RESOLUTION APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF HIGH POINT AND THE COUNTY OF DAVIDSON FOR PARTICIPATION IN THE DAVIDSON COUNTY LOCAL GOVERNMENT COVID-19 REIMBURSEMENT PROGRAM

- **WHEREAS**, pursuant to the provisions of Section 160A-461 of the General Statutes of North Carolina, the City of High Point ("City") is authorized to enter into interlocal agreements with other units of local government and local political subdivisions in order to execute any undertaking; and
- WHEREAS, Davidson County, North Carolina ("County") is a body politic and corporate in the State of North Carolina, established and regulated by Chapter 98 of the Public Local and Private Laws of 1941, as amended by Chapter 793 of the 1969 Session Laws of Chapter 594 of the 1985 Session Laws, and
- WHEREAS, Counties in North Carolina with populations under 500,000 received funding from the Federal Government under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") as a pass through from the State of North Carolina; and
- **WHEREAS**, Davidson County received approximately \$2,977,053 from the United States Government pursuant to the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") since it is a unit of government with a population under 500,000; and
- **WHEREAS,** under the CARES Act, Davidson County is required to share a portion of the funding with municipalities within the County and High Point's share of the funding based on population is \$175,482; and
- WHEREAS, The CARES Act provides for payments to local government navigating the impact of the COVID-19 outbreak via the Coronavirus Relief Fund; and
- WHEREAS, the CARES Act provides that payments from the Coronavirus Relief Fund may only be used to cover expenses which: (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); (2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the local government; and (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020; and
- WHEREAS, the United States Department of Treasury has issued guidelines with regards to the authorized use of funds allocated to local governments under the CARES Act; and
- WHEREAS, under the CARES Act, the County is ultimately responsible for any expenditures from CARES Act funds; and
- WHEREAS, much uncertainty remains regarding future costs the County and local municipalities will be forced to bear related to the coronavirus emergency, and
- WHEREAS, much uncertainty exists as to the potential for future allocations of federal or state monies to defray those future costs, and
- WHEREAS, the Parties wish to enter into an interlocal agreement to promote the most efficient distribution of resources which have been made available to Davidson County to benefit the citizens of Davidson County, and

WHEREAS, under the CARES Act, should the Office of the Inspector General determine that the funds were used in a manner contrary to the intent of the legislature or contrary to the United States' Department of Treasury guidelines, the CARES Act provides that the federal government may recoup the improperly spent funds from the County; and

WHEREAS, the County, those municipalities within Davidson County, and their residents, have suffered secondary effects of the coronavirus emergency, as the State of North Carolina has ordered the closure of non-essential businesses; and

WHEREAS, Davidson County, as the jurisdiction responsible for disbursement of funds under the CARES Act, finds that it is appropriate to use these funds to defray certain costs incurred by the City related to the coronavirus emergency; and

WHEREAS, the disbursement of funds under the CARES Act to the City is in the best interests of the County, the City and their residents.

THEREFORE, BE IT RESOLVED by the High Point City Council, that the Mayor is hereby authorized to execute the Interlocal Agreement between the City of High Point and the County of Davidson for participation in the Davidson County Local Government COVID-19 Reimbursement Program, in which the City shall receive reimbursement, in aggregate, no more than \$175,482 for COVID-19 eligible response and recovery expenses.

Adopted this the 17th day of August 2020.

Christopher Williams, Mayor Pro Tem

Attest:

Lisa B. Vierling, City Clerk