



# Memorandum

**To:** Committee of the Whole

**From:** Mark W. Lubberda, County Administrator

**Date:** June 23, 2021

**RE:** American Rescue Plan Act Funding: Approaches and Strategies for Expenditures and Investments, Including Priority Programs for 2021

**Administration**

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**Background and Purpose:** At their regular meeting on June 17, 2021, the Finance Committee unanimously approved a motion recommending a Committee of the Whole meeting be set for Tuesday June 29<sup>th</sup> at 3:00 pm. to discuss strategies for consideration related to the American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds. The County Board Chair has agreed to set such a meeting of the Committee of the Whole in accordance with Walworth County Ordinance Sec. 2-141. The purpose of this memo is to provide background as to the purpose of the meeting and on the expected primary discussion points.

The purpose of the meeting is to get general guidance and discussion on a few items that have pending deadlines or include a matter of timeliness, which makes them a priority for consideration. It is important to understand that I am not seeking approval for the entire plan or individual multi-year program efforts at this time. All of the projects presented for consideration in the main document are only conceptually scoped and each needs much more detail prior to approval. Walworth County could potentially be working through a review of these projects for many months or multiple years. Each project will require separate review and approval, and, of course, the County Board will not need to approve any project until a majority are satisfied that the project is sufficiently vetted. For 2021, the projects will generally require two-thirds approval because each will also need a budget modification to move forward.

**Committee Materials:** Following the Finance Committee meeting, all Supervisors were mailed three documents on this topic. The first is was a 10-page document listing the project title, a description or comment on the project, and a comment on potential costs, if available. Two spreadsheets were also provided: one compiled the potential range of project costs and the second provided a preliminary recommendation for discussion. These documents are the information needed for the meeting. Please bring the copies that were mailed to you.

The Finance Committee went through the list in detail for a couple of hours. That is not the intent of the Committee of the Whole meeting, but it is listed on the agenda such that the Supervisors are able to talk about any or all of the projects to the extent they determine is appropriate. Despite the general long-term scope of the ARPA project development, there are a few projects that the Finance Committee and I believe warranted quicker consideration. Those will be the primary focus of the discussion at the Committee of the Whole. If the Supervisors determine at the Committee of the Whole meeting that they want any of these few specific projects to move forward quickly, staff can try to complete the necessary detail or documents and place the item(s) on July County Board agenda for consideration. The County Board could then consider approval or rejection or determine more work is needed and send it back to a regular committee meeting.

The following two projects have the immediate, pressing timeline and are the primary reason for the meeting.

**1. Mental Health Support for Students and Schools (p. 3):** For your convenience, the project description from the handout is copied below:

Members of our Behavioral Health Division are outreaching to Walworth County Schools to discuss opportunities for new collaborations focused on supporting students as they return to school in the fall. The COVID-19 pandemic has led to a rise in mental health issues for many students. Anxiety, depression, and grief are manifesting as school refusal, truancy, suicidal ideation, self-harm, and completed suicides. For these reasons, it has become necessary for us to mobilize county resources and explore school-based strategies to address these underlying issues and help students build resiliency. The goal would be to provide direct services support or technical support that can support consistency between school districts. INTENDED ACTION: HHS will work with school district administrators to judge interest and prepare recommendations, justifications, and estimates for consideration.

Ultimately, a project only becomes necessary if the school district administrators (and their Boards, potentially) find value or benefit from a coordinated approach or from bringing additional resources to invest in a higher level or magnitude of technical or professional mental health support than the school districts may be able to do on their own. The problem, however, is that if this issue is brought to the July HHS Committee meeting and the August County Board meeting, approval would come too late to investigate, design, and implement a program for the beginning of the school year. Therefore, if Supervisors believe this program warrants consideration and school administrators concur, staff can get an initial authorization at the July meeting to use as a framework or limit and then fully engage the districts in discussions on specifically what could potentially be done. Effectively, this would be just like often occurs in the normal budgeting process where a conceptual program is proposed, appropriations are established, and then staff finalizes development and implements the program. Alternatively, if the Supervisors want all of the details and discussions worked out in advance of approval, the September committee meeting would likely be the first opportunity for discussion and implementation would not likely occur until October or November.

**2. Broadband Expansion:** The PSC is currently running a grant application process with \$100 million available. Unfortunately, the grant application period ends July 27<sup>th</sup>. Without consideration by the Committee of the Whole and potential authorization at the July County Board meeting, Walworth County cannot engage in this opportunity. More grant opportunities will become available in the future, but I believe that as more communities investigate broadband expansion, there will be more and more competition for those resources. Nonetheless, with a little bit of a ready-fire-aim approach, we can potentially leverage partnerships with two businesses already investing in broadband infrastructure in Walworth County.

We do know, for example, that Charter, on a much larger federal program, bid and recently won rural service area implementation in Wisconsin for around 15,000 miles of fiber, some of which will be in Walworth. That federal grant provides Charter about \$168 million, and they will add about another \$500 million to complete the investment. In short, with a 25% federal investment, it appears Charter has funded the other 75%. Mobilization for that grant creates some economies of scale or efficiency incentives for Charter to link a state-grant program to their larger federal program and thereby leverage their investment. Walworth County may be able to take advantage of that opportunity or synergy. This opportunity aligns well with the fact that the PSC grant lists matching funds (public-private partnerships) as the first priority item for application review.

In addition to this larger player, Walworth County has a small internet provider focusing on rural areas in just a four-county area. This player, Edge Broadband, has previously partnered with the towns of Sugar Creek and Richmond and could potentially be responsive within the grant deadlines for a small scope program. This would likely be a small, under \$25,000, get-our-feet-wet program to use as a learning experience.

If we are willing to further investigate and accept these examples above as limited benchmarks and if the vendors can complete some cost estimates they need for the application, a partnership and some match could provide an ability to be considered in this current PSC grant round. More information will be available and provided at the meeting. Furthermore, I will be prepared to conceptually discuss other alternatives or strategies for County engagement related to broadband expansion.

**Additional Timely Topic: Non-Profit Social Service Organizations:** Given the immediate need to meet on these two issues with immediate deadlines, I would also like for the Committee of Whole to discuss the other two non-profit Social Service Agency support programs listed on the handout: Small, Non-Profit Social Service Organization Grants (United Way) and Open Arms Free Clinic. Both are recommended for \$100,000 in 2021. The primary intent of the federal funding is to mitigate the negative impacts of the pandemic. All of these non-profit organizations are reaching individuals impacted and provide a variety of services. United Way is currently supporting over 50 different agencies and has the processes in place for program oversight. Open Arms routinely reaches individuals in our community that do not always engage well with our Public Health division. One could easily argue that the sooner resources can be applied the greater impact they can have. I am not suggesting that the allocation for years 2022-2024 be considered or approved at this time. I do believe, however, there is benefit to be had in quickly inserting some limited resources towards these non-profit social service organizations,

many of which suffered revenue losses during the Pandemic. At a total of \$200,000, that is less than 1% of the total funding.

**Intergovernmental Cooperation Council Request:** Lastly, at the Intergovernmental Cooperation Council meeting on June 22<sup>nd</sup> there was overwhelming support for the County to help provide technical support with ARPA funding use and the revenue loss formula. It is possible that the County could control a master contract with an accounting consultant that could readily provide information and share technical support. Instead of each municipality creating 20 to 30 different contracts with multiple vendors, one overarching resource funded by the County, if allowable, may be a very efficient way to help all communities best invest and utilize their individual allocations. I respectfully request that a brief discussion on this topic also occur.

Please feel free to call me in advance of the meeting if you have any questions about the programs, this memo, or the related documents you previously received.

MWL/ek