



CITY COUNCIL STAFF REPORT



August 24, 2021

ITEM TITLE

American Rescue Plan Approval: Accept Grant Funds, Add Positions to the General Fund and Appropriate Funds for that Purpose

Report Number: 21-0147

Location: No specific geographic location

Department: City Manager

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required. Notwithstanding the foregoing, the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines.

Recommended Action

Adopt resolution A) accepting American Rescue Plan Act (ARPA) grant funds, appropriating \$28.76 million in the ARPA fund of which \$14 million will be appropriated from the ARPA account into various Governmental Funds **(4/5 Vote Required)**; and B) increasing the authorized position counts in various departments with a net increase in authorized staffing of 10 positions to be funded from ARPA funds and staff time reimbursements from project funds.

SUMMARY

On May 10, 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure. This action proposes to appropriate \$28.76 million from the ARPA

funds, appropriate \$14 million from the ARPA account into the General Fund and add 10 positions to the General Fund.

ENVIRONMENTAL REVIEW

The proposed activity has been reviewed for compliance with the California Environmental Quality Act (CEQA) and it has been determined that the activity is not a “Project” as defined under Section 15378 of the state CEQA Guidelines; therefore, pursuant to Section 15060(c)3) of the State CEQA Guidelines, the activity is not subject to CEQA. Although environmental review is not required at this time, once the scope of potential project(s) has been defined, environmental review will be required for each project and the appropriate environmental determination will be made. Notwithstanding the foregoing, it has also been determined that the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

Background

On May 10, 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. The Treasury also released details on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis. With the launch of the Coronavirus State and Local Fiscal Recovery Funds, eligible jurisdictions have been able to access this funding to address these needs.

To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery, the American Rescue Plan Act of 2021 (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver \$350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. The Treasury has launched much-needed relief to:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Replace lost public sector revenue to strengthen support for vital public services and help retain jobs;
- Support immediate economic stabilization for households and businesses; and,

Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure.

FUNDING AMOUNTS

The American Rescue Plan provides a total of \$350 billion in Coronavirus State and Local Fiscal Recovery Funds to help eligible state, local, territorial, and Tribal governments meet their present needs and build the foundation for a strong recovery. Congress has allocated this funding to tens of thousands of jurisdictions. These allocations include:

<u>Entity</u>	<u>Amount (\$billions)</u>
• States & District of Columbia	\$195.3
• Counties	\$65.1
• Metropolitan Cities	\$45.6
• Tribal Governments	\$20.0
• Territories	\$4.5
• Non-Entitlement Units of Local Government	\$19.5
• City of Chula Vista	\$57.5

Local governments will receive funds in two tranches, with 50% provided in May 2021 and the balance delivered 12 months later.

USES OF FUNDING

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Within these overall categories, Treasury's Interim Final Rule provides guidelines and principles for determining the types of programs and services that this funding can support, together with examples of allowable uses that recipients may consider.

Supporting the public health response

Mitigating the impact of COVID-19 continues to require an unprecedented public health response from state, local, territorial, and Tribal governments. Recipients may use this funding to address a broad range of public health needs across COVID-19 mitigation, medical expenses, behavioral healthcare, and public health resources. Among other services, these funds can help support:

❖ **Services and programs to contain and mitigate the spread of COVID-19, including:**

- Vaccination programs
- Medical expenses
- Testing
- Contact tracing
- Isolation or quarantine
- PPE purchases
- Support for vulnerable populations to access medical or public health
- Public health surveillance (e.g., monitoring for variants)
- Enforcement of public health orders
- Public communication efforts
- Enhancement of healthcare capacity, including alternative care facilities
- Support for prevention, mitigation, in congregate living facilities
- Enhancement of public health data systems
- Capital investments in public facilities to meet pandemic needs
- Ventilation improvements in key settings like healthcare facilities

❖ **Services to address behavioral healthcare needs exacerbated by the pandemic, including:**

- Ventilation improvements in key settings like healthcare facilities
- Mental health treatment
- Substance misuse treatment
- Other behavioral health services
- Hotlines or warmlines
- Crisis intervention
- Services or outreach to promote access to health and social services

Payroll and covered benefits expenses for public health, healthcare, human services, public safety and similar employees, to the extent that they work on the COVID-19 response. For public health and safety workers, recipients can use these funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.

Addressing the negative economic impacts caused by the public health emergency

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost between February and April 2020.

To help alleviate the economic hardships caused by the pandemic, Coronavirus State and Local Fiscal Recovery Funds enable eligible state, local, territorial, and Tribal governments to provide a wide range of assistance to individuals and households, small businesses, and impacted industries, in addition to enabling governments to rehire public sector staff and rebuild capacity. Among these uses include:

- ❖ **Delivering assistance to workers and families**, including aid to unemployed workers and job training, as well as aid to households facing food, housing, or other financial insecurity. In addition, these funds can support survivor's benefits for family members of COVID-19 victims.

- ❖ **Supporting small businesses**, helping them to address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance. To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn.
- ❖ **Speeding the recovery of the tourism, travel, and hospitality sectors**, supporting industries that were particularly hard-hit by the COVID-19 emergency and are just now beginning to mend. Similarly impacted sectors within a local area are also eligible for support.
- ❖ **Rebuilding public sector capacity**, by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels. Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.

Replacing lost public sector revenue

Many state, local, territorial, and Tribal governments have experienced significant budget shortfalls, which can yield a devastating impact on their respective communities. Faced with budget shortfalls and pandemic-related uncertainty, state and local governments cut staff in all 50 states. These budget shortfalls and staff cuts are particularly problematic, as these entities are on the front lines of battling the COVID-19 pandemic and helping citizens weather the economic downturn. Recipients may use these funds to replace lost revenue. Treasury's Interim Final Rule establishes a methodology that each recipient can use to calculate its reduction in revenue. Specifically, recipients will compute the extent of their reduction in revenue by comparing their actual revenue to an alternative representing what could have been expected to occur in the absence of the pandemic. Analysis of this expected trend begins with the last full fiscal year prior to the public health emergency and projects forward at either (a) the recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency or (b) 4.1%, the national average state and local revenue growth rate from 2015-18 (the latest available data). For administrative convenience, Treasury's Interim Final Rule allows recipients to presume that any diminution in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. Recipients will have the opportunity to re-calculate revenue loss at several points through the program, supporting those entities that experience a lagged impact of the crisis on revenues. Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue.

Providing premium pay for essential workers

ARPA Funds provide resources for eligible state, local, territorial, and Tribal governments to recognize the heroic contributions of essential workers. Since the start of the public health emergency, essential workers have put their physical well-being at risk to meet the daily needs of their communities and to provide care for others.

Many of these essential workers have not received compensation for the heightened risks they have faced and continue to face. Recipients may use this funding to provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present at their jobs including, among others:

- Staff at nursing homes, hospitals, and home-care settings
- Workers at farms, food production facilities, grocery stores, and restaurants
- Janitors and sanitation workers

- Public health and safety staff
- Truck drivers, transit staff, and warehouse workers
- Childcare workers, educators, and school staff
- Social service and human services staff

Treasury’s Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers requires specific justification for how it responds to the needs of these workers. In addition, employers are both permitted and encouraged to use Coronavirus State and Local Fiscal Recovery Funds to offer retrospective premium pay, recognizing that many essential workers have not yet received additional compensation for work performed. Staff working for third-party contractors in eligible sectors are also eligible for premium pay.

Investing in water, sewer and broadband infrastructure

Recipients may use ARPA Funds to invest in necessary improvements to their water and sewer infrastructures, including projects that address the impacts of climate change. Recipients may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.

Recipients may also use this funding to invest in wastewater infrastructure projects, including constructing publicly owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly owned treatment facilities. Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities.

The pandemic has underscored the importance of access to universal, high-speed, reliable, and affordable broadband coverage. Over the past year, millions of Americans relied on the internet to participate in remote school, healthcare, and work. Yet, by at least one measure, 30 million Americans live in areas where there is no broadband service or where existing services do not deliver minimally acceptable speeds. For millions of other Americans, the high cost of broadband access may place it out of reach. The American Rescue Plan aims to help remedy these shortfalls, providing recipients with flexibility to use Coronavirus State and Local Fiscal Recovery Funds to invest in broadband infrastructure. In view of the wide disparities in broadband access, assistance to households to support internet access or digital literacy is an eligible use to respond to the public health and negative economic impacts of the pandemic, as detailed above.

Ineligible Uses

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two ineligible uses of funds:

- ❖ **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent.** The American Rescue Plan ensures that funds needed to provide vital services and support public employees, small businesses, and families struggling to make it through the pandemic are not used to fund reductions in net tax revenue. Treasury’s Interim Final Rule implements this requirement.
- ❖ **No recipient may use this funding to make a deposit to a pension fund.** Treasury’s Interim Final Rule defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued,

unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.

Treasury’s Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves. Further, general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision. While the program offers broad flexibility to recipients to address local conditions, these restrictions help ensure that funds are used to augment existing activities and address pressing needs.

Proposed Allocation of Chula Vista American Rescue Plan Funds

The City of Chula Vista’s allocation from the ARPA is \$57.5 million with the first allocation received in May 2021 in the amount of \$28.7 million. The balance of funds is anticipated to be received no earlier than June 2022. Funds must be expended by the end of calendar year 2024. The table below reflects staff’s recommendation for allocation of ARPA funds and detailed descriptions of proposed expenditures follow.

ARPA Funding Recommendation			
Category	FY 2022	FY 2023	Total
Revenue Recovery			\$ 32,200,000
Governmental Funds	\$ 14,000,000	\$ 18,200,000	
Public Health			\$ 19,735,250
HVAC (GGV0261)	\$ 9,000,000	\$ 9,500,000	
COVID Testing/Vaccinations	\$ 667,625	\$ 567,625	
Premium Pay to Essential Workers	\$ 1,000,000	\$ 500,000	\$ 1,500,000
Economic Development			\$ 3,200,000
Small Business Grants	\$ 2,600,000	\$ -	
Choose Chula	\$ 300,000	\$ -	
Curb/Sidewalk Café Grant	\$ 300,000	\$ -	
Infrastructure			\$ 900,000
Broadband Design (GGV0263)	\$ 900,000	\$ -	
TOTAL	\$ 28,767,625	\$ 28,767,625	\$ 57,535,250

Note: Premium Pay to Essential Workers is included in the Governmental Fund Revenue Recovery category and the Premium Pay to Essential Workers category; the total allocation between both categories is \$5.59 million.

- **Revenue Loss (\$32.2 million):** An eligible use of the ARPA funding is for the replacement of revenue loss of local governments due to the COVID-19 public health emergency. This will ensure continuity of vital government services by filling budget shortfalls as a result of the pandemic. These funds are not allowed to fund the following:
 - Directly or indirectly offset reduction in net tax revenues;
 - Contribute to rainy day fund, financial reserves of similar funds;
 - Into a pension fund;
 - Payment of interest or principal on outstanding debt instruments incurred prior to March 3, 2021.

- **Public Health**

- **Heating Ventilation and Air Conditioning (\$18.5 million):** The Public Works Department contracted with Kitchell to prepare a facilities condition assessment report that included an evaluation of the Heating, Ventilation, and Air Conditioning (HVAC) systems at various City facilities. Included in the report was the recommendation to replace major components of the HVAC system at Police Headquarters. These components are original to the building that was constructed in 2004. Given the critical nature of this building, staff is recommending a single project to address all HVAC replacement and repairs as opposed to addressing HVAC needs at this facility through a phased approach. The ARPA funding will allow the City to address a major capital need and install a system that allows for a higher level of air filtration at a key 24/7 public safety facility providing protection against viruses through the enhanced air filtration unit. Amend the Fiscal Year 2021/22 CIP Program Budget for CIP Project GGV0261 in the ARPA Fund.
- **COVID Testing/Vaccinations (\$1.2 million):** On March 13, 2020, the President declared the COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the “Stafford Act”). Chula Vista was one of the first City’s in San Diego County to proclaim a local emergency due to COVID-19. In response to the disproportionate impact of the pandemic on the South Bay and to better serve and protect the community, the City of Chula Vista opened a City-run public COVID-19 testing site, free to Chula Vista and the surrounding communities. This testing site became one of the highest utilized testing sites in San Diego County due to the dates/hours of availability (Sunday-Thursday, 12pm-8pm). The testing site served the community from October 2020 – April 2021, completing more than 55,000 tests. Through the FEMA Public Assistance program, the Chula Vista Fire Department was able to hire hourly EMTs to perform the testing and the City hired temporary administrative staff to help with the clerical duties of the testing process.

As vaccines became available to San Diego County residents, the demand for testing decreased significantly. The City testing site, as well as several other sites around San Diego County were demobilized. Many of the personnel resources were reassigned to focus on vaccine administration.

However, because of vaccine hesitancy, new virus variants, and a portion of the population who are not yet eligible for the vaccine, case rates and testing positivity percentage are on the rise. The City must shift our resources to meet the new increased demand for testing and will need funding, to once again, support a testing program and provide vaccinations.

The City would like to allocate \$900,000 toward the COVID-19 testing program to hire staff, purchase testing materials, including personal protective equipment, and cover any miscellaneous costs that may arise. Miscellaneous costs may include registration system software, paper materials, courier services, etc. Without a cure for COVID-19, the impending flu season, and the need for data- driven decisions, testing remains an integral part in the fight against COVID-19.

- **Premium Pay to Essential Workers (\$1.5 million):** California Government Code declares all government employees Disaster Service Workers who can be called upon in any emergency. Since March 2020 City

employees were called on to respond to the pandemic in both their normal work duties and a variety of activities that are outside of their normal duties (food distribution, COVID testing and vaccination scheduling and site management). Essential Worker Premium is to recognize workers performing essential duties during this public health emergency. As noted above, Premium Pay to Essential Workers is included in this category and in the Governmental Fund Revenue Recovery Category; the total allocation for premium pay for both categories is \$5.59 million.

- **Economic Development (\$3.2 million)**

- **Small Business Grant Program (\$2.6 million):** In summer 2020, as part of inclusive economic development research and pandemic recovery efforts, surveys were sent to residents and business owners to better understand the impacts of the pandemic. Over 576 business owner surveys were received, and 794 community surveys were received which detailed the immediate needs of businesses and the community during the pandemic. The make-up of respondents and their expressed needs was used to inform the program framework and requirements for the Chula Vista CARES Small Business Grant Program which funded 279 small businesses. In summer 2021, a survey was sent to 7,636 businesses with email addresses on file and 180 survey responses were received. Most respondents indicated they would like funds to replenish depleted reserves, cover payroll, rent, equipment, and other debt that has accrued during the pandemic. The survey was also sent to the Third Avenue Village Association for distribution. Staff will bring back for City Council approval a small business grant program that mirrors the program implemented under the CARES Act in 2020 and a recommend partnership with the San Diego Foundation to administer and distribute the funds. Staff proposes to continue to target the businesses that were forced to close during the pandemic but will provide greater detail at a future Council meeting.
- **Choose Chula App (\$0.3 million):** Small businesses were disproportionately impacted by the pandemic and providing support to aid in their equitable economic recovery is critical. Staff sought creative ways to bolster a circular economic recovery, increase consumer confidence and provide businesses with marketing support, a key area of help identified in a city-wide business survey. To meet those needs, the Choose Chula small business support app pilot program launched June 15, 2021 with the state-wide reopening. In the first month of the soft launch, over 100 applications were received resulting in 89 businesses being admitted into the app and there were over 1,500 app downloads. ARPA funds will be directed towards continued technology optimization, administration and marketing costs for the program as well as funding the rewards budget that rewards app users with digital Chula Points.
- **Grants for Curb and Sidewalk Cafes (\$0.3 million):** At the July 13, 2021 City Council meeting the City Council approved a process to create attractive and accessible curb cafes and sidewalk cafes along the Third Avenue corridor and to offset the cost to permit and construct these facilities and appropriated ARPA funds that are dedicated to a reimbursement grant program for these facilities.

- **Infrastructure (\$0.9 million)**

- **Broadband Design (\$0.9 million):** As part of stakeholder engagement for the development of the Digital Equity & Inclusion Plan (DEIP), the City of Chula Vista hosted multiple workshops with key community stakeholders to better understand the local digital divide and to uncover opportunities for collaboration on digital equity projects. The first workshop was conducted in July 2019 and included over 50 attendees throughout the San Diego region, including community-based organizations, academic institutions, regional agencies, private businesses, and city staff. In January 2020, the city conducted the second workshop. At this workshop, the city was able to gain feedback from practitioners that advocate on behalf of the needs of a wide group of the city's population and tailor strategies for the DEIP. The list of workshop attendees included the regional

public agencies, academic institutions, non-profits and private sector, including SANDAG, Port of San Diego, San Diego Airport, City of Carlsbad, Chula Vista Elementary School District, T-Mobile, AT&T, Verizon, Cleantech San Diego, Computers 2 Kids, and the San Diego Futures foundation. This item will begin implementing the City's Digital Equity and Inclusion Plan and Telecommunications Master Plan by getting engineering and construction documents prepared that will be able to provide high-speed WIFI to the public at all City facilities in the future. Staff will look to future grant opportunities of the proposed Federal infrastructure bill to fund construction. Staff is recommending an amendment to the Fiscal Year 2021/2022 CIP Program Budget for CIP Project GGVO263 in the ARPA Fund.

Staff's proposed allocation of ARPA funds are all allowable uses under the Final Rule issued by the Treasury. The proposed allocation was strategically created to reduce the effort to provide ongoing reporting of expenditures to the Treasury and provides the city greater flexibility in how to allocate the revenue recovery funds to projects and programs that are important to our community. This action proposes to appropriate \$28.76 million from the ARPA funds into the above-mentioned categories. The remaining \$28.76 million will be included in the FY2022/2023 budget as indicated in the ARPA Funding Recommendation Table.

Proposed Allocation of Chula Vista Revenue Recovery Funds

The replacement of lost revenues represents a unique opportunity to reallocate revenue recovery funds towards infrastructure projects, operational support and economic development activities. The proposed list of projects was selected from a larger list that was submitted to the City Manager's office by each department. The City Manager's office reviewed the list and prioritized projects that represented a risk to the General Fund, provided operational support and invested in key economic development projects such as the University and Innovation District project. The table below reflects staff's recommendation for allocation of the Revenue Recovery funds:

Governmental Fund Revenue Recovery Recommendation				
Category	FY 2022	FY 2023	FY 2024	Total
Operational Support				\$ 7,290,000
Development Services Fund	\$ -	\$ 1,000,000	\$ -	
COVID Premium pay	\$ 2,900,000	\$ 345,000	\$ 845,000	
Funding new positions	\$ 350,000	\$ 350,000	\$ -	
PW Proj Management-Non CIP Proj (PWP0001)	\$ 1,000,000	\$ 500,000	\$ -	
Infrastructure				\$ 21,500,000
Main Street Fiber (GGV0258)	\$ 300,000	\$ -	\$ -	
Telegraph Canyon Culvert Repair (DRN0208)	\$ 3,200,000	\$ 9,000,000	\$ -	
Loma Verde Reconstruction (GGV0247)	\$ 4,000,000	\$ 4,000,000	\$ -	
Rehabilitation of the YMCA Building (GGV0262)	\$ 1,000,000	\$ -	\$ -	
Economic Development				\$ 3,410,000
Public Art Grants(Library)	\$ 400,000	\$ -	\$ -	
Starlight Parade	\$ 200,000	\$ -	\$ -	
Equity and Inclusion	\$ 100,000	\$ 100,000	\$ -	
University Innovation Center/Recruitment	\$ 550,000	\$ 2,060,000	\$ -	
TOTAL	\$ 14,000,000	\$ 17,355,000	\$ 845,000	\$ 32,200,000

Note: Premium Pay to Essential Workers is included in the Governmental Fund Revenue Recovery category and the Premium Pay to Essential Workers category; the total allocation between both categories is \$5.59 million.

- **Operational Support (\$7.29 million)**

- **Development Services Fund Revenue Recovery (\$1.0 million):** This funding will be used to offset personnel and contract costs incurred by the Development Services Fund in providing public services. Such services include providing permitting and code information to the general public, as well as processing and issuing various permits and conducting related inspections. Funds will also be used to digitize permit records, increasing ease of access to public records, and to support continued automation efforts, increasing permitting efficiency.
- **Essential Worker Premium (\$4.09 million):** California Government Code declares all government employees Disaster Service Workers who can be called upon in any emergency. Since March 2020 City employees were called on to respond to the pandemic in both their normal work duties and a variety of activities that are outside of their normal duties (food distribution, COVID testing and vaccination scheduling and site management). Essential Worker Premium is to recognize workers performing essential duties during this public health emergency.
- **New positions (\$2.2 million):** A number of new positions, as detailed in following table, are being recommended to be added to the General Fund staffing to support operations and the delivery of projects.

The position being proposed in the Information and Technology Department is critical to manage and protect the city-wide network as we begin to implement the Telecommunications Master Plan. Included in the funding is a 1.0 Chief Information Security Officer whose position will be utilized along with a Sr. Network Engineer to significantly strengthen the City's information security posture and ensure alignment with the National Institute of Standards and Technology (NIST) to help thwart cyber security threats such as Ransom Ware attacks on the City's critical infrastructure. This position is not offset by revenues so is proposed to be funded initially by unrestricted reimbursement from ARPA to the General Fund. The annual estimated cost for this position is \$176,282 and will be funded by unrestricted reimbursement from ARPA to the General Fund.

The position being proposed in the Finance Department is 1.0 Sr. Management Analyst that may be partially offset through grants but since all grants have different requirements this position is proposed to be initially funded by the General Fund. The position will be coordinating ARPA reporting and compliance requirements on behalf of the City. Ensuring APRA spending complies to all applicable program rules, providing technical support to other city departments, coordinating reporting to the Department of Treasury and assist with related program audits. This person will serve as a central grant coordinator, a position that currently does not exist when ARPA expires. The annual estimated cost for this position is \$126,000 and will be funded by unrestricted reimbursement from ARPA to the General Fund.

The positions being proposed in Public Works are needed given the time constraints associated with ARPA monies and the need to deliver projects at a faster pace and to address high priority projects. Staff recommends establishing a Project Management team in the Public Works Department in order to centralize project management. This will create a more efficient project delivery method. The Project Management team will be comprised of 1.0 Building Project Manager, 2.0 Building Project Supervisors, and 1.0 Management Analyst. The estimated annual cost for these positions is \$485,000 and will be funded by unrestricted reimbursement from ARPA to the General Fund. These positions will be included in the City's long-term financial plan as a general fund cost starting after project delivery but no later than 2026 when current funding sources are set to expire. Staff recommends creating a non-CIP project (PWP0001) in the Capital Improvement Projects fund for a total of \$1.5 million which will be used to offset costs for these new positions while they are working on the above mentioned project; funds will be transferred from this project to the General Fund to offset the PW Project Management expenses on an annual basis.

Engineering and Capital Projects Department is tasked with delivering \$49.2 million in new capital projects approved as part of the FY2021/22 Capital Improvement Program in addition to the projects recommended above. Given the deadline associated with the ARPA funding requiring prompt project delivery, additional staff is needed to support the increase in the Capital Improvement Program and not affect service delivery of other projects, including Measure P and the Bayfront development. The following positions including required equipment are proposed to be added to the Construction Inspection Section: 1.0 Senior Civil Engineer, 2.0 Associate Engineers, 1.0 Senior Building Inspector and the reclassification of an existing Senior Engineering Technician to 1.0 Senior Fiscal Office Specialist. These positions will be funded by reimbursements from various projects being delivered under ARPA, Measure P and Bayfront Redevelopment. The required equipment is estimated at \$160,000 dollars and will be funded by unrestricted reimbursement from ARPA to the General Fund. These positions will be included in

the City’s long-term financial plan as a General Fund cost starting after project delivery but no later than 2026 when funding sources expire.

Department	Position	FTE Changes
Public Works		
	Building Project Manager	1.0
	Building Project Supervisors	2.0
	Management Analyst II	1.0
Engineering/ Capital Projects		
	Senior Civil Engineer	1.0
	Associate Engineer	2.0
	Senior Building Inspector	1.0
	Senior Fiscal Office Specialist	1.0
	Senior Engineering Technician	(1.0)
Finance		
	Senior Management Analyst	1.0
Information Technology		
	Chief Information Security Officer	1.0
TOTAL FTE Changes		10.0

- **Infrastructure (\$21.5 million)**

- **Main Street Fiber (\$0.3 million):** The funding will allow the City to connect City facilities (Otay Recreation Center, Animal Shelter and Public Works Facility) to the existing fiber backbone located at City Hall. This will allow the future opportunity to provide free high speed WIFI to the public at the Otay Recreation Center. Amend the Fiscal Year 2021/2022 CIP Program Budget for CIP Project GGV0258 in the Capital Projects Fund.
- **Telegraph Canyon Channel from Hilltop Park to Third and L Street (\$12.2 million):** The need for Telegraph Canyon Channel improvements was identified as part of the Measure P asset management program. To help identify the needs of our community and to evaluate the state of our infrastructure, the City formed the Asset Management Program Advisory Committee (AMPAC) in March 2014. The committee continues to provide input into setting priorities for the Asset Management Program. Members of the AMPAC are residents, business owners, community leaders, and stakeholders. AMPAC members visited various asset management systems and observed and discussed the issues associated with each system. AMPAC reviewed the City’s overall Asset Management Program methodology and helped to guide and reach consensus on how to address infrastructure deficits. A technical committee was formed within AMPAC to further engage the public in the understanding and review of the asset management methodologies and logic used to define preservation and restoration costs and schedules. A comprehensive inventory of assets took place for each asset management system. Where accessible, assets were visited, and their conditions were assessed. Based on the condition, actions required to restore the asset were identified, and the cost and timing were estimated. Through assessment of risk (probability and consequence of failures), activities were prioritized and communicated regarding urgency and the financial and resource requirements. In July and August 2015, the City of Chula Vista engaged a research firm to conduct a public opinion survey to identify resident priorities and secure input on potential local funding mechanisms (bond or sales tax) to upgrade, repair and maintain critical infrastructure. In addition, a survey mailer was

distributed to 54,000 households and an online version posted on the City website from January through May 2016 to secure broad public input on infrastructure priorities. More than 3,000 responses were received. The Telegraph Canyon existing storm drain system is not adequate to convey water during a 100-year peak flow event requiring significant drainage improvements to be made to protect both private and public facilities. Amend the Fiscal Year 2021/2022 CIP Program Budget for CIP Project DRN0208 in the Capital Projects Fund.

- **Loma Verde Recreation Center (\$8.0 million).** The project is to demolish and reconstruct the existing recreation center to provide the following: a new multi-purpose gymnasium, dance rooms, crafts room, fitness room, classroom space, game room, hard courts, restrooms, changing rooms, staff offices, lifeguard staff room, break room, new pool mechanical equipment, wet and dry storage, replacement pool and associated pool deck area.

The City held fourteen (14) community engagement events in 2019 promoting the project. Events ranged from a booth at the “Day of the Child” Community Event, Measure P Citizens Oversight Committee, District 4 Town Hall meeting, Stakeholder meeting at Loma Verde School and Castlepark High School, Healthy Chula Vista Advisory Commission and “Cafecito” (Coffee Time) at the New Direction Family Resource Center and Fair Winds Resource Center. The Parks and Recreation Commission reviewed the project during their meeting held on January 21, 2021 and voted unanimously to approve the design for segments 1 and 2 of the Center. On April 22, 2021, the COC recommended approval of the Measure P spending plan for FY21/22 through FY 26/27 by a vote of 13-1 including appropriating funds to construct segments 1 and 2 of the Center and to complete the design and preparation of construction documents for the Center’s segment 3. Project funding recommended to date by the COC totals \$16.22 million. On August 10, 2021 the City Council unanimously approved \$8 million in funding from revenue recovery of ARPA to the General Fund. Amend the Fiscal Year 2021/2022 CIP Program Budget for CIP Project GGV0247 in the Capital Projects Fund.

- **Rehabilitation of the former YMCA Building (\$1 million):** The project is to develop a space that supports an opportunity for the Chula Vista Arts Community to showcase work and gatherings, where the community feels welcome and can experience art and culture. The focus of the building will be to create intergenerational collaborative opportunities while also supporting the development of opportunities for artists in residence. The building will be an opportunity for the Chula Vista arts community to grow their skills and showcase their talent. Amend the Fiscal Year 2021/2022 CIP Program Budget for CIP Project GGV0262 in the Capital Projects Fund.

- **Economic Development (\$3.41 million)**

- **Public Arts Grant (\$0.4 million):** The Public Arts Grant is proposed for two purposes. The first \$300,000 will be to support the local artists who were directly impacted by the loss of the City of Chula Vista’s Performing Visual Arts Grant. Each year, the program would grant monies directly to artists to perform/create within city limits to support the following:
 1. To increase public awareness of, and participation in, performing and cultural arts in our community
 2. To support individuals/groups/agencies/organizations that can provide the most accessibility to the cultural arts
 3. To encourage the growth of local arts resources
 4. To support and encourage new organizations and individuals applying for funding
 5. To promote cooperation and collaboration among the Chula Vista Public Library and local schools and performing and visual arts individuals/groups/agencies/organizations

6. To develop cultural venues which will attract both residents and tourists
7. To serve the cultural needs of the community
8. To broaden and leverage public and private support for the performing arts
9. To maintain and preserve the City's artistic cultural and historic heritage
10. To support exemplary community arts education

The requested amount would be granted to the arts community in a similar fashion to the grant program, where artists would be paid to create/perform art within our community. Our goal is to continue to promote and stimulate the growth of performing and cultural arts within the City of Chula Vista through a grant application process for local performing and visual arts groups and individuals. The grant fund supports art projects such as: dance, design arts, media arts, music, photography, theater, traditional/folk arts and visual arts, or interdisciplinary expressions involving more than one of the above fields.

The remaining \$100,000 will be allocated for the Small Business Art Incentive Program. Our goal is supporting our local businesses and artists by providing an incentive for local businesses to purchase art for their businesses that are created directly from our local artists within Chula Vista to further stimulate the art economy.

Starlight Parade (\$0.2 million) The Starlight Parade is City-sponsored events where the City Council commits funding, staffing and other in-kind support for these annual celebrations. These beloved events were cancelled in 2020 and these funds will help reactivate events for local and regional residents and visitors. The Starlight Parade has been a cherished community event for more than 50 years and has brought tens of thousands of people to Chula Vista. The 2019 Starlight Parade attracted more than 30,000 people to Third Avenue and resulted in activating businesses, restaurants, and pubs while promoting community engagement, generating widespread media coverage and social media attention, and promoting sponsor support. Parade entries included spectacular floats and entries including schools, bands, dance groups, music performances, veterans and military groups, car clubs, local merchants, and more. After cancelling the December 2020 parade, we expect thousands of spectators and parade participants. The return of the Starlight Parade will celebrate our businesses and community as we emerge from the pandemic and bring the magic and spirit of the holidays to the historic Chula Vista Third Avenue Village.

- **Equity and Inclusion (\$0.2 million):** The City has embarked upon advancing intentional equity and inclusion efforts to unify existing projects and programs and create a future action plan to ensure equitable practices in all facets of city operations. This funding would be allocated towards third party assistance in facilitating discussions and collaborating with internal and external stakeholders to create a broader city-wide approach that may result in an Equity and Inclusion Action Plan. The Equity and inclusion effort are being pursued in conjunction with the City Manager's acceptance into the Leadership Institute on Race, Equity and Inclusion led by the ICMA, Kettering Foundation and National Civic League.
- **University Innovation Center and Recruitment (\$2.61 million):** This funding will serve as a catalyst tool for recruiting and seeding the University. One concept is the development of an innovation center at the Chula Vista Elite Athlete Training Center (CVEATC) in the interim to establish a physical presence on the university site. Establishing the Innovation Center at the CVEATC solidifies the valuable relationship between the existing asset of CVEATC and the planned University-Innovation District.

Conclusion

Staff carefully evaluated the allowable uses of ARPA funds to ensure they could be leveraged to the fullest extent possible for the community on unfunded projects that pose a threat to the General Fund. Staff believes the proposed spending plan makes critical investments in economic development, small business recovery, strategic infrastructure projects, operational support and public health while working to minimize arduous federal reporting requirements through the revenue recovery approach described in the report. Most importantly, the proposed spending plan prioritizes the importance of equity as we work towards a community recovery from the COVID-19 health and economic crises.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, et seq.). Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

The City of Chula Vista received \$28,767,625 from the Department of Treasury from the American Rescue Plan that will be used to assist in offsetting some of the anticipated impacts due to COVID 19 crisis. Based on the Proposed Chula Vista Allocation Plan staff is recommending the following appropriations by Fund which includes \$945,225 staff time reimbursements from project funds:

Fund Budget Adjustments Summary												
FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	OTHER EXPENSES	OTHER CAPITAL	CIP BUDGET	TRANSFERS OUT	NON-CIP BUDGET	TOTAL EXPENSE	TRANSFERS IN	REIMB REVENUES	TOTAL REVENUE	NET COST
American Rescue Plan 2021	\$ 1,000,000	\$ 667,625	\$ 3,200,000	\$ -	\$ 9,900,000	\$ 14,000,000	\$ -	\$ 28,767,625			\$ 28,767,625	\$ -
General Fund	3,275,122	860,000	400,000	205,000				4,740,122	3,794,897	945,225	4,740,122	-
Capital Improvement Fund	-	-	-	-	8,500,000	-	1,000,000	9,500,000	9,500,000	-	9,500,000	-
Transportation Grants-Gas Tax	3,348	-	-	-	-	-	-	3,348	3,348	-	3,348	-
2018 Measure A Sales Tax	267,023	-	-	-	-	-	-	267,023	267,023	-	267,023	-
Advanced Life Support Program	5,022	-	-	-	-	-	-	5,022	5,022	-	5,022	-
Federal Grants	71,982	-	-	-	-	-	-	71,982	71,982	-	71,982	-
State Grants	18,515	-	-	-	-	-	-	18,515	18,515	-	18,515	-
Environmental Services	13,392	-	-	-	-	-	-	13,392	13,392	-	13,392	-
Chula Vista Housing	6,696	-	-	-	-	-	-	6,696	6,696	-	6,696	-
Central Garage Fund	16,740	-	-	-	-	-	-	16,740	16,740	-	16,740	-
City Jail	25,110	-	-	-	-	-	-	25,110	25,110	-	25,110	-
Development Services Fund	103,788	-	-	-	-	-	-	103,788	103,788	-	103,788	-
Transport Enterprise	93,135	-	-	-	-	-	-	93,135	93,135	-	93,135	-
Sewer Service Revenue	80,352	-	-	-	-	-	-	80,352	80,352	-	80,352	-
TOTAL OTHER FUNDS	\$ 4,980,225	\$ 1,527,625	\$ 3,600,000	\$ 205,000	\$ 18,400,000	\$ 14,000,000	\$ 1,000,000	\$ 43,712,850	\$ 14,000,000	\$ 945,225	\$ 43,712,850	\$ -

General Fund Budget Adjustments Summary

DEPARTMENT/GENERAL FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	OTHER EXPENSES	OTHER CAPITAL	TOTAL EXPENSE	TOTAL REVENUE	NET COST
City Council	\$ 15,066	\$ -	\$ -	\$ -	\$ 15,066	\$ 15,066	\$ -
City Clerk	10,044	-	-	-	10,044	10,044	-
City Attorney	28,458	-	-	-	28,458	28,458	-
Administration	13,392	200,000	-	-	213,392	213,392	-
Information Technology	230,132	-	-	-	230,132	230,132	-
Human Resources	33,480	-	-	-	33,480	33,480	-
Finance	198,546	-	-	-	198,546	198,546	-
Animal Care Facility	41,850	-	-	-	41,850	41,850	-
Economic Development	20,088	100,000	-	-	120,088	120,088	-
Non-Departmental	33,480	550,000	-	-	583,480	583,480	-
Engineering/Capital Projects	493,237	-	-	160,000	653,237	653,237	-
Police	1,002,921	-	-	-	1,002,921	1,002,921	-
Fire	507,310	-	-	-	507,310	507,310	-
Public Works	469,674	10,000	-	45,000	524,674	524,674	-
Parks and Recreation	133,920	-	-	-	133,920	133,920	-
Library	43,524	-	400,000	-	443,524	443,524	-
TOTAL GENERAL FUND	\$3,275,122	\$ 860,000	\$ 400,000	\$ 205,000	\$4,740,122	\$4,740,122	\$ -

Total General Fund allocation includes reimbursements from other funds for Engineering and Public Work Department positions for approximately \$945,225 .

Summary of CIP Program Budget Amendments

Project	Project Description	Amount
GGV0258	Fiber Optic Comm to City Facilities along Main St	\$ 300,000
DRN0208	Prelim Eng & Env Stds Telegraph Canyon	3,200,000
GGV0247	Loma Verde Aquatic and Recreation Center	4,000,000
GGV0262	50 N 4th Rehab (former YMCA)	1,000,000
GGV0263	Broadband Design	900,000
GGV0261	Police Department HVAC Replacement	9,000,000
Total		\$ 18,400,000

Summary of Non-CIP Program Budget Amendment

Project	Project Description	Amount
PWP0001	Public Works Project Management	\$ 1,000,000
Total		\$ 1,000,000

ONGOING FISCAL IMPACT

The remaining \$28,767,625 American Rescue Plan allocation will be included in the Fiscal Year 2023 and Fiscal Year 2024 proposed budgets for City Council consideration.

ATTACHMENTS

None.

Staff Contact: Eric C. Crockett, Deputy City Manager
 Willian Valle, Director of Engineering and Capital Projects
 Matt Little, Director of Public Works
 Tracy McCraner, Interim Director of Finance

Tracy Lamb, Director of Community Services
Courtney Chase, Director of Human Resources
Joy Whatley, City Librarian

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA AUTHORIZING THE ACCEPTANCE OF
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY
FUNDS ESTABLISHED BY THE AMERICAN RESCUE PLAN
ACT OF 2021 ALLOCATION OF \$28,767,625 FROM THE
UNITED STATES DEPARTMENT OF TREASURY AND
APPROPRIATING FUNDS IN FISCAL YEAR 2021/22

WHEREAS, in May 10, 2021, as a result of the COVID-19 virus, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021 (ARPA); and

WHEREAS, ARPA is designed to deliver \$350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts; and

WHEREAS, the City of Chula Vista will receive \$57,535,251 in two tranches with \$28,767,625 provided in May 2021 and the remaining \$28,767,625 to be received twelve months later; and

WHEREAS, eligible categories of ARPA expenditures include:

- Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

WHEREAS, ineligible categories of APRA expenditures are;

- States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent. The American Rescue Plan ensures that funds needed to provide vital services and support public employees, small businesses, and families struggling to make it through the pandemic are not used to fund reductions in net tax revenue. Treasury's Final Rule implements this requirement.

- No recipient may use this funding to make a deposit to a pension fund. Treasury’s Final Rule defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.

WHEREAS, the City of Chula Vista’s total allocation is \$57,535,251 and the City’s use of these funds must comply with ARPA grant requirements; and

WHEREAS, prior to acceptance of these funds, the City had to submit a Financial Assistance Agreement in order to receive the funds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista that it: (i) authorizes the acceptance of \$28,767,625 in Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021 (ARPA) from the United States Department of Treasury; (ii) authorizes the appropriations of such funds to an interest bearing fund labeled American Rescue Plan 2021 with expenditures to be made in accordance with ARPA allocation plans presented in the staff report for this item, subject to modifications by the City Manager that may be necessary or appropriate to assure expenditure of all available funds in a qualified and timely manner; (iii) hereby amend the fiscal year 2021/2022 CIP Program Budget; (iv) hereby amend the fiscal year 2021/2022 operating and CIP Budget; (v) and hereby approve the following appropriations and transfers:

Fund Budget Adjustments Summary												
FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	OTHER EXPENSES	OTHER CAPITAL	CIP BUDGET	TRANSFERS OUT	NON-CIP BUDGET	TOTAL EXPENSE	TRANSFERS IN	REIMB REVENUES	TOTAL REVENUE	NET COST
American Rescue Plan 2021	\$ 1,000,000	\$ 667,625	\$ 3,200,000	\$ -	\$ 9,900,000	\$ 14,000,000	\$ -	\$ 28,767,625			\$ 28,767,625	\$ -
General Fund	3,275,122	860,000	400,000	205,000				4,740,122	3,794,897	945,225	4,740,122	-
Capital Improvement Fund	-	-	-	-	8,500,000		1,000,000	9,500,000	9,500,000		9,500,000	-
Transportation Grants-Gas Tax	3,348	-	-	-	-	-	-	3,348	3,348	-	3,348	-
2018 Measure A Sales Tax	267,023	-	-	-	-	-	-	267,023	267,023	-	267,023	-
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GGV0261	Police Department HVAC Replacement	9,000,000.00
Total		\$ 18,400,000

Summary of Non-CIP Program Budget Amendment

Project	Project Description	Amount
PWP0001	Public Works Project Management	\$ 1,000,000
Total		\$ 1,000,000

Presented by

Approved as to form by

 MARIA KACHADOORIAN
 City Manager

 GLEN R. GOOGINS
 City Attorney

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING THE AUTHORIZED POSITION COUNTS IN VARIOUS DEPARTMENTS WITH A NET INCREASE IN AUTHORIZED STAFFING

WHEREAS, ten (10) new positions are being recommended to be added to the General Fund staffing to support operations and the delivery of projects;

WHEREAS, two of the proposed classifications (in Finance and Information Technologies Departments) are critical positions to manage all the reporting requirements of the grants received by the City and to protect the city-wide network as we begin to implement the Telecommunications Master Plan;

WHEREAS, additional positions being proposed in the Public Works Department are needed given the time constraints associated with ARPA monies and the need to deliver projects at a faster pace and to address high priority projects and therefore, staff recommends establishing a Project Management team in the Public Works Department in order to centralize project management; and

WHEREAS, the Engineering and Capital Projects Department is tasked with delivering \$49.2 million in new capital projects approved as part of the FY2021/22 Capital Improvement Program and given the deadline associated with the ARPA funding requiring prompt project delivery, additional staff is needed to support the increase in the Capital Improvement Program and not affect service delivery of other projects, including Measure P and the Bayfront development.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it approves the following changes to the Fiscal Year 2021-2022 authorized position count in the various departments with a net increase in authorized staff as follows:

Department	Position Title	FTE
Engineering	Associate Engineer	2.00
	Building Inspector	1.00
	Senior Civil Engineer	1.00
	Senior Engineering Technician	-1.00
	Senior Fiscal Office Specialist	1.00
Finance	Management Analyst II	1.00
Information Technology	Cyber Security Position (Title TBD)	1.00
Public Works	Building Project Manager	1.00
	Building Project Supervisor	2.00
	Management Analyst II	1.00
Total City-Wide Position Changes (Net Increase/Decrease)		10.00

Presented by

Approved as to form by

Courtney Chase
Director of Human Resources

Glen R. Googins
City Attorney