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City of Houston

Introduction
Overview
Training
Pictures and Video
Cost Tracking
Compliance Reviews
Site Inspections
Appeals
Questions
Introduction

City of Houston – Finance
Disaster Recovery Team

Presenters
• Fazal Syed, Senior Staff Analyst
• Meridith Sanders, Financial Analyst
• Azeezah Sulaimon, Financial Analyst
• Izine Harris, Financial Analyst

Management Team
• Arif Rasheed, Deputy Director
• Gloria Moreno, Assistant Director
• Bobby Qasim, Division Manager
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State Compliance Review
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Purpose

- To provide recommendations and advice regarding some common aspects of disaster cost recovery under the FEMA Public Assistance (PA) program

- This presentation will not delve into the PA process and all of its components

- Disclaimer: The opinions and statements in this presentation are those of the City of Houston, Finance Disaster Recovery Group and do not necessarily reflect State / FEMA positions. Please seek final guidance on PA matters from State and FEMA.
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Questions
**Issue:** How do I prepare for the upcoming disaster season?

- What is a category of work?
- What are procurement requirements?
- What costs are eligible?
- What documents are needed?
- Which form do I use? How do I fill it out?

**Solution**

**Houston's Approach**
Solutions

- Annual training on common disaster topics
- Department specific training
- Role/function specific training
- Policies, procedures, manuals
Houston's Approach

- Citywide annual disaster training every summer
- Disaster Recovery Manual
- Participation in City/County/Statewide exercises
**Issue:** Proving the extent and severity of damages following an event.

- How do I prepare for the next disaster event?
- How do I document damages?
- How do we prove our claim?
- How do we validate the condition prior to the event?

**Pics and Video**
Solution

Take pictures and video before and after a disaster

Pictures should be of all major assets and infrastructure before the disaster season

Clearly label pictures (Address, building, room, floor)

Drone fly-by video of roofs, buildings, and assets

Resources and tools to use include:
- Contractors and employees
- GPS enabled camera, drones, cellphones
Houston's Approach

Example of a "hard lesson learned"

Certain departments contract for photography and drone services

Post disaster cell phone videos and pictures from employees and contractors in the field
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Questions
**Procurement**

**Issue:** What can we do to lower our risk of ineligible procurement?

What requirements does 2 CFR 200 detail?

What should we consider when creating contracts for repairs?

Is a Cost or Price analysis necessary?
Solutions

› Follow more stringent rules between local vs Federal guidelines
› Prepositioned contracts
› Cost / Price Analysis on contracts and amendments
› Be aware of contract amendments that may affect competition
› Federal Debarment check on ALL vendors (www.sam.gov)
› No cost plus % of cost contracts
› Time and Material contracts must have a price ceiling, be heavily monitored, and be for a short duration
› Lease / Rent amount should not exceed purchase cost
› No piggyback contracts
Houston's Approach

> Pre-positioned contracts in place (PA, Debris)

> Proactive review of all procurements as part of the procurement process

> Involve legal department in early stages and in training

> Include Historically Underutilized Businesses in procurement process

> Follow current FEMA appeals and decisions to understand how to improve our processes
**Force Account Costs**

**Labor:** How do we track 15+ thousand timesheets? How do we create a consistent format? What labor time is eligible?

**Equipment:** How do we track equipment usage? What equipment time is eligible?
Solutions

Labor
• Disaster timesheet must note exact nature of work.
• “Disaster work” is not sufficient.
• Information on disasters timesheets must match with payroll records

Equipment
• Equipment operator must complete a disaster timesheet
• All equipment requires proof of ownership
• Vehicles tracked using hours should be in active use (Police cruiser with engine / lights running).
Houston's Approach

> Created a standardized form for citywide use as a disaster timesheet
> Centralized team and repository - responsible for QAQC of every timesheet
> Provided forms and rate schedule to all employees prior to Harvey
> Leveraged leadership to ensure citywide adoption of forms
**Issues:** Site inspections are not running smoothly.

There are communication and personality conflicts.

What is the site inspector’s role in noting damages?

How do I avoid numerous Damage Under Review (DUR) requests following the inspection?
Solutions

> Hold a pre-inspection call with your employees and explain the Public Assistance program

> Define roles of all parties on the day of the site inspection

> Ensure that knowledgeable personnel lead site inspections
Houston's Approach

- Day of site inspection...
  - Introduced everyone and clearly defined roles and responsibilities of all attendees (Applicant, Recipient, FEMA, contractors)
  - Designated a site inspection "Leader"
  - Went over site map and drawings and planned exactly how the site inspection will be conducted

- Stayed flexible with time as many site inspections were longer than initially expected
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Compliance Review
Common Findings

> Repair costs are out of scope compared to SOW on project worksheet
> Lack of documentation to show competitive procurement
> No documented contract rate / price changes
> Historically Underutilized Businesses (HUB) not used
> Cost or Price analysis not documented
> Failure to follow your own procurement policy
> Force Account Equipment rates are other than FEMA published rates (no FEMA authorization)
> Timesheets not properly completed
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Recommendations

> Clearly explain details of what, where, when, why, etc.

> Cite FEMA references (2 CFR 200, PAPPG, regulations)

> Include all documentation and support with first-level appeal
Invoices and support, procurement documentation

> Before / After pictures of damages and repairs

> Letters or Certifications from authorities (Engineers, Architects, Fire Chief, etc.)

> Use publicly available information from newspaper articles, information from websites
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