NAPA COUNTY BOARD OF SUPERVISORS
Board Agenda Letter

TO:       Board of Supervisors
FROM:     Minh Tran - County Executive Officer
          County Executive Office
REPORT BY: Helene Franchi, Deputy County Executive Officer - 253-4820
SUBJECT:  Increase appropriations for COVID-19

RECOMMENDATION

County Executive Officer and Auditor-Controller requests approval of the following actions to provide continued funding by an additional amount of $1,820,485 for response activities required as a result of the COVID-19 pandemic: (4/5 Vote Required)

1. Approval of Budget Transfer No. CEO023 increasing appropriations by $1.6 million through the use of General Reserves;
2. Approval of Budget Transfer No. CEO024 increasing appropriations by $100,000 with offsetting revenues from a donation provided by the Community Foundation; and
3. Approval of Budget Transfer No. CEO025 increasing appropriations by $120,485 with offsetting revenues from the State Emergency Homeless Grant to be used for costs associated with housing vulnerable homeless individuals.

EXECUTIVE SUMMARY

Today's action will increase appropriations in Division 10580 in the amount of $1,820,485 for the COVID-19 local health emergency through the use of General Reserves, retroactively to June 1, 2020, a donation and a State grant. This budget unit tracks all expenditures related to the emergency including the Emergency Operations Center costs, Department Operations costs (Health and Human Services), Recovery Operations Center costs, and virtual Local Assistance Center costs.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?       Yes
Is it currently budgeted? No
What is the revenue source? Use of General Reserves. If FEMA or CalOES reimbursements are received they will be transferred to the General Fund after the audit period has expired. The General Reserve will be restored to policy levels through the budget process. In addition, one donation has been received in the amount of $100,000 and one grant in the amount of $120,485. Today's actions include increasing appropriations in those amounts as well.
Is it Mandatory or Discretionary? Mandatory
Is the general fund affected? Yes
Future fiscal impact: Due to the ongoing nature of the pandemic, the fiscal impact is not yet known. However, the County will be actively seeking FEMA and State reimbursement for eligible costs. The impact is timing between when the funds are spent and when the reimbursements are recovered, as well as the County's portion of match requirements as it relates to Federal and State funding. Appropriations for on-going costs associated with COVID-19 will be included in future fiscal year budget cycles.
Consequences if not approved: The County will not be able adequately respond to the pandemic.
County Strategic Plan pillar addressed: Healthy, Safe, and Welcoming Place to Live, Work, and Visit Effective and Open Government

ENVIRONMENTAL IMPACT
ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION
The Center for Disease Control and Prevention (CDC) began responding to an outbreak of respiratory disease caused by a new coronavirus that was first detected in Wuhan City, Hubei Province, China in December 2019 and has now been detected in at least 122 countries. The disease name has been abbreviated to COVID-19. CDC considers COVID-19 a very serious public health threat because much is unknown. The number of reported cases has escalated dramatically over a short period of time. As of March 11, 2020, the World Health Organization (WHO) made the assessment that COVID-19 can be characterized as a pandemic.

On February 26, 2020, a patient in Solano County with no known travel to affected areas was diagnosed with COVID-19 and may be the first case of community-acquired COVID-19 in the United States. Cases of COVID-19 have also been identified in other Bay Area counties and there have been four deaths in California. There have been ongoing disease outbreaks in long-term care facilities and congregate settings of people at risk for complications of COVID-19 disease.

On March 4, 2020, Governor Newsom proclaimed a state of emergency in California. The United States has announced travel restrictions from certain European nations and events were canceled or postponed across
California. By proclamation and declaration on March 12, 2020, Dr. Karen Relucio, the Napa County Public Health Officer, proclaimed the existence of a local health emergency due to the imminent and proximate threat to public health from the introduction of COVID-19 in Napa County. Pursuant to Napa County Code Section 2.80.060, on March 13, 2020, Minh C. Tran, County Executive Officer proclaimed the existence of a local emergency to provide immediate action beyond the County’s ordinary response capabilities. Both actions were ratified by the Board of Supervisors on March 17, 2020. On March 18, 2020 Dr. Relucio issued a Stay At Home Order which is attached to this item and remains effective through April 7, 2020. That order was extended two additional times through May 7, 2020 and then finally extended for an indefinite term to coincide with the State's Stay-At-Home order.

In March, the Board also authorized the use of $2.5 million to establish appropriations for the purpose of response and recovery to the COVID-19 pandemic. Today’s action will increase that appropriation authority by $1.6 million from the use of additional General Reserve funds to continue those activities for the next 60 days. Appropriations are necessary to:

- Continue operations pursuant to the County’s approved Attestation Plan which includes maintaining an adequate supply of Personal Protective Equipment (PPE) and housing for individuals who have tested positive for COVID-19; and
- Continue housing for vulnerable at risk individuals. A portion of these costs may be offset by the grant mentioned below.

Because this pandemic is unprecedented, staff will return to the Board in late summer if more appropriation authority is needed to continue these activities.

In addition, the Community Foundation donated $100,000 for testing underserved community members who are uninsured or under insured. Today’s action will appropriate those funds and anything that is not used will be returned to the Foundation.

Finally, Napa County was awarded $120,485 in COVID-19 Emergency Homeless Funds. The allocation was determined using the methodology enacted by the Housing, Homeless, Assistance and Planning Fund. The intent of these funds is to offset local costs to provide emergency shelter or respite to clients experiencing homelessness as this group is high-risk for contracting and spreading the virus. County staff recommends allocating funds to support the local share of cost not covered by FEMA to operate the Respite Motel under Project Room Key. Today's action will appropriate this funding in both revenue and expense.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi