



City Council Report

Date: October 3, 2022
To: City Council
Through: Scott J. Butler, Assistant City Manager
From: Sharon Skinner, Grants Coordinator
Subject: Ordinance amending the Mesa City Code to delegate authority to the City Manager to enter into and accept certain grant agreements without prior City Council approval.

Purpose and Recommendation

Under this Ordinance amendment, the city manager will be able to enter into and execute grant agreements for the receipt of grant funds under the following conditions:

1. When there is a declared national, state or local emergency or when the grant is related to or intended to mitigate the effects of an emergency;
2. When the grant has a local match requirement of \$100,000 or less and does not require the City to hire additional full-time employees;
3. When the grant is for a capital improvement project;
4. When the grant is for a Falcon Field Airport project;
5. The City Manager will provide the City Council with periodic updates on all grant agreements the City Manager enters into pursuant to this authority.

Background

Currently, city ordinance requires that all grant awards of \$25,000 or more or those adding grant-funded staff must be approved by City Council.

Discussion

The current grant award acceptance process has been in place for decades and did not account for the current increase in funding amounts, nor the number of grants the city now applies for and receives. Additionally, the current system was not designed to respond to the recent influx of emergency federal funding due to the pandemic.

Numerous issues have arisen when state and federal funding agencies have desired to increase funding for local projects but rather than issuing an amendment have opted to withdraw the initial award and issue a new award, which then requires staff

to seek City Council approval of a new award for the same project.

Additionally, some funders do not allow enough time for the current city process, especially during times when the City Council schedule is modified, which creates the need for staff to affect emergency procedures to meet the funder's deadline for acceptance.

This amendment will allow staff and City Manager to be more adaptable and efficient in accepting grant awards and improve timeliness of receipt of grant funds and completion of critical city projects.

Alternatives

The only alternative to authorizing this Intergovernmental agreement is to deny it. Such action would retain the current requirements of City Council approval for all grants in the amount of \$25,000 or more as well as those that create grant-funded staff positions without regard to the challenges outlined above.

Fiscal Impact

Overall operations and maintenance expenses will not increase due to this change. In fact, increased efficiency means less staff time needed to be spent on the Council approval process, which can be focused on researching, applying for, and managing grant funding to improve city operations and provide additional community services and improvements.

Staff energy will remain focused on ensuring successful implementation, monitoring and completion of grant funded projects and will provide City Council with regular reports on all awarded grant funds and related projects.

This amendment **does not** change or affect City requirements related to budget and expenditure approvals and controls.

Coordinated With

City Attorney and Grants Coordinator have coordinated with City Departments and City Manager's staff in the development of this Ordinance Amendment.