

FEMA Grant Deobligation Impacts and Recommendations

City of Coconut Creek

Subject: FW: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, April 6, 2015

From: Rose, Sheila [<mailto:SRose@coconutcreek.net>]

Sent: Monday, April 6, 2015 5:19 PM

To: Belvedere, Mikkie; Stuart Greg

Cc: Blasi, Mary

Subject: FW: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, April 6, 2015

From: Lake, Peta-Gay

Sent: Monday, April 06, 2015 4:43 PM

To: Brooks, Karen

Subject: RE: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, April 6, 2015

Please see below:

The City of Coconut Creek is not aware of nor has evaluated any pending bills that would lead to the Federal Emergency Management Agency (FEMA) grants no longer being obligated.

The City of Coconut Creek relies on Federal Emergency Management Agency (FEMA) grants to quickly respond to and recover from major disasters or emergencies. In addition, the City has also applied for and received FEMA grant assistance for emergency protective and hazard mitigation purposes, including retrofitting current facilities to withstand major disasters and undergrounding aerial utility lines. Overall, the City's experience has been positive. However, due to the complex grant requirements which are typically subject to interpretation, the City has been exposed to variations in interpretation, or interpretations that do not support overall efficiency for both agencies, which has made the grant process more cumbersome. We look forward to continuing to work with FEMA to resolve some of these complexities in the future.

Peta-Gay

City of Ft. Lauderdale

From: Bruce G. Roberts <BRoberts@fortlauderdale.gov>
Sent: Sunday, April 5, 2015 2:20 PM
To: Lee Feldman
Cc: Stuart Greg; Singer Kathy
Subject: Re: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, April 6, 2015
Attachments: image008.jpg; image009.jpg; image010.png; image011.jpg; image012.png; image013.png; image014.png; image015.png; image016.png; image017.jpg

Thanks, Lee.

Bruce Roberts

On Apr 5, 2015, at 12:38 PM, Lee Feldman <LFeldman@fortlauderdale.gov<<mailto:LFeldman@fortlauderdale.gov>>>> wrote:

Greg:

I have attached a summary of our current deobligation issue from Hurricane Wilma. I believe it is a good summary of the issues surrounding the complexities of the Stafford Act. Currently FEMA is examining its Public Assistance program and I would be supportive of including FEMA's recommendations into any legislation that Congress will be considering.

Thank you.

Lee

Lee R. Feldman | City Manager
City of Fort Lauderdale, Florida

<image008.jpg><image009.jpg>

Follow me on Twitter! <image010.png><<http://twitter.com/leefeldman>>

From: Singer Kathy [<mailto:SingerK@browardmpo.org>]
Sent: Wednesday, April 01, 2015 11:31 AM
Subject: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, April 6, 2015

THIS E-MAIL IS SENT ON BEHALF OF GREGORY STUART, EXECUTIVE DIRECTOR, BROWARD MPO

April 1, 2015

Dear Board Members and City Managers,

Congresswoman Lois Frankel has asked our Member City Governments to provide her with background on how each City in Broward County has been impacted now that Federal Emergency Management Agency (FEMA) grants

City of Fort Lauderdale - Second Appeal Meeting
Deobligation of \$9,957,555 in Debris Removal Costs
PW 2932 - Hurricane Wilma

Summary of Issues

1. FEMA has deobligated all costs incurred by City to remove sand debris, tree debris, and stumps.
Rationale: OIG stated work not specifically included in PW 2932. **At issue: \$8,693,270**
2. FEMA / OIG reduced approved cost of TDRS operations by \$129,235
Rationale: None provided. **At issue: \$ 129,235**
3. FEMA / OIG disallowed one fifth of \$5.8 million cost of debris removal by City T&M contractors
Rationale: Costs were above \$11.50 Crowder-Gulf contract price. **At issue: \$1,104,070**

Background

1. Hurricane Wilma made landfall October 24, 2005, crossing Florida from west to east as a major hurricane. Very substantial vegetative, sand, tree debris.
2. Fort Lauderdale had a pre-disaster competitively procured debris contract with Crowder-Gulf inc.:
 - a. unit prices for pick up and haul to TDRS sites, and for haul from TDRS sites to final disposal sites
 - b. T&M rates for operation of TDRS sites, sand removal and sand screening, and tree work.
3. At landfall, City was engaged in major waterworks project using 15 contractors, whose equipment and workforce was idled while debris efforts were underway. City contracted with this workforce to supplement Crowder-Gulf efforts to pick up and haul debris to TDRS sites. Amount paid to these contractors for debris removal under T&M contracts was \$5.8 million.
4. Work by waterworks contractors was complete in 37 days. Crowder-Gulf debris pickup and haul complete by January. TDRS sites completed work in March, 2006.
5. FEMA obligated PW 2932 in March, 2006, noting 99% of work had been complete as of February 1, 2006
 - a. Scope of work: Removal of "Mixed Storm Debris"
 - b. Attaches Crowder-Gulf and Monitoring Contracts Attachment 6, pp 22-99; pp100-125.
 - c. Also attaches monitoring reports showing sand removal as part of work. Attachment 6, page 15
 - d. The existence of extensive sand, sand screening, and tree debris was self-evident in the coastal community of Fort Lauderdale. See pictures in Attachment 19. The work to remove this debris had been performed well before the obligation of the PW, and had been covered by the Crowder-Gulf contract. The PW nonetheless did not specifically state that the "mixed storm debris" covered included both tree and beach/sand debris.
6. History of obligation of PWs:
 - a. OIG Audit in 2006 - led to deobligation of \$1.104 million of T&M contractor costs
 - b. PW 2932, Version 4 in 2009 found all costs eligible, including the \$1.104 previously denied.
 - c. OIG Audit in 2010:
 - i. found \$8,693,270 in beach, sand, tree work was outside scope of PW 2932
 - ii. recommended disallowance of \$129,235 of TDRS costs without explanation
 - iii. recommended \$1.135 million disallowance of T&M costs based on pre-event \$11.50 rate
 - d. FEMA Version 5 - adopts OIG recommendations with no discussion - just "FEMA concurs"
 - e. FEMA First Appeal Decision - says only that First Appeal had not provided:
 - i. "the level of information necessary to expand upon the PW's scope issue," or
 - ii. "evidence sufficient to change this determination" on T&M contractor costs.

Second Appeal Meeting - City of Fort Lauderdale - July 15, 2014

\$8,693,270 deobligated as beyond scope of work of PW 2932

1. Closeout team in 2009 approved the \$8,693,270 as part of \$14,081,178 that was characterized by the team as for "TDRS management".
2. 2010 OIG Audit correctly determined that the \$8,693,270 was instead for removal of sand and tree debris and for sand screening, not for TDRS management. OIG therefore declared that this was not within the scope of work of the PW 2932 since the PW did not mention sand or trees. OIG did suggest that the City request, through the State, and that FEMA should review, the activities and make a determination of the eligibility of these costs. Attachment 4, p3.
3. Upon receipt of the audit, the FEMA team in 2011 performed a 100% validation of invoices, load tickets, and truck certifications. Attachment 12. FEMA determined all claimed costs eligible under PW 2932 except for: \$311,076 to adjust the T/M tree removal rates, \$47,566 in costs FEMA agreed with OIG as ineligible, and \$1,785,889 in sand debris removal and screening and costs to remove lifeguard towers (FEMA moved these latter costs to a new Category B PW; however, this was never obligated for reasons unknown to the City. Attachment 13.)
4. The final version of PW 2932 v5 in 2012 stripped the specific findings of eligibility from the earlier draft and denied eligibility of all costs. The sole rationale provided was a conclusory statement that FEMA "concur with this [OIG] finding". The version does not mention that OIG itself had invited FEMA to find the work eligible after review of what the work actually was. Attachment 15 page 12.
5. First Appeal Decision - simply denies eligibility because "the appeal item, as submitted, did not provide the level of information necessary to expand upon the PW's scope issue and overturn FEMA's revised eligibility determination."

Information supporting Expansion of Scope for Beach and Tree work

1. Crowder-Gulf contract attached to PW 2932v0 includes this work within scope. Monitoring reports submitted at this time also confirm.
2. Pictures in Attachment 19 showing the scale of the beach sand debris removal.
3. The invoices, load tickets, and truck certifications that had been reviewed by FEMA staff, and discussed in the draft version of PW 2932v5. Attachment 12.
4. The extensive discussion of eligibility of tree and beach removal in Second Appeal, pp 14-20.
5. OIG's express invitation to FEMA to expand the scope of PW 2932 and accept this work as eligible.

OIG/FEMA Unexplained \$129,235 Deobligation

1. OIG says TDRS costs that were eligible from Wilma were \$5,236,927 (Attachment 4, page 3)
2. Invoice and monitor totals show cost of this work was in fact \$5,366,160 (Attachment 17, page 2)
3. Given cubic yards removed - 775,967 as verified by OIG - results in \$6.91 cost/cy
4. OIG advised Fort Lauderdale that a \$8.25/cy disallowance reasonable
5. Neither deobligation PW nor FEMA First Appeal Decision even mention this deobligation

Second Appeal Meeting - City of Fort Lauderdale - July 15, 2014

Reasonableness of Costs Incurred for Debris Removal by Waterworks Contractors

2006 Audit and Deobligation, 2009 Reobligation, 2010 Audit, and 2012 Deobligation

1. In immediate aftermath of storm, City hired 15 contractors, working on City waterworks projects at time of Wilma, to use their idled personnel and equipment to remove debris, supplementing the work of the City's competitively procured debris removal contractor, Crowder-Gulf.
2. Work of these contractors was performed under T&M contracts. Rate sheets for 12 of these contractors are attached to PW 2932v0. Attachment 6, pp 126-150.
3. The cost of this work was \$5,887,228 for total cubic yardage (according to OIG at this time) of 252,108.
4. OIG approved full cost of work in first 70 hours - \$2,424,327.
5. OIG determined that the maximum reasonable unit cost for the remaining work was \$11.54, based on unit costs in (unspecified) neighboring communities, and recommended FEMA disallow \$1,104,070.
6. FEMA deobligated the \$1,104,070 in PW 2932, v1, in October 2006, and reobligated this same amount at closeout in 2009 based on 100% review of invoices.
7. In 2010, OIG reiterated its recommended deobligation, this time using the \$11.50 per cy in Crowder-Gulf Contract as the maximum reasonable amount for work performed outside the 70 hour initial timeframe. FEMA deobligated \$1,135,052 as recommended by OIG via PW 2932v5 in 2012.

Basis for reobligation

1. Actions taken were prudent under the circumstances. In 2005, in the wake of four hurricanes in Florida, including Katrina and Rita, it was reasonable for City to use idled contractor resources from construction projects to expedite recovery.
2. FEMA has determined that the faster debris removal takes place the more cost effective it is - e.g., current debris pilot alternative procedures increase cost share to 85%/80% for debris completed within 30 days/90 days. These contractors' T&M work was complete within 37 days; with their help, the collection of debris in City of Fort Lauderdale was virtually complete within 90 days.
3. The rates of \$16.94 or \$15.76 per cubic yard are not unreasonable given the extreme circumstances facing the City during this time.
 - a. The City and FDEM have submitted multiple examples of approved debris rates of \$12.50-\$15.75. Attachment 21; FDEM Recommendation on First Appeal.
 - b. The City's \$11.50 debris removal rate was pursuant to a pre-disaster contract and certainly not indicative of the higher rates typically encountered following multiple disaster events causing much higher demand for debris removal.
4. The Stafford Act (§306) provides that preference shall be given, to the extent feasible and practicable, to firms doing business primarily in the area affected by the major disaster
 - a. The waterworks contractors were from the local area, as evidenced by the rate sheets attached to PW 2931, version 0 - Attachment 6.

Subject: FW: see below, do you have any suggestions? could anything have helped us?

From: Patrick Gill
Sent: Monday, April 06, 2015 1:24 PM
To: Lorie Mertens-Black
Cc: Ernie Acosta; Matthew Lalla
Subject: RE: see below, do you have any suggestions? could anything have helped us?

LMertens-Black@hollywood.fl.org

Hi Lorie,

I'm not truly sure what the impacts would be to the City if FEMA grants will no longer be obligated. I can tell you some of the impacts to the City related to Hurricane Wilma (FEMA 1609) from October 2005.

Leaners & Hangers (PW 5943) counts and costs in the City were grossly underestimated by FEMA staff. Confusing and conflicting information was provided to FEMA inspectors in the field who arrived late in the process due to lack of staff. Three (3) different projects worksheets were prepared with an original estimate of costs to the City with the last one in September 2006 of approximately \$2.1 million of total estimated City costs. The City documented its strong disagreement of this amount to FEMA at this point but to no avail at that time. In 2007, the City was required to use \$2.3 million of its own funds and borrowed another \$2.3 million to pay debris removal contractors for work performed. The City incurred approximately \$225,000 in unreimbursed interest expense on the borrowing plus lost interest earnings on the \$2.3 million of City funds used to pay contractors for work performed. At final closeout of this project completed in June 2011 a cost overrun of approximately \$4.6 million was recommended and forwarded by FEMA field staff for approval and payment. FEMA Region IV denied the additional funding to the City as recommended by FEMA field staff. The City was forced to appeal this denial and ultimately prevailed and on June 28, 2013 FEMA notified the City of its approval of the appeal and pending payment to the City of the additional \$4.6 million for leaners & hangers work. The City received this payment in late October 2013 approximately eight (8) years from the date of the disaster.

The City had its largest debris removal project (PW 69) subjected to 100% load ticket/invoice validation by FEMA debris specialists over the course of approximately eighteen (18) months of work at the City. All City costs were validated and adjusted to actual amounts by FEMA staff and the project closeout was submitted for this project in June 2011. In May 2012, the FEMA OIG unilaterally disallowed approximately \$552,000 of costs on this PW and provided no documentation or supporting reconciliation to support this significant deobligation of these funds. The City appealed this issue timely in September 2012 and Florida DEM fully supported the City's appeal in their January 2013 letter to FEMA Region IV. The City periodically followed up on the status of this appeal several times. In May 2014 we were advised FEMA Region IV had quite a backlog of appeals and we would be advised once FEMA was able to review the City's appeal. In late 2014, we again renewed follow up with FDEM/FEMA on this appeal and were advised FEMA had no record of receiving this appeal package from FDEM. We were advised we would need to resubmit this appeal package and all supporting documentation in its entirety approximately 2 years after its initial submission despite multiple inquiries on the appeal status during that 2 year timespan. All documentation for this appeal was resubmitted in late December 2014. This appeal is still currently pending and now finally on Region IV's radar.

From: Lorie Mertens-Black
Sent: Thursday, April 02, 2015 8:17 AM

From: Susanna Laurenti <slaurenti@nlauderdale.org>
Sent: Monday, April 6, 2015 4:42 PM
To: Singer Kathy
Cc: Ambreen Bhatti
Subject: FW: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, April 6, 2015

Hello,

The City of North Lauderdale is currently awaiting a decision on two Assistance to Firefighter Grants (AFG) from FEMA. If funded, these grants will bring a total of \$275,223 to purchase much-needed equipment for the Fire Rescue Department. We also recently closed out a 2012 AFG grant in the amount of \$121,452. Over time, the City of North Lauderdale has been awarded nearly \$4 million in FEMA grant funds to purchase critical fire-fighting and emergency preparedness equipment.

In terms of improving the FEMA grant process, it would be extremely helpful if communities were given more time between the announcement of an available FEMA grant and the deadline. The log-in to the online system is also prone to malfunctioning, which sometimes necessitates resetting the password. This is time consuming, as it requires a call to the help desk and also the involvement of whoever the lead contact is on the account – usually the fire chief. It would also be helpful if there was less lag time between funding decisions and the announcement of grant awards. Funding requests often depend upon price quotes, and prices can change in the months between the application deadline and the award. In the event that a grant request is denied, it would be helpful if FEMA would provide more substantive feedback on where it fell short. Finally, some aspects of the grant management system can be cumbersome. These include amendment requests, which are sometimes rejected for reasons unclear to the grantee. In the event that an amendment is necessary, it would be helpful if FEMA could provide clear guidance on how to successfully re-allocate the grant funds so as to achieve the objectives of both FEMA and the grantee.

Thank you very much and please let me know if you need any additional information.

Susanna Laurenti
Grant Administrator
The City of North Lauderdale
954-597-4720

From: Singer Kathy <SingerK@browardmpo.org>
Date: April 1, 2015 at 11:30:48 AM EDT

From: Richards, Priscilla <PRichards@plantation.org>
Sent: Thursday, April 2, 2015 3:41 PM
To: Singer Kathy
Subject: FEMA grants input for Lois Frankel through Gregory Stuart (Broward MPO).City of Plantation
Importance: High

The City of Plantation would like to submit the following four (4) recommendations:

1. The current appeal process does not work. There should be time restrictions that FEMA should adhere to. We are still waiting for an answer on a second appeal for Hurricane Frances.
2. The FEMA representative and the State Public Assistance Coordinator (PAC) should work directly with the applicant to obtain a sign off from the insurance company on project worksheets before they are submitted for payment so there is no chance for duplication of benefits. FEMA and the State should do a better job of coordinating and working together to assist the applicant in applying for public assistance.
3. There should be a much better audit system. It is unfair and unreasonable to expect an applicant to be audited 5-10 years after an event. People leave the employment of cities and cities may change insurance companies making audits very difficult.
4. FEMA needs more professionals in the field after an event, not just contract workers who are unfamiliar with FEMA rules and regulations.

Priscilla A. Richards
Strategic Operations Administrator
City of Plantation
400 NW 73 Avenue
Plantation, FL 33317
Phone: 954-797-2723
Fax: 954-797-2223
www.plantation.org

Follow us on Twitter 

Keep up to date with the latest Plantation news by reading the [Plantation Pineapple Press](#).

Under Florida law, email addresses are public records. If you do not want your email address released in response to a public records request, do not send your electronic mail to this entity. Instead, contact this office by phone or in writing.

Good morning, Kathy.

We would also like to add a recommendation that there be a period of limitation for the State/FEMA to perform audits in general.

Sincerely,

Phyllis

From: Phyllis Korab

Sent: Friday, April 3, 2015 7:52 PM

To: 'Singer Kathy'

Cc: cburrieatty@aol.com; Kimberly Spill-Cristiano; Greg Harrison; Robert McCaughan; Eddie Beecher; michael.smith@copbfl.com; Ernesto Reyes; Dennis Beach

Subject: FW: Federal Emergency Management Agency (FEMA) Grants Input Due: Monday, A...

Good evening, Karen.

I am writing to provide you with the background information that was requested on the impacts the City of Pompano Beach has experienced as a result of the recent mass de-obligation of funds municipalities and others incurred for storms 10 years ago (Wilma) by FEMA and some recommendations to overall improve the FEMA grant process.

According to our Emergency Manager, Kimberly Spill-Cristiano, the City of Pompano Beach recently submitted the attached formal, detailed, nine page letter to the Florida Division of Emergency Management (FDEM) disagreeing with FEMA's decision to de-obligate nearly **\$400,000.00** in Public Assistance (PA) funds related to Hurricane Wilma. We are awaiting a response to it. **We also have a smaller appeal from Hurricane Katrina that has gone unanswered.** Our PA grants had successful close outs and audits with the State, FEMA and OIG so we were absolutely shocked to find FEMA de-obligate funds late in 2014 stating 'anticipated insurance funds'. In addition to being de-obligated of these funds, we have also expended considerable amounts of staff (including such high level positions as our Finance Director, Controller, Risk Manager and Emergency Manager) time over the past several years to comply with FEMA requirements and interpretations that are very labor intensive and costly for municipalities and others from a number of standpoints. Our insurance companies as well as our stand-by recovery contractor have also been heavily involved in assisting the City in dealing with FEMA's requirements and interpretations. There were also direct costs involved for the creation of the attached dispute letter that our contractor assisted us in preparing.

We would like to see: 1) more timely communications between FEMA, recipients/appellants and the State; 2) a reasonable term of limits placed on FEMA's ability to de-obligate funds once a close out and audit has successfully concluded; and 3) a correct interpretation and application by FEMA of a municipality's insurance deductibles to FEMA projects as described in the attached letter.

We hope this information will be helpful to Congresswoman Frankel during markup of the proposed FEMA Bill. Please contact us, especially Kimberly Spill-Cristiano (kimberly.spill-cristiano@copbfl.com), ((954) 786-7799), if you need additional from us on this subject or another FEMA related matter.

Thank you for reaching out to us for our input.

Sincerely,

Phyllis



Phyllis Korab
Assistant City Manager
phyllis.korab@copbfl.com
954 786 4608
pompanobeachfl.gov

FINANCE AND ADMINISTRATIVE
SERVICES DEPARTMENT



Phone: (954) 746-3230

April 6, 2015

Mr. Gregory Stuart
Executive Director
Broward MPO

Re: City of Sunrise, FL Federal Emergency Management Agency (FEMA) Grants
Input

Dear Mr. Stuart:

The City of Sunrise is unaware of any FEMA grant funds that have been
deobligated currently or in the past.

If you have any questions or need additional information please do not hesitate to
contact me at igarcia@sunrisefl.gov or 954-577-1138.

Sincerely,



Isabel Garcia
Grants Coordinator

From: Diane Phillips [<mailto:Diane.Phillips@tamarac.org>]
Sent: Monday, April 6, 2015 9:32 PM
To: Singer Kathy
Cc: Michael Cernech
Subject: FEMA funding

In response to your request for information regarding the above, please be advised that Tamarac has not had any grants de-obligated. Nonetheless, having been involved in the process we would offer the following suggested process improvements;

A faster close out process, of no more than three years after the Grant period has ended (Presently FEMA may audit three years after a disaster closes out which may be many years after the city grant is closed out)

- Better communication with the Agency with regard to allowable costs and costs which are disallowed.
- Less volatility in policy changes within the Agency, or make sure that everyone is executing policy in the same way
- Create a single online repository for the submission of documents that can be accessed by both the Federal and State agencies.

Thank you for allowing us the opportunity to comment.

Regards,
Diane Phillips, Assistant City Manager
Tamarac

Sent from my iPad

The City of Tamarac is a public entity subject to Chapter 119 of the Florida Statutes concerning public records. Email messages are covered under Chapter 119 and are thus subject to public records disclosure. All email messages sent and received are captured by our server and retained as public records.