

RESOLUTION 19-16

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING AN AGREEMENT WITH HAGGERTY CONSULTING, INC., RELATED TO DISASTER RECOVERY ADMINISTRATIVE SERVICES FOR FEDERAL DISASTER GRANT MANAGEMENT CONSULTING.

BE IT RESOLVED by the City Council of the City of Panama City Beach that the appropriate officers of the City are authorized to negotiate, accept and deliver on behalf of the City an Agreement between the City and Haggerty Consulting, Inc., relating to Disaster Recovery Administrative Services, on generally the terms set forth in the Scope of Services and Cost Proposal attached as Exhibit A to this Resolution and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this 8th day of November, 2018.

CITY OF PANAMA CITY BEACH

By: 

Mike Thomas, Mayor

ATTEST:



Jo Smith, City Clerk

SCOPE OF SERVICES

I. BACKGROUND

In the event of a major disaster, the City seeks to protect its interests by securing the services of a qualified disaster recovery consultant as outlined in the following scope of work. The City recognizes that if its facilities and/or operations are damaged and disrupted by a major disaster, its existing employees and systems may be overwhelmed by the scale of necessary disaster response and recovery work. In order to ensure a rapid recovery and post disaster redevelopment process, the City will require the services of qualified, experienced professionals to manage state and federal grant management processes.

II. SCOPE OF WORK

The contractor will provide experienced personnel and resources to complete the following activities:

- A. Applicants Briefing and Kick-Off Meeting. Attend meetings with the State/Federal agencies including applicant briefings, kick-off meetings and project specific discussions;
- B. Technical Assistance. Provide general financial management advice and assistance including but not limited to:
 - Develop and support the ongoing activity of a disaster recovery team to manage the FEMA Public Assistance process;
 - Provide advice as to the disaster recovery team as appropriate and participate in meetings;
 - Provide advice as to the eligibility of facilities, work, and costs and develop justifications for presentation to the State of Florida and FEMA with regard to any issues which may arise;
 - Briefing purchasing, contracting and department personnel on requisite/purchasing procedures and documentation
- C. Correspondence. Prepare correspondence to the State of Florida, FEM, HUD, etc. on behalf of the County as necessary;

Exhibit A

Prepare a program management plan; Prepare periodic reports to the County as to the status of grant management progress and participate in all status meetings;

- D. Inspection/Damage Assessment. Inspect disaster related damage to eligible facilities, identify eligible emergency and permanent work (Category A-G) and review records of emergency expenses incurred by the City;
- E. Document. Ensure all eligible damages have been quantified and presented to federal inspectors/Project Officers;
- F. Financial Tracking. Categorize, record, track and file costs on approved forms in support of the financial reimbursement process. Communicate with City Departments on a daily basis and maintain an up-to-date database of eligible labor, equipment, and materials costs as reported on Event Activity Tracking Forms to prepare daily reports to City management;
- G. Financial Management. Assistance in requesting Immediate Needs Funding or Grants Based on Estimates; Development and tracking of plans for Cash flow management and disbursements by State/FEMA; Insurance evaluation, documentation adjusting and settlement services; Tracking project progress, expenditures, reimbursement requests and receipts;
- H. Project Worksheet. Prepare Project Worksheets for Categories A-G for review by FEMA and the State ensuring that the scope of work is accurate and comprehensive, estimates are accurate, expenses are eligible and documented, and that projects are categorized as small or large in a manner that ensures prompt and sufficient reimbursement to the City; Attend all meetings with the City, State and FEMA (and/or other Federal agencies) to negotiate individual Project Worksheets as needed;
- I. Repair and Restoration. Review the scope of work and bidding procedures of proposed damage repair/reconstruction work for compliance with FEMA requirements;
- J. Documentation. Support departments with organizing reimbursable expenses. Review, maintain and ensure accuracy of documentation prepared by City departments;
- K. Reporting. Compile and summarize in FEMA approved format

Category A through G costs for presentation to FEMA and the State and inclusion in project worksheets;

- L. Provide assistance to departments having difficulty with their claims;
- M. Ensure the county meets all deadlines imposed by FEMA and/or the State for documentation, appeals, completion of work, etc;
- N. Appeal. If the City disagrees with any FEMA determinations, make all reasonable efforts to resolve any such dispute and/or strategize and write appeals; Provide fully qualified counsel to the City in support of any legal action required as the result of an appeal;
- O. Closeout. Preparation of closeout packages including final funding reconciliation, copies of required permits, exemptions or waivers, bid documents, change orders, improved project filings, compliance monitoring, and other documents required or useful for grant closeout review. Prepare all documentation for, and represent the City in, all project closeout activities, Participate in exit conferences with the City, State, and FEMA;
- P. Audit. Upon completion of all projects and drawn down reimbursement for all eligible costs, finalize preparations for State and FEMA final inspections and audits.
- Q. FEMA 404 and 406 Hazard Mitigation Services: Assist in identifying, developing and evaluating opportunities for hazard mitigation projects (Section 404 and 406). Develop hazard mitigation proposals, cost benefit analysis (BCA). Prepare other hazard mitigation services related to Hazard Mitigation Grant Program, Pre-Disaster Mitigation, and other mitigation programs.
- R. HUD Community Development Block Grant Disaster Recovery (CDBG-DR) Support Services: Provide knowledge, experience, and technical competence in the planning, administration, and implementation of eligible CDBG activities as identified at 24 CFR 570 and modified or waived under Federal Register allocation of the CDBG-DR funds. Conduct unmet needs assessment – particularly housing, infrastructure, and economy. Provide other HUD related technical assistance and consulting services as needed.
- S. Other Grant Management Assistance: Provide other state and

federal grant management services as needed. Assist the City with the management and administration of other federal grant management programs not identified above.

END OF SCOPE

COST PROPOSAL FORM

The hourly labor rates shall include all applicable overhead and profit. All non-labor related project costs (including travel, lodging, and per diem) will be billed to the OWNER at cost without mark-up.

POSITIONS	HOURLY RATES
Project Executive	\$200
Project Manager	\$160
Senior Damage Assessment Estimator	\$150
Damage Assessment Estimator	\$110
Senior Grant Management Specialist	\$140
Grant Management Specialist	\$110
Senior Engineer/Planner/Analyst	\$145
Engineer/Planner/Analyst	\$110
Administrative Assistant	\$60

OTHER REQUIRED POSITIONS

Submitter may include other positions, with hourly rates and attach a job description for each position.

The following provides an overview of Hagerty's hourly rates to support the City. Hagerty has had significant success recovering fees for consulting services for our clients from FEMA. Hagerty regularly advises our clients on FEMA's policies, regulations, practices, and procedures, including how to track costs, like DAC, to facilitate reimbursement for all eligible client costs, including contractor costs.

In collaboration with the City, we will develop a strategy for tracking these costs across all stakeholders, agencies, staff, consultants, and contractors. To do so, we will formally establish eligibility and tracking protocols with FEMA at the beginning of recovery, develop and implement City-specific tracking methods and forms that utilize pre-existing and standard record keeping techniques and oversight structures, and ensure forms use terminology and categorizations that associate time to eligible and reimbursable tasks thus reducing risk for the City.

Hagerty is an industry leader in developing cost effective and innovative strategies to complete tasks while still complying with all laws, policies, and requirements. For one client, Hagerty worked directly with FEMA Headquarters to draft an agreement on a flat percentage under the PA Program for DAC, which was signed by FEMA, the state, and our client and resulted in minimal paperwork for approximately \$370 million in DAC. Last year, this DAC agreement led to a national pilot program¹ for a flat DAC percentage for PA Program subrecipients. Hagerty has successfully secured four percent DAC for our clients, with contract fees generally between one and two percent of overall damages.

The *Disaster Recovery Reform Act* (DRRA) simplifies and reforms the way DAC and Section 324 Management Costs are awarded. It calls for a 12 percent administrative cost allocation against total PA Program obligations, with five percent for subrecipients like the City and seven percent for recipients like FDEM. Tracking DAC was vital to reimbursement, particularly as it applies to contractor costs. Understanding that FEMA may still rely on this type of tracking even while implementing a flat percentage allocation, Hagerty can leverage its robust DAC tracking tool that will allow FEMA to quickly validate the claimed DAC. Our team will help the City advocate to FDEM and FEMA for minimal documentation – in the interest of efficiency and reduced administrative burden – to realize the flat allocation for the City.

Hagerty understands the City will reimburse travel and other direct costs in alignment with the Federal Travel Regulation (FTR). As a result, Hagerty proposes a time-and-materials based contract with travel reimbursement based upon the General Services Administration (GSA)-approved per diem and lodging rates and FTR. This structure is fully compliant with FEMA programs and qualifies for reimbursement in the same manner as the labor component of this project. We believe this structure allows for optimal client service by aligning Hagerty and the City to focus on mobilizing staff with right skillsets to drive optimal financial results for the City.

The following table presents the full schedule of proposed hourly rates.

¹ *Public Assistance Alternative Procedures for Direct Administrative Costs*. Published 10/25/17; updated 6/12/18. Available at: <https://www.fema.gov/media-library/assets/documents/153582>

Table 4: Proposed Labor Categories and Hourly Pricing

Labor Category	Staff Qualifications	Hourly Rate
Senior Project Executive	Experience of fifteen or more years with an advanced degree or fifteen or more years with a bachelor's degree. Demonstrates senior experience in management consulting.	\$250
Project Executive	Experience of twelve or more years with an advanced degree or fifteen or more years with a bachelor's degree. Demonstrates senior experience in management consulting.	\$200
Senior Subject Matter Expert	Experience of fifteen or more years in a specific subject or industry, or ten years' experience and more than one specialized advanced degree.	\$240
Subject Matter Expert	Experience of twelve or more years in a specific subject or industry, or eight years' experience and more than one specialized advanced degree.	\$205
Senior Project Manager	Experience of eight or more years with an advanced degree, or ten or more years with a bachelor's degree.	\$190
Project Manager	Experience of five or more years with an advanced degree, or eight or more years with a bachelor's degree.	\$160
Engineer / Scientist III	Experience of eight or more years plus, at minimum, a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$175
Senior Engineer / Planner / Analyst	Experience of five or more years plus, at minimum, a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$145
Engineer / Planner / Analyst	Experience of one or more years plus, at minimum, a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$110
Damage Assessment Estimator III	Experience of ten or more years plus, at minimum, a college degree in a relevant field (e.g. cost estimating, construction management).	\$180
Senior Damage Assessment Estimator	Experience of six or more years plus, at minimum, a college degree in a relevant field (e.g. cost estimating, construction management).	\$150
Damage Assessment Estimator	Experience of one or more years plus, at minimum, a college degree in a relevant field (e.g. cost estimating, construction management).	\$110
Financial Management Specialist III	Experience of ten or more years plus, at minimum, a college degree in a relevant field (e.g. accounting, management, finance, information technology).	\$190
Senior Financial Management Specialist	Experience of five or more years plus, at minimum, a college degree in a relevant field (e.g. accounting, management, finance, information technology).	\$150
Financial Management Specialist	Experience of one or more years plus, at minimum, a college degree in a relevant field (e.g. accounting, management, finance, information technology).	\$110
Grant Management Specialist III	Experience of eight or more years with a bachelor's degree, or three or more years with an advanced degree.	\$170
Senior Grant Management Specialist	Experience of four or more years plus, at minimum, a college degree in a relevant field (e.g. accounting, management, finance).	\$140

Labor Category	Staff Qualifications	Hourly Rate
Grant Management Specialist	Experience of one or more years plus, at minimum, a college degree in a relevant field (e.g. accounting, management, finance).	\$110
Analyst	Experience of less than two years with a college degree.	\$105
Senior Administrator	Experience of two or more years with no college degree required.	\$90
Administrative Assistant	No college degree required.	\$60

Note: Hagerty allows additional years of experience to be substituted for education requirements.



CITY OF PANAMA CITY BEACH AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME:
ADMINISTRATION/MARIO GISBERT

2. MEETING DATE:
NOVEMBER 8, 2018

3. REQUESTED MOTION/ACTION:
APPROVE RESOLUTION AUTHORIZING CITY MANAGER TO NEGOTIATE A CONTRACT WITH HAGGERTY CONSULTING FOR DISASTER RECOVERY ADMINISTRATIVE SERVICES

4. AGENDA

PRESENTATION
PUBLIC HEARING
CONSENT
REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)? Yes No N/A
BUDGET AMENDMENT OR N/A

DETAILED BUDGET AMENDMENT ATTACHED Yes No N/A

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)

In the days following Hurricane Michael's landfall in Bay County, staff prepared and advertised a request for proposals from qualified firms to provide Disaster Recovery Administrative Services for the City to manage state and federal grant processes related to the City's post disaster recovery efforts. Nine firms responded. An evaluation committee comprised of the City Manager, City Attorney and Finance Director evaluated the proposals, and recommends negotiation of a contract with Haggerty Consulting, Inc.