

Kenai Peninsula Borough

Community & Fiscal Projects

MEMORANDUM

TO: President Cooper and Assembly Members

THRU: Charlie Pierce, Mayor 

FROM: Brandi Harbaugh, Finance Director 
Brenda Ahlberg, Community & Fiscal Projects Manager 

DATE: June 2, 2020

Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Coronavirus Relief Fund – Federal Pass Through Allocation

Assumptions

The Relief Fund is distributed from the State of Alaska to the Kenai Peninsula Borough as a federal pass-through, subrecipient grant agreement. The borough will receive \$37,458,449.47 in three payments: payment one of \$21,325,715.47; payment two of \$8,066,367; and payment three of \$8,066,367. The State of Alaska will release each payment after 80 percent of the prior payment has been expended (\$17,060,572 equals 80 percent of the first payment). Funding is allocated using a combination of quantified economic activity metrics and other measures of commerce activity. All funds must be liquidated before December 30, 2020.

The Relief Fund provides the borough with the resources needed to respond to first and second order impacts of COVID-19. The borough will adhere to the federal authorized use of funds as governed by the Security Administration Act Title VI. The Borough will manage all distributions of the Coronavirus Relief Funds (Relief Funds) using the Federal Unified Guidance 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. When feasible, guidance from other federal programs will be employed to clearly define recipient eligibility and use of funds to demonstrate a reasonable and prudent decision process.

Guiding Principles

Public Safety: Reimburse costs for response, preparedness and mitigation measures

Community Resilience: Address needs in the unincorporated communities through community-specific programs and borough-wide programs

Economic Recovery: Leverage federal funds with local resources that creates equity to taxpayers

Loss Revenue: Recover losses from declined sales tax revenue and eliminate the need to increase mill rates (pending amendment to CARES Act/Relief Fund)

Funding Matrix

The proposed projects have been vetted to meet the federal regulations as introduced above. The funding range is presented as an estimate. The matrix is a working document to guide the administration and the assembly during the development of the funding plan, which will be formally introduced by way of resolution June 16, 2020 for the assembly's consideration and approval.

Scope of Work, Justification and Estimated Funds	ESTIMATED Funding Ranges		Public Safety	Community Resilience	Economic Recovery
Define funding thresholds and sliding scale contributions to small businesses and nonprofits outside of city limits that demonstrate economic hardships based on previous sales tax history	\$13,259,348	\$8,000,000	✓	✓	✓
Provide waivers for borough sales tax penalties	\$25,000	\$20,000	✓	✓	✓
COVID19 testing equipment to provide mass testing capabilities on the central peninsula. Equipment to reside at Central Peninsula Hospital.	\$650,000	\$525,000	✓	✓	✓
Reimburse Central Peninsula and South Peninsula hospitals' costs for emergency protective measures not reimbursed through other federal agencies.	\$800,000	\$650,000	✓	✓	
Support the volunteer fire & EMS departments' response, protective and preparedness measures (seven entities)	70,000	\$70,000	✓	✓	✓
Fire & EMS service area first responders: reimburse 75 percent of eligible personnel costs for COVID19-related response (FY20 costs ending 06/30/20)	\$2,000,000	\$1,750,000	✓	✓	✓
Kenai Peninsula Borough School District response and preparedness measures.	\$1,700,000	\$1,000,000	✓	✓	✓
Reimburse borough emergency protective measures, personnel, supplies, software/hardware, sick leave, unemployment (FY20 ending 06/30/20)	500,000	\$300,000	✓		
Solid Waste woody debris, slash disposal four (4) sites	\$200,000	\$120,000	✓	✓	
Retrofit borough facilities, i.e. touchless sinks, bathroom doors, physical separation barriers, etc.	\$500,000	\$300,000	✓	✓	

Scope of Work, Justification and Estimated Funds (continued)	ESTIMATED Funding Ranges		Public Safety	Community Resilience	Economic Recovery
Public access through technology:					
1. Remote meeting integration in assembly chambers	\$80,000	\$60,000	✓	✓	
2. Remote work kits for telework	\$116,000	\$100,000	✓		
3. Incident Management Team remote work/PC upgrades	\$67,000	\$60,000	✓		
4. 9-1-1 Backup dispatch answering center	\$802,000	\$800,000	✓	✓	✓
5. Communications engineering analysis for redundant and emergency communications	\$100,000	\$75,000	✓	✓	
Recoup projected loss revenue to restore the borough general fund, fund balance based upon historical data models. Recovered losses based upon performance period 03/01/20 - 12/30/20 (pending amendment to the CARES Act).	\$7,500,000	\$4,000,000		✓	✓
➤ ESTIMATES ONLY - RANGE TOTALS	\$28,369,348	\$17,830,000			