

REPORT
ST. LOUIS COUNTY COUNCIL
SPECIAL COMMITTEE
OVERSIGHT OF COVID-19 FUNDING AND EXPENDITURES
10:00 A.M., TUESDAY, MAY 5, 2020
Approved 5/12/2020

The St. Louis County Council's Special Committee for Oversight of COVID-19 Funding and Expenditures met on Tuesday, May 5, 2020 at 10:00 a.m. by videoconference to receive an update on encumbrances and expenditures of the prior week; contracts that have been awarded and projections for the upcoming week; and any changes in priorities as a result of shifting need.

ATTENDANCE AT THE MEETING

Committee Members present were Chairwoman Kelli Dunaway, Rita Heard Days and Rochelle Walton Gray.

Councilwoman Clancy was also present.

Diann L. Valenti, Acting Administrative Director for the Council, Gen Frank, Associate County Counselor, and Chris Howard, Budget Policy Coordinator for the Council, were also present.

Additionally, the following members of the County CARES Initiative Program were also present: Cindy Brinkley, Dr. Paul Hintze, Deb Patterson and Kathy Rehmer.

MEETING CONVENED

The Chair called the meeting to order at 10:01 a.m. and stated the purpose of the meeting. Chairwoman Dunaway stated, "The Committee takes official notice of and admits into evidence all St. Louis County Ordinances and Resolutions."

INTRODUCTORY REMARKS BY CHAIRWOMAN KELLI DUNAWAY

Chairwoman Dunaway made the following statement: "Good morning, everyone. As mentioned in the purpose statement of the meeting, we're here to provide an unprecedented amount of transparency and collaboration between the public and the executive and legislative branches of our County government. These Special Committee meetings will involve a lot of investigating and looking back over spending decisions, but a lot of looking forward, too. A reminder that if you're interested in seeing a more detailed report of where and how the money is being spent, you can find that information at *stlcorona.com*. The primary purpose of these meetings will be to engage all of you in our ongoing discussion about how we spend the \$173.5 million CARES Grant going forward. I want to be honest and up front about the values I bring to the table as I lead this conversation. I am looking for fairness, equity, and to actual need in the distribution of this money.

Introductory Remarks by Chairwoman Kelli Dunaway – Continued

I want to make sure we're caring for our most vulnerable people, responding to the public health crisis, and rebuilding our economy – things that we all agree are critical right now but that may not weigh equally at the end of the day. We all agree that this money has to get where it needs to go as quickly and efficiently as possible within the guidelines set out in the CARES Act itself. There are a lot of moving pieces to all of this and we need to work together to respond quickly to the ever-changing needs in our community. Our first meeting today will be more of an introduction to where we are and how we got here, who we are, and how you can engage with us going forward. The introductions will be followed by a discussion with Committee members and Councilwomen Days and Walton Gray, and any of member of the County Council, all of whom were invited, who would like to join this conversation. I will work to provide an environment open to different ideas, new voices, and out-of-the-box thinking. This means making sure we're adhering to the highest standard of decorum so that all voices can be heard. I'm a mom to two kids so I have a bit of practice in making sure everyone gets a chance to express their opinion. We welcome public comments and involvement. You can send questions and comments at any time. If we receive them before Monday at 10 a.m., which is the day before the meeting, they will be read into the public comment during the meeting. I'm asking for 24 hours so I can read all of your comments and questions and take the time to process and prepare to include your perspective in the way I lead the meeting. If we get your comments or questions after 10 a.m. on the day before the meeting, we will still include your comments, they'll just be included in the comments for the following week."

INTRODUCTION OF CINDY BRINKLEY

Chairwoman Dunaway recognized Cindy Brinkley, Volunteer Senior Advisor for the County CARES Initiative.

Ms. Brinkley thanked the Chairwoman and the Committee. She proceeded to explain that the goals of the CARES expenditure effort (County CARES) are threefold and explained their goal is to ensure the funds are spent in a strategic manner as quickly as possible when applicable and in a way that allows for a lasting impact, and to do so in a transparent manner. She stated their goals will align with the three areas of concern as previously outlined by County Executive Page which include the public health aspect, humanitarian concerns, and economic rescue. Ms. Brinkley stated she and the other advisors want to give the Council members and members of the public insight as to where the funds are going, what they're thinking about doing, and most importantly, they want to get input from the public in terms of the public's thoughts and ideas regarding how they're proceeding. Their hope is these weekly meetings and the website, *stlcorona.com*, and the public portal wherein will serve as important avenues in allowing for the aforementioned collaboration, dialogue and transparency.

Next, Ms. Brinkley provided a brief overview of how the advisors are organized and what their focus has been over the last few weeks. She noted they ultimately had to wait for federal guidelines corresponding with the CARES Grant in order to set up the necessary tracking for compliance and tracking, in general.

Introduction of Cindy Brinkley

Ms. Brinkley then proceeded to introduce Kathy Rehmer, one of the advisors who will be assisting in ensuring compliance. *(Scrivener's Note: Due to technological difficulties, Ms. Rehmer was unable to log in as a participant for the meeting at this time. She joined the meeting in a participant capacity a short time later.)*

Ms. Brinkley introduced Dr. Paul Hintze, who will be the lead advisor as it relates to the public health component of the County CARES initiative. She stated he is a former chief medical officer at Mercy Hospital and he'll be working predominantly with the Department of Public Health (DPH). Dr. Hintze stated that he is honored to be a part of this process and that he looks forward to working with everyone. He also welcomed any questions anyone may have.

Ms. Brinkley introduced Deb Patterson, who will be the lead advisor as it relates to the humanitarian efforts in the County CARES initiative. She stated that Ms. Patterson led the Monsanto Foundation for many years, was CEO of the American Red Cross prior to that, and has been very involved in the community from a philanthropic standpoint. As such, Ms. Patterson is very well-versed on federal grants and related processes. Ms. Patterson greeted everyone and stated she looks forward to working with everyone.

Ms. Brinkley said the group has been spending a lot of time on the process, setting up the structure, figuring out details related to compliance and working with the lawyers, etc. in order to continue to distribute the CARES funds while ensuring they'll be ready to report to the Inspector General when the time comes to do so.

She stated they've spent approximately \$5 million dollars predominantly in the public health area for testing and personal protection equipment (PPE). She stated they've sent out requisitions for the purpose of hiring additional individuals for contact tracing. There were over 800 applications for the 100 current openings.

Ms. Brinkley stated they've announced a new program called the Small Business Relief program (SBR). She acknowledged that money has already come through from the federal government via the Payroll Protection program but explained that not every business was able to participate in that program. She and the other advisors developed the SBR program due to their concerns about a segment of small businesses throughout the County that most likely did not receive any of the funds via the Payroll Protection program. The SBR program is structured so that each Council member will have access to a certain allocation to disburse to small businesses within each of their respective districts. The premise is that the Council members know the communities and businesses within their particular districts better than the advisors do. She stated the applications for the SBR program are due by June 1, 2020.

At this time, Ms. Brinkley welcomed questions from the Committee members as well as the public.

DISCUSSION – COMMITTEE MEMBERS

Councilwoman Days had some questions related to the hiring of employees to assist with contact tracing efforts. She asked what the final number of open positions will be. Ms. Brinkley explained they're currently looking to fill 100 positions but she doesn't know if that number will change. She then deferred to Dr. Hintze to allow him to provide any further related information. He explained they can't fully know the size of the problem at this time so the total number needed may fluctuate over time. He further explained they would like to eventually be able to test individuals who are asymptomatic but may have had contact with individuals who are symptomatic and/or have tested positive. Depending on those results, the need for contact tracing and follow-up could significantly increase as time goes on. Councilwoman Days explained a big concern is diversity and inclusion among the individuals hired into those positions, especially given the fact that those people will be interacting with the community and will be asking personal questions.

Councilwoman Days then turned her attention to some questions regarding the SBR program, stating the regulations seem a bit vague to her and asked if the program only applies to the businesses who are completely closed as result of the COVID-19 crisis and/or if businesses can be reimbursed for funds spent to put more safety barriers in place. Ms. Brinkley explained the grants are a maximum of \$15,000 per business and that from a prioritization standpoint, they recommend that the Council members consider the businesses that have not received any funds from other sources such as the Payroll Protection Act. She further explained the funds can be used by the businesses for a very broad range of needs such as rent, equipment, utilities, etc. As the discussion progressed, Councilwoman Days agreed that more specificity as it relates to how these funds can be administered, and subsequently put to use, would be beneficial to the Council members. Additionally, Ms. Brinkley acknowledged that there have been a number of questions related to the SBR program so they will work on creating a frequently asked questions (FAQ) document and will continue to provide information as needed.

Councilwoman Days also asked if the money spent by the DPH or the County prior to the disbursement of the CARES Act funds will be reimbursed by those funds. Ms. Brinkley stated the funding can be applied to any COVID-19-related expenditures between March 1, 2020 and December 30, 2020.

Councilwoman Gray agreed details and information related to the SBR program seem a bit broad and stated a FAQs document or something similar would indeed be helpful. The Councilwoman stated she's received a number of questions from the applicants relating to the application and application process and asked where those applicants should be directed in order to receive the necessary assistance. Ms. Brinkley reiterated it may be helpful to compile the questions the Council members and/or applicants have in order to address them in a FAQs document. Councilwoman Gray also addressed the need to ensure diversity and inclusion within the processes related to this SBR program.

Discussion – Committee Members – Continued

Ms. Brinkley took a moment to address the concerns regarding diversity and inclusion and assured the Committee that regard for ensuring diversity and inclusion remains front and center throughout each of the processes.

Chairwoman Dunaway asked Councilwoman Clancy if she had any questions. Councilwoman Clancy addressed Section 2 of Sub. Bill No. 1 for Bill No. 104 wherein it states there will be a special emphasis on addressing the impact of COVID-19 on vulnerable and underserved populations, particularly the African American community and people with chronic medical problems. She then asked to hear a little bit more about how they will ensure there is special emphasis on those populations.

Ms. Brinkley stated they'll be completing public health studies to better understand where the crisis is hitting and she further stated the current data indicates it is disproportionately affecting low-income, African-American, and underserved communities. As the advising group looks at each aspect of their goal, they will continue to ensure special emphasis on addressing the needs in and supporting those populations. She also reiterated they are focusing on ensuring the funds actually have impact. Dr. Hintze and Ms. Patterson concurred with Ms. Brinkley's statements. Ms. Patterson added that addressing the needs and alleviating the impact of the crisis on the most vulnerable is on her mind first and foremost. She also stated the data will guide how they deploy resources, and they have a lot of data tools which will help ensure they make decisions that will help the most vulnerable. Ms. Brinkley went on to explain their intent is to make strategic investments that have impact. She said they are not planning to reinvent the wheel since there's already great effort in the region. They'd like to invest in and enhance those efforts in order to reach those populations.

Councilwoman Days asked, as part of the tracking efforts, if it's possible to add the details related to diversity and inclusion in hiring efforts, as well as the other processes, and the percentage details of money spent in the vulnerable communities to the public portal. She also asked if more in-depth details related to the health information as far as outcomes and the related impact on specific communities could be added as well. Ms. Brinkley agreed that would be helpful and also mentioned that as more public health studies are completed, they'll have more details and insight. She further stated they'll have all of the expenditures on the portal but they'll work on how to best categorize that information so it'll be more user-friendly.

Councilwoman Clancy touched on the SBR program and explained something that may be helpful is some clarification, especially for the public, as to what is up to each Council member's discretion versus what is set in place since there's some mixed messages regarding the guidelines, eligibility, etc. Ms. Brinkley said the program and guidelines were designed to be a prioritization tool with special attention given to those businesses who have not received anything via the Payroll Protection Act. She said the advisors will develop the aforementioned FAQ document and then have the Council members review it prior to publishing it in order to make sure it is as thorough as possible in addressing any questions or concerns. The Councilwoman also asked if they will be

Discussion – Committee Members – Continued

doing any outreach to the small businesses within the County or if that will be up to the Council members. Ms. Brinkley confirmed that will be under the purview of the Council members considering they are each more familiar with their respective districts.

Chairwoman Dunaway also followed up by asking how to address small businesses that have locations in more than one district. (*Scrivener's Note: Ms. Rehmer joined the meeting at this time.*) Ms. Brinkley said she thinks that would be up to the Council members as to how to address that situation.

Chairwoman Dunaway welcomed Ms. Rehmer and she took a moment to introduce herself and address some of the compliance aspects. She stated she has extensive experience in corporations with compliance programs. Their goal in developing a compliance program structure is that when it comes time to report to the Inspector General, they are confident they've done all they need to do to ensure the funds were spent properly and that they've complied with all of the federal guidelines set forth for the grant. Ms. Brinkley mentioned Ms. Rehmer's been extremely helpful when it comes to knowing the right questions to ask as they've moved forward and in their communication with the lawyers.

Chairwoman Dunaway asked them to speak a little bit more about the need for outside counsel, especially given some of the County Council members' discomfort relating to the amount of money the County spends on outside counsel. Ms. Brinkley explained that as the CARES Grant fund was developed and then disbursed, the amount of information provided regarding the corresponding regulations went from just a few sentences to the more recent document containing approximately 800 pages, and they continue to receive updates and ongoing information on a daily basis. They want to ensure when the Inspector General completes their audit, the County will not have to reimburse any of the funds spent. Ms. Rehmer added that the outside counsel, as well as auditors, will ensure "the guardrails are there" and they don't have any missteps.

PUBLIC COMMENTS – OTHER INTERESTED PERSONS

Chairwoman Dunaway stated there were no public comments submitted for this meeting.

She also made the following statement: "I want everyone in the public to know the intent of this whole process, these meetings, is for you to have an opportunity to engage with us on how you would like to see this money spent. So, please, please send your comments to councilcommitteecomments@stlouisco.com. If you get them to us by Monday at 10 a.m., your comments will be read into the record and will certainly be considered in the way I lead future meetings."

ADJOURNMENT

Council Member Walton Gray moved to adjourn the meeting. Council Member Days seconded the motion. The Chair declared the meeting adjourned at 10:53 a.m.

MEMBERS OF THE COMMITTEE

Chairwoman Kelli Dunaway

Hon. Rita Heard Days

Hon. Rochelle Walton Gray