projects - 1
 - o Percentage of all proposed funds in this spending plan - 7%

Mobile County Government	Professional services related to ARPA funding	\$	4,013,060.00
Total		\$	4,013,060.00

Revenue Replacement

- Total proposed funds - \$18,740,000.00
 - o Number of projects - 4
 - o Percentage of all proposed funds in this spending plan - 32%

Mobile County Government	Employee benefits	\$	7,240,000.00
Mobile County Government	Commission district funds	\$	7,500,000.00
Mobile County Government	Aquatic Center	\$	1,000,000.00
Mobile County Government	West Mobile County Park	\$	3,000,000.00
Total		\$	18,740,000.00

Laura Russell: This is the entire list of projects with total proposed funds are fifty-eight million ninety-three thousand eight hundred ninety-four dollars and three cents (\$58,093,894.03). As we have kind of hit on a couple of times throughout this presentation, we still have the remaining American Rescue Plan Act (ARPA) funds to allocate. There are twenty-two million one hundred sixty-seven thousand seven hundred three dollars and ninety-seven cents (\$22,167,703.97) in funds that will still need to be distributed.

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Timothy Smith: One of the mandates of the American Rescue Plan Act (ARPA) State Local Fiscal Recovery Fund is that the funds have to be obligated by December 31, 2024. They have to be expended by December 31, 2026. There is a likelihood that maybe those dates are extended, but as we sit here today, that is the burden we have. In obligating funds, means the funds have to be under contract for a particular project by the end of 2024. The County has to expend its money by the end of 2026. It does not necessarily mean that projects would be complete. Depending on the type of project and the payment mechanism, reimbursement, or forwarding cost, many of these projects may need to be completed by the end of 2026. They certainly will continue to be liable to the federal government in order to receive the money and adhere to federal requirements.

Next Steps

Laura Russell: Today will be the approval of funding by the Commission. After that, we sign agreements, administer funds, and the projects begin. With that comes compliance and reporting throughout the remainder of 2024 and into 2026. Then the project is closed out, and the final report is given to the United States Department of Treasury. The last thing on there is the modifications to the plan. Any modifications that need to be made will be included as a revision.

Summary

Laura Russell: Volkert, Inc. and Horne LLP merely provided the analysis and framework that allowed Mobile County Commission to make informed decisions on which projects to fund. Mobile County Commission's Strategic Spending Plan will be added to Mobile County's website for those that wish to further review. Thank you, guys.

President Hudson: Thank you so much, Timothy Smith, Horne LLP, and Laura Russell, Volkert, Inc. Very good job. Do you have any questions or comments for the Horne LLP or Volkert, Inc. group? Okay.

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Commissioner Dueitt moved, seconded by Commissioner Ludgood, that the Board approve Mobile County American Rescue Plan Act (ARPA) Strategic Spending Plan - Tier 1, and authorize the Commission President to sign all documents, including sub-recipient agreements, that are in accordance with the Plan.

Motion carried unanimously.

AGENDA #2

COMMISSION ANNOUNCEMENTS
AND/OR COMMENTS

There were none.

AGENDA #3

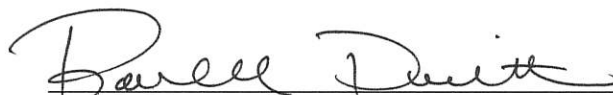
ADJOURN

Commissioner Dueitt moved, seconded by Commissioner Ludgood, that the Board approve a request for motion to adjourn until August 8, 2022.

Motion carried unanimously.



Connie Hudson, President



Randall Dueitt, Member



Merceria Ludgood, Member

ATTEST:



Glenn L. Hodge, County Administrator