



Board Agenda Item 34

DATE: April 9, 2024

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: State Local Fiscal Recovery Funds Amendment to Subrecipient Agreement with Clovis Rodeo Association Foundation

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a First Amendment to Subrecipient Agreement No. 23-035 with Clovis Rodeo Association Foundation (Subrecipient) for provision of American Rescue Plan Act - State and Local Fiscal Recovery Funds (ARPA-SLFRF), which will revise the expenditure plan and the modification clause, with no increase to the maximum compensation (\$200,000); and**
- 2. Authorize the County Administrative Officer or designee to approve and execute written changes to the items in the project budget, which, when added together during the term of the Agreement, do not exceed ten percent (10%) of the total maximum reimbursement payable to Subrecipient, and which do not result in any change to the maximum compensation amount payable to Subrecipient.**

There is no Net County Cost associated with the recommended actions. The recommended amendment will revise the expenditure plan and add language to the modification clause, which will allow the County's Administrative Officer or designee to consider and approve written requests for budget revisions that do not exceed a maximum 10% of the maximum compensation under the agreement, as amended. Recommended action two will delegate limited signature authority to the County Administrative Officer or designee to make the previously described revisions to the agreement's budget, if requested. This item is countywide.

ALTERNATIVE ACTION(S):

If your Board were not to approve the recommended actions, a portion of previously allocated SLFRF would not become available to the Subrecipient to fully reimburse costs related to the 2022 Clovis Rodeo.

FISCAL IMPACT:

There is no increase to Net County Cost associated with the recommended actions. The program is fully funded with ARPA-SLFRF. Sufficient appropriations are included in the FY 2023-24 Adopted Budget for the Auditor/Controller-Treasurer/Tax Collector Org. 1033 - Disaster Claiming, Fund 0026, Subclass 91021, Account 7845.

DISCUSSION:

The United States Department of the Treasury's (Treasury) Title 31, Code of Federal Regulations, Part 35 Coronavirus SLFRF Interim Final Rule ("Interim Final Rule") and Final Rule ("Final Rule") establish a

framework for determining the types of programs and services that are eligible under the ARPA-SLFRF and may be used for eligible activities under the following general categories:

- A. Respond to the COVID-19 public health emergency or its negative economic impacts;
- B. Provide premium pay for essential workers;
- C. Replace public sector revenue loss, subject to certain limitations; and
- D. Make necessary investments in infrastructure such as in water, sewer, and broadband.

The Final Rule permits SLFRF to be used to cover costs for eligible activities within the four general categories for the period that begins March 3, 2021, and ends on December 31, 2024. Recipients and their subrecipients must return any funds to the Treasury which are not obligated by December 31, 2024, and any funds not expended to cover such obligations by December 31, 2026. The Final Rule designates travel, tourism, and hospitality sectors as being impacted by the COVID-19 pandemic. Treasury provides the County broad flexibility to use SLFRF to aid and mitigate financial hardships, such as a decline in revenues to impacted industries resulting from the COVID-19 pandemic, as an eligible use of SLFRF.

On January 24, 2023, the County and the Subrecipient entered into County agreement number 23-035, to help the Subrecipient recover operational costs for the 2022 Clovis Rodeo event by providing financial assistance to fund: patrol services to maintain safety protocols for all guests, professional rodeo livestock and feed services, rental equipment of generators, tractors, crowd fencing, ticketing equipment, golf carts, lighting, and technical assistance for marketing and promoting the 2022 Clovis Rodeo event. Since Agreement 23-035 was executed, the Subrecipient has only been reimbursed about 85% of the award despite actual expenditures that were submitted to the County surpassing the allowable limits that would otherwise be reimbursable expenditures under the ARPA-SLFRF Program. The Subrecipient represents that the description in the Marketing/Advertising/Programs/Brochures/Posters line item in the expenditure plan in the Agreement is too specific and narrow, which has created problems in receiving the remaining unpaid portion of the grant.

The Subrecipient represents that a Revision to the Expenditure Plan to reassign funding availability from the Marketing/Advertising/Programs/Brochures/Posters line item to instead reimburse costs related to Venue Security/Crowd Control and Rodeo Stock-Livestock will help the Subrecipient recover the unpaid 15%, or approximately \$30,102, SLFRF funding available in the grant. The Revised Table 1-1 of Exhibit B will redistribute \$30,102 in cost savings by reducing the allowable limits under Marketing/Advertising/Programs/Brochures/Posters from \$114,000 to \$83,898. The \$30,102 in available funds will be reassigned to increase funding limits for Venue Security/Crowd Control by \$22,579, and Rodeo Stock-Livestock by \$7,524. Approval of the recommended actions will revise the Subrecipient's expenditure plan, which will provide needed flexibility to ensure the maximum limits of the grants can be reimbursed to the Subrecipient. Your Board's approval will also add language in the agreement's modification clause that will allow the County's Administrative Officer or designee to consider and approve future written requests for budget revisions up to 10% of the maximum compensation, with no change to the maximum compensation.

REFERENCE MATERIAL:

BAI #28, January 24, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 1 to Agreement with Clovis Rodeo Association Foundation

CAO ANALYST:

George Uc