

County of Atlantic Recovery Plan

State and Local Fiscal Recovery Funds

2021 Report



August 31, 2021

County of Atlantic
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GENERAL OVERVIEW

Executive Summary

The COVID-19 pandemic created challenges for all, but within Atlantic County government the major challenges related to public health, citizen assistance and fiscal stability. Atlantic County was positioned well due to many years of controlled spending, budget restraint and financial rigor to meet the needs of required services.

The American Rescue Plan Act of 2021 (ARP), also called the COVID-19 Stimulus Package or State and Local Fiscal Recovery Funds (SLFRF), provided \$350 billion to state and local governments for fiscal recovery. The funds were distributed based on a formula that considers the state share of the nation's unemployment. Atlantic County's unemployment rate in June of 2020 was 34.4%. While it has dropped to 12.5% it is still a high number. Atlantic County is scheduled to receive \$51.2 million in SLFRF funds. The County received its first installment of \$25,607,403 in May 2021. The second installment is scheduled for May 2022. Funds must be incurred and obligated by December 31, 2024 and liquidated by December 31, 2026.

The SLFRF provides funding for projects where otherwise county tax dollars would be expended. While this planning document provides projects within the scope of the SLFRF, over-all each one assists in controlling taxes.

Atlantic County received direct funding from the federal government, however in NJ even this direct funding requires state oversight based on the methodology the state has enacted. While an award was provided for assistance, prior to adding these funds into the budget, the State of New Jersey approval by line item is required. Atlantic County is not opposed to this method; but requires us to keep in mind that planned projects may not receive State approval and therefore, may not move forward.

As stated, the first goal of the County with the SLFRF funds is to provide tax stability to all taxpayers. A component of the federal law authorized the use of funds for revenue replacement starting in 2021. Based on the formula provided, the County was able to include \$2,969,213.40 related to lost revenue in its 2021 budget. Another authorized use is COVID expenses. Based on the amount of expenses planned in the 2021 budget that was originally being funded with tax dollars, we offset those expenses with a grant for \$1,391,312. With the above reference funding from SLFRF the County was able to hold its tax rate at 2020 levels.

The County has met with its Department Heads for input. In addition, the County's staff budget committee will initiate 2022 budget meetings in September 2021. A full planning effort on the State and Local Fiscal Recovery Funds will ensue at that time.

Uses of Funds

The SLFRF guidelines provide categories for funding that fall within the broad categories. The 2021 categories Atlantic County is planning to allocate funding to are:

1. Public Health
2. Infrastructure
3. Revenue Replacement

Funding categories covered by previous and on-going other federal and state dollars such as Emergency Rental Assistance, Housing Assistance, and Food Programs fall under

1. Negative Economic Impacts
2. Services to Disproportionately Impacted Communities
3. Public Health

The pandemic impacted many small businesses in the County; through other funding sources totaling between \$17M and \$20M dollars small business can receive direct aid and individuals can receive rental assistance. The County has partnered with the Atlantic County Improvement Authority to address these needs.

Atlantic County Department of Family and Community Development has been working to address those individuals impacted by the COVID-19 pandemic through their loss of job by accepting and distributing federal and state dollars through the supplemental nutrition program (SNAP), and general assistance programs.

Atlantic County used CARES funding to handle testing clinics. Should the need arise again SLFRF funds can be used to cover these costs under the category Public Health, in the future.

Investment in stormwater and clean water projects is an ongoing effort in government. These projects are authorized under the SLFRF. The County's plan includes the use of these funds for three projects listed in the Use of Funds section of this report. It is important to keep in mind that projects under this category can also be an economic stimulus as clean water projects provide benefits including clean water, quality of life and stronger local economies.

Another key area is improving the ventilations systems within our public buildings. These improvements fall under the SLFRF Covid-19 mitigation and prevention area. The spread of COVID-19 is airborne so improvements in this area are a high priority.

As a result of Atlantic County's unique position with the Casino pilot legislation, there was a \$3 million loss in revenues in 2020. Due to the formula this loss of funds cannot be realized until the 2022 budget. However, the County's number one priority is again to assist all citizens still impacted from the pandemic and our high unemployment rate. The County will use SLFRF funds to cover lost budget revenues to maintain a stable tax rate.

Below is a chart outlining potential use of the SLFRF over a four-year period. This information is provided based on current discussions. It is subject to change as those discussions continue and other projects may take precedent.

Table 1 – Proposed Budget

State and Local Fiscal Recovery Funds					
		Balance	Balance	Balance	Balance
Total allocation	\$ 51,214,806.00	\$ 37,136,116.60	\$ 20,940,721.60	\$ 7,890,772.70	\$ 0.00
1st transfer May 15 2021	\$ 25,607,403.00				
2nd transfer 2022	\$ 25,607,403.00				
		2021	2022	2023	2024
TOTAL USE OF FUNDS ANNUALLY		\$ 14,078,689.40	\$ 16,195,395.00	\$ 13,049,948.90	\$ 7,890,772.70
Pilot shortfall			\$ 3,051,000.00	\$ 3,000,000.00	\$ 3,000,000.00
Revenue Shortfall		\$ 2,969,213.40	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Public Health		\$ 1,391,312.00	\$ 1,400,000.00		
Infrastructure		\$ 9,718,164.00	\$ 10,744,395.00	\$ 9,049,948.90	\$ 3,890,772.70

Project Inventory

Public Health

2021

Project 1 – Direct COVID expenses originally in the 2021 tax supported budget and moved to SLFRF grant line item: Sanitizing county buildings on routine basis and upon COVID positive case; out of state prisoner transport; office space; nursing services; and PPE.

Cost \$1,391,312

Project 2 - Throughout the pandemic the County was involved in updating citizens on case numbers, testing sites, vaccination sites and other COVID 19 relevant information. During this time the County also was undertaking an update to its ADA Plan. It was identified that our website design limited access to the sight impaired community. The County will be working on improving this aspect of our web page, in conjunction with additional security features. Cost is not yet known.

2022 – 2024

During budget review, those items or services that directly relate to COVID-19 prevention or response will be identified and removed from county tax dollar expense. Grant line items will be set up using SLFRF once approved by the State of NJ Local Government Services. Items could include but are not limited to testing requirements and contact tracing; if senior sites do not reopen meals for seniors; focused mental health services for individuals impacted by Covid.

Infrastructure

HVAC Improvements

2021

Project 1 – HVAC Upgrade to Meadowview Nursing Home and Rehabilitation Center Resident Dining Hall and Kitchen, Dolphin Avenue, Northfield NJ

Cost \$792,864

This project includes complete replacement and upgrade of the associated air handling equipment, filtration, ductwork distribution, diffusers, registers, controls and testing & balancing, and has been designed to meet or exceed the criteria indicated as follows:

1. HVAC System Upgrade will include verification of proper operation for new air handling equipment and associated distribution.
2. New air handling equipment has capabilities to increase outdoor airflow percentage up to 100% through economizer operation when outdoor air conditions permit. Minimum outdoor airflow exceeds the Minimum Outdoor Air Changes per Hour (ACH) required by ASHRAE Standard 170 – 2017 Ventilation Requirements for related Nursing Facility spaces.

3. Supply airflow of new air handling equipment far exceeds the Minimum Total Air Changes per Hour (ACH) required by ASHRAE Standard 170 – 2017 Ventilation Requirements for related Nursing Facility spaces.
4. Demand Control Ventilation not included or required as part of new air handling equipment controls.
5. New air handling equipment includes MERV-13 filtration which is recommended for effective capture of 0.3 - 1.0 micro size particles including respiratory droplet nuclei due to sneezing, coughing and talking.
6. New air handling equipment is dedicated for the individual space served and includes proper supply and exhaust airflow rates to maintain pressure differential relationship between adjacent spaces.
7. Toilets within the spaces served by new air handling equipment are provided with a new exhaust system with total exhaust airflow which far exceeds the Minimum Total Air Changes per Hour (ACH) required by ASHRAE Standard 170 – 2017 Ventilation Requirements for related Nursing Facility spaces.
8. New air handling equipment includes Needlepoint Bipolar Ionization (NPBI) to reduce airborne pathogens and provide cleaner air.

Project 2 – HVAC Improvements at the Government Center, Mays Landing Complex, Main Street, Mays Landing

Cost \$2,032,450

The project includes all Heating, Ventilating and Air Conditioning (HVAC) work and incidental electrical construction. Work includes, but is not limited to, the following:

1. Removal of (2) existing rooftop air handling units currently serving the 1st and 2nd floor court rooms and surrounding areas. All associated variable air volume (VAV) boxes, supply and return ductwork shall be removed as indicated on the drawings. Rooftop units' existing chilled water supply and return piping shall be removed back to the main in the basement. Roofing surrounding the units shall be removed and replaced as well. Electrical supply to existing VAV and rooftop units shall be removed back to point of origin and labeled as spare. Removed units' controls shall be demolished and removed.
2. Installation of (2) new rooftop packaged ERV (energy recovery ventilator) units shall be installed at same location of previously removed rooftop units and coordinated with existing structure. Existing roofing and structure shall be modified as required to accommodate the installation of the new units. New electrical feeds, controls, supply, and exhaust ductwork shall be provided for new units. ERV units to provide 100% fresh air and exhaust to spaces with "neutral" air temperature and humidity. Work includes new unit controllers shall be integrated into existing facility's control system.
3. New fresh air supply and exhaust ductwork connected to new ERV units shall be installed and connected to ceiling and wall mounted grilles and properly balanced.
4. New 4-pipe blower coil units and fan coil units shall be installed. New blower coil and fan coil units shall be provided all necessary control valves, wall mounted thermostat/temp sensor and control equipment, etc., required for a complete installation. All new fan coil and blower coil units' chilled

water, hot water and condensate piping shall be routed and insulated. Existing chilled water and hot water pumping systems remain and shall be rebalanced for new flows as required.

5. New vertical hideaway fan coil units shall be installed at Court 2 along with new walls and soffits to conceal the units, ductwork, and piping. All finished walls and ceilings shall be patched and finished to match existing.
6. Existing ventilation ductwork connected to existing fresh air units shall be removed and replaced. Clean and sanitize any ductwork shown to remain within existing walls. Connect all new duct to existing ductwork with airtight connections.
7. Replace existing roof mounted and ceiling exhaust fans.
8. Work shall include the installation of new chilled water, hot water and condensate piping.

Project 3 - HVAC Replacement at the Atlantic County Office Building, 1333 Atlantic Avenue, Atlantic City

Cost \$6,503,600

This project consists of the following:

1. Measure, record, and report on the existing heating hot water flow rates.
2. Demolition of two (2) boilers, two (2) heating hot water pumps, approximately 125 VAV boxes, and all related piping, valves, controls, wiring etc.
3. Provision of six (6) new gas fired hot water boilers, two (2) heating hot water pumps, 87 fan-powered VAV boxes, 38 single duct VAV boxes, controls, piping, and all related accessories.
4. The provision of all related piping, valves, wiring, and accessories including all controllers, devices, sensors, wiring programming, etc. required to operate the new and existing equipment.
5. Provision of a new DDC Building Automation System (BAS) and the seamless integration of all new equipment into the new BAS.
6. The replacement of existing pneumatic controls with new DDC controls for five (5) air handling units.
7. Provision of a new electrical power circuits (raceways, panel feed conductors, grounding assemblies, etc.) to the new equipment as indicated on the contract documents. on a weekly basis. The entire facility shall not be without adequate heating at any time between October 15, 2021 and April 15, 2022. Temporary heating shall be supplied by the Contractor if this requirement cannot be met. The Contractor will make provisions for this requirement in the proposal. A Pre-Construction meeting will be required prior to start of construction at a site chosen by the Owner. All allowances/costs for the pre-construction meeting must be included in the Contractor's proposal pricing and submitted with the bid

2022 – 2024

The County is exploring new technology that can sanitize or clean the air such a UV or blue light technology. A request for proposal will be finalized to explore and make recommendations for building improvements to safeguard employees and citizens in our public facilities.

Stormwater/Clean Water Projects

2021

Cost \$272,250

Project 1 – Stormwater

The county has over 20 stormwater basins and over 200 outfall pipes that require maintenance. Stormwater management is important for maintaining clean water and preserving streams, rivers and lakes. The goals include reduce flooding to protect people and property, reduce demand on public stormwater drainage systems and support healthy streams and rivers. To do so requires the full inventory to be maintained. Funds will be used to cover a stormwater drainage unit and required supplies.

2022 – 2024

Other projects in this category may be identified, and through additional work efforts to maintain systems may require additional capital work or purchases that can also be covered under SLFRF.

Cybersecurity

2021

Cost \$117,000

Project 1 – Government services include digital information that mandate modernization of its cybersecurity. Atlantic County will continue to implement features to protect information.

2022 – 2024

This area sees constant changes and funds will be used to meet security measures.

Revenue Replacement

Using the lost revenue formula, and NJ State guidelines, the County will be able to annually review its revenues to determine losses that can be covered by SLFRF.

2021 – \$2,969,213.40

Inputs - Table 2a

Fiscal Year	Revenue Source	Audit Results or	Audited Results			% Average
		Realized in 2020 Budget 12/31/2020	2019 (Base Year)	2018	2017	Annual Growth 2017 to 2019
Calendar						6.82%
	Sheet 4 Totals	\$ 29,280,012.33	\$ 31,004,065.60	\$ 31,387,860.62	\$ 29,829,844.10	
	Less Refunds	\$ (2,691,767.81)	\$ (2,996,555.30)	\$ (2,562,256.18)	\$ (2,148,699.90)	
	Sheet 5 Totals	\$ 2,947,102.34	\$ 2,527,300.51	\$ 3,994,983.45	\$ 3,498,674.27	
	Less State Aid - County College Bonds	\$ (2,947,102.34)	\$ (2,527,300.51)	\$ (3,994,983.45)	\$ (3,498,674.27)	
	Sheet 6 Totals	\$ 873,916.89	\$ 1,083,938.09	\$ 1,205,342.56	\$ 681,482.71	
	Less N/A Items	\$ -	\$ -	\$ -	\$ -	
	Sheet 7 Totals	\$ 36,645,694.01	\$ 30,744,459.74	\$ 34,380,336.48	\$ 26,170,295.24	
	Less All Grants	\$ (36,645,694.01)	\$ (30,744,459.74)	\$ (34,380,336.48)	\$ (26,170,295.24)	
	Sheet 8 Totals	\$ 22,697,801.04	\$ 20,652,689.32	\$ 18,634,153.04	\$ 15,406,629.90	
	Less Open Space Trust	\$ (115,776.53)	\$ (115,776.55)	\$ (136,506.95)	\$ (197,132.40)	
	GENERAL REVENUE	\$ 50,044,185.92	\$ 49,628,361.16	\$ 48,528,593.09	\$ 43,572,124.41	

Summary Table 2b

Revenue Type	12/31/2020	12/31/2021	12/31/2022	12/31/2023
Counterfactual	\$ 53,013,399.32	\$ 56,629,323.26	\$ 60,491,881.20	\$ 64,617,895.46
Actual	\$ 50,044,185.92	\$ -	\$ -	\$ -
Revenue Loss	\$ 2,969,213.40	\$ 56,629,323.26	\$ 60,491,881.20	\$ 64,617,895.46

2022 – 2024

Lost revenue formula will be completed to identify lost revenues that can be applied to calendar year budget. The County is also pursuing an external auditor to review and audit SLFRF usage.