

Merced County Recovery Plan

State and Local Fiscal Recovery Funds

2021 Report

Note: The Recovery Plan Performance Report will provide the public and Treasury information on the projects that recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this template includes the minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan that they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote an equitable economic recovery.

Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it meets the reporting requirements, and recipients are encouraged to tailor this template to best meet their needs. Use of infographics, tables, charts, pictures, case studies, and other explanatory elements are encouraged.

MERCED COUNTY
2021 Recovery Plan

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GENERAL OVERVIEW

Executive Summary

Merced County was allocated a total of \$53,936,085 in SLFRP funding as part of the American Rescue Plan Act. On May 20, 2021 the County received its first tranche disbursement of \$26,968,042.50. In response to the guidance released from the Treasury, the County has conducted an analysis of the overall impacts of the COVID-19 pandemic, including the impacts on operations and services provided, and revenue received and anticipated. This analysis was conducted using information gathered from County Departments on existing operations and projects, as well as utilizing the formula provided by the Department of the Treasury to determine projected reductions in revenue as a result of the pandemic.

Part of the analysis included identifying operations and expenses realized as part of the County's direct response to the pandemic, and project needs anticipated to be unmet moving forward due to the operational and revenue impacts resulting from the pandemic. As a result of the projected revenue loss, staff sought direction from the Board of Supervisors to utilize the ARPA funding under the category of EC6 – Revenue Replacement, and create a framework for identifying projects and expenditures. On August 10, 2021, the Board of Supervisors gave direction to begin designing an expenditure plan and structure based on seven focus areas addressing anticipated unmet project needs:

1. Homeless Services	\$ 4.0 M
2. COVID-19 Support	\$ 2.0 M
3. Community Facilities	\$14.8 M
4. Flood Control/Water	\$ 7.2 M
5. Roads	\$10.0 M
6. Correctional Facilities	\$13.5 M
7. Contingency	\$ 2.5 M

Due to impacts in operations from COVID-19 and the resulting projected reduction in anticipated revenue, there are multiple projects in each program category which are necessary to the provision of government services that would be indefinitely be delayed without the replacement of revenue.

Uses of Funds

- a. *Public Health (EC 1)*
- b. *Negative Economic Impacts (EC 2)*
- c. *Services to Disproportionately Impacted Communities (EC 3)*
- d. *Premium Pay (EC 4)*
- e. *Water, sewer, and broadband infrastructure (EC 5)*
- f. **Revenue Replacement EC 6)**

The above identified programmatic categories are based on the County's assessment of the impacts on operations and revenue resulting from the pandemic. Activities falling under these areas are part of planned operations that would have been impacted due to the reduction in revenue experienced during the pandemic. In order to determine the impact on revenue, the County utilized the calculation formula released by the Department of the Treasury as part of the guidance for determining eligibility. Based on the County's analysis using the formula provided, our actual revenue did not meet our counterfactual projections. According to the calculation formula provided by the Treasury to calculate projected revenue growth, the County projected an average revenue growth rate through 2023 of 7.6%. Actual revenues received in 2020 fell short of this rate by \$36,039,354, and is anticipated to continue this trend through 2023.

The identified gap in revenue would have prevented the County from moving forward with several emergency projects in FY 2020-21 necessary for the provision of government services, as well as additional projects scheduled for the coming years. As such, the County's strategy for expenditure of the funds falls under the category of (EC 6) Revenue Replacement in order to enable specified projects in the programmatic categories to move forward.

As part of the analysis and planning process for expenditure of the funds, the County looked back to pandemic response activities beginning with the starting date of the ARPA allocation of March 3, 2021, and identified eligible expenses directly related to Community Facilities programming and COVID-19 Support activities.

Eligible expenses identified for Community Facilities during this period included costs related to park infrastructure improvements, Library handrails at the front access point, and Veterans and Community Hall improvements. The projects improving facilities as well as park infrastructure addressed deficiencies in the functionality of these locations and were vital for the health and safety of the communities.

Eligible expenses identified for COVID-19 Support activities during this time period included support for EFMLA employee leave, Administrative and Sick Leave, Personal Protective Equipment, Data Collection management systems, and Vaccination Clinic support costs. Locations for the Vaccination Clinics has varied widely across incorporated cities and unincorporated communities within Merced County. Special consideration and priority for outreach has centered around hard-to reach populations, including migrant and agricultural communities, low-income and/or uninsured populations, and communities of color. Programming around outreach and clinics included information in multiple languages and available translation services.

While Merced County is using the ARPA funding as a Category 6 expenditure for Revenue Replacement, it has utilized other federal funding under the CARES act for additional programming. The County expended CARES funding for emergency employee leave costs, staffing costs for COVID-19 emergency operations, testing centers and contact tracing, Emergency Rental Assistance Programs, and a Business Assistance Program administered by the Merced County Workforce Development Board. The County deployed these COVID-19 related activities utilizing a coordinated team approach among a variety of County Departments. Employee time spent on COVID specific activity was reimbursed through the CARES Act.

Additionally, the County received a grant from the California Department of Public Health (CDPH) Emergency Preparedness Office (EPO) originating from the Coronavirus Response and Relief Supplement Appropriations Act of 2021. The purpose of this funding is to provide critical resources for COVID-19 response to include expanded testing, case investigation, contact tracing, surveillance, containment and mitigation under the Epidemiology and Laboratory Capacity Enhancing Detection (ELC ED Expansion) project.

Currently, the County has opted for the State of California to administer its Emergency Rental Assistance Program (Round 2) allocation, to continue to efficiently serve those impacted by COVID and in need of housing assistance. The Merced County Workforce Development Board is also continuing to actively work with local businesses to help coordinate information and application processes for State business assistance programs. COVID-19 testing and vaccination clinics are ongoing, and part of the overall COVID-19 Direct Response programming for use of ARPA funds. There are additional opportunities for programming, partnerships and funding through ARPA, some on a competitive basis, and the County is currently evaluating potential grant applications and partnerships to serve the eligible populations. Particularly as it pertains to mental health and substance abuse programming, the Merced County Department of Behavioral Health and Recovery Services is actively working with its community partners to maximize available funding and opportunities under ARPA.

Looking forward, there is anticipated to be more critical public facility improvements that are necessary for the safety of public use, and the County is currently working on its planning process to identify those projects and associated public outreach. Information on the process and additional expenditures will be forthcoming in the next SLFRF Recovery Plan Performance Report.

Promoting equitable outcomes

Merced County has worked cooperatively with other government agencies, staff and community-based organizations to ensure the information and outreach regarding

available services is being provided to the public and is prioritized for those groups that are disadvantaged. Merced County is located within the Central Valley region of California, which is a primarily agricultural economy with large migrant populations that have been historically underserved, with high rates of poverty, homelessness, low educational attainment levels, and communities that often lack infrastructure and resources to meet basic needs.

According to the recently released Census 2020 data, Merced County as a whole is disadvantaged, with a 17% persons in poverty rate for the area, and an overall per capita income level that is far below both State and Federal per capita income levels.

Our County government services are intrinsically designed and built around the recognition of these circumstances, and so processes appropriate to disadvantaged populations are in place in any circumstance to ensure greater access to available resources. These processes include cooperative partnerships with Community Based Organizations for the provision of a wide variety of services to targeted populations, information and outreach materials available in multiple languages, and county facility locations in unincorporated and underserved areas to assist residents where they are. With this in mind, vaccination clinics are targeted to hard-to-reach populations at a variety of locations in the County, with an effort to provide these services evenly throughout the region in order to ensure residents have multiple, and ongoing opportunities to get tested and/or get vaccinated. Outreach materials and programming have been developed and made available using multiple languages to ensure a broader impact in the community. During future reporting periods, it is unknown at this point the prevalence of County administered vaccine clinics, and the County will continue to monitor its COVID-19 case rates and hospitalizations.

As the County's use of the ARPA funding is for Revenue Replacement (EC6), new programs specific to this funding have not currently been established; the County is continuing to identify and develop projects using the focus areas as directed by the Board of Supervisors. Funding will be used to continue projects within the above stated programming categories to ensure continuity of service to County residents. Programs and facilities to benefit from the funding have built-in controls to ensure access for disadvantaged populations.

Efforts for Equity

a. Goals

Merced County provides public services to its residents with the goal of delivering those services in a manner inclusive of the vastly diverse populations and communities residing within the County. County communications, programming, meetings, and materials are available in multiple languages. County departments and staff are well-versed in the practices necessary and

community partnerships that assist in providing services to hard-to-reach and sensitive populations, many of whom may not have access to internet or broadband, are non-English speakers, and may require the assistance of trusted messengers within their community. With the assistance of the ARPA funding, the County will continue providing access to services and outreach to our most vulnerable residents.

b. Awareness

Outreach Programming will include informational materials in multiple languages on the County website, as well as posted in hard copy at County and community facilities. The County is also in process for planning and scheduling presentations to Municipal Advisory Councils and providing surveys to community groups and community-based organizations for feedback and information gathering. These groups and other members of the public will have additional opportunity to provide comments and feedback during upcoming public hearings (to be scheduled). These groups are comprised of community members in their locations and are representative of the diversity of residents in their neighborhoods. Information and materials detailing County ARPA project plans will be presented to these groups to allow local residents multiple opportunities to learn about the County's progress and provide comment.

c. Access and Distribution

Merced County is spread over a large geographic area and contains a variety of populations and communities that speak multiple languages and has individualized sets of challenges, which includes access to resources such as broadband and transportation. The County facilities eligible for the expenditure category EC 6 are spread throughout the County and are open to residents for the provision of services or for community use. The process for outreach and informing the public is currently being planned with the needs of individual communities being considered. As stated above, practices and procedures design to incorporate access to information for diverse communities are conducted as a part of the County's normal operations, and these operations will continue on their course due to the funding assistance of ARPA.

No applications or eligibility are required for projects in this expenditure category, as the County is utilizing EC6 – Revenue Replacement.

d. Outcomes

As stated above, the County during its normal course of business has developed practices and procedures that incorporate inclusivity as a priority.

We in Merced County are responsible to serve some of California’s most vulnerable populations, and as such work tirelessly with Department staff and community agencies to ensure that all residents are provided with the opportunity to access services and critical information. Although there are no new programs currently being developed specifically with the use of ARPA funds, the County will continue to ensure that equity and access continues to be a priority for our local residents.

a. *Negative Economic Impacts (EC 2):*

Merced County is utilizing EC 6 – Revenue Replacement

Services to Disproportionately Impacted Communities (EC 3):

b. Merced County is utilizing EC 6 – Revenue Replacement

Current Efforts to Promote Equity

Current efforts to promote equity as part of the County’s work includes the provision of information and public notices in multiple languages according to our communities; information provided in both electronic and hard copy formats; contracts with community agencies and organizations for community and culturally-specific outreach, trusted messengers, and translation services; ongoing relationships with community and culturally specific media outlets; and the ability provided to residents to provide public comment through a variety of methods, including email, phone and in-person during Board meetings.

These efforts are representative of the County’s overall goals of providing greater access to critical government services, and will continue through the use of ARPA funding for to date are for Revenue Replacement (EC6).

Distribution of Funding

ARPA funding is being utilized as Revenue Replacement, and as such will be supporting ongoing government services and projects. The County is currently evaluating project needs in our programming categories and designing a process to evaluate and identify projects that create benefit for residents as well as address high priority structural improvements necessary for continuity of services. The County of Merced is largely comprised of traditionally marginalized communities, and continues to work within those communities and their representatives to ensure equity of access. As projects are identified and information becomes available.

Community Engagement

Throughout the COVID-19 pandemic, the County has been working closely with local agencies to provide continuity of service delivery. The County held its first public

presentation on ARPA on August 10, 2021 as part of its early community engagement efforts. The CEO's Office presented information to the Board of Supervisors regarding eligible expenses that took place for ARPA in FY 20/21 and requested feedback on structure for expenditure (EC6 – Revenue Replacement). Public comment was taken as part of this meeting. The County will continue to schedule periodic updates and presentations to the Board of Supervisors as part of the community engagement process. These presentations will be part of the published agenda and members of the public will have the ability to make comment. The County is continuing to work through the planning process and schedule for these meetings.

As part of a prior effort for Jail facility improvements, the County contracted with a consultant to gather feedback from constituents on what they see as being the most problematic issues in the County, and their priorities for projects and programs. Feedback was gathered prior and post the COVID-19 emergency. As a part of that exercise, prior to COVID-19, County residents identified homelessness, drugs and gangs as the top problems being experienced in their communities. The survey was again conducted post COVID-19 shutdowns, and the top problems identified by residents still included homelessness, but had changed to reflect the economic impact of COVID-19 as being the most pressing issue. This prior effort has provided the County with a strong reference point to start from, and is helping to provide a model for staff to use in their current outreach efforts for ARPA.

Survey results such as these have proven invaluable to help guide the planning process for large community projects, and the County recognizes its usefulness in this context. The County anticipates developing additional community surveys to help gather feedback on the current needs and priorities of the communities in our region as we continue to identify projects. The planning process for these efforts is continuing, and staff is working to formulate an outreach plan and schedule of events and presentations. Some key efforts (schedule pending) will include:

- Updates to the public through scheduled and agendized presentations to the Board of Supervisors, with an opportunity for public comment and feedback
- Community surveys
- Community-Based Organization Surveys
- Web page specific to the County's ARPA funding, and associated progress and documentation.
- Presentations to Municipal Advisory Councils, to include materials in multiple languages and potential translation services

The County will be reaching out to key contacts in community-based organizations throughout our region to discuss potential presentation opportunities and accommodations for members of the public.

Labor Practices – EC5

Merced County is utilizing (EC 6) Revenue Replacement. Merced County follows all appropriate Federal and State labor practice rules during the normal course of service.

Use of Evidence

Merced County is expending the funds under category EC6 – Revenue Replacement. There are no new evidence-based interventions planned for development specifically for the use of this funding. The County is currently evaluating new program and partnership opportunities funded through the other sections of ARPA.

Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	\$537,665	\$537,665

Project Inventory

Project: Community Facilities

Funding amount: \$235,237

Project Expenditure Category: EC6 Revenue Replacement

Project overview

This programming category includes building and infrastructure improvements made to public-use facilities and open park space. The list of facility projects funded during this reporting period include:

- Gustine Veterans Hall improvements
- HVAC for LeGrand Community Hall
- ADA handrails for the Merced Library

Park improvements funded in this category include:

- Bicentennial Grove Septic System
- Courthouse Park Irrigation System
- Henderson Park Bat Removal

These projects were completed during the reporting timeline.

Project: COVID-19 Support

Funding amount: \$302,428

Project Expenditure Category: EC6 Revenue Replacement

Project overview

Projects funded in this programming category includes all County staff and resources that were devoted during the reporting period to staff support and activities for vaccination clinics. This category includes:

- EFMLA for employees,
- Personal protective equipment and vaccination clinics.
- Administrative and Sick Leave
- Data Collection Management
- Freight for PPE
- Outreach equipment
- Vaccination Clinic Support, including software, supplies, and janitorial services

Use of Evidence

Funds are being utilized through category EC6 – Revenue Replacement. No new evidence-based interventions or evaluations for new programs are currently being developed under this funding category.

Dollar amounts toward evidenced-based interventions for Public Health (EC 1), Negative Economic Impacts (EC 2), and Services to Disproportionately Impacted Communities (EC 3) Expenditure Categories:

(EC 1) - Public Health	\$0
(EC 2) – Economic Impacts	\$0
(EC 3) – Services to Impacted Communities	\$0

Merced County is utilizing ARPA funding for (EC 6) – Revenue Replacement, the above expenditure categories do not apply at this time.

Performance Report

Key Performance indicators to projects completed under the Community Facilities area include: Construction timeline, construction completion, and completion of the project within budget.

Key Performance indicators for activities under the COVID-19 Support activities included under eligible costs for revenue replacement included the number of

residents served by the vaccination clinics assisted by the County, as shown in the following table:

Facility	HF #'s from County Data report May - July
Merced County Department of Public Health	203
OptumServe dba Logistics Health-Merced & Atwater	1552
SnapMedTech, Inc dba SnapNurse Merced	509
Well Path John Latorraca Correctional Facility	124
Well Path Merced County Jail	64
Totals	2452

Mandatory Performance Indicators

Merced County is utilizing ARPA funding under the category (EC 6) – Revenue Replacement

- Household Assistance (EC 2.2 & 2.5) and Housing Support (EC 3.10-3.12): N/A
 - Number of people or households receiving eviction prevention services (including legal representation)
 - Number of affordable housing units preserved or developed
- Negative Economic Impacts (EC 2): N/A
 - Number of workers enrolled in sectoral job training programs
 - Number of workers completing sectoral job training programs
 - Number of people participating in summer youth employment programs
- Education Assistance (EC 3.1-3.5): N/A
 - Number of students participating in evidence-based tutoring programs
- Healthy Childhood Environments (EC 3.6-3.9): N/A
 - Number of children served by childcare and early learning (pre-school/pre-K/ages 3- 5)
 - Number of families served by home visiting

Ineligible Activities: Tax Offset Provision (States and territories only)

N/A

Item	Amount
a. Revenue-reducing Covered Changes	\$