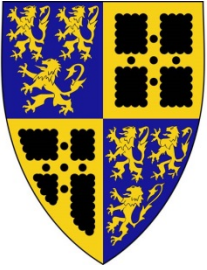


TOWN OF OLD SAYBROOK  
SELECTMEN'S OFFICE



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Telephone (860) 395-3123 • Fax (860) 395-3125

To: The Board of Finance Members  
From: Carl P. Fortuna, Jr., First Selectman  
Re: Request for Appropriation for COVID 19 Funding  
Date: July 20, 2020

The purpose of this memorandum is to request the Board of Finance (“BoF”) consider the establishment of a long term recovery fund entitled “LTR COVID Fund” for the purpose of providing funding that will assist businesses and the Long Term Recovery (“LTR”) taskforce initiatives. The recommendation is for a minimum of \$25 thousand to seed this fund. The recommendation to move this request to the BoF was approved by the Board of Selectmen at its June 9, 2020 meeting.

By way of background, this request was discussed with the BoF at its June 17, 2020 meeting. At that time I received feedback from the BoF that it would like to be provided a programmatic overview of how the funds would be used, disbursed, and how these funds would help businesses recover in Old Saybrook.

Attached to this email is the program outline for this fund. The purpose of the Town of Old Saybrook COVID Fund (“TOS COVID Fund”) is to procure personal protective equipment (“PPE”) resources for small businesses to meet certain requirements of responding to the COVID-19 pandemic. The Town will create a municipal procurement consortium utilizing its buying power and access to purchase lower cost PPE on behalf of the Town’s eligible businesses. Businesses will purchase the PPE from the town at the consortium price. As the length of the pandemic is unknown it is the desire of the Town to use the appropriation as seed money to create a sustainable program for the Town’s businesses.

**Motion Requested**

To establish a long term recover fund entitled “LTR COVID Fund” at a minimum amount of \$25 thousand for the purpose of providing funding that will assist businesses in the procurement of PPE and the Long Term Recovery (“LTR”) taskforce initiatives. Further to move said motion to Town Meeting or the Board of Selectman pursuant to Governor Ned Lamont’s’ executive order 7S, whichever is effect.

## The Town of Old Saybrook COVID Fund Program

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The purpose of the Town of Old Saybrook COVID Fund (“TOS COVID Fund”) is to procure personal protective equipment (“PPE”) resources for small businesses to meet certain requirements of responding to the COVID-19 pandemic. The Town will create a municipal procurement consortium utilizing its buying power and access to purchase lower cost PPE on behalf of the Town’s eligible businesses. Businesses will purchase the PPE from the town at the consortium price. As the length of the pandemic is unknown it is the desire of the Town to use the appropriation as seed money to create a sustainable program for the Town’s businesses.

The municipal procurement consortium will source pricing on an ongoing basis to seek out a lower cost alternative for the Town’s small businesses. As an example, it was demonstrated that one business owner, paying \$75 per week for face masks could save 73% if they were able to purchase from the Town. The types of PPE that the Town will source would include, single use PPE, KN95 masks, face shields (this would be sourced locally), gloves, and hand sanitizers.

The program will focus on two phases: 1) Response and 2) Recovery. The response phase is characterized by addressing the pandemic and responding to State, Federal and local mandates for the controlling of the virus. At present only the municipal procurement consortium program will be in effect as we are presently in the response phase and concerns are present that we will see a resurgence of the virus later this fall. This program is expected to be sustainable for the long term.

The Recovery phase will focus on the economic recovery of businesses and individuals as the Town returns to a normal state. When the Town enters the Recovery phase, the LTR Taskforce may use funds for community wide initiatives targeted to support small business and economic development activities associated with recovering from the COVID19 economic decline. Should funds be used in this manner the proposed program shall be vetted by the Small Business Success and Employment and the Fiscal Stability subcommittees prior to approval by the LTR Taskforce. Such efforts will be reported as they emerge during the quarterly update to the Board of Finance.

Any funds not used will be returned to the Town.

### **Eligible Uses**

TOS COVID Fund will be used to purchase PPE. The following businesses are eligible to participate in this program:

1. Business must be located in Old Saybrook
2. Employs not more than 25 Full-time equivalents

As noted above, when the Town enters the recovery phase, funds may be used for town-wide initiatives.

### **Available Funds**

It is proposed to the Board of Finance that a minimum of \$25 thousand be allocated to this fund during August 2020. The program will be re-evaluated on a quarterly basis, which may include an

assessment of other COVID related purchases required by the State; recommendations for additional funding may be considered.

### **Disbursement of Funds**

Businesses that are located in the Town of Old Saybrook, through their owner, may apply to purchase PPE. PPE may be purchased on a first come first serve basis. The program will continue through June 30, 2021 or by the final date should the program be extended.

### **Oversight Process**

The Fiscal Stability Subcommittee (“FSS”) is chaired by the Finance Director and includes two community members, Darrell Pataska and John Stangel. The FSS will bear the responsibility of ensuring proper controls as follows:

1. All funds will be held in an off budget account at the Town of Old Saybrook
2. Proper documentation will be required prior to release of funds and maintained for a period of three years after the close of the program.
3. Payment for PPE will be returned to the Town’s off budget account and used for future PPE purchases.
4. The small business subcommittee will be responsible for ensuring that businesses meet the eligibility requirements as outlined above. Once a business has been approved, they will be able to purchase supplies for the duration of the program.
5. It is envisioned that the funds will be used to purchase PPE, which will be resold and/or to fund a community wide initiative. Should there be any funds remaining at the end of the program, they will be returned to the Town of Old Saybrook.