

**Open Work Session**  
**Update on CARES Act Funding**  
**December 1, 2020**

Mr. John Psota, Acting County Executive, came before Council and said, as can happen in these types of situations where they have different funding sources coming in, and different grants, this is a good opportunity to give Council a refresher on what is going on regarding the CARES funding. He said, as a reminder, CARES stands for the Coronavirus Aid, Relief, and Economic Security grant money, and is federal money forwarded to the States and Counties to relieve COVID issues, and the expenditures that municipalities, local fire, EMS, the Health Department, and other partners have had in mediating COVID expenses. He said Wicomico County received over \$18 million dollars in two tranches. He said initially all the money went to the Health Department from the State Office of Budget Management, so the Health Department is the bank, so to speak, for the County. He said half of that, which is \$9 million dollars, went to SWED for an outstanding business relief program that was expeditiously and efficiently run through SWED by the Executive Director, Dave Ryan, where, in short order, and, quite frankly, he believes to the envy of the State at Wicomico County's ability to get that money out quickly, they got over \$9 million dollars out to 900 businesses.

Mr. Psota said the other \$9 million was distributed through the municipalities, local fire companies, EMS, and stakeholders as they mediate the costs of COVID. He said, from the County's perspective, all of the funneling for those expenses is going through Mr. Dave Fitzgerald, and he has done an outstanding job from the very beginning. He said, as the City Manager in Fruitland, he wore Mr. Fitzgerald out because there was always that fear as a manager when making expenses if it is going to be covered because, to some degree, there is a disbelief in the governmental system that it is actually going to work, but it actually did. He said Mr. Fitzgerald spearheads everything and coordinates it between the Health Department, and the Health Department is doing an outstanding, unbelievable job with their staff, as well as the things Ms. Lori Brewster has done personally on this 24/7/365, but along there is Mr. Fitzgerald. He said Mr. Fitzgerald coordinates with federal partners, and part of this funding stream is FEMA money, which Mr. Fitzgerald will touch on. He said they have heard this has to be spent by December 30, so they want Council to understand that they have this, they account for everything, and there is going to be an accounting at the end of the day. He summarized, they got the \$18 million, \$9 million went to SWED, and \$9 million went to the Health Department, and their County expenses and local expenses are going through Mr. Fitzgerald as he goes through the Health Department.

Mr. Psota said they also have additional CARES funding they received for the Airport, as Council will recall in their passing of Legislation approving the acceptance of grants, and Mr. Tony Rudy will explain the FAA CARES Act money received, and what he intends to do with it.

Mr. Psota said, when Mr. Jesse Drewer was before Council earlier, there was a question that was not asked that is pretty important. He said they basically have three pots of money that has come to Planning, Zoning, and Community Development for dissemination for rental assistance. He said, in that, the first grant was \$1.1 million, which was followed up with a \$900,000 grant, and then tonight Council approved a \$300,000 grant. He explained, the first two grants came with a timeline on when they can spend that, and he believes the first one has to be used within two years. He said they have a year and a

half to spend the second one, but for the \$300,000, they want them to get that out the door right now, so that is why they have lessened the restrictions to qualify so they can get that money out. He said those first two grants have created a little bit of a bottleneck in trying to get that money out, and this \$300,000 helps get it out the door and bring relief to those who need it.

Mr. David Fitzgerald, Emergency Management/Safety Coordinator, then came before Council and said he echoes Mr. Psota's comments that the Health Department has been great to work with. He said Mr. Psota mentioned Ms. Brewster, but also Brandy Wink, Deputy Director of Administration for the Health Department, is the key contact for this, and she is managing those funds directly, just like he is assisting the County and the municipalities. He explained, when they have an expenditure, they use FEMA Part B funds first, which is for emergency protective measures, just like they would for a hurricane, snowstorm, or anything else, and there are two reasons they do that. He explained, one reason is that it leverages the funds so they do not automatically just spend CARES funds, so it makes the CARES money go a little further. He said the second reason is that, after a disaster, FEMA, the Department of Homeland Security, and the President can take those funds three years after. He said Council has heard about the hazard mitigation plan, and they heard last month Ms. Marilyn Williams and Mr. Cropper come before Council to talk about the flooding plan and hazard mitigation plan. He said they can get a percentage of any money they applied for in Part B three years from now, so there are two reasons to use the FEMA money first, one being to leverage more grant money three years down the road, and second, to make the CARES money go a little further. He said, with the CARES money directly, it covers the 25 percent that FEMA does not reimburse. He clarified, FEMA is a 75 percent reimbursement, so every time they get a FEMA reimbursement, CARES chips in the other 25 percent, so they basically get a 100 percent reimbursement for expenditures. He said these expenditures are things like personal protective equipment, sanitation supplies, overtime, and those types of things that are emergency protective measures the County has done.

Mr. Fitzgerald said the other special thing they did was apply for and get approved by FEMA for special feeding privileges. He said Wicomico County as a team has provided 69,000 pounds of food to the food bank, and that has been covered 100 percent – 75 percent by FEMA, and 25 percent by CARES. He said they just concluded over the last three months 69,000 pounds of food that the food bank has distributed and was fully covered.

Mr. Fitzgerald said the other funds they have helped manage have been to help the municipalities, just like they do for a snowstorm or hurricane. He said he has worked endless hours on the phone, but in the most recent days with Fruitland, to make sure they get their reimbursement in for both FEMA and CARES. He said Salisbury got theirs as well, which is the same thing, the emergency protective measures, PPE, etc.

Mr. Fitzgerald said the other part of CARES they are helping coordinate with the County is, again, getting a good supply of personal protective equipment. He said he worked most of the day today on making sure these funds are spent in a very responsible and prudent manner, and to make sure they have PPE for the County staff, municipalities, fire, EMS, law enforcement, etc. in a stockpile. He said that way if this becomes heavy like it was in March and April where they were using a lot of PPE, they will have that readily available if they need it, and it will not be in short supply.

Mr. Fitzgerald said they have also helped out the stadium to hopefully prepare for a baseball event in the spring, or when they open back up, in addition to the Civic Center to make sure they and their recreation facilities are prepared. He said they are making sure they have sanitizer and the things they need to open their facilities back up in a safe manner to generate economic revenue to the County.

Mr. Fitzgerald said the other thing they are doing is preparing for vaccination clinics by making sure they have the supplies. He said they had a good trial run when they did the COVID testing at Perdue Stadium in March and April, so they are working with the Health Department making sure they have supplies available for this vaccination they are going to have to do coming up.

Mr. Fitzgerald concluded, those are the items they have concentrated on using the CARES funds, as well as the disinfection area out at the Naylor Mill Road complex that is used by everyone, including County staff, municipalities, and the Board of Education. He explained, it is open as a true County facility for any County person who needs to use it, such as Shore Transit, and all the chemicals and everything are being reimbursed through CARES and FEMA.

Mr. Dodd said he was told something about the CARES funding where they were buying an ambulance for every fire company, to which Mr. Fitzgerald responded, he is only very briefly familiar with that because that did not come through his office, those requests went directly to Ms. Wink. He clarified, he will tell Mr. Dodd what he knows, which is that most of the fire companies received an ambulance through the CARES fund, but that did not come through the County or the Department of Emergency Services, it was handled directly between the fire companies and the Health Department.

Mr. Holloway asked if the fire companies received any other funding through the CARES Act, such as operating funds, to which Mr. Fitzgerald responded, the County is putting a stockpile at Parsonsburg Fire Company. He said he wants to complement them because they are creating a storage area in Parsonsburg for the east side of the County so they have a supply of PPE on the eastside, and he applauds them for taking the initiative to work directly with the Health Department on that. He said they are also going to be recipients of all the PPE the County is getting. He said he would like to give a shout out to Jared Cooper from Fruitland because he does a yeoman's job. He explained, every week Mr. Cooper contacts every fire company and gets an inventory of PPE and sanitation supplies. He said the County then looks at the inventory, and when somebody needs something, they get it delivered the next Monday. He said they are making sure the fire companies have the supplies and, again, he applauds Parsonsburg for coordinating that to have a supply stock directly on the eastside. He said, if they have received any funds directly through the Health Department, he is not familiar with it. Mr. Holloway said he knows their fundraising efforts have been hampered this year.

Mrs. Acle said she has a question about the food distribution. She then asked if 100 percent of that is being directly distributed to the Maryland Food Bank, to which Mr. Fitzgerald responded, the Maryland Food Bank purchased those boxes and they distribute them. He said FEMA has strict guidelines, and they worked with their partners, such as Mark Thompson and Michelle Bradley, the Local Management Board Director, at pop-up events that were directed to COVID-affected people. He said the County funds that were reimbursed were paid directly to the food bank, and Ms. Jennifer Small at the food bank managed

where that food went in Wicomico County, and they had to stay in Wicomico County. He said Ms. Small had to sign an agreement that none of that food left Wicomico County. Mrs. Acle said she had a concern because there was only one pop-up event in District 2, and the events were more concentrated to the City. She said they had some shortages of the food bank distributed in Wetipquin, to which Mr. Fitzgerald responded, he can bring that to Ms. Small's attention.

Mr. Fitzgerald said, with the CARES funding, they were also able to reimburse the Board of Education approximately \$130,000 because they initiated a food project when schools were closed in March, April, and May where they increased above their USDA food allotment, and the County was able to get that reimbursed to balance their over expenditure.

Mrs. Acle asked if the County was able to provide the Board of Education with PPE, to which Mr. Fitzgerald responded, yes. He said, if they asked for it or requested it and the County had it available, they got it.

Mr. Dodd said, at the last Council meeting they had Ms. Brewster there to give Council an update, and earlier that day the Governor tweeted something about Hardwire donating PPE to fire departments across the State. He said he asked Ms. Brewster if Wicomico was a part of that, but she did not know. He then asked if Mr. Fitzgerald knows anything about that, to which Mr. Fitzgerald responded, they did not donate anything directly to the County, but if they donated it directly to the fire companies, he is not aware of that. Mr. Dodd then asked Mr. Fitzgerald to let Council know if he hears about them donating to Wicomico County because they would like to thank them. He said anybody who contributes to the fire companies is a great deal because the volunteers really work hard to do fundraising, and they need this equipment. Mr. Fitzgerald said he sends out a weekly email to the EMS and fire companies about PPE, so he will include a poll in his email, and if they did donate, he will forward that to Mrs. Hurley.

Mr. Tony Rudy, Airport Manager, then came before Council and said, as Council is aware, the Airport got approval from the FAA to use some of their CARES funding for their vehicle they are purchasing. He explained, the MAA grant they received was \$315,000, so they were short \$390,251, but the FAA gave them approval to use that. He clarified, they will not request reimbursement until the truck is delivered in October of next year. Mr. Dodd asked if it will be October of next year before they get the truck, to which Mr. Rudy responded, yes, it is a full year.

Mr. Rudy said they submitted reimbursement number one for operating and maintenance expenses, and for that timeframe they were able to go back to the end of January through April 30, which was manageable. He said he gives their airport accountant, Matt Mohr, a lot of credit because he spent a lot of time finding old receipts and digging those up because the FAA wants to see every single receipt, and they also want spreadsheets outlining what the expenses are. He said Mr. Mohr had help from the Finance Department, and he was working with Payroll, but, unfortunately, they did not get salaries submitted with reimbursement number one because there was too much work to pull that together. He said they submitted for \$199,548.86, and the FAA did a quick review of it, and they found only \$523 that was ineligible for reimbursement, so they adjusted their total to \$199,025, and the FAA approved that, so they are expecting payment by December 5. He said currently they are working on reimbursement number two, which will be for a period between May 1 and August 31, and they are also working with

the salary reimbursement from February to June 30, and they will be submitting those in the next couple of weeks. He said he is not sure the totals of those offhand, but because of the complexity and the time it takes to dig through these files and pull the information together, he thinks, going forward, they are planning on submitting for reimbursement about once every six months. He clarified, they do not want to go too long without getting funds back; however, with just the time it takes to go through the process, it makes more sense to do it a little less often than repeatedly. He said March will be their next cycle, and they will be more caught up by that time.

Mr. Rudy said that is it as far as the reimbursements go, but they are still working with the FAA for their development projects they have talked about. He said they do not have guidance from the FAA yet, but they have a better feeling of what projects are going to be considered for reimbursement as a development project. He said they think they are going to be following the typical FAA guidelines as far as the design work, the environmental work that needs to be done, or any criteria they have for buildings, such as the ARFF station they want to build, so they think they are going to hold them to their normal standards for those types of projects. He said there are other things they want to do, and it looks like they might be successful getting those done, but he thinks they are looking at those more as normal maintenance items rather than development, so he thinks they may have to make some revisions down the road as they find out what they are going to be funding.

Mrs. Acle said she has a question about the CARES funding for nonprofit reimbursement for overtime, to which Mr. Psota responded, he does not know to what degree nonprofits are covered, to be honest. Mr. Fitzgerald said he can check into that if Mrs. Acle can tell him which nonprofit it is, and he can see if they are eligible. Mrs. Acle said maybe it is something through the State. She said she saw an advertisement on the County website for nonprofits to apply for overtime funding, to which Mr. Psota responded, he would defer that question to Mr. Fitzgerald. Mr. Fitzgerald said he will check into it. He said there are some nonprofits that may be eligible for FEMA Part B if they are providing emergency protective measures, but if there are CARES nonprofit funds, he is not familiar with that. He clarified, there are certain times where, if nonprofits are providing emergency protective measures for COVID, they may be eligible, and he can check into that. Mrs. Acle said this RFP is for overtime funds for organizations already established and working within the County as a reimbursement for PPE and supplies, to which Mr. Fitzgerald responded, he believes that is through the Local Management Board, which would be Ms. Bradley.

Mr. Psota said he will conclude with a couple of things. He then gave a shout out to the hardworking County employees for everything they do while living under the protocols of COVID, as they all are. He said Council has heard about disseminating this \$9 million dollars, what SWED has done with being able to harness the ability to efficiently get it out the door, and what the County has been able to do through Mr. Fitzgerald and the Health Department with being able to fill out the forms, keep track of everything, and do it all, and also continue with the continuity of running the government. He said it has been an absolutely exciting thing to see, and an unbelievable thing to see. He said he knows they all appreciate it, but he cannot say it enough, so he thanks them all. There was no further discussion.

*Signatures on next page*

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Larry W. Dodd, President, District 3



Joe Holloway, Vice President, District 5



Ernest F. Davis, District 1



Nicole Acle, District 2

Josh Hastings, District 4



John T. Cannon, At-Large



William R. McCain, At-Large



Laura Hurley, Council Administrator