



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 15, 2020

DATE: September 8, 2020

TO: Peter Zanoni, City Manager

FROM: Heather Hurlbert, Director of Finance and Business Analysis
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<p>Resolution binding the City of Corpus Christi to provide up to \$167,500 from Corona Relief Funds to Calallen ISD, Tuloso-Midway ISD and West Oso ISD for matching funds to purchase telelearning solutions</p>
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CAPTION:

Resolution authorizing the City's intent to provide a total of up to \$167,500 from the City's Coronavirus Relief Fund allocation through the CARES Act to Calallen Independent School District, Tuloso-Midway Independent School District and West Oso Independent School District (\$129,000, \$18,000, and \$20,500 respectively) as matching funds for the purchase of computer equipment necessary to facilitate compliance with COVID-19 related public health measures and tele-learning.

SUMMARY:

The City of Corpus Christi received an allocation of up to \$17,960,470 from the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") for Coronavirus Relief Funds (CRF) through the State of Texas. Calallen ISD, Tuloso-Midway ISD, and West Oso ISD have requested funding from the allocation for up to \$129,000 for Calallen ISD up to \$18,000 to Tuloso-Midway ISD, and up to \$20,500 to West Oso ISD from the City of Corpus Christi's \$17,960,470 allocation. The funds requested will provide matching funds for the Texas Education Agency's (TEA) Operation Connectivity to purchase Chromebooks and WIFI hotspots to be used for remote learning in response to the public health emergency if the school districts' applications are approved by TEA.

BACKGROUND AND FINDINGS:

The CARES Act established the Coronavirus Relief Fund (CRF) and appropriated \$150 billion to this fund. Under the CARES Act, the CRF is to be used to make payments for specific uses to states and certain local governments. The CARES Act provides that payments from the CRF may only be used to cover costs that:

1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the state or government); and
3. Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

Expenses that qualify under these criteria are then categorized into one of six expense categories:

1. Medical Expenses,
2. Public Health Expenses,
3. Payroll Expenses for employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency,
4. Expenses of action to facilitate compliance with COVID-19 related public health measures,
5. Expenses associated to the provision of economic support in connection with the COVID-19 public health emergency, and
6. Any other COVID-19 related expenses reasonably necessary to the function of the government that satisfy the CRF's eligibility criteria

The State of Texas included additional regulations to the counties and municipalities that received the allocation through the State, requiring that up to 100% of the funding can be used for categories 1-3 but only up to 25% can be used for categories 4-6. The amounts requested fall under category 4.

Cities with a population of less than 500,000 located in a county with a population of less than 500,000 were allocated funds for CRF from the CARES Act based on a per capita basis at \$55 per person. This equates to a total distribution of up to \$17,960,470 for Corpus Christi (326,554 population x \$55 per person).

TEA is helping school districts purchase equipment to support remote learning which has become an essential part of schools' academic offering. In response to this critical need, Governor Abbott and Texas legislative leaders have allocated \$200 million in State CARES Act Coronavirus Relief Fund to match \$200 million in local district funding. This combined \$400 million in bulk buying power will be used to cover the purchases of internet solutions such as hotspots and e-learning devised for Texas' school districts, with the goal of providing connectivity technology for all students who would not otherwise have them. Local education agencies are eligible for additional State Corona Virus Relief Fund fund-matching if they receive funding from their local city or county CRF. TEA will increase its fund matching by \$1 for every \$1 of local CRF that local education agencies receive, up to a maximum of 25% of the expenditure approved.

Calallen ISD, Tuloso-Midway ISD, and West Oso ISD have requested funding from the City's CRF allocation for up to \$129,000 for Calallen ISD, up to \$18,000 to Tuloso-Midway

ISD and up to \$20,500 to West Oso ISD from the City of Corpus Christi's \$17,960,470 allocation. The school districts will submit their application for funding through Operation Connectivity when the application period opens, and TEA will make a final determination on the funding after submittal. To be eligible for the additional TEA funding match, the school districts must have an allocation commitment from the City to include with the application.

After TEA announces grant awards and Calallen ISD, Tuloso-Midway ISD and/or West Oso ISD are grant recipients, a separate action item will be placed on a City Council Agenda to consider approval of an inter-agency agreement for funding from the \$167,500 earmarked allocation.

ALTERNATIVES:

The City could choose not to allocate the requested amount or allocate a lesser amount to the school districts

FISCAL IMPACT:

If a portion of the City's allocation of up to \$17,960,470 is used to fund the school districts, then there will be less to use for other needs and purposes.

Funding Detail:

Fund:	1063 Emergency Management Grant Fund
Organization/Activity:	690001F CARES Act CRF Grant
Mission Element:	N/A
Project # (CIP Only):	N/A

RECOMMENDATION:

City staff recommends approving the commitment of an amount up to \$167,500 from the City's allocation from the State of Texas of Coronavirus Relief Funds established by the CARES Act to Calallen ISD, Tuloso-Midway ISD and West Oso ISD for matching funds for the Texas Education Agency's (TEA) Operation Connectivity to purchase Chromebooks and WIFI hotspots to be used for remote learning due to the COVID-19 public health emergency.

LIST OF SUPPORTING DOCUMENTS:

Resolution