

Workshop: Filing a Federal Disaster Procurement Flight Plan

Tuesday, May 10, 2022
10 a.m. - 1 p.m.

Choice Partners Member Meeting
Kemah, TX 77565

Filing a Federal Disaster Procurement Flight Plan

Learning Objectives:

At the conclusion of this session, participants will be able to:

- Understand the process for conducting “most restrictive procurement rule” analysis
- Formulate a plan to create checklists and other supporting documentation/forms for federal grant compliance
- Develop a strategy for sourcing and pre-positioning emergency procurement equipment and services utilizing a mix of sourcing methods (cooperative purchasing, local bids, etc.)
- Utilize a tool for conducting a federal grant procurement After-Action Review
- Identify potential projects that can be supported by various sources of federal disaster funding.

The training policies of Disaster Recovery Services, LLC, can be found at the following link:

https://www.disastersllc.com/assets/DRS_Learner_Training_Policies.pdf

Filing a Federal Disaster Procurement Flight Plan

DISASTER RECOVERY SERVICES

Presenter Disclosure
 Shelley Vineyard, MBA, NIGP-CPP, RTSBA

Relevant Financial Relationships:

- Is employed by Disaster Recovery Services, LLC, and receives a salary

Relevant Non-Financial Relationships:

- Currently serves on the NIGP Business Council

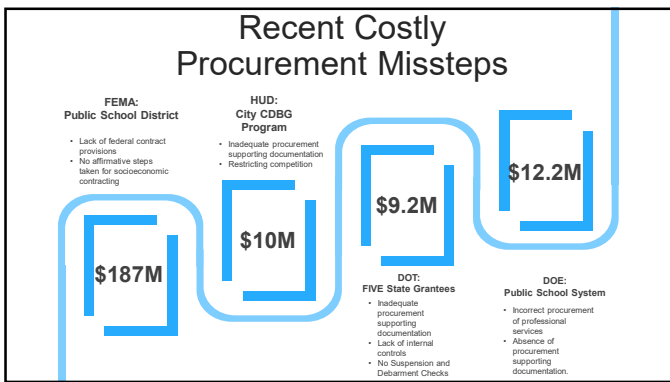
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Student Pilot Mistakes:
Costly Federal Procurement Missteps

DISASTER RECOVERY SERVICES



Creating the Flight Plan:
Emergency Procurement Preparedness

DISASTER RECOVERY SERVICES

Determine Your Path Under Uniform Guidance (UG)

State Entity

- Follow the same policies and procedures as with non-federal funds. (2 CFR 200.317)
- Comply with Procurement of Recovered Materials (2 CFR 200.323)
- Take Socioeconomic Affirmative Steps (2 CFR 200.321)
- Domestic Preferences for Procurement (2 CFR 200.322)
- Federal Contract Provisions Appendix II of 2 CFR 200
- Prohibition on Contracting for Covered Telecommunications or Services (2 CFR 200.216)
- No awards to suppliers/contractors suspended or debarred from federal contracting



Non-State Entity

- Follow 2 CFR 200.318 – 327, Appendix II
- General procurement standards
 - Competition
 - Methods of Procurement (micro, small, above SAT, emergency non-competitive)
 - Socioeconomic Affirmative Steps
 - Domestic Preferences for Procurements
 - Procurement of Recovered Materials (state and political subdivisions of state)
 - Cost/Price analysis for procurements over SAT
 - Bonding Requirements
 - Federal Contract Provisions Appendix II of 2 CFR 200
 - Prohibition on Contracting for Covered Telecommunications or Services
 - No awards to suppliers/contractors suspended or debarred from federal contracting

Most Restrictive Rule

Non-state Entities

Non-state entities must follow the most restrictive of federal vs. state vs. local requirements.



Including:

- Thresholds for competitive procurement.
- Formal Procurement Methods
- Bonding Requirements
- Public Posting/Advertising Procedures
- Absence of Local Preference as Evaluation Factor (except for A&E Services)

Developing a Pre-Flight Checklist: Emergency Procurement Preparedness


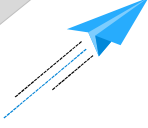



- 1 Develop Standard Operating Procedures for disaster procurement. Include forms and process maps.
- 2 Create checklists for every level and type of purchase.
- 3 Determine contract addenda that incorporate all required federal terms and conditions.
- 4 Create bid templates for supplies/equipment/services funded by federal grant dollars.
- 5 Develop process procedures and instructions for documenting affirmative socioeconomic steps.

Sourcing Gap Analysis

?

- High-dollar, high-frequency purchase categories needed for disaster response
- Pre-awarded contracts
- Go-to purchasing co-ops that are aligned with 2 CFR 200 requirements






What do we have in place ?

What do we need?

What's the plan to get there?

Filing the Flight Plan:

Preparing End-Users Regarding Roles and Responsibilities








Who's On Your FEMA Flight Crew?

Roles to Consider

- Overall Claim Lead
- Financial Lead
- Physical Repairs Lead
- Onsite Project Coordinator
- Procurement Lead
- Reporting Lead

- Determine/ assign disaster response roles and responsibilities within the Procurement Department
- Work with other departments/divisions to identify roles and responsibilities of internal stakeholders that will be part of the disaster procurement process
- Provide annual disaster procurement training for all 'crew' members identified – SOPs, forms, etc.

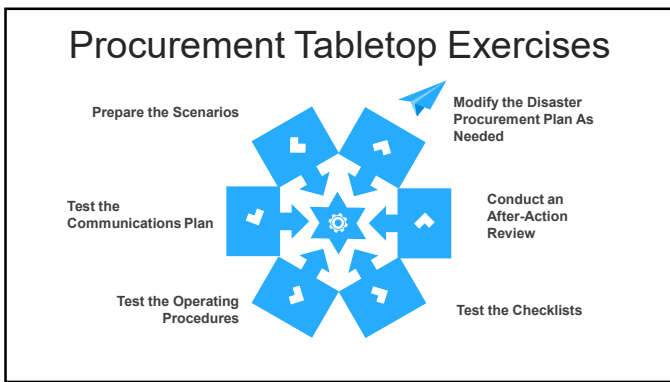


Don't rely on the org chart to determine the best resources to fill out the disaster response crew.

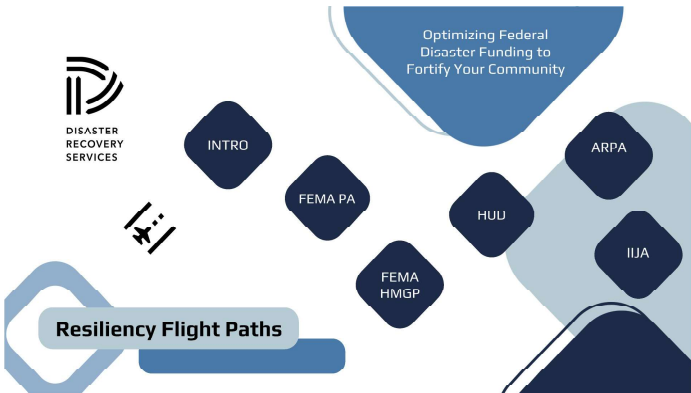
Identify those who are willing to become subject matter experts not only within their assigned function, but also for overall disaster response.

Optimal financial recovery requires a crew working toward the same goals.







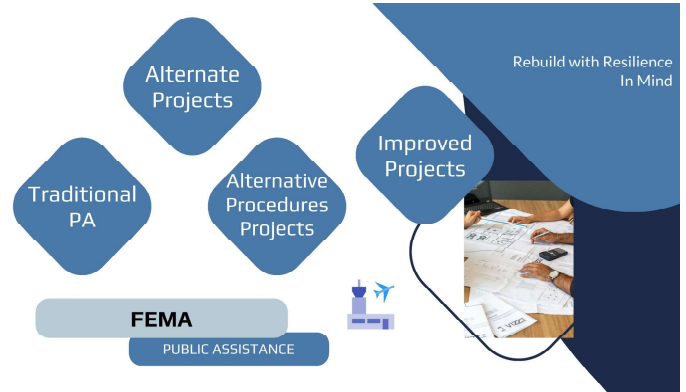


INTRODUCTION

- Abundant sources of disaster-related federal funding
- Familiarity with the scope of funding leads to better decision making not only for recovery, but for future resilience



RESILIENCY FLIGHT PATHS
FEMA



Traditional PA Program

- Debris Removal
- Emergency Protective Measures
- Permanent Work
 - Repair (to original condition)
 - Replace (50% Rule)



Alternate Projects

The Applicant may determine that the public welfare is not best served by restoring the function of the damaged facility.

Alternate project funding may be requested to put toward a different facility or facilities.



Alternative Procedures Projects

- Offers maximum flexibility
- Can be used across all Permanent Work
- Fixed-Cost Offer Negotiated with FEMA
- Can use excess funds for other PA-eligible activities



Improved Project

- Improvements to a damaged facility not required by eligible codes or standards
- Funding limited to lesser of Federal share of approved estimate to restore to pre-disaster design or Federal share of the actual costs of completing improved project
- Examples:
 - Laying asphalt on a gravel road
 - Replacing a firehouse that had two bays with one that has three bays



FEMA Hazard Mitigation Grant Program

- FEMA doesn't like to pay for things twice
- Funding is made available for projects that will reduce future losses
- Elevation of structures, infrastructure protection, retrofitting, hazard mitigation planning

Section 404 Projects

Section 406 Projects

BRIC

Section 406 PA Projects

- Mitigation of Incident Caused Damage
- Constructing Floodwalls
- Installing New Drainage
- Adding Fire Suppression Systems
- Dry Floodproofing



Section 404 Projects

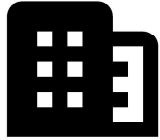
- Multi-hazard, statewide mitigation
- Available for damaged and non-damaged facilities
- Based on percentage of dollars obligated for PA and IA programs



Building Resilient Infrastructure and Communities (BRIC)

BRIC aims to shift the federal focus away from reactive disaster spending and toward research supported, proactive investment in community resilience.

- Eligible states, territories, and tribal governments may apply
- FY2021 up to \$1B made available (State/Territory \$56M-\$1M per applicant)
- Cost Share (typically 75% Fed/25% NFE)

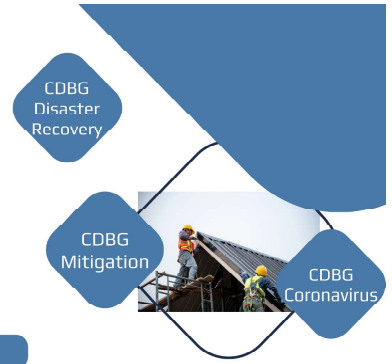


HUD
PROGRAMS



Community Development Block Grant (CDBG) funding provides annual grants on a formula basis to states, counties, and cities to develop viable communities with decent housing, create or sustain suitable living environment, and expand economic opportunities, principally for low- and moderate-income persons.

Community Development
Block Grants



CDBG Disaster Recovery (CDBG-DR)

- Flexible
- Allows communities to rebuild disaster-affected areas
- Broad range of recovery activities
- Funds can be used to cover remaining portions of qualified projects after insurance and FEMA disbursements



CDBG Mitigation (CDBG-MIT)

- Appropriated by Congress in 2018
- Carry out high-impact activities that will mitigate risks and reduce future losses
- Funded activities are to increase resilience to and decrease impact of future disasters



CDBG Coronavirus (CDBG-CV)

- Made available August 2020 to prevent, prepare for, and respond to Coronavirus
- Allows communities to implement economic development and small business assistance activities
- Allows direct assistance to for-profit businesses that benefit the community



ARPA

FUNDING SOURCES

SLFRF

HEERF III

RESPONSE AND RECOVERY FROM COVID-19

ARP
ESSER

- \$350B to state, local and Tribal governments
- Fight pandemic and support recovery from economic impacts
- Maintain vital public services
- Build a strong, resilient, and equitable recovery



ARPA

SLFRF

HEERF III

- \$39.6B to support higher education needs
- At least 1/2 must be used for emergency financial aid grants to students
- Remainder can be used for institutional purposes



ARP ESSER III

- \$122B to state educational agencies and school districts
- \$2.75B to nonpublic schools

To name a few uses:

- Safe reopening and sustain the safe operation of schools
- Academic Supports
- Social Emotional Supports
- Capital Improvements



IIJA

Infrastructure Investment and Jobs Act

- \$550B in new spending over 10 years
- Mixture of entitlement and competitive grant programs
- Recipients will differ based on the program



- Broadband
- Cybersecurity
- Transportation
- Utilities and Environmental




A blue rectangular graphic with the text "Questions?" in white. It features several white paper airplane icons flying towards a larger blue paper airplane icon in the upper right corner. Dotted white lines represent flight paths. Contact information for three staff members is listed in white text.

Dr. Kim Abrego, PT, DPT
COO
Disaster Recovery Services, LLC
kabrego@disastersllc.com
832.499.6597

Shelley Vineyard, MBA, NIGP-CPP, RTSBA
Director of Procurement Specialty
Disaster Recovery Services, LLC
svineyard@disastersllc.com
832.603.2251

Brad Boullion, CPA
Director of Project Management
Disaster Recovery Services, LLC
bboullion@disastersllc.com
409.550.1844





Filing a Federal Disaster Procurement Flight Plan

Workshop Learning Activities

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“Most Restrictive Rule” Activity”

When expending federal grant and loan funds, local governments are required to follow their “own documented procurement procedures which reflect applicable state, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.” (2 C.F.R. §200.318(a)) In other words, local governments must comply with the “most restrictive” procurement requirements of both federal and state law as well as their own local policies.

Activity: County ‘X’ wants to align its disaster response/recovery procurement processes with the requirements of the FEMA Public Assistance (PA) Grant, governed by the Uniform Guidance found at 2 C.F.R. § 200.317-327. The County is a local government and is considered a non-state entity as a FEMA PA Grant applicant. Assist the County in determining the “Most Restrictive Rule” (2 C.F.R. §200.318 (a)) of federal vs. state vs. local policy for the following areas:

Procurement Methods		
Federal	State	County ‘X’
Micro-Purchase: Below \$10,000 No competition required Small Purchases: \$10,000 - \$250,000 Minimum of three quotes Above simplified acquisition threshold (SAT) of \$25,0000 Formal Sealed Bid or Competitive Proposals	Under \$50,000 No competition required \$50,000 and above Formal Competitive Bid, Competitive Proposal, or Reverse Auction	\$0 - \$7,499.99 1 written quote \$7,500 - \$49,999 2 written quotes \$50,000 and above Formal Competitive Sealed Bid, Competitive Proposal, or Reverse Auction

Bonding Requirements - Construction/Public Works		
Federal	State	County ‘X’
Bonds Required for projects over SAT: <ul style="list-style-type: none"> • Bid bond of 5% of bid price; and • Performance and payment bonds for 100% of contract price 	Counties: may require bid bond for 5% of the total contract price for public works contracts. Required: performance bond if the contract is in excess of \$100,000; and payment bond if the contract is in excess of \$25,000.	Required: performance bond if the contract is in excess of \$100,000; and payment bond if the contract is in excess of \$25,000.

“Most Restrictive Rule” Activity”

Socio-economic Contracting			
Federal	State	County 'X'	Most Restrictive
<p>Procedures: Take affirmative steps to encourage small and minority firms and women-owned business participation (but no preferences), including <u>all</u> the following:</p> <ul style="list-style-type: none"> • Include on solicitation lists • Solicit when such firms are potential bidders • Divide total contract requirements where economically feasible to enable more minority participation • Establish delivery schedules to encourage participation • Use SBA and Minority Business Development Agency of US Dept. of Commerce • Require prime contractors to take the same affirmative steps. 	<p>Not required for county governments</p>	<p>It is the policy of County 'X' to involve certified HUBs to the greatest extent feasible in the County's procurement of goods, equipment, services, and construction projects while maintaining competition and quality of work standards.</p>	

Emergency Disaster Response Sourcing Gap Analysis

Millions of dollars can flow out the door leading up to and immediately responding to a catastrophic event.

Listed below and on the next page are common categories of emergency disaster response contracted services, equipment, and supplies.

Activity: Identify the categories that your organization **does not** currently have under competitive award.

Services

Boiler Repair Services	Storage Rental
Carbon Monoxide, Gas, or Radiation Detection Services	Stormwater Services
Custodial Services	Temporary Office Rental
Debris Monitoring Services	Temporary Road & Drive Repairs
Debris Removal Services	Temporary Security Services
Disaster Mitigation & Restoration Services	Temporary Warehousing Services
Document Restoration Services	Timekeeping System Repair Services
Elevator Repair Services	Towing Services
Environmental Services	Transportation Services
Fencing Services	Vehicle Repair Services
Fire Equipment Services	Waste Management Rental Services
Flooring Services (Temporary)	Waste Management Services
Fuel and Fuel Transportation Services	Welding Services
Generator Maintenance/Repair Services	
Generator Rental Services	
Glass Repair Services	
Heavy Equipment Rental Services	
HVAC Services	
IT Disaster Recovery Services	
Job Order Contracting Services	
Language/Interpreter Services	
Locksmith Services	
Major Mechanical Equipment Services	
Moving Services	
Office Equipment Rental	
Overhead/Rolling Door Repair Services	
Plumbing Services	
Power/Electrical Services	
Refrigeration/Freezer Repair Services	
Roofing Services	
Salvage Services	
Security Camera & System Repairs	
Small Engine/Equipment Repair Services	

For the services identified:

Can these services be provided by in-house staff during emergency response?

If 'no', how do you plan to put pre-positioned contracts in place that will meet 2 C.F.R. 200 procurement requirements?

If disaster struck today, could you identify your 'go to' cooperative purchasing contract that aligns with 2 C.F.R. 200 procurement requirements?

Do you know what additional steps you would need to take for compliance should you choose a cooperative purchasing contract?

Equipment and Supplies

Air Compressors	Machine Oils and Lubricants
Air Conditioning Units	Medical and First Aid Supplies
Air Movers/Dryers	Modular Buildings
Air Quality Testers	Pallet Jacks
Auto Parts and Supplies	Portable Power Packs
AV Equipment	Portable Toilets
Backup Power Units	Pressure Washers and Sprayers
Barricades	Safety and Security Signs
Batteries	Safety Equipment and Clothing
Blowers & Ventilators	Satellite Phones
Cabling and IT Equipment	Security Cameras
Ceiling Tiles	Sewage Ejectors
Cell Phones	Small Hand Tools
Chain Saws	Spill Response Kits
Computers/Laptops/Back up Batteries	Storage Units
Custodial Equipment	Sump Pumps
Degreasers	Tarps and Plastic Sheeting
Dehumidifiers	Temporary Directional Lighting
Disinfectants	Tent Canopies
Dumpsters	Tires
Environmental Sorbents	Traffic Cones
Fans	Trailers
Fencing	Two-Way Radios
Food and Water Coolers	Voltage Detectors
Fuel - gasoline, diesel, biodiesel	Water Extraction Equipment
Fuel - Propane	Water Pumps
Furniture Carts	Welding and Cutting Machines
Generators	
Handheld Work Lights	
Ice Makers	
Ladders	
Lifts & Carts	
Light Bulbs	

For the equipment/supplies identified:

What's your plan for sourcing these items pre- or post-event?

If disaster struck today, could you identify your 'go to' cooperative purchasing contract that aligns with 2 C.F.R. 200 procurement requirements?

Do you know the additional steps you would need to take should you choose a cooperative purchasing contract?



Who's On Your Disaster Recovery 'Flight Crew'?

'Winging it' is not likely to result in a successful recovery from catastrophic events. Identifying critical roles and responsibilities of the disaster response/recovery team (internal and external), is essential to optimizing your organization's recovery and resiliency.

Every organization is unique in its internal capacity and skill set to effectively respond/recover from catastrophic disasters and it is critical to identify both internal and external team members who will effectively carry out all phases of the recovery plan.

The overarching role of the strategic team is to take a big picture approach to assessing the needs of the organization for both recovery and future resiliency, identifying all available sources of funding, understanding risks to optimal recovery funding, and ensuring all stakeholders in the recovery process understand roles, responsibilities, and critical compliance issues.

Activity: Place an 'x' next to the key 'crew' member roles that should be part of your organization's **strategic** disaster recovery team. Explain why each role is essential to optimize recovery and resiliency.

Role	Strategic Team (x)	Why?
Accounting Director		
Accounts Payable Manager		
Budget Analyst		
Budget Director		
Buyer		
CFO		
Community Development		
Construction Project Manager		
Contracts Manager		
Cost Estimator		
EOC Director		
Facilities Director		
FEMA Claims Lead		
Governing Board Representative		
Grants Manager		
Human Resources		
Insurance Claims Lead		
Legal Counsel		
Maintenance Director		
Overall Project Manager		
Payroll		
Procurement Director		
Public Relations		
Risk Manager		
Technology Director		
Transportation Director		
Warehouse Manager		
Other:		



Who's On Your Disaster Recovery 'Flight Crew'?

Now that you've identified your Strategic Team, identify other 'crew' members, both internal and external, who will contribute to the designated phases of disaster recovery.

Role	Internal	External	Strategic Team	Project Phase						
				Response	Recovery	Monitoring	Reporting	Documentation Prove-up	Close Out	
Accounting Director										
Accounts Payable Manager										
Budget Analyst										
Budget Director										
Buyer										
CFO										
Community Development										
Construction Project Manager										
Contracts Manager										
Cost Estimator										
EOC Director										
Facilities Director										
FEMA Claims Lead										
Governing Board Representative										
Grants Manager										
Human Resources										
Insurance Claims Lead										
Legal Counsel										
Maintenance Director										
Overall Project Manager										
Payroll										
Procurement Director										
Public Relations										
Risk Manager										
Technology Director										
Transportation Director										
Warehouse Manager										
Cost Estimator										
Architect										
Engineer										
FEMA Subject Matter Expert										
Other:										



Federal Disaster Grant Procurement After-Action Review

Dr. Kim Abrego, PT, DPT
kabrego@disastersllc.com
832.499.6597

Shelley Vineyard, MBA, RTSBA
svineyard@disastersllc.com
832.603.2251



Assessment Factor	Strongly Disagree					Strongly Agree				
	1	2	3	4	5	1	2	3	4	5
a. The purchasing department was included early on in disaster recovery planning.	1	2	3	4	5					
b. Our end-users knew that federal procurement rules applied to disaster-related purchases.	1	2	3	4	5					
c. We knew what type of applicant we would be for FEMA public assistance funding (i.e., state entity, local government, private non-profit)	1	2	3	4	5					
d. We had an easy way to segregate and track disaster-related purchases.	1	2	3	4	5					
e. We knew how to apply the most restrictive of federal, state, and local procurement rules to our federal disaster grant purchases.	1	2	3	4	5					
f. Our process for checking for federal suspension and debarment ensured we were not awarding to vendors who were prohibited from participating in federal contracts.	1	2	3	4	5					
g. We had a way to easily incorporate required federal terms and conditions with our POs and contracts including emergency purchases.	1	2	3	4	5					
h. We knew what FEMA would require for the use of pre-awarded contracts that had not been procured according to federal standards.	1	2	3	4	5					
i. We had a process in place to conduct a cost/price analysis for all disaster purchases that exceeded the simplified acquisition threshold of \$250K.	1	2	3	4	5					
j. We knew that FEMA requires a written justification for each use of the emergency/exigent non-competitive procurement exception. (local government and PNPs)	1	2	3	4	5					
k. Our organization was well-prepared to follow federal procurement and contracting requirements in order to protect our federal disaster grant reimbursement dollars.	1	2	3	4	5					
l. We were easily able to pivot to the use of non-traditional sourcing methods and suppliers to overcome supply chain challenges	1	2	3	4	5					

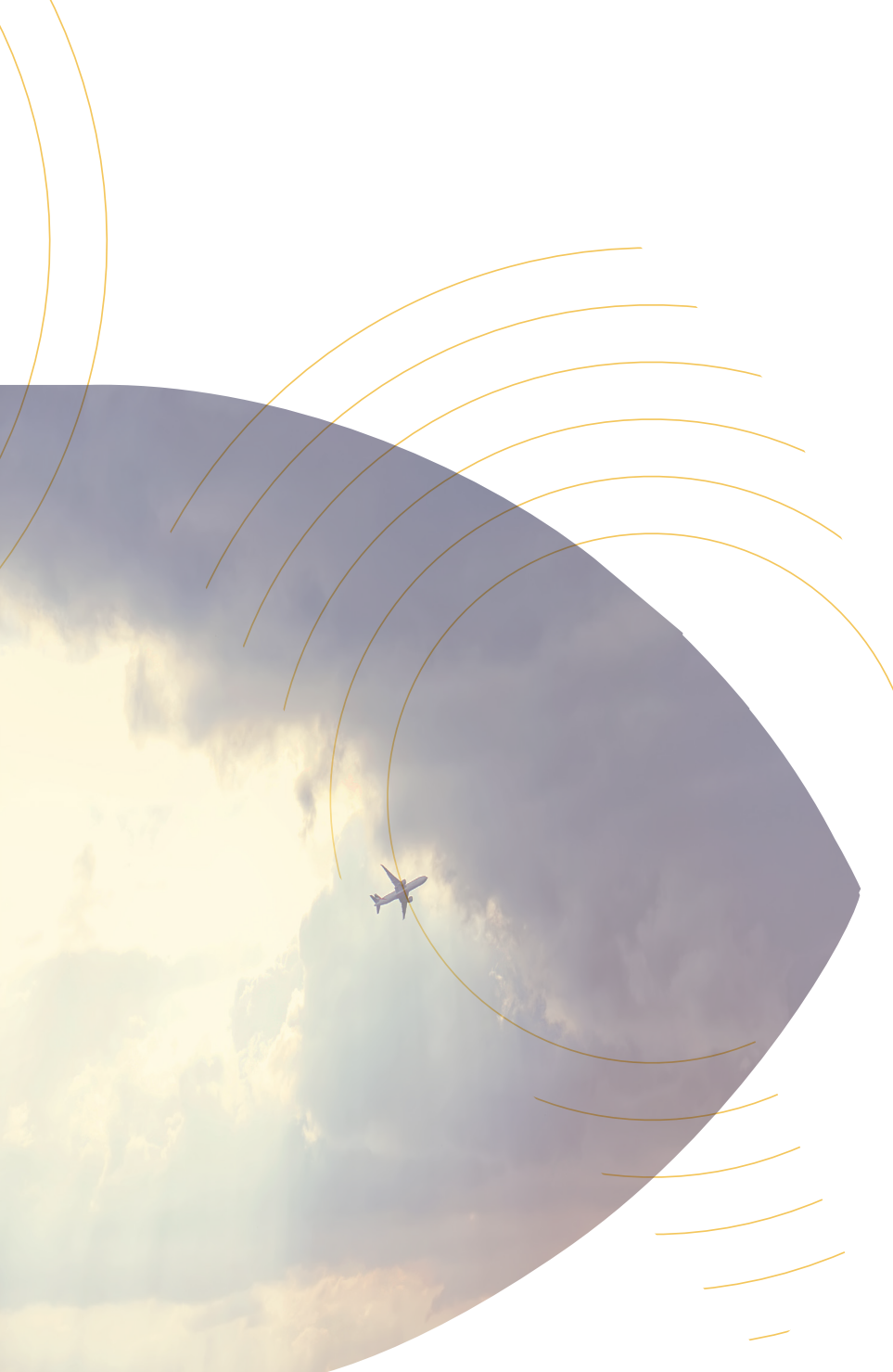
Note: If you need additional support in working through this Procurement After-Action Review, please contact us:

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FEDERAL GRANT DISASTER PROCUREMENT COMPLIANCE IMPROVEMENT MATRIX

Federal Procurement Improvement Plan					
#	Area of Improvement	Corrective Action	Responsible Party	Status	Estimated Completion Date
1					
2					
3					
4					



Disaster Recovery Services, LLC
2229 San Felipe Street
Suite 1200
Houston, TX 77019
833.DRS.HELP
contactus@disastersllc.com

