

THE **WATCHDAWG** REPORT

The American Rescue Plan Act of 2021-ARPA

Signed into law on March 11, 2021, **The American Rescue Plan Act of 2021** (“ARPA”) provides \$350 billion in additional funding for state and local governments. The state funding portion is approximately \$195 billion. The local funding portion is approximately \$130 billion, equally divided between cities and counties. **For counties**, \$65 billion will be allocated based on the county’s population.

Camden County has been awarded **\$8,980,570.00**. In addition, individual cities are also awarded funds according to their population. The breakdown for individual cities is listed below. Note, Macks Creek is not on list due to population size.

Breakdown by city:

Osage Beach - \$859,419.61
Camdenton - \$763,457.84
Four Seasons - \$442,526.49
Lake Ozark - \$336,695.04
Sunrise Beach - \$99,829.71
Linn Creek - \$46,599.48
Stoutland - \$37,021.72

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Al fresco Commissioner meeting due to asbestos removal and renovation. Sunshine!

County Courthouse and Office Renovation

On May 24, 2022, Camden County Commissioners, guided by approval by the County Attorney, executed a lump sum contract with Veregy Group for \$4,734,090. The contract is “design and build” based on a general scope of work described in “Attachment A” of the contract. The contract and attachments are public documents that can be acquired from the Auditor’s office and reviewed by interested citizens...which we encourage.

Work began in June. In late July, the County brought on a Project Coordinator to track progress and negotiate the monthly invoice payments with Veregy. This is a good thing, because the contract itself does not provide for how work is to be tracked, reported, verified, and processed for payment.

We encourage the County Commissioners to develop a plan with Veregy to document specific milestones to manage progress tracking and invoicing going forward. Subjective assessment of work completed may lead to difficulties as work and billing progress.

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ARPA cont'd from page 1:

Local mayors and aldermen will oversee the spending of funds in each city. Most have allocated their funds to much needed infrastructure improvements. Each city may also request additional funds from the county's ARPA funds and/or from the State's ARPA funds.

Camden County commissioners oversee the spending of the 8.9 million. As of the date of this publication, almost all of the funds have been promised and/or allocated. There is approximately 2-3 hundred thousand that is being held as a cushion.

The county auditor's office is utilizing BKD Advisors to certify eligibility of funds and to insure proper federal documentation for every allocation promised. Due to a staff shortage, the auditor's office has requested hiring BKD to assist and teach the staff in grant writing protocols. Grants are needed to request STATE ARPA funds whereas city and county funds can simply be requested in writing.

The following ARPA requests were approved:

- \$100,000 for the Food Banks was approved.
- \$150,000 for the animal shelter at the Sheriff's range was approved.
- \$2,519,643 for the water district IF State ARPA grant gets approved.
- \$100,000 for a Road and Bridge salt storage facility was approved, but it needs a new bid.
- \$80,000 for the Bollinger Creek stormwater project was approved. The creek is eroding a nearby cemetery and the bank needs to be stabilized.
- \$350,000 for the Cybersecurity Network was approved. This will cover instituting two factor authentication, a new server, and increasing the IT support to 5 days a week.
- \$396,436 ARPA Population Reduction Contingency was approved. This is a cushion in case Camden County's ARPA funding is reduced because of changes in the recent census.
- \$1,000,000 to Road and Bridge was approved.
- \$46,830.26 to update Osage Beach PD to update technical equipment (iPads/laptops) in police and emergency vehicles.

The following ARPA requests were tabled:

- Encounter Cove Ministry (\$300,000)
- Sylvan Bay Owner's Association (\$15,000)
- Camden County Disaster Unit (\$174,000)
- Stoutland and Climax Springs School District Broadband Service (\$400,000)
- County Admin Grant. This request was intended to hire BKD, the county's current ARPA consultant, to also assist with grant writing and train county employees to write grants. (\$200,000)

The following ARPA requests were denied:

- Front Porch Village (\$100,000)
- CADV: Citizens Against Domestic Violence (\$955,000)
- Broadband (\$5,000,000)

If you have additional questions regarding where the county or your city stands with ARPA expenditures, you can contact your Commissioner, or county auditor, Jimmy Laughlin at 573-346-4440 ex. 1341 or Jimmy_Laughlin@camdenmo.org.

We reviewed the contract documents, asked some questions, and here's what we found. We encourage citizens to contact their individual County Commissioner, and/or attend the Tuesday and Thursday meetings with questions. Our goal is always to spark communication amongst all.

- ✓ The lump sum renovation contract was awarded to a single bidder for \$4,734,090. It's unusual for a private or public entity to award a contract of this size without making sure to consider at least three bids. Are we over-paying due to lack of a competitive bid process?
- ✓ The contract lacks project milestones that would clearly indicate final billing on any certain section of the work. There is no language that explains how monthly invoices will be tied back to work accomplished with a clear level of detail. The county has hired an experienced Project Coordinator to observe the work and negotiate monthly invoice amounts. This should help to mitigate the lack of project milestones and billing process in the contract language.
- ✓ The contract includes a 10% mobilization fee. That's \$473,409.00 paid up front for mobilization.
- ✓ Typically, on a project of this size in the private sector, the customer will withhold 10% retainage from every invoice. This amount is held in escrow until the project is 100% complete and accepted by the customer. This contract does not contain that protection. We've been told the final invoice will not be paid until all work is complete and approved. Doubt that would hold up in court if the specific work on the last invoice was completed.

The renovation project is being completed with a bond (loan). Commissioner Don Williams took lead on the negotiations. The construction contract was passed with approval from all three commissioners. The decision to use a bond was decided by a majority of two. We reached out with questions.

Question: What was considered to decide to borrow instead of paying directly out of the budget? These are excerpts from the email response from Commissioner Williams: "The County has usually resorted to issuing bonds to pay for expensive infrastructure builds." "The problem with major repairs is that, to pay for them directly out of the budget would mean huge negative impacts to County functions. We simply cannot afford it."

Bond Details:

Bond (Loan) Amount:	\$4,790,000	
Average Annual Debt Service:	\$356,964	
Maximum Annual Debt Service:	\$362,052	
Total Interest to Term:	\$2,410,773	
Total Debt Service to Term:	\$7,200,773	Payments will complete on September 1, 2042

This bond was discussed at a public Commissioner's meeting and was on the agenda published the day before. Commissioner Gohagan voted no on the bond. Commissioners Williams and Hasty voted in favor of the bond. Commissioner Williams expressed concern about how much the county needs to retain in an emergency fund three months, or six months operating expense. The County typically spends about \$3.75 mil per month on operations. There's constant movement on the books as transactions post, but the balance as of August 31, 2022, was \$24.5 million.

What are your thoughts? Should the county have borrowed or paid out of the regular budget? Send your comments and feedback to Contact@watchdawgreport.com. We'll put them into the next issue. You can call the secretary at the Commissioner's office (573-317-3850) and ask to be put on the email list to receive the county commission agendas the day before each meeting. Get the information you need to decide whether to attend or not. We are long time advocates for more detailed agendas, and believe that after January 2nd our request will be honored.

Missouri Lawmakers Assemble for Special Session

There is a special session of the legislature in progress in Jefferson City. You may see this article after the final votes, but a review of what those you elected are voting for is still a good thing.

The Missouri House of Representatives has passed HB3, and it is currently in the Senate and expected to pass. It has occurred to some that these tax credits are being brought into the session that's predominately advertised as about tax cuts to defer attention from the "pork" that's included.

We urge all citizens to go to <https://house.mo.gov/billtracking/bills223/hlrbillspdf/5969H.03P.pdf>, and read through the bill to see what your legislators are supporting.

HB3, sponsored by Brad Pollitt from Sedalia is described as "Modifies various provisions governing agricultural economic opportunities". It clearly defies the single-issue per bill rule.

Here are some highlights to excite your curiosity:

There is a section in this bill about surveying and identifying survey corners. We have not found out yet why this is included. We hope you will ask too.

A "Missouri wood energy producer shall be eligible for a tax credit on taxes as incentive to produce processed wood products in a qualified wood-producing facility using Missouri forest product residue." Is this effecting regular taxpayers in business that are producing outside of a "qualified" wood-producing facility? I do not know what this product is. Do you?

Tax credits for 'Meat processing modernization or expansion related to the taxpayer's meat processing facility. The tax credit amount shall be equal to 25% of the amount the taxpayer pays in the year the modernization or expansion is completed. Wow. 25%. Wonder if any Senators or Representatives own meat processing plants.

Retail dealers who sell higher ethanol blend directly to the final user gets a credit for 5 cents per gallons. Is this supposed to keep prices down for the end user? Is it working now?

A tax credit for 50% of the taxpayer's eligible expenses for establishing or improving an urban farm that focuses on food production. My Rep said she voted aye to "help our great farmers"...I'm fairly sure these are not farmers in our district.

There is a section about railroad and street railway companies "eligible expenses" to manufacture, maintain or improve a freight line company's qualified rolling stock (any freight, stock, refrigerator, or other railcars). How does this help our farmers? Is there a transportation problem we don't know about?

There is a section extending the radius allowed for Local log truck tractor operation from 100 to 150 miles, and certain weight restrictions were removed. Weight restrictions. Bad roads...just saying.

The "Family Farms Act" is a loan program, not a tax credit if I am reading it correctly. Reminded me of the 1970s where family farmers were enticed by local banks with "programs" to borrow against their land to build facilities and buy equipment. Foreclosures destroyed many family farms.

Anhydrous ammonia dealers will now pay \$200 per year as a "registration fee". Government control much?

Send us your comments to Contact@watchdawgreport.com!