

REQUEST FOR COUNCIL ACTION



CITY COUNCIL MEETING DATE:

JANUARY 7, 2021

TITLE:

**APPROPRIATE \$250,000 OF GENERAL
FUND RESERVE FOR IMPLEMENTATION
OF COVID-19 TESTING AND
VACCINATIONS AND AUTHORIZE THE
CITY MANAGER TO EXECUTE
AGREEMENTS WITH QUALIFIED VENDORS
FOR THESE SERVICES (TOTAL FUNDING
NOT TO EXCEED \$750,000)**

CITY MANAGER

CLERK OF COUNCIL USE ONLY:

APPROVED

- ☐ As Recommended
- ☐ As Amended
- ☐ Ordinance on 1st Reading
- ☐ Ordinance on 2nd Reading
- ☐ Implementing Resolution
- ☐ Set Public Hearing For _____

CONTINUED TO _____

FILE NUMBER _____

RECOMMENDED ACTION

1. Approve an appropriation adjustment to allocate \$250,000 of General Fund Reserves for expenditures in response to COVID-19.
2. Direct the City Attorney to finalize and authorize the City Manager to enter into negotiations, execute agreements, and approve any other required actions necessary with various service providers, contractors, and sub-recipients for COVID-19 testing and vaccine distribution.

DISCUSSION

As of the 4th of this month, our City had 32,077 total confirmed positive cases and 380 individuals have lost their life. City efforts to provide assistance to our community were primarily funded by Federal Coronavirus Relief Funds, commonly referred as CARES dollars, provided by the State of California. These funds created multiple assistance programs under the Santa Ana CARES umbrella; unfortunately, the funding was exhausted last month. With those dollars, the City of Santa Ana was able to be at the forefront of providing services to our community including testing, access to health information, personal protective equipment, isolation and over \$10 million in direct financial assistance.

The depletion of these funds caused the City of Santa Ana to pause many of the programs including local COVID-19 testing. While other COVID-19 testing options are still available from health care agencies and clinics including the Anaheim Convention Center, OC Fairgrounds and through the mail, an interest has been expressed to provide easily accessible testing locally for our residents.

To potentially restart local testing, the City of Santa Ana has been working closely with the Santa Ana College Chancellors' office and potential testing vendors. The City has preliminarily sought opportunities to secure the maximum amount of testing with limited funding by ensuring reimbursements, when available, from third parties are fully exhausted.

In addition, as the State receives distribution of vaccination doses and our region begins the planning and implementation of vaccinations, there is an opportunity for the City to lead the efforts for a vaccination site within our City. By working closely with the County of Orange, this could provide a locally accessible option for our community. The protocol for vaccinations in our region, which must be in accordance with the State guidelines, are currently being developed and should be available within the next two weeks. Further, there is the potential for reimbursement submission of at least 75% of costs for this activity through FEMA. Details are still developing on whether or not the City will be the direct recipient of any other COVID-19 State or Federal financial assistance.

FISCAL IMPACT

On December 1, 2020, the City Council approved a second amendment to the COVID-19 Response Funding Plan for CDBG dollars. The amendment included an allocation of \$500,000 for testing and vaccine distribution that remains available. However, there are qualification factors for use of this money that is to serve low-income residents. Staff is already working on developing verification processes to meet the federal requirements. Currently, the General Fund is the only other funding source available for COVID-19 testing and vaccinations and would be needed for residents that do not meet the qualifications of the CDBG funding source. With the closure and audit of the financial books for FY19-20 there was an additional \$5.7 million added to the general fund balance of which \$250,000 may be appropriated to supplement the testing and vaccination efforts. Detailed information will be provided with the upcoming presentation of the audited financial statements and Midyear budget report.

Should Council proceed with these actions the funding in an amount not to exceed \$750,000 would be funded as follows:

Accounting Unit	Fund Description	Funding Amount
13518788	CDBG Fund, CDBG-CV3	\$500,000
01105015	General Fund, Non-Departmental	\$250,000
Total		\$750,000

Fiscal Impact Verified By: Kathryn Downs, CPA, Executive Director – Finance and Management Services Agency

Submitted By: Kristine Ridge, City Manager