

**Hamilton County**  
**ARPA Recovery Plan Performance Report**  
**(as of July 31, 2021)**

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## **GENERAL OVERVIEW**

### **Executive Summary**

Hamilton County has been awarded an allocation of **\$71,441,616** in State and Local Fiscal Recovery Funds from the American Rescue Plan Act signed into law on March 11, 2021. The County received \$35,720,808 of the funds in May 2021. We (Hamilton County) are in the planning stages of determining the best and most optimal use of these funds to appropriately respond to and recover from the effects of the COVID-19 pandemic. These plans will evolve as we continue to confirm our understanding of the allowed uses of the funds and continue to assess the needs of the County. Our initial plans are focused on addressing critical needs relating to various public health issues that have become even more evident during the course of the pandemic; funding critical infrastructure needs related to sewer, water and broadband; and funding certain critical capital needs in accordance with the ARPA revenue loss guidelines.

For the period covered by this Recovery Plan (March 3, 2021 – July 31, 2021), Hamilton County has not spent or committed to spend any of the awarded ARPA funds.

### **Uses of Funds**

#### **Public Health**

The pandemic has highlighted certain urgent capital needs at the main facility of our Health Department. Eligible uses for the ARPA funds include capital investments in public health facilities. Our aging Health Department facility is in critical need of major renovations so that the health-related needs of our community, as well as those of our Health Department staff, can be met in the most efficient and impactful manner for all community health needs, specifically including those of the ongoing pandemic. The capital needs funded through the ARPA grant will also assist with recurring health community programs and future unanticipated health-related events.

Staff of our Emergency Services division and EMS ambulance service have been especially stressed throughout the pandemic. During this time, we have assessed the equipment used on our ambulances and have found significant needs. Identified uses for the ARPA funds include a significant amount of emergency medical response equipment improvements. The ARPA funds will be used to purchase essential equipment needed by our EMS department to address the ongoing pandemic, including power lift stretcher systems, Lifepak cardiac monitor/defibrillators and related lifesaving equipment.

#### **Water, Sewer and Broadband**

Water and sewer infrastructure is a critical need in most communities, as sewer and septic systems have aged. Our county is no exception, and the County is planning to allocate a significant portion of the ARPA funds to provide for needed improvements to our water and sewer infrastructure system. The primary focus of the ARPA funds will be to improve and repair existing wastewater treatment plants, control non-point sources of pollution, improve resilience of infrastructure to severe weather events, create green infrastructure, and protect waterbodies from pollution.

Broadband is also a critical need in several pockets of our community. High-speed internet access has evolved to the point that it is essential to educational success for all ages, access to a complete set of resources for job seeking opportunities, and remote workforce opportunities. While most of our County currently has access to high-speed internet, there are certain underserved populations in our county that do not. The ARPA funding provides a much-needed opportunity to expand access of high-speed internet to help bring a level of equity to certain underserved and economically disadvantaged communities in the County.

### **Revenue Replacement**

We have calculated the first period for revenue replacement, calendar year 2020, and will continue to calculate the County's loss, if any, of revenues due to the pandemic over the next three calendar years. The loss in revenue due to the COVID-19 public health emergency for calendar year 2020 totaled \$4.4 million.

The County's intention is to spend a portion of the ARPA funds assigned toward revenue replacement for one time capital projects for various essential general government services. The specific capital projects to be completed using the revenue replacement ARPA funds have not as of this date been finalized.

### **Promoting Equitable Outcomes**

As stated above, we are still in the planning stages for determining the optimal and best use of the ARPA funds. As of this date, we have identified two major projects that are anticipated to be funded using ARPA monies that will be focused on promoting better equitable outcomes within our community.

As stated above, we anticipate using the ARPA monies to expand high-speed internet access in several of the underserved and economically disadvantaged communities within the County. The ultimate goal of this multi-million dollar investment will result in the elimination of one more barrier in the poorer sections of the County to increase economic growth and sustained economic development.

Similarly, the investments that we will be making in our wastewater treatment system will focus significantly on improving the safety and quality of life in several of the underserved and economically disadvantaged areas in the County. These investments in HUD Qualified Census Tract zones will include areas of Soddy Daisy, East Ridge and Red Bank.

### **Community Engagement**

Community engagement will be an ongoing process. County leadership has requested input from all County departments for areas of concern and projects that are eligible for funding under the ARPA guidelines. The County Mayor and several County commissioners have addressed the plans for spending the ARPA monies with constituents over the last few months in order to gauge the opinion of the public for the optimal use of the ARPA funds.

All planned expenditures of the ARPA monies will be discussed in a public forum by the Mayor, with a public vote by the County Commission authorizing each expenditure of the ARPA funds.

## **Labor Practices**

As discussed above, the County has developed plans to allocate funds to projects for water, sewer and broadband in Expenditure Category EC5.

Both the wastewater and broadband projects will meet the requirement of the ARPA guidelines. This criteria requires projects to use strong labor standards, including project labor agreements that offer wages at or above the prevailing rate and including local hire provisions. In addition, the bidding process and construction of the projects must include good faith efforts to promote participation of Disadvantaged Business Enterprises, to adhere to “Buy American Iron and Steel” provisions, and to require Davis Bacon Act wages with documentation and review.

## **Use of Evidence**

The ARPA Federal guidelines identify several types of uses of the ARPA funds that require evidence-based assessments. As discussed above, Hamilton County is in the planning stage for determining the optimal use in our community of the ARPA awarded funds. Our current plans as of this date do not include the type of expenditures listed in the Federal guidelines that are eligible for evidence-based interventions.

This section will be revised as necessary as we progress through the planning stage and finalize our use of the ARPA funds.

## **Table of Expenses by Expenditure Category**

Report Period Covered: March 3, 2021 – July 31, 2021

Hamilton County did not spend or commit to spend any funds during this period.

## **PROJECT INVENTORY**

N/A - Hamilton County did not spend or commit to spend any ARPA funds during this period.