

TO: James L. App, City Manager
FROM: Mike Compton, Director of Administrative Services
SUBJECT: Professional Quake Assistance – Kermani Consulting Group
DATE: February 17, 2004

Needs: For the City Council to consider retaining outside professional expertise in dealing with quake issues and Federal Emergency Management Administration (FEMA).

Facts:

1. The declaration of a federal disaster by President Bush for the San Simeon Quake provides the means for the City to be reimbursed by FEMA for repairs to public facilities and emergency response expenditures.
2. Preparation of proper damage documentation and reimbursement requests for FEMA is both time consuming and complex.
3. Professional assistance would improve the City's ability for maximizing potential FEMA reimbursement.
4. Kermani Consulting Group has been identified as a firm that would provide the level of professional assistance desired to maximize potential FEMA reimbursement.

Analysis

and

Conclusion:

The City was contacted by two firms that provide professional expertise in dealing with federal disaster issues, including, but not limited to, the initial disaster response, post emergency repairs, FEMA documentation and reimbursement as well as hazard mitigation.

Given the complexity of such matters and the time commitment required to deal with post disaster FEMA issues, it is highly desirable to engage outside expertise. Staff interviewed two firms that provide such assistance. Both firms were determined to be equally capable, priced similarly, extensive experience in dealing with FEMA and the State Office of Emergency Services, and had staff capable of dealing with environmental and historical preservation issues.

After careful consideration and checking with references, staff recommends engaging the services of Kermani Consulting Group located in San Francisco on a time and material basis.

Fiscal
Impact:

The exact amount of assistance is unknown. Thus, potential cost may only be estimated. Staff is proposing a not to exceed effort for \$20,000.

The one year budget/four-year financial plan adopted by the Council on June 3, 2003, indicated that the General Fund would experience a \$(1,215,500) operating deficit for fiscal year 2003. Since that presentation, the Council has approved the following additional General Fund budget appropriations:

Carry-over Requests	\$849,900
City-wide Fee Study	11,000
Self-contained Breathing Apparatus	15,800
Install 67 Parking Spaces	7,000
Landscape & Lighting Improvements	<u>100,000</u>
Total YTD	<u>\$983,700</u>

These additional appropriations plus this request for \$20,000 would increase the projected General Fund deficit to \$(2,219,200). The projected deficit will be paid from General Fund savings (reserves). There are currently sufficient resources in reserves to cover the deficit.

Options:

- a. Adopt Resolution No. 04-xx approving a consulting services agreement with Kermani Consulting Group and a budget appropriation for \$20,000; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROVING A PROFESSIONAL SERVICES CONTRACT WITH
KERMANI CONSULTING GROUP FOR QUAKE ASSISTANCE

WHEREAS, President Bush declared the San Simeon Quake a federal disaster; and

WHEREAS, the declaration made the City eligible for federal and state disaster assistance; and

WHEREAS, said financial disaster assistance comes with significant requirements for documentation and record keeping; and

WHEREAS, professional expertise and experience would assist in maximizing potential reimbursement from federal and state emergency agencies; and

WHEREAS, Kermani Consulting Group provides such professional assistance.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the professional services contract attached herewith as "Exhibit A" with Kermani Consulting Group for quake related assistance is approved.

BE IT FURTHER RESOLVED by the City Council of the City of El Paso de Robles that a one-time budget appropriation in the amount of \$20,000 is hereby authorized from General Fund reserves to budget account 100-140-5235-125.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 17th day of February 2004 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk



KERMANI CONSULTING GROUP

DISASTER GRANTS • HAZARD MITIGATION • PROJECT MANAGEMENT

P.O. BOX 29433
SAN FRANCISCO, CA 94129

(415) 883-3820
FAX (415) 883-3916

January 28, 2004

Mr. Michael Compton
City of El Paso Robles
Director of Administrative Services
1000 Spring Street
Paso Robles, CA 93446

**Re: Disaster Recovery Qualifications
San Simeon Earthquake; FEMA-1505-DR**

Dear Mr. Compton:

It was a pleasure to meet with you and Mr. Ed Gallagher last Friday. As a follow up to your request, I have included our firm's statement of qualifications and a proposal in accordance with the enclosed Exhibit "A". Additionally, I'd like to highlight some reasons why the Kermani Consulting Group (KCG) is able to provide superior consulting service to maximize reimbursement of your disaster related costs.

- Experience with Local Government

For the past seven years KCG has provided consulting services to a wide variety of Bay Area governments to maximize disaster recovery reimbursement from the Federal Emergency Management Agency (FEMA), the Department of Housing and Urban Development (HUD), and the California Office of Emergency Services (OES).

- Experience with Disaster Agencies

The management of KCG has nearly fifteen continuous full-time years of experience with numerous and varied State and Federal declared disasters. In particular, KCG and it's staff have extensive experience with the Loma Prieta and Northridge Earthquakes.

- Comprehensive Service

KCG offers a qualified and highly-experienced multi-disciplinary team of professionals with a strong track record of providing service to local governments that have applied for

reimbursement of disaster response and recovery costs reimbursed by the Public Assistance and Hazard Mitigation Grant Programs administered by OES and FEMA.

- Clients

KCG has provided comprehensive consulting services to the San Francisco International Airport, San Mateo County, the Cities of Napa, Pacifica, Daly City and Millbrae, the Marin County Department of Public Works, the Open Space District of San Francisco, and the City and County of San Francisco. (Refer to Section A.3 of the enclosed Exhibit "A" for the list of references).

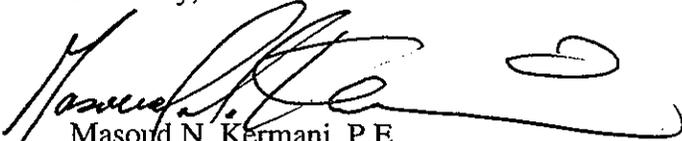
The scope of these services includes initial application for assistance upon declaration of a disaster, identification of damage, technical advice and liaison, preparation of required documentation in accordance with the OES and FEMA guidelines for reimbursement of eligible costs, quarterly reports, requests for payment, appeals at all administrative levels, and "Final Inspection" reports.

- Relationship with Disaster Agencies

The hallmark of KCG service is the personal and professional relationship that has been cultivated with most of the OES and FEMA staff during the past fifteen years. The firm's location and the proximity both to the FEMA headquarters in Oakland and the OES office in Sacramento allows us to monitor an applicant's reimbursement progress and expedite the approval of funding requests.

I appreciate the opportunity to submit the qualifications of KCG. If you have any questions please give me a call at (415) 883-3824.

Sincerely,



Masoud N. Kermani, P.E.

CITY OF PASO ROBLES

Proposal for Disaster Assistance Recovery

San Simeon Earthquake – FEMA-1505-DR

EXHIBIT “A”

A.1 SCOPE OF SERVICES

The consulting services provided to the City of Paso Robles (the City) will be to obtain reimbursements from OES and FEMA for the repair and reconstruction of the sites damaged during the recent earthquake.

The consulting services will be provided as authorized by the City and may include the following tasks:

- Meet with City officials to evaluate the disaster’s reimbursement status.
- Submit the “Request for Public Assistance Application”, “Designation of Applicant Agent Resolution”, and a List of Damaged Projects, known as “Exhibit B”, to the State.
- Provide a recommendation to the City to increase the State share to 100% and reduce the local share to 0%.
- Visit the damaged sites and provide recommendations to the City regarding repair methodologies to maximize reimbursement from OES and FEMA.
- Coordinate the activities between the City and OES/FEMA officials.
- Review the City’s applicable building codes and standards; provide recommendations to the City on the existing standards or adaptation of new ordinances.
- Assist the City and OES/FEMA team to prepare the Project Worksheets (PW).
- Design and maintain a file system for each project.
- Review the engineering reports for the damaged sites and provide recommendations to the City on the methods of repair to maximize eligible funding.
- Attend meetings/site visits with the FEMA, OES and City staff.
- Review the Project Worksheets (PW) prepared by FEMA/OES to identify additional potential funding and prepare the non-concurrence statements, if needed.
- Set up a database tracking system for all the earthquake projects.
- Prepare the necessary requests for supplemental PWs.
- Prepare the First and/or Second appeals pursuant to statutory deadlines for the PWs that do not adequately address the City’s position.
- Follow up the status of the PWs throughout the review process.
- Set-up spreadsheets for the finance department to identify the funding status for all projects’ PWs.
- Prepare the necessary time extension requests for those projects not completed by the regulatory deadlines.
- Review the OES supplement transmittal to identify the projects that should be supplemented or appealed.

- Coordinate with other City Departments to ensure that the documentation/files are organized in a manner to close out the disaster.
- Review the PWs and correspondence prepared by OES/ FEMA and provide comments to the City.
- Provide assistance with the request for reimbursement payments (OES-131) to OES.
- Prepare the Quarterly Reports and Construction Monitoring documents as required by OES and FEMA.
- Assist the City in the preparation of the documentation required by FEMA to complete the environmental (CEQA & NEPA) and/or historical (SHPO & 32 CFR Section 106) reviews.
- Prepare the Hazard Mitigation Grant Program (HMGP) application to the State OES under the 44 CFR Section 404 Program.
- Identify and request funding for eligible projects pursuant to 44 CFR Section 406 Program.
- Prepare the requests for Improved or Alternate Projects and expedite the approval from OES and/or FEMA
- Close out the projects/ disaster and provide assistance with the Final Inspection Audit to obtain the retention held by OES.
- All documentation prepared by the consultants will be reviewed and approved by the City prior to submission to OES and FEMA

A.2 KEY PROJECT PERSONNEL

The following key personnel will be available on an as- needed basis to assist the City with the project:

➤ Project Leader: Masoud Kermani, Professional Engineer

Masoud Kermani has over twenty two years of experience in the field of civil/structural engineering, construction, design and FEMA/OES Public Assistance Program. He worked for the Bechtel Power Corporation and Sacramento Municipal Utility District (SMUD) from 1981 to 1989.

Mr. Kermani joined State OES in 1989 immediately following the Loma Prieta Earthquake. He worked very closely with the OES and FEMA staff assigned to numerous State and Federal disasters declared in the Northern California. He was the Area Coordinator for the Counties of San Francisco, San Mateo and Santa Clara and managed the OES staff assigned to service eligible local governments and private non-profit applicants located in these counties.

In 1997 he founded Kermani Consulting Group (KCG) to provide comprehensive consulting services to local public agencies seeking grant assistance from OES and FEMA.

Mr. Kermani has an in- depth working knowledge of both the Federal regulations (The Stafford Act) and the State Natural Disaster Assistance Act (NDAA) regulations related to Public Assistance reimbursement programs. Mr. Kermani has developed a demonstrated knowledge and success in application of FEMA's Hazard Mitigation Grant Program (HMGP) and the attempts that FEMA has made to tailor the program to recent disasters in California. On a numerous occasions, he has conducted applicant briefings to inform and train applicants seeking funding from the State and Federal government.

➤ **Project Manager: Thomas Ottoman, Architect**

Thomas Ottoman joined State OES in 1992 to provide specialized technical assistance to subgrantees for development of procedures for projects of historic significance and assist FEMA in meeting its obligations to comply with the requirements of the National Historic Preservation Act (NHPA). His responsibilities expanded to provide assistance to subgrantees and agencies for compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). He worked very closely with the OES and FEMA staff assigned to numerous State and Federal disasters declared in Northern California.

Mr. Ottoman's responsibilities expanded to become a Program Manager I in charge of managing three Area Coordinators and approximately thirty field inspectors for all State and Federal disasters in the San Francisco Bay Area. He has a working knowledge of both the Federal regulations (The Stafford Act) and the State Natural Disaster Assistance Act (NDAA) regulations related to Public Assistance reimbursement programs.

In the last five years, Mr. Ottoman has collaborated with KCG to provide project management services to San Mateo County for implementation of property acquisition activities under the approved Hazard Mitigation Grant Program (HMGP). Moreover, he has been instrumental in obtaining the OES approval for the \$8 million landslide repair project in the City of Millbrae and \$9 million of additional funding from State OES and FEMA for the City and County of San Francisco related to the El Niño storms of 1998 (Federal Disaster 1203) and 1997 storms (Federal Disaster 1155).

➤ **Project Fiscal Analyst: Cheryl Ridenour, CPA**

Cheryl Ridenour has been working in the field of accounting, finance and marketing since 1978. She was the Director of Marketing Finance and Administration for the Starsight Telecast Inc. from 1993 to 1997.

Ms. Ridenour has been collaborating with KCG, in the last six years, to design information systems, databases and to reconcile payments from OES and FEMA Disaster Assistance Program. Her expertise was instrumental in reconciling the Loma Prieta Earthquake projects for the Port of San Francisco. Moreover, she has designed databases to track the storm projects and the proceeds for the Cities of Pacifica and Daly City and Marin County Department of Public Works.

Cheryl has an in- depth knowledge of the FEMA and OES fiscal unit's accounting procedures and payment processes.

➤ **Project Program Analyst: Andre Riazance**

Andre Riazance has over twenty eight years of experience in the field of engineering and construction inspection. He worked for the Bechtel Corporation as a Senior Engineer from 1975 to 1995.

Mr. Riazance has worked with KCG for over six years. He has been the analyst for the City of Pacifica for the entire 1998 (Federal Disaster 1203) disaster projects and the 1997 (Federal Disaster 1155) disaster. He has been responsible for the actions needed to ensure compliance with OES/ FEMA requirement for 67 projects for a total of over \$6 million reimbursement form FEMA, OES and HUD.

In the last three years, Mr. Riazance has been lead analyst for the City and County of San Francisco (CCSF) open disasters that occurred during the last seven years. He has been responsible for reviewing and identifying more than \$10 million of eligible funding not recovered by CCSF. He has successfully completed the "Final OES/FEMA Inspection's" for all open disasters and has assisted KCG and CCSF to obtain the approval of additional funding of \$9 Million from OES and FEMA. Andre has an in- depth knowledge of the FEMA and OES Public Assistance regulations, policies and personnel.

A3. LIST OF MAJOR CLIENTS AND REFERENCES

Contact	Client	Title	Phone
Ms. Cecilia Quick	City of Pacifica **	City Attorney	650-738-7408
Mr. Lu Canton	City and County of San Francisco **	OES Director (Former)	415-221-3299
Mr. Joseph Curran	City of Daly City	City Manager's Office	650-991-8126
Mr. Farhad Mansourian	Marin County **	DPW Director	415-499-6570
Mr. Bill O'Callahan	San Mateo County	Supervising Area Coordinator	650-599-1294
Mr. Jeff Killian	City of Millbrae **	Interim City Administrator	650-259-2838
Mr. Dwight Steeves	SF Public Utilities Commission	Internal Auditor	415-487-5229
Mr. Doug Wong	Port of San Francisco	Director	415-274-0401
Mr. Mark Prestwich	City of Napa	Management Analyst	707-257-9520 x7389
Mr. Sam Mehta	SF International Airport	Program Manger	650-821-7841

** Active Projects

A.4 BILLING RATES AND COST ESTIMATE

The following hourly fee schedule shall be charged to perform the services plus actual cost for other expenses including travel, etc. A rate of \$0.40 per mile shall be charged when traveling using personal vehicle.

STAFF TITLE	HOURLY RATE
Project Leader	\$125
Project Manager	\$105
Project Fiscal Analyst	\$95
Project Program Analyst	\$85

It is difficult, at this time, to estimate the total hours needed to complete the scope of work. The consultant will perform the necessary services as they are identified and authorized by the city. It is however recommended that a total of \$75K be budgeted to initiate and carry out the services.

Note: As an alternative to the above where the services are billed using the hourly rates plus the expenses, the consultant fees to perform the services listed in A.2 could be based on the percentages of the obligated funds (for the entire disaster or selected projects) and the retention to perform the final inspection.

A.5 TIME SERVICES RENDERED

Consultant shall provide the above services in a timely manner such that the City meets all FEMA and OES deadlines related to project deadlines, appeals, etc.

A.6 COMPENSATION

Consultant will submit a statement of account for the hourly professional services and the reimbursable expenses every two weeks. The payments will be due within 30 days of its receipt.