

City Council – Action Request Form

Date: March 14, 2023

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Lee Garrity, City Manager

Council Action Requested:

Resolution limiting the addition of capital projects to City department work plans without formal approval by the Mayor and City Council

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City's Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

On February 27, 2023, the Budget and Performance Management Department provided a presentation that included a review of currently funded general government capital projects (excluding Utilities Department projects). That update noted more than 290 active projects and holding codes for which appropriations already exist. Projects were assigned to Tier One or Tier Two status based on priority level, where Priority One projects are Key Work Items and other high priority projects, and Tier Two projects included all other funded projects. All unfunded projects were assigned to Tier Three. As part of the presentation, staff also showed current vacancy rates City-wide exceeding 20%. The level of vacancy has hampered the ability of departments to manage the current inventory of projects.

Considering the inability of staff to manage additional projects due to current vacancy levels, the attached resolution establishes a policy under which new projects may only be added to Tier One or Tier Two by formal vote of the Mayor and City Council. This includes both new capital

Committee Action:

Committee	<u>Finance 3/14</u>	Action	<u>Approval</u>
For	<u>Unanimous</u>	Against	<u></u>

Remarks:

projects and project planning services that are not currently authorized. This resolutions aims to limit additional workload related to managing project master planning, design, and construction services for any project not already authorized by the Mayor and City Council.

The resolution allows for exceptions to this policy related to emergency projects and operationally necessary repair and replacement of current equipment and infrastructure.

The City currently has an annual capital planning process under which appropriations for new projects are made. Staff will review financial and staff capacity during the capital planning process and make professional recommendations for the addition of projects. The Mayor and City Council will review those recommendations as part of the budget process, and all approved projects will be added to either Tier One or Tier Two when appropriations are approved.

It is the intent of the attached resolution to limit the addition of new projects and allow staff to focus on current priorities, which should in turn allow for more timely completion of previously approved projects.