

**CITY OF SANTA ROSA
PROFESSIONAL SERVICES AGREEMENT
WITH HAGERTY CONSULTING, INC.
AGREEMENT NUMBER _____**

This "Agreement" is made as of this ____ day of _____, 2018, by and between the City of Santa Rosa, a municipal corporation ("City"), and Hagerty Consulting, Inc, an Illinois Corporation ("Consultant").

R E C I T A L S

A. City desires to prepare for potential Community Development Block Grant – Disaster Recovery (CDBG-DR) funding by preparing a needs assessment, a local plan, and coordinating with other federal, state, local, and philanthropic funding opportunities to assist with the recovery of the Tubbs and Nuns Fires.

B. City desires to retain a qualified firm to conduct the services described above in accordance with the Scope of Services as more particularly set forth in Exhibit A to the Agreement.

C. Consultant represents to City that it is a firm composed of highly trained professionals and is fully qualified to conduct the services described above and render advice to City in connection with said services.

D. The parties have negotiated upon the terms pursuant to which Consultant will provide such services and have reduced such terms to writing.

AGREEMENT

NOW, THEREFORE, City and Consultant agree as follows:

1. SCOPE OF SERVICES

Consultant shall provide to City the services described in Exhibit A ("Scope of Services"). Consultant shall provide these services at the time, place, and in the manner specified in Exhibit A. Exhibit A is attached hereto for the purpose of defining the manner and scope of services to be provided by Consultant and is not intended to, and shall not be construed so as to, modify or expand the terms, conditions or provisions contained in this Agreement. In the event of any conflict between this Agreement and any terms or conditions of any document prepared or provided by Consultant and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the terms of this Agreement shall control and prevail.

2. COMPENSATION

a. City shall pay Consultant for services rendered pursuant to this Agreement at the rates, times and in the manner set forth in Exhibit B. Consultant shall submit monthly statements to City which shall itemize the services performed as of the date of the statement and set forth a progress report,

including work accomplished during the period, percent of each task completed, and planned effort for the next period. Invoices shall identify personnel who have worked on the services provided, the number of hours each worked during the period covered by the invoice, the hourly rate for each person, and the percent of the total project completed, consistent with the rates and amounts shown in Exhibit B.

b. The payments prescribed herein shall constitute all compensation to Consultant for all costs of services, including, but not limited to, direct costs of labor of employees engaged by Consultant, travel expenses, telephone charges, copying and reproduction, computer time, and any and all other costs, expenses and charges of Consultant, its agents and employees. In no event shall City be obligated to pay late fees or interest, whether or not such requirements are contained in Consultant's invoice.

c. Notwithstanding any other provision in this Agreement to the contrary, the total maximum compensation to be paid for the satisfactory accomplishment and completion of all services to be performed hereunder shall in no event exceed the sum of one million, four hundred ninety-seven thousand, one-hundred dollars and no cents (\$1,497,100.00). The City's Chief Financial Officer is authorized to pay all proper claims from Charge Number 42127.

3. DOCUMENTATION; RETENTION OF MATERIALS

a. Consultant shall maintain adequate documentation to substantiate all charges as required under Section 2 of this Agreement.

b. Consultant shall keep and maintain full and complete documentation and accounting records concerning all extra or special services performed by it that are compensable by other than an hourly or flat rate and shall make such documents and records available to authorized representatives of City for inspection at any reasonable time.

c. Consultant shall maintain the records and any other records related to the performance of this Agreement and shall allow City access to such records during the performance of this Agreement and for a period of four (4) years after completion of all services hereunder.

4. INDEMNITY

a. Consultant shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless City, and its employees, officials and agents ("Indemnified Parties") from all claims, demands, costs or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, interest, defense costs, and expert witness fees), that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, or agents, in said performance of professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or intentional misconduct of City.

b. The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 4, nor shall the limits of such insurance limit the liability of Consultant hereunder. This Section 4 shall not apply to any

intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 17(b), below. The provisions of this Section 4 shall survive any expiration or termination of this Agreement.

5. INSURANCE

a. Consultant shall maintain in full force and effect all of the insurance coverage described in, and in accordance with, Attachment One, "Insurance Requirements." Maintenance of the insurance coverage set forth in Attachment One is a material element of this Agreement and a material part of the consideration provided by Consultant in exchange for City's agreement to make the payments prescribed hereunder. Failure by Consultant to (i) maintain or renew coverage, (ii) provide City notice of any changes, modifications, or reductions in coverage, or (iii) provide evidence of renewal, may be treated by City as a material breach of this Agreement by Consultant, whereupon City shall be entitled to all rights and remedies at law or in equity, including but not limited to immediate termination of this Agreement. Notwithstanding the foregoing, any failure by Consultant to maintain required insurance coverage shall not excuse or alleviate Consultant from any of its other duties or obligations under this Agreement. In the event Consultant, with approval of City pursuant to Section 6 below, retains or utilizes any subcontractors or subconsultants in the provision of any services to City under this Agreement, Consultant shall assure that any such subcontractor has first obtained, and shall maintain, all of the insurance coverages set forth in the Insurance Requirements in Attachment One.

b. Consultant agrees that any available insurance proceeds broader than or in excess of the coverages set forth in the Insurance Requirements in Attachment One shall be available to the additional insureds identified therein.

c. Consultant agrees that the insurance coverages and limits provided under this Agreement are the greater of: (i) the coverages and limits specified in Attachment One, or (ii) the broader coverages and maximum limits of coverage of any insurance policy or proceeds available to the name insureds.

6. ASSIGNMENT

Consultant shall not assign any rights or duties under this Agreement to a third party without the express prior written consent of City, in City's sole and absolute discretion. Consultant agrees that the City shall have the right to approve any and all subcontractors and subconsultants to be used by Consultant in the performance of this Agreement before Consultant contracts with or otherwise engages any such subcontractors or subconsultants.

7. NOTICES

Except as otherwise provided in this Agreement, any notice, submittal or communication required or permitted to be served on a party, shall be in writing and may be served by personal delivery to the person or the office of the person identified below. Service may also be made by mail, by placing first-class postage, and addressed as indicated below, and depositing in the United States mail to:

City Representative:

Megan Basinger, Housing and
Community Services Manager
90 Santa Rosa Avenue
Santa Rosa, CA 95404
(707) 543-3303

Consultant Representative:

Katie Freeman, Director of Operations
Hagerty Consulting, Inc.
1618 Orrington Avenue, Suite 201
Evanston, IL 60201
(847) 492-8454

8. INDEPENDENT CONTRACTOR

a. It is understood and agreed that Consultant (including Consultant's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Consultant nor Consultant's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the compensation payable to Consultant under the provisions of this Agreement, and Consultant shall be issued a Form 1099 for its services hereunder. As an independent contractor, Consultant hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Consultant's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any services under this Agreement.

b. It is further understood and agreed by the parties hereto that Consultant, in the performance of Consultant's obligations hereunder, is subject to the control and direction of City as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by Consultant for accomplishing such results. To the extent that Consultant obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the Consultant's sole discretion based on the Consultant's determination that such use will promote Consultant's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the City does not require that Consultant use City facilities, equipment or support services or work in City locations in the performance of this Agreement.

c. If, in the performance of this Agreement, any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision, and control of Consultant. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Consultant. It is further understood and agreed that Consultant shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Consultant's assigned personnel and subcontractors.

d. The provisions of this Section 8 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between City and Consultant. Consultant may represent, perform services for, or be employed by such additional persons or companies as Consultant sees fit.

9. ADDITIONAL SERVICES

Changes to the Scope of Services shall be by written amendment to this Agreement and shall be paid on an hourly basis at the rates set forth in Exhibit B, or paid as otherwise agreed upon by the parties in writing prior to the provision of any such additional services.

10. SUCCESSORS AND ASSIGNS

City and Consultant each binds itself, its partners, successors, legal representatives and assigns to the other party to this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect of all promises and agreements contained herein.

11. TERM, SUSPENSION, TERMINATION

a. This Agreement shall become effective on the date that it is made, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.

b. City shall have the right at any time to temporarily suspend Consultant's performance hereunder, in whole or in part, by giving a written notice of suspension to Consultant. If City gives such notice of suspension, Consultant shall immediately suspend its activities under this Agreement, as specified in such notice.

c. City shall have the right to terminate this Agreement for convenience at any time by giving a written notice of termination to Consultant. Upon such termination, Consultant shall submit to City an itemized statement of services performed as of the date of termination in accordance with Section 2 of this Agreement. These services may include both completed work and work in progress at the time of termination. City shall pay Consultant for any services for which compensation is owed; provided, however, City shall not in any manner be liable for lost profits that might have been made by Consultant had the Agreement not been terminated or had Consultant completed the services required by this Agreement. Consultant shall promptly deliver to City all documents related to the performance of this Agreement in its possession or control. All such documents shall be the property of City without additional compensation to Consultant.

12. TIME OF PERFORMANCE

The services described herein shall be provided during the period, or in accordance with the schedule, set forth in Exhibit A. Consultant shall complete all the required services and tasks and complete and tender all deliverables to the reasonable satisfaction of City, not later than June 30, 2020.

13. STANDARD OF PERFORMANCE

Consultant shall perform all services performed under this Agreement in the manner and according to the standards currently observed by a competent practitioner of Consultant's profession in

California. All products of whatsoever nature that Consultant delivers to City shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Consultant's profession, and shall be provided in accordance with any schedule of performance. Consultant shall assign only competent personnel to perform services under this Agreement. Consultant shall notify City in writing of any changes in Consultant's staff assigned to perform the services under this Agreement prior to any such performance. In the event that City, at any time, desires the removal of any person assigned by Consultant to perform services under this Agreement, because City, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, Consultant shall remove such person immediately upon receiving notice from City of the desire of City for the removal of such person.

14. CONFLICTS OF INTEREST

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City or that would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of City. Consultant agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

15. CONFLICT OF INTEREST REQUIREMENTS

a. **Generally.** The City's Conflict of Interest Code requires that individuals who qualify as "consultants" under the Political Reform Act, California Government Code sections 87200 *et seq.*, comply with the conflict of interest provisions of the Political Reform Act and the City's Conflict of Interest Code, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests. The term "consultant" generally includes individuals who make governmental decisions or who serve in a staff capacity.

b. **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and the City's Conflict of Interest Code:

X yes ____ no

If "yes" is checked by the City, Consultant shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as "consultants"; and
- (2) Cause these individuals to file with the City Clerk the assuming office statements of economic interests required by the City's Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, Consultant shall cause these

individuals to file with the City Clerk annual statements of economic interests, and "leaving office" statements of economic interests, as required by the City's Conflict of Interest Code.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act. The City may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

16. CONFIDENTIALITY OF CITY INFORMATION

During performance of this Agreement, Consultant may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City. Consultant agrees to protect all City Information and treat it as strictly confidential, and further agrees that Consultant shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of City. In addition, Consultant shall comply with all City policies governing the use of the City network and technology systems. A violation by Consultant of this Section 16 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

17. CONSULTANT INFORMATION

a. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Consultant pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Consultant shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.

b. Consultant shall fully defend, indemnify and hold harmless City, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Consultant pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Consultant not later than ten (10) days after City is served with any such claim, action, lawsuit or other proceeding, provided that City's failure to provide such notice within such time period shall not relieve Consultant of its obligations hereunder, which shall survive any termination or expiration of this Agreement.

c. All proprietary and other information received from Consultant by City, whether received in connection with Consultant's proposal, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is

set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Consultant of any request for the disclosure of such information. Consultant shall then have five (5) days from the date it receives such notice to enter into an agreement with the City, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorneys' fees) incurred by City in any legal action to compel the disclosure of such information under the California Public Records Act. Consultant shall have sole responsibility for defense of the actual "trade secret" designation of such information.

d. The parties understand and agree that any failure by Consultant to respond to the notice provided by City and/or to enter into an agreement with City, in accordance with the provisions of subsection c, above, shall constitute a complete waiver by Consultant of any rights regarding the information designated "trade secret" by Consultant, and such information shall be disclosed by City pursuant to applicable procedures required by the Public Records Act.

18. MISCELLANEOUS

a. Entire Agreement. This Agreement contains the entire agreement between the parties. Any and all verbal or written agreements made prior to the date of this Agreement are superseded by this Agreement and shall have no further effect.

b. Modification. No modification or change to the terms of this Agreement will be binding on a party unless in writing and signed by an authorized representative of that party.

c. Compliance with Laws. Consultant shall perform all services described herein in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, including but not limited to, (i) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) ("ADA"), and any regulations and guidelines issued pursuant to the ADA; and (ii) Labor Code sections 1720, et seq., which require prevailing wages (in accordance with DIR determinations at www.dir.ca.gov) be paid to any employee performing work covered by Labor Code sections 1720 et seq. Consultant shall pay to the City when due all business taxes payable by Consultant under the provisions of Chapter 6-04 of the Santa Rosa City Code. The City may deduct any delinquent business taxes, and any penalties and interest added to the delinquent taxes, from its payments to Consultant.

d. Discrimination Prohibited. With respect to the provision of services under this Agreement, Consultant agrees not to discriminate against any person because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of that person.

e. Governing Law; Venue. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court in Sonoma County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such court.

f. Waiver of Rights. Neither City acceptance of, or payment for, any service or performed by Consultant, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

g. Incorporation of Attachments and Exhibits. The attachments and exhibits to this Agreement are incorporated and made part of this Agreement, subject to terms and provisions herein contained.

19. AUTHORITY; SIGNATURES REQUIRED FOR CORPORATIONS

Consultant hereby represents and warrants to City that it is (a) a duly organized and validly existing Corporation, formed and in good standing under the laws of the State of Illinois, (b) has the power and authority and the legal right to conduct the business in which it is currently engaged, and (c) has all requisite power and authority and the legal right to consummate the transactions contemplated in this Agreement. Consultant hereby further represents and warrants that this Agreement has been duly authorized, and when executed by the signatory or signatories listed below, shall constitute a valid agreement binding on Consultant in accordance with the terms hereof.

If this Agreement is entered into by a corporation, it shall be signed by two corporate officers, one from each of the following two groups: a) the chairman of the board, president or any vice-president; b) the secretary, any assistant secretary, chief financial officer, or any assistant treasurer. The title of the corporate officer shall be listed under the signature.

Executed as of the day and year first above stated.

CONSULTANT:

CITY OF SANTA ROSA
a Municipal Corporation

Name of Firm: Hagerty Consulting, Inc.

TYPE OF BUSINESS ENTITY (*check one*):

By: _____

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (please specify: _____)

Print Name: _____

Title: _____

Signatures of Authorized Persons:

APPROVED AS TO FORM:

By: _____

Print Name: _____

Office of the City Attorney

Title: _____

ATTEST:

By: _____

Print Name: _____

City Clerk

Title: _____

City of Santa Rosa Business Tax Cert. No.

- Attachments:
- Attachment One - Insurance Requirements
 - Exhibit A - Scope of Services
 - Exhibit B - Compensation

**ATTACHMENT ONE
INSURANCE REQUIREMENTS FOR
PROFESSIONAL SERVICES AGREEMENTS**

A. Insurance Policies: Consultant shall, at all times during the terms of this Agreement, maintain and keep in full force and effect, the following policies of insurance with minimum coverage as indicated below and issued by insurers with AM Best ratings of no less than A:VI or otherwise acceptable to the City.

Insurance	Minimum Coverage Limits	Additional Coverage Requirements
1. Commercial general liability	\$ 1 million per occurrence \$ 2 million aggregate	Coverage must be at least as broad as ISO CG 00 01 and must include completed operations coverage. If insurance applies separately to a project/location, aggregate may be equal to per occurrence amount. Coverage may be met by a combination of primary and umbrella or excess insurance but umbrella and excess shall provide coverage at least as broad as specified for underlying coverage. Coverage shall not exclude subsidence.
2. Business auto coverage	\$ 1 million	ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$ 1 million per accident for bodily injury and property damage.
3. Professional liability (E&O)	\$ 1 million per claim \$ 1 million aggregate	Consultant shall provide on a policy form appropriate to profession. If on a claims made basis, Insurance must show coverage date prior to start of work and it must be maintained for three years after completion of work.
4. Workers' compensation and employer's liability	\$ 1 million	As required by the State of California, with Statutory Limits and Employer's Liability Insurance with limit of no less than \$ 1 million per accident for bodily injury or disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents and subcontractors.

B. Endorsements:

1. All policies shall provide or be endorsed to provide that coverage shall not be canceled, except after prior written notice has been provided to the City in accordance with the policy provisions.

2. Liability, umbrella and excess policies shall provide or be endorsed to provide the following:
 - a. For any claims related to this project, Consultant's insurance coverage shall be primary and any insurance or self-insurance maintained by City shall be excess of the Consultant's insurance and shall not contribute with it; and,
 - b. **The City of Santa Rosa, its officers, agents, employees and volunteers are to be covered as additional insureds on the CGL policy.** General liability coverage can be provided in the form of an endorsement to Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.

C. Verification of Coverage and Certificates of Insurance: Consultant shall furnish City with original certificates and endorsements effecting coverage required above. Certificates and endorsements shall make reference to policy numbers. All certificates and endorsements are to be received and approved by the City before work commences and must be in effect for the duration of the Agreement. The City reserves the right to require complete copies of all required policies and endorsements.

D. Other Insurance Provisions:

1. No policy required by this Agreement shall prohibit Consultant from waiving any right of recovery prior to loss. Consultant hereby waives such right with regard to the indemnitees.
2. All insurance coverage amounts provided by Consultant and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement limits the application of such insurance coverage. Defense costs must be paid in addition to coverage amounts.
3. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either Consultant or City. Self-insured retentions above \$10,000 must be approved by City. At City's option, Consultant may be required to provide financial guarantees.
4. Sole Proprietors must provide a representation of their Workers' Compensation Insurance exempt status.
5. City reserves the right to modify these insurance requirements while this Agreement is in effect, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

4. Understanding and Approach

STATEMENT OF UNDERSTANDING

The Tubbs Fire currently stands as the single most destructive wildfire in the State of California's history. As a result, approximately 3,000 housing units and 31 businesses in the City were destroyed. Recovery from these fires will require the City to navigate the HUD CDBG-DR and FEMA mitigation grant programs.

Hagerty understands the City seeks to engage a firm with experience in managing the range of major federal disaster recovery grant programs. Hagerty knows these programs and has a long track record of delivering for our clients – all while having never experienced a substantial adverse audit finding or de-obligation from the Department of Homeland Security (DHS) or HUD Office of the Inspector General (OIG). Leveraging this experience, Hagerty will develop innovative methodologies, fulfill federal requirements, and substantiate reimbursement claims while safeguarding the City against disallowance of eligible costs.

The Hagerty Team has a strong track record of experience and success delivering the services required by the City to support its recovery efforts.

- » **CDBG-DR Activities** - The Hagerty Team has vast experience conducting Unmet Needs Assessments (UNA), developing outreach plans, providing training and technical assistance, and developing action plans. Our support for the City of Longmont and Boulder County shows our CDBG-DR experience. We have also developed and implemented large scale county resilience plan development to capture county unmet needs and aggregate at the State level as we did for the State of North Carolina.
- » **FEMA Section 404 and 406 Support Services** - The Hagerty Team understands that disaster recovery presents an opportunity to build resilience and mitigate damage from future disasters. Our work to secure HMGP and Section 406 mitigation funds for the NYC exemplifies our expertise and success.
- » **Funding and Grant Support** - For more than 16 years, Hagerty has helped clients obtain and retain recovery funding by developing and implementing innovative and compliant strategies to maximize funding with no adverse audit finding or de-obligations. Our current work with the County of Santa Cruz, California is an example of the funding and grants management support we deliver.
- » **General Support Activities** - The Hagerty Team has the depth and breadth of skills and experience to support all the City's disaster recovery needs, including outreach and education; primary contact services; language services; coordination with the City; and quarterly reporting and record keeping. Our work for NYC is an example of our ability to successfully deliver a range of specialized services during a disaster recovery operation.

Below, we provide more detail on our experience delivering each component of the scope of services and approach to address the City's needs.

APPROACH AND STRATEGY OUTLINE

At Hagerty, we execute recovery programs to work for our clients like the City by matching expertise, proven processes, and tailored systems to support the recovery operation. To support the immediate needs of the City under DR-4344, Hagerty will:

1. Assign personnel who have successfully managed similar projects in past;
2. Initiate our support using processes that have worked for similar clients and similar disasters; and
3. Train City personnel and, when applicable, hire and subcontract locally to execute with local expertise.

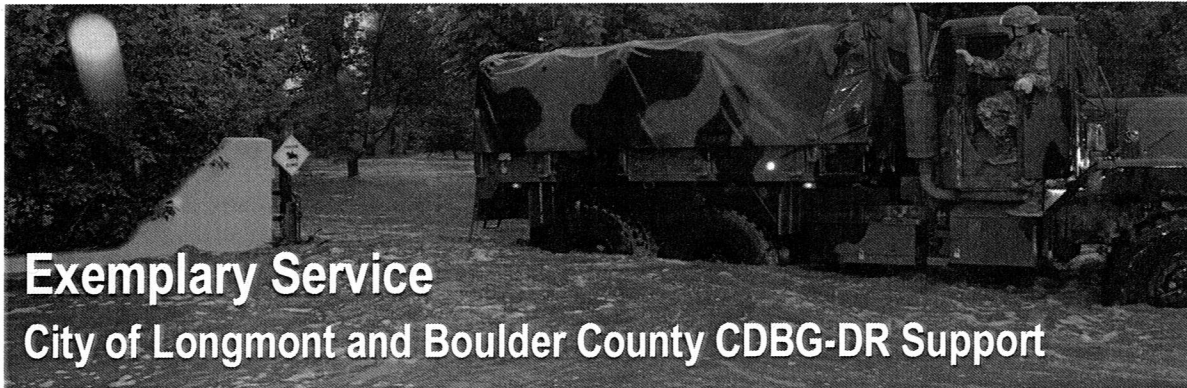
As a recovery partner, Hagerty offers the City two types of critical service. First, we offer staff augmentation, which may be necessary to cope with increased needs across the City and its residents, property owners, non-profit and community-based organizations and other affected groups. Second, we offer expert support in the form of strategic guidance on recovery policy, technical subject matter expertise to support rebuilding in a faster, smarter, and more resilient manner, as well as disaster recovery finance and accounting expertise to assist the City with project development through closeout and audit. The ability to scale the team to the constantly evolving and varying needs of the disaster recovery enable our program leadership to navigate the major federal programs that will fund the response and recovery phase of this disaster: FEMA PA, HMGP, and CDBG-DR, which are already available.

CDBG-DR ACTIVITIES

Hagerty has a diverse background in assisting disaster-affected communities eligible to receive CDBG-DR funds for long-term recovery needs following a major disaster. Notable experience includes the following:

- » Supporting Minot, North Dakota and NYC in administering direct allocations of HUD CDBG-DR funds – an approach not often employed by HUD to allow local jurisdictions, instead of states, to manage CDBG-DR funds.
- » Assisting the City of Longmont, CO with a direct sub-allocation from the State of Colorado to be administered within Boulder County on a collaborative basis with eight other communities and special districts.
- » Working with the State of North Carolina to initiate its CDBG-DR Program. Our subject matter experts helped develop the State's Action Plan and is now developing and implementing a Salesforce-based CDBG-DR management module to provide the State with HUD compliant system of record to manage all financial transactions and maintain all documentation for auditing purposes.

Our experience shows that we understand the CDBG-DR Program and can offer the City the right advisory services on how to integrate CDBG-DR and Community Development Commission into the recovery effort. Hagerty is currently assisting the City of Longmont and Boulder County, Colorado to implement their Boulder County Collaborative (BCC) CDBG-DR Action Plan. To initiate our support under this contract, Hagerty conducted a County-wide UNA that detailed, per community, disaster impacts to housing, infrastructure, and economic development. The results of the UNA served as a basis for allocating the sub-allocation to each partner community. The Action Plan was developed based on the outcome of the UNA and each partner community's priority projects. After HUD approved the Action Plan, our Team of experts helped develop required CDBG-DR policies and procedures. Currently, Hagerty supports the City of Longmont in implementing its lead agency responsibilities by providing compliance reviews for processing grant payments from across Boulder County.



Exemplary Service

City of Longmont and Boulder County CDBG-DR Support

Program Assessment

Hagerty has supported the City of Longmont with a multidisciplinary team of professionals to conduct the assessment of the current housing repair program, including construction standards, inspections, contractor procurement, the down payment assistance program, the temporary rental assistance program, mobile home acquisition, and optional relocation.

CDBG-DR Allocation Management

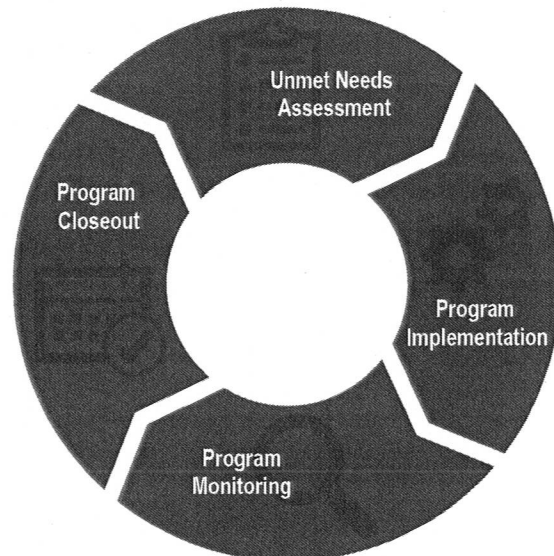
Hagerty has worked with the City of Longmont, Boulder County, and six local governments to form the BCC and receive a direct sub-allocation of approximately \$60 million of CDBG-DR funds from the state for flood recovery for housing and infrastructure within Boulder County.

To address each of the City's scopes of services for CDBG-DR activities, Hagerty will perform the following:

1.a. Coordinate with State of California Department of Housing and Community Development (HCD), consultants, and other agencies and organizations.

The Hagerty Team can assist the City to coordinate with local, regional, state, and federal stakeholders in alignment with federal requirements to design and implement programs housing, infrastructure, economic revitalization, as well as include additional resilient features currently required for use of CDBG-DR. Hagerty believes in a proactive approach to stakeholder engagement, and will leverage existing local recovery structures to support development of both the UNA and Action Plan, with strategic coordination with the State and HUD. Stakeholders will be offered opportunities to participate

Figure 3: Hagerty's Approach to CDBG-DR



in planning meetings in-person, with remote support offered specifically to incorporate federal partners who may be based out of the Bay Area or Washington, DC.

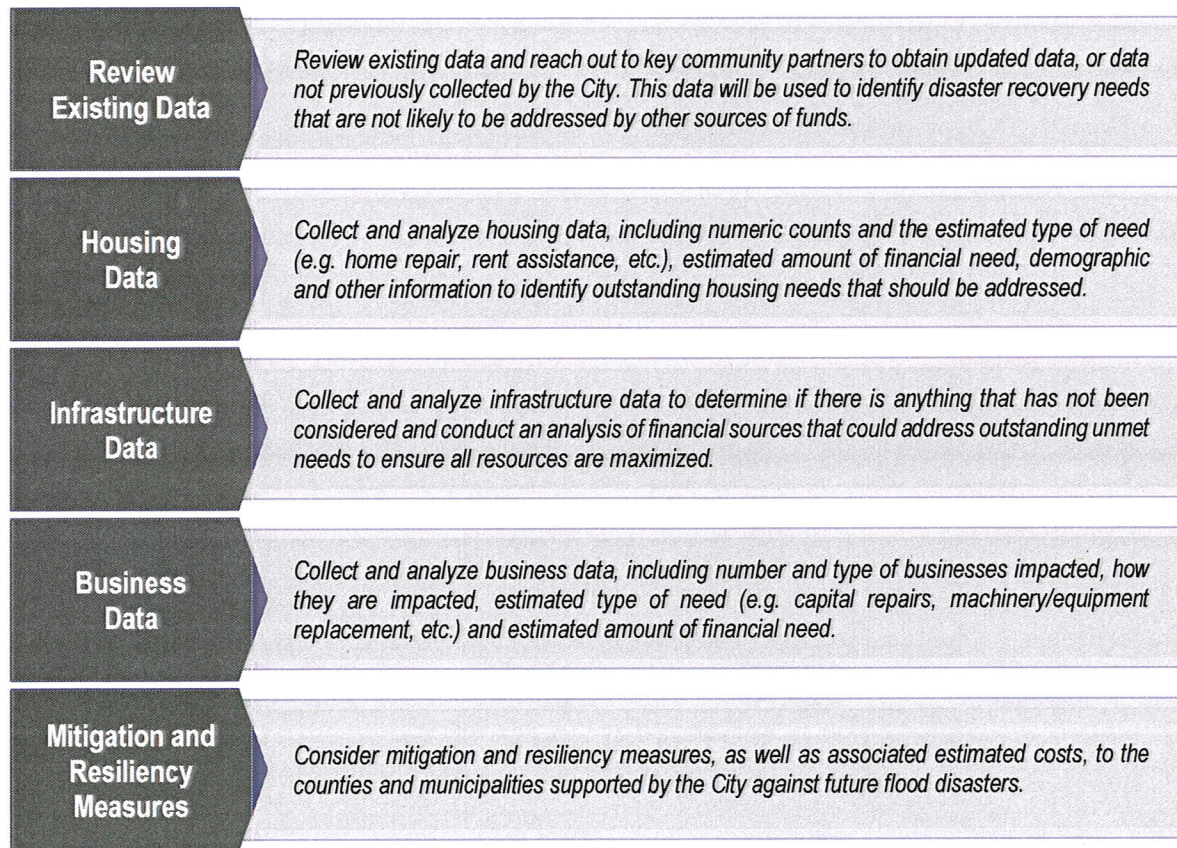
1.b. Conduct the data collection needed for the CDBG-DR Needs Assessment.

In order to support the allocation of CDBG-DR, the UNA outlines the type and location of community needs, enabling the City to target limited resources to those areas with the greatest need. The UNA must evaluate three core aspects of recovery: housing, infrastructure, and businesses and the economy. Our professionals will support the following tasks to develop a UNA for the City as described in the following graphic.

Stakeholder Engagement

- ✓ For the State of North Carolina, Hagerty designed a governance process in review of the Action Plan and program policy development that included the management entity in the Governor's Office, the monitoring entity in the Department of Commerce and the implantation entity in Emergency Management. This was achieved through a series of in person review meetings and pro-active engagement with HUD for feedback prior to submission. This resulted in an approved Action Plan.

Figure 4: UNA Development Tasks



The result of this analysis will determine if the overall need in each category remains unmet, given all resources already available as well as those already being pursued. An outstanding gap will be identified, which will then be incorporated in the overall UNA. Assuming a CDBG-DR allocation is made, the UNA will be leveraged by the Hagerty Team to develop and implement an overall Action Plan to address unmet needs.

The UNA can be a strategic tool yielded by the City to great benefit, increasing funding and the overall impact of available resources. With the City of Longmont, Hagerty collaborated with Boulder County, the City of Boulder, and other stakeholders across the County to create the BCC, allowing Longmont to serve as the grantee to the State of Colorado. The nine participating jurisdictions in the BCC were able to leverage their influence to secure significant funding and decide which projects to fund. This resulted in a \$60 million program focused primarily on housing and infrastructure programs, with match funds allocated to FEMA and FHWA Programs.

1.c. Development a Community Outreach Plan that complies with the State's CDBG-DR Citizen Participation Plan requirements. Community Outreach should engage a variety of stakeholders throughout the Action Plan development and expenditure process.

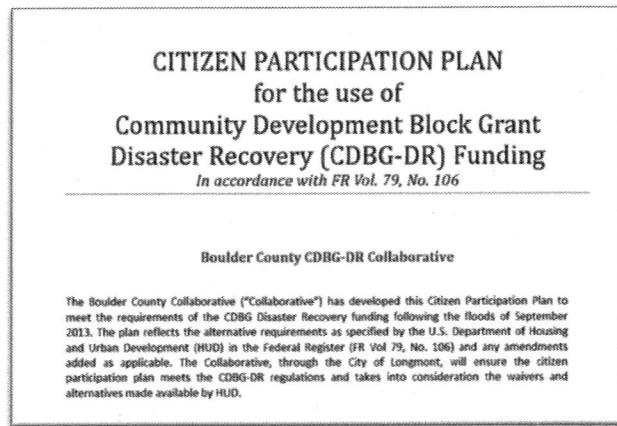
Outreach is a critical component of a successful CDBG-DR Program. City citizens and impacted stakeholders should be provided the opportunity to provide feedback on program policy and design to develop familiarity with Action Plan Programs, enabling buy-in and validating programs. The Hagerty Team will work with the City in developing a robust and inclusive community outreach plan. This will include the following:

- » Intended audience;
- » Purpose of communication;
- » Draft narrative for City approval;
- » Distribution medium (physical mail, electronic, public notice, etc.);
- » Communication owner; and
- » Scheduled date of distribution.

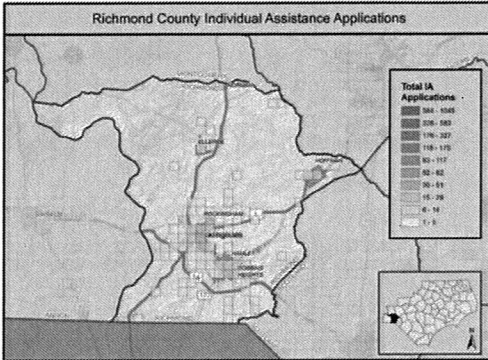
We will review the communications plan with the City to confirm the delivery schedule and assigned resources. All feedback received from the public through a public comment period will be documented and adjudicated with the City. Hagerty's past experience in outreach and communications includes pre-and post-disaster engagement, crafted to build community resilience and increase programmatic buy-in. Under one campaign for the Chicago region, our work included direct outreach to more than 132,000 households, with media-impressions topping 15 million.

1.d. Develop an Action Plan, as determined by HUD and HCD, for the City of Santa Rosa. Alternatively, if HCD develops an alternative method for allocating CDBG-DR funds, prepare the necessary application materials to secure funding for the City of Santa Rosa.

Disaster recovery resources are scarce, and utilizing these funds requires deliberation, planning, and public comment. CDBG-DR funding should be used to meet critical, unaddressed needs. Before funding is authorized to be spent, grantees must illustrate the connection between the recovery needs and funding allocation. The CDBG-DR Action Plan addresses unmet recovery needs through activities that:



1. Qualify for CDBG eligibility (or received a waiver);
2. Meet CDBG national objective; and
3. Address the direct or indirect impacts of the disaster.



Hagerty has helped multiple clients develop Action Plans as well as Substantial Amendments to these plans. In addition, we offer geographic information systems (GIS) expertise, if requested, to support HUD Action Plan formulation and facilitate approval. For past clients, we have used GIS to clearly demonstrate that proposed projects meet HUD requirements for low-moderate income (LMI) requirements. The map to the right offers an example visualization developed by Hagerty for a Resilience Redevelopment Plan in North Carolina used to support their Action Plan.

The Hagerty Team will implement a stakeholder-focused approach to Action Plan development. We will first develop an Action Plan review panel to serve as the governing body of the Action Plan. This will likely include City executive leadership, emergency management, and the Community Development Commission, at a minimum. Three checkpoints will be schedule with this group to review and concur on the following:

- » **Unmet Needs** - We will detail our findings from the UNA, which will analyze the funding streams the City has received resulting from the disaster and compare against available damage date.
- » **Method of Distribution** - We will review how any allocated funding to the City will be distributed among established programs across housing, infrastructure, and economic development. As part of this process, we will provide technical assistance to City staff on CDBG-DR eligible activities and provide guidance on components of effective and compliant CDBG-DR Programs, based on our experience working with HUD and grant recipients across the country.
- » **Final Action Plan Draft** - We will review the supporting narrative to include both the UNA and the Method of Distribution developing each of the initial program descriptions and related financial caps.

We have found that reviewing the Action Plan in this fashion enables all relevant stakeholders to provide input in an organized fashion as well as the document development process to evolve with the recovery. This process also enables any known public input to be included in the plan prior to release for public comment.

1.e. Prepare all required amendments, reports, and other required documents associated with the implementation and expenditure of CDBG-DR funds.

An important part of assisting the City in obtaining and managing CDBG-DR funds will be preparing the City for HUD and State monitoring. Monitoring is ongoing and establishing appropriate methods early is important to assure the overall success of recovery. The Hagerty Team will follow the procedures outlined by HUD for monitoring all CDBG and CDBG-DR activities. In addition, we will conduct an initial risk assessment of all grant recipients, including internal sub-grantees and sub-recipients, to determine program risk factors and financial management capacity. After determining risk, we will establish a schedule to regularly monitor risk and provide additional technical assistance to build capacity. Monitoring visits with sub-grantees and sub-recipients will be recorded and documented so that these can be provided to the state or HUD at any time.

Critical considerations for monitoring will ensure CDBG-DR funding is being drawn down in a timely fashion, which will create projections for future expenditures and ensure the program meets LMI. As we monitor the program, our team will determine if impediments exist to meeting spending requirements, and whether waivers are necessary and appropriate.

1.f. Coordinate with City staff to maximize existing programs, systems, and documents for the expedited deployment of CDBG-DR funds.

Hagerty will work with the City to understand all existing data storage processes, documentation approval work flows and other information management related to CDBG-DR expenditures and ultimately re-building. While Hagerty has extensive experience developing information management systems for CDBG-DR clients, our initial recommendation for the City will be to ensure integration with the State system of record. If the State of California intends to provide a system of record to all sub-grantees for case management across all Housing, Infrastructure, and Economic Recovery programs, Hagerty will assist the City on establishing all processes to integrate with that system of record. This would include providing technical assistance for operating that system.

Hagerty will:

- » Establish a grant management strategy upon project initiation which will map all City eligible funding programs and how to integrate to maximize benefits to City residents.
- » Review either the California system of record and develop operating guides for City and program staff or provide the City with a system of record recommendation to store and efficiently manage all program documentation.
- » Develop associated workflows for management and approval of all program documentation to include but not limited to: policy documents, invoices, acquisition/procurements, etc. Work flows will establish ownership and associated approval process.

Training Development

- ✓ For the State of North Carolina, Hagerty designed a robust training program to train all state and county staff which utilize the system of record ranging from intake center staff, to program management, to program monitors.

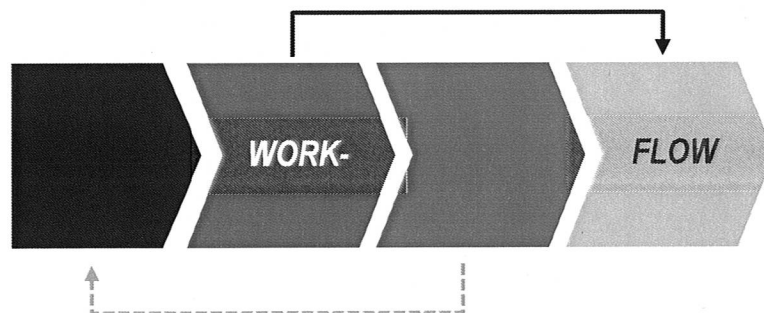
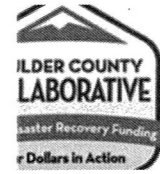


Figure 5: Excerpt from HUD Monitoring Report of the State of Colorado

1.g. Perform any other necessary tasks associated with CDBG-DR Action Plan Development, including Hazard Mitigation Fund plans, implementation, and reporting.

Our professionals have over 300 years of combined experience in every aspect of federally funded disaster recovery from declaration request and grant formulation through project closeout. We also have broad background supporting our clients through appeals and arbitrations as governed by the *Post-Katrina Emergency Management Reform Act* (PKEMRA), alternative dispute resolution (ADR) process as governed by *Sandy Recovery Improvement Act* (SRIA), and audits. This includes the Stafford Act and all supplemental policies, regulations, and guidelines, including Title 2 of the CFR Part 200 on uniform administrative requirements for federal awards (procurement, cost principles, and audit). Our partner IBTS has experienced working with a range of clients on the entirety of the CDBG-DR process and were chosen by HUD to develop guidance for jurisdictions on managing CDBG-DR grants.

Hagerty maintains extensive experience developing Hazards Mitigation plans and Disaster Cost Recovery plans. These plans set the strategy for management of all mitigation and long-term recovery funding. Hagerty was recently selected by the State of California to develop the State's Disaster Recovery Framework.



Excerpt from HUD Monitoring Report of the State of Colorado: Boulder County Collaborative

HUD's review of housing programs included an overview of the Boulder County Collaborative, a local government-organized effort wherein Boulder County jurisdictions have joined together for their CDBG-DR funded disaster recovery efforts. The City of Longmont was designated the lead agency because of its experience in managing CDBG programs. All communities within the county impacted by the flood are welcome to join, and the collective also includes school, fire, and water districts that were identified in the unmet needs analysis. The local governments are linked by an intergovernmental agreement and each jurisdiction's proportion of unmet need is the primary basis for determining the total CDBG-DR funds awarded to the jurisdiction. Communities may enter or leave the Collaborative at the end of their respective project or when there is a new unmet needs analysis.

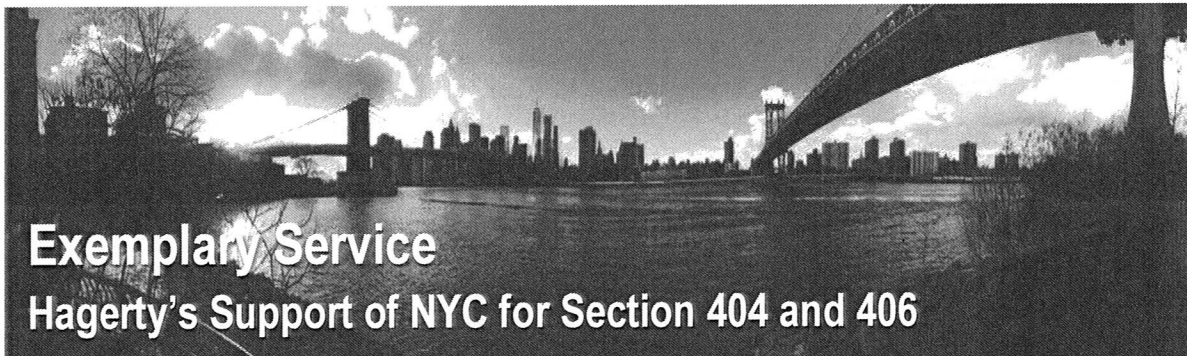
The Collaborative appears to be a model method for units of local government to combine resources and identify a high-capacity lead agency to administer recovery programs on behalf of the collaborative participants. The City of Longmont's administration is strengthened by its adoption of a central grants management system using the Salesforce product platform as part of a contract it has with Hagerty Consulting. The city's database includes key data on project status, monitoring efforts, and supporting documentation for draw requests. The system is also set up to be consistent with the Disaster Recovery Grant Reporting System (DRGR) action plan and import data that can be pulled from DRGR.

Note: The State of Colorado has not made the HUD Monitoring Report public. Dave Bowman, CDBG-DR Director at the State of Colorado Department of Local Affairs has authorized us to share this information and can verify our support for the Collaborative and implementation of this IT solution. Mr. Bowman can be reached at dave.bowman@state.co.us.

FEMA SECTION 404 AND 406 SUPPORT SERVICES

Through FEMA, the federal government provides disaster recovery funds to reimburse local governments for permanent restoration of damaged public facilities as well as hazard mitigation funding through two programs – Sections 404 and 406 of the Stafford Act. These interconnected funding streams are critical to helping state and local communities restore public facilities to pre-disaster condition, bring damaged facilities into compliance with local codes and standards, and providing funding to protect public facilities in the event of a disaster. Hagerty has extensive experience in managing and implementing hazard mitigation grants for both programs, including crafting strategies to leverage funding through both funding streams.

For a recent client, Hagerty worked to implement a \$480 million project to rebuild and increase the resilience of a major public boardwalk. The project blends the use of more resilient building materials as well as lower cost construction means and methods to protect both the boardwalk and the large community living behind the boardwalk. In this disaster, there is a local cost share of \$48 million that our client needed to cover. To support the client, Hagerty worked directly with HUD to offset the \$48 million cost share with CDBG-DR funds. As a result, the full cost of this project is being reimbursed through the federal government, leaving no local cost share for our client. In addition to this experience, Hagerty Team member APTIM supported the PANYNJ to secure \$305 million for the Holland Tunnel resilience project, an increase of more than \$250 million from original estimates.



SECTION 404 HMGP

Hagerty's professionals supported NYC by developing and submitting 44 complete and highly competitive applications for Section 404 HMGP funding. These 44 projects total \$1.17 billion and seek to protect NYC through actions taken to reduce or eliminate the long-term risk to human life and property from natural hazards. Applications include projects focused on flood mitigation, storm water drainage, generators, and mechanical, electrical, and plumbing relocation projects.

SECTION 406

Hagerty's professionals provided technical assistance to NYC agencies by evaluating project funding as part of the development of PA Program PWs. This work entails identification of eligible damage, identification of technically feasible and cost-effective mitigation options, scope development, cost estimating, environmental reviews, BCA, and development of hazard mitigation proposals (HMPs). Due to our leadership and collaboration across agencies, the total value of HMPs developed by Hagerty to support NYC is \$459 million, with support for an additional \$1.4 billion for NYCHA.

To address each of the City's scopes of services for FEMA Section 404 and 406 coordination, Hagerty will perform the following:

2.a. Prepare federal, state, or other agency grant applications for eligible projects.

Through FEMA, the federal government provides hazard mitigation funding through two programs (Section 404 and 406), which are both critical to helping state and local communities protect public facilities in the event of a disaster. Hagerty is experienced in managing and implementing hazard mitigation grants for both programs, including crafting strategies to leverage funding through both funding streams. Hazard mitigation funding can be used to protect the City from future damages, and in combination with the flexibility provided under the FEMA PAAP Pilot Program, federal recovery programs can build a resilient City. Hagerty recently conducted a comprehensive mitigation review for our client to maximize opportunities for increased resilience. For both 406 and 404, Hagerty's capability is inclusive of the entire hazard mitigation grant lifecycle, including developing letters of interest (LOI) and monitoring during project execution.

2.b. Assist with the ongoing assessment of damage to public infrastructure. Manage grant applications, reporting and reimbursement requirements, and project close out processes.

Hagerty will execute a robust damage assessment process, supporting ongoing assessments of public infrastructure and collaborating with contractors, as necessary. Hagerty's work will be guided by checklists to support quality assurance and conformance, ensuring the damage assessment process is streamlined and all projects are closeout ready.

Project schedules will be monitored on a continuous basis to assure compliance with the program guidelines and that work is progressing in a timely manner to meet established schedules and manage within grant timelines. Other activities executed by our team may include:

- » Reviewing information management systems to ensure necessary and complete environmental reviews are executed, including that all required signatures on the reviews required by HUD or FEMA are evident;
- » Ensuring necessary documents and permits required by all reviewers and agencies for compliance resolutions are appropriately collected; and
- » Developing reports to ensure reconciliation and developing additional reports, as necessary.

2.c. Develop mitigation projects and proposals to comply with State and federal program requirements.

Understanding that HUD is placing an emphasis on mitigation with a newly created dedicated funding stream, the Hagerty team will utilize experience with the NDRC Notice of Funding Opportunity and integrate our experience in performing BCA to validate the viability of any proposed projects to utilize DR mitigation funds.

Hagerty's professionals have extensive experience in FEMA hazard mitigation assistance awarded under the PA Program through Section 406 of the Stafford Act. Our teams have crafted hundreds of successful HMPs. We leverage FEMA BCA experts to craft arguments for our clients which result in successful project funding and reduce future damages. To provide this support to the City, Hagerty will assign personnel to execute a

National Disaster Resilience Competition (NDRC)

- ✓ Hagerty's Project Principal led New York City's NDRC application and grant strategy leading to the City being awarded **\$176M in HUD funding**.



variety of tasks in alignment with the City's objectives, including supporting the City to evaluate Section 404 HMGP applications from local governments and working with the City to develop successful HMGP applications for funding to protect assets. Hazard mitigation funding can be used to protect the City from future damages, and in combination with the flexibility provided under the FEMA PAAP Pilot Program, federal recovery programs can build a resilient City. Approximately \$333 million in HMGP funding is already available through Cal OES for fire mitigation related to DR-4344. Full applications are due to Cal OES on July 2, 2018 for notice of intent (NOIs) approved under the first round and applications are due September 4, 2018 for newly approved NOIs.

In support of the City, the Hagerty Team will:

- » Determine if projects are technically feasible and cost effective. To support the development of applications for support through the HMGP, Hagerty uses a data driven, systems-based approach to develop effective applications. With the City in the application phase, Hagerty will conduct an initial benefit cost screening may be required. Time permitting a Lower Bound Analysis (LBA) will be performed to triage projects for cost effectiveness. The LBA will use limited data points and will yield a simplistic benefit cost ratio to indicate if a full application will be viable.
- » Support the Development of Full Applications for HMGP Funding. After projects have been determined to be cost effective with an LBA, the projects will move on to a full BCA, EHP review, and continue with the full application development.

FUNDING AND GRANT SUPPORT

Hagerty and our professionals have considerable experience and expertise under each of the programs which will apply to recovery in the City. Our knowledge and experience are highlighted below:

- » The Stafford Act authorizes FEMA to provide recovery assistance after a disaster and is the basis for the FEMA IA Program, PA Program, and HMGP. Since our inception in 2001, from the 9/11 attacks through hurricanes Katrina, Sandy, and Matthew, Hagerty has been at the forefront of thought leadership regarding and innovation in the interpretation and implementation of FEMA regulation and policy under the Stafford Act. In one example, our professionals engineered a process to obligate and close out \$7.4 billion in federal disaster recovery grants following 9/11 under the Stafford Act.
- » After Hurricane Sandy, Hagerty played a pivotal role in implementing sections of the SRIA. Specifically, Hagerty supported the development of nearly \$6 billion in funding for NYC under Section 428 of the act, which established the PAAP Pilot Program. This was and remains the largest PAAP portfolio of obligated grants under the pilot program for any applicant. The PAAP Pilot Program is now becoming a permanent feature of the PA Program as FEMA aims to implement it on a broader scale for 2017 disaster recoveries. The HUD CDBG-DR program has provided significant funding to states and communities affected by disaster, authorized under disaster-specific Federal Register Notices. Hagerty recently supported the State of North Carolina in calculating the unmet need, which is the basis of CDBG-DR funding, following Hurricane Matthew as well as supporting additional Congressional requests for additional funding. Once funding was received, the Hagerty Team developed the State's Action Plan and designed the supporting housing, infrastructure, and small business programs.

Finally, Hagerty has direct experience with the *California Disaster Assistance Act (CDAA)*, which authorizes the Director of Cal OES to administer a disaster assistance program to provide financial assistance from the state for

recovery costs incurred by local governments. For the City's recovery, Cal OES will offset three-quarters of the City's local FEMA PA Program cost share. FEMA covers 75 percent of eligible PA Program costs – called the "federal cost share." This means that FEMA will cover 75 percent, Cal OES will cover 18.75 percent, and the City will cover 6.25 percent of eligible PA Program costs. Our experience working with the CDAA positions us well to help the City manage this complex funding arrangement.



PA Recovery Management

Hagerty's professionals have supported Santa Cruz County's Department of Public Works (DPW) since July of 2017 to develop more than 150 FEMA PWs and 100 grants through the FHWA – Emergency Relief (ER) program, totaling about \$100 million. This support includes grants management, financial advisory services, policy guidance, and pre-disaster planning and preparedness.

Section 428 Debris Removal Pilot

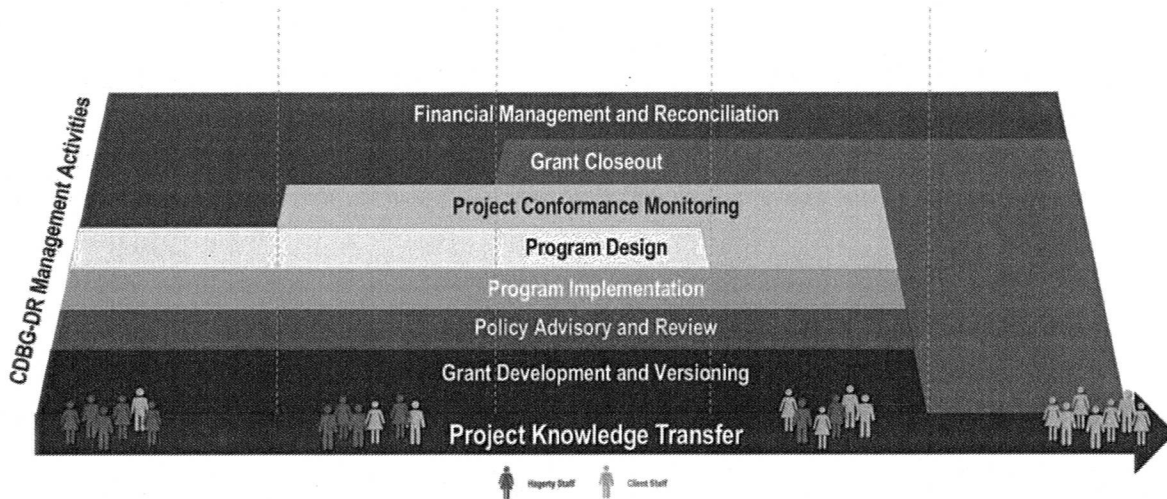
Hagerty has assisted in the implementation of the Section 428 PAAP Pilot Program for five County agencies. The implementation of this program alone has increased the County's reimbursement for debris operations by almost 10 percent.

To address each of the City's scopes of services for federal and grant support, Hagerty will perform the following:

3.a. Provide staff with technical assistance to ensure compliance with State and federal regulations, including but not limited to FEMA and CDBG-DR regulations, environmental standards, prevailing wages, procurement/financial management, equal opportunity, and duplication of benefit

Hagerty focuses on implementing innovative and appropriately scaled solutions that achieve our client's recovery objectives and fit within the framework of their rules, regulations, mission, and vision. Depending on the needs of the City, we may engage in the following tasks to support project compliance with FEMA, CDBG-DR, and other regulations and requirements. Our goal is to not only support the City's staff, but to transfer our knowledge, build the City's recovery expertise, and eventually leave the City to manage the remaining recovery work and future disaster declarations based on the information and experience we were able to provide.

Figure 6: Knowledge Transfer and Technical Assistance to the City



3.b. Coordinate with County, State, and Federal representatives, as necessary, to support grant requirements.

Hagerty believes in a proactive and collaborative approach to project execution. Frequent communication, information sharing, rapid identification of resources, and analysis of strengths, weaknesses, opportunities, and threats to project execution are all techniques employed by our project and contract managers. Establishing an effective working relationship with all partners critical to the success of the recovery effort will enhance recovery planning and operations.

Our project manager will facilitate collaboration and coordination between our professionals and the City by conducting regular meetings and providing written reports. Hagerty professionals will also represent the City at key meetings with local, regional, state, and federal stakeholders, as directed by City leadership. Meeting with these stakeholders from the onset of the contract will allow us to develop a mutual understanding of key issues, avoid conflict, and establish processes that will be implemented for the duration of the recovery effort. It is our understanding that the initial kickoff meeting with FEMA has already taken place, and Hagerty will work with the City, County, HCD, HUD, Cal OES, and FEMA to ensure the required timelines surrounding project are on schedule.

3.c. Develop an implementation plan and timeline for activity funding and disbursement that assures compliance with State and federal requirements.

The Hagerty Team has extensive experience administering recovery programs for clients in California following major disasters. This experience and understanding of California response and recovery efforts, as well as mitigation and resiliency opportunities, will benefit the City in both claims for reimbursement and overall community recovery from the Tubbs Fire.

Hagerty offers City a tested approach to implementing a federally funded recovery program. Execution will be tailored to the overall need of the City and its communities, leveraging our extensive project experience in managing disaster recovery programs for jurisdictions around the nation. It is important to note that many tasks necessary to execute the PA Program happen concurrently, and we will work collaboratively with the City with an emphasis on helping the City obtain all eligible funding and enhance the capability of local personnel. We believe that technical assistance and capacity building are the cornerstones of any effective grants management and disaster recovery program.

3.d. Set up required financial management, tracking, monitoring, and reporting systems, internally and externally, such as the DRGR System or a similar State of California system.

Complying with the many complex requirements associated with federal recovery funding requires systems and processes to manage documentation and grant compliance timelines, track costs and expenditures, and prepare grants for closeout. We offer the City our Disaster Financial Management



System (DFMS) to address these specific challenges and support overall grant management. DFMS is a cloud-based customizable grants management tool based on the QuickBase™ platform which will allow the City to comprehensively track federal grants, expenditures, and reimbursements. DFMS is an agile system that can be on line within weeks and can continue to be tailored to the City's needs over time.

Hagerty maintains the capability to integrate with the City's existing financial system and customize financial management services to suit the City's disaster recovery needs. The operational support provided by Hagerty can assist the financial and accounting functions of the City to process project vendor payments, including advances, reimbursements, and draw-downs for all funding sources. Specifically, our grants management system can support the City to:

- » Track submittal and receipt of advances, versions, change orders, payments, and reimbursements.
- » Assist in the preparation of capital budget ordinances, quarterly and annual capital budget reports.
- » Develop and monitor cash flow models by funding source (e.g., FEMA PA, CDBG-DR, and others).
- » Prepare summary financial reports for all funding sources on a daily, weekly, and monthly basis.
- » Provide data driven advice to City management in making funding decisions on capital budgeting.
- » Create an audit trail that ties back to accounting records of payment vouchers and purchase orders.

As grants are developed and funding is allocated from the federal government, Hagerty's professionals will work with the City by developing a reimbursement and closeout master plan that will drive support for reimbursement across the City's departments. This will be supplemented by a Performance Progress Report (PPR) template to standardize formats, documentation, and packages to the funding agency(s) and limit additional requests for information (RFI). Our teams will develop PPR packages to be "closeout ready" by limiting unnecessary information from inclusion, thereby decreasing administrative burdens and reducing conflicting or confusing information offered to the federal government.

3.e. Provide post-award grant administration and program management services, including associated monitoring and close-out requirements.

Our Team has supported monitoring and closeout activities for over \$10 billion of grants to date. This includes capital project design and construction document and specification reviews to ensure conformance. If a conforming "in-kind" project is not desired by the City, we can support the City of Santa Rosa to strategically change the PA Program grants to maximize funding using policy supported Alternate, Improved, and 428 PAAP projects. Our proven experience in management and administration of the HUD CDBG-DR program demonstrates an efficiency and expertise in HUD required monitoring and compliance, reporting, and funding draw-downs processes. Our Team has vast experience meeting (and often exceeding) all post-award deadlines, and supporting the appeal and audit processes, as needed. For the City, we can provide the services summarized in the figure below contingent on the City's specific needs.

Figure 7: Audit and Appeals Support Services

Closeout

Once projects are fully formulated and underway, we will establish a closeout team to ensure that all eligible funding is retained and make closeout as efficient as possible.

Appeals

Our approach to resolving eligibility disputes starts with establishing open communication between all stakeholders to minimize appeals. In our experience, this collaborative approach exponentially decreases appeals as guidance or policy are clarified, affecting a number of projects that ultimately may have been interpreted in an incorrect fashion. We recognize that some eligibility disputes may not be resolved at a philosophical level. In those cases, Hagerty brings expertise and experience in successfully winning appeals. We support our arguments through a complete review of the authorities granted to the agency as well as knowledge of prior precedents.

Audits

The most common negative audit finding by the DHS OIG regarding the FEMA PA Program is improper procurement. Leveraging a checklist developed by our professionals, Hagerty will review procurements and documentation to identify, evaluate, and rank risks; incorporate risk reduction strategies into a larger closeout readiness strategy; issue reminders and guidance to City of Santa Rosa departments and offices; hold procurement workshops with City staff on compliance issues; and coordinate with City procurement staff to support procurement review, as necessary.

GENERAL SUPPORT ACTIVITIES

To maximize the City's recovery, the Hagerty Team will proactively identify areas where reimbursement can be increased, administrative costs can be reduced, and the overall disaster recovery process for this and future disasters can be streamlined to the benefit of our client. To address each of the City's scopes of services for outreach and education, primary contacts, language services, coordination with the City, and quarterly reporting and recording keeping, Hagerty will provide the following:

Outreach and Education

4.a. Throughout the term of the contract, conduct outreach sufficient to inform all interested parties with the requirements of the funding, prioritization of community needs and expenditure of funds in compliance with the State's CDBG-DR Citizen Participation Plan requirements or other requirements that are identified.

To ensure program success, the Hagerty, IBTS, and APTIM Team will coordinate with the City and all interested parties to create strong partnerships between these entities because a strong partnership among the groups will enhance the development and implementation of the CDBG-DR program. Our team, can provide assistance in developing a detailed communications and outreach plan that considers the specific needs of each stakeholder audience. The most critical outreach plans will address the specific needs of potential applicants of the beneficiary-focused recovery programs (e.g., homeowners, renters, businesses). Throughout the life of the CDBG-DR award, we can help facilitate effective community meetings and utilize a variety of communication methods to reach citizens, stakeholders, and program partners. As developed by IBTS in the Hurricane Sandy Recovery, the program benefitted from our designed Homeowner Communication plan. This plan involved an active call center that supported both outgoing and incoming calls. This eliminated program noise and delays caused by residents with questions/concerns.

Due to extensive work in CDBG-DR, IBTS has developed "off-the-shelf" ready to go training while also creating individually tailored training. For example, IBTS has provided training on a variety of disaster recovery topics such as federal procurement, building code compliance, and managing an agriculture program as done for the State of Colorado. Many of their staff have over 30 years of CDBG experience and are well versed in nearly every topic in which training may be requested.

4.b. Provide content for a dedicated City webpage for the CDBG-DR and other disaster recovery programs that includes general information, frequently asked questions (FAQs), forms, contact information, and other necessary and required information as identified by the City, State, and federal government.

As part of this process, the Hagerty Team will provide training and technical assistance to City staff on managing CDBG-DR Programs. The Hagerty Team will be able to leverage materials and processes we have developed for other recent projects – including the State of North Carolina – to efficiently guide the City through these pre-award processes.

Hagerty has significant experience developing transparent and efficient dashboards translating all related recovery data in an easy to read and visually clear website. This will include status on all grant funding, procurement status and updates on all construction down to the individual address.

Primary Contact

5.a. Act as the City representative and primary contact for all questions, comments and concerns associated with the Scope of Services. The Proposer will make themselves available to the public by phone, email and face-to-face meetings when requested, and may be required to make site visits to certain properties to evaluate the need for capital improvements or major repairs.

A key component of our disaster recovery project management approach is risk management. Hagerty has demonstrated excellence mitigating client risks associated with federal grant programs. This hinges on our expertise in program compliance. In support of the City, our professionals will develop and review grants under both the PA Program and CDBG-DR Program to identify key issues, including incorporation of code upgrades, hazard mitigation, and overall scope eligibility identification. Our experience has proven that pre-audit assessments limit adverse findings through examination of compliance with procurement, environmental, and insurance requirements.

Utilizing our Project Management Institute (PMI) Project Management Body of Knowledge (PMBOK)-based approach and PMP-certified Project Principal, our Team will provide the City with an organization to conduct research, provide expert advice, develop and review grants, assist with project applications, and identify eligible projects. Under the leadership of our assigned Project Manager, a Team Lead will be assigned to each of these work streams as deemed necessary by the disaster impacts. Our strategy formulation will include the specific work plans for each of these designated areas, and we will staff these positions with trained individuals that have addressed the specific issues the City. Our strategy will also include an implementation recommendation guiding the City on how to integrate existing operations with the operational framework our team will set up.

Language Services

6.a. Provide or contract for translation services (primarily Spanish) as needed to provide necessary public outreach and engagement.

The Hagerty team will provide the City with translation services to support the recreation of documentation, presentations, and other items to support public outreach and engagement. For Spanish translations, Hagerty employs bilingual staff, specifically including proposed team member **Karen Castro**. For languages other than Spanish, Hagerty will leverage contract services to translate materials. We have successfully leveraged translation contractors in the past for our clients, including one recent example to translate client materials in four languages.

Coordinate with City

7.a. Communicate regularly, but no less than once a week with appropriate City staff to inform them of progress and updates.

In line with Hagerty's project management approach, at project execution, Hagerty will work with the City to determine preferred regularity of standard project status meetings and reports. A common approach we take with many of our clients is to establish weekly management meetings to address project progress, outstanding items, grant and financial overviews, and other reporting metrics as needed.

8.a. Submit comprehensive quarterly reports to the City by the 20th day of the month following the close of the quarter which document the activities of the previous three months. The reports must include: i) Description of the work undertaken in the reporting period including: (1) applications submitted; (2) awards received; and (3) information on outreach efforts including the number and type of groups or individuals engaged. ii) Any other data requested by the City that will assist them in evaluating the effectiveness of the Proposer.

As stated in section 7.a, Hagerty will work closely with the City on desired status report content and timing, which can include quarterly reports, so the City can track overall recovery progress. Data included in the report will be derived from DFMS, so it is both as timely and accurate as possible for decision-making purposes. This will also allow the quarterly reports to be a dynamic and flexible document that can be revised to track the most critical data points at the various stages of the recovery.

8.b. Proposer must keep all records for a minimum of five (5) years, or longer if required by State or federal regulations

Hagerty will retain copies of all records as required in accordance with City, State, and federal regulations.

5. Cost Proposal to Perform the Scope of Services

Hagerty proposes a time and materials contract whereby the Hagerty Team would bill for labor using pre-determined hourly rates. Travel costs incurred in accordance with federal travel regulations will be billed to the City at cost, without markup. Any other direct costs, such as software licensing for grants management, would be approved by the City in advance and would be billed to the City at cost, without markup.

Hagerty has used this contract and cost structure on numerous FEMA and HUD disaster recovery projects and is confident that the proposed contract and cost structure is not only compliant with 2 CFR 200.323, but also allows flexibility to the City as needs and services evolve with the City's recovery.

Lastly, it is important to note that Hagerty has been successful in the past at tracking our time and costs in a manner to allow for maximum reimbursement through the FEMA PA and HUD CDBG-DR Programs. The following provides an overview of Hagerty's proposed costs, including proposed hourly rates and estimated costs specific to each task. It is important to note that Hagerty has developed our cost estimate based our understanding of the project and the total not-to-exceed proposed is an estimate. We will work to validate our assumptions with the City prior to contract execution.

LABOR CATEGORIES AND DESCRIPTIONS

Hagerty offers the following labor category descriptions and hourly rates to the City. These labor categories and hourly rates are used as the basis for our cost estimates identified in the City's solicitation. These rates would also apply for any additional work sought by the City. Hagerty agrees to hold these rates constant for the first year of the contract. After the first year, Hagerty proposes an annual inflationary rate increase consistent with changes in the consumer price index.

Table 3: Hagerty's Proposed Labor Categories and Qualifications

Labor Category	Qualifications	Hourly Rate
Project Principal	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.	\$ 250.00
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.	\$ 215.00
Senior Project Manager	Experience of twelve or more years with an advanced degree, or fifteen or more years with a Bachelor's degree.	\$ 190.00
Recovery Project Manager	Experience of eight or more years with an advanced degree, or ten or more years with a Bachelor's degree.	\$ 160.00
Recovery Consultant IV	Experience of six or more years with an advanced degree, or eight or more years with a Bachelor's degree.	\$ 170.00
Recovery Consultant III	Experience of three or more years with an advanced degree, or five or more years with a Bachelor's degree.	\$ 150.00

Labor Category	Qualifications	Hourly Rate
Recovery Consultant II	Experience of one or more years with an advanced degree, or three or more years with a Bachelor's degree.	\$ 130.00
Recovery Consultant I	Minimum college degree.	\$ 105.00
Recovery Project Accountant	Experience of four or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance).	\$ 150.00
Recovery Senior Closeout Specialist	Experience of four or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance).	\$ 160.00
Recovery Closeout Specialist	Experience of two or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance).	\$ 140.00
Recovery Senior Engineer / Scientist	Experience of fifteen or more years plus at minimum a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$ 220.00
Recovery 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).	\$ 190.00
Recovery Engineer / Scientist II	Experience of six or more years plus at minimum a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$ 170.00
Recovery Engineer / Scientist I	Experience of four or more years plus at minimum a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$ 150.00
Recovery Senior Field Representative / Technical Associate	Experience of one or more years plus at minimum a college degree in a relevant field (e.g. engineering, biology, ecology, construction management).	\$ 130.00
Recovery Field Representative / Technical Associate	College degree.	\$ 110.00
Recovery Senior Financial (Grant) Information Management Expert	Experience of five or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance, information technology).	\$ 155.00
Recovery Financial (Grant) Information Management Expert	Experience of three or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance, information technology).	\$ 135.00
Recovery Senior Grant Manager	Experience of five or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance).	\$ 160.00

Labor Category	Qualifications	Hourly Rate
Recovery Grant Manager	Experience of three or more years plus at minimum a college degree in a relevant field (e.g. accounting, management, finance).	\$ 140.00
Administrator	No college degree required.	\$ 80.00

PROPOSED BUDGET

Hagerty's estimated project costs are subject to the following assumptions and limitations:

- » Our estimate was prepared in anticipation of a time and materials contract structure with an initial not to exceed value for the overall contract. We welcome the opportunity to revise these estimates based on additional information and conversations with the City whereby we can adjust our proposed level of effort and labor blend to better match the City's specific needs and timelines.
- » We assume a professional and timely level of responsiveness from local, state, and federal partners. We also assume a willingness to work through difficult and complex issues or positions as they occur in an effort to deliver optimal results to the City while avoiding the long and costly process of multiple appeals with state and federal partners.
- » Our estimate was prepared using the rates proposed above.
- » Our estimate includes both on-site and off-site / remote work in an efficient manner. On-site work assumes the City will provide workspace as necessary.
- » Travel will be billed at cost, without markup, in accordance with then current US General Services Administration (GSA) rates and per diem policies. Our estimates use the GSA rates currently in effect, which may increase or decrease over time.
- » Stakeholder coordination will account for five percent of overall utilization.
- » The UNA will be developed over a three-week period, with data sets provided by necessary stakeholders to include FEMA PA and IA Program data and Small Business Administration (SBA) data.
- » The Action Plan will be developed over a two-month period. This includes a first and second draft review, along with a public comment period and opportunity to address HUD feedback.
- » A Risk Assessment and Certification of Proficient Controls is not included in our proposed approach and budget. Should the City receive a direct allocation, Hagerty will be happy to revise our proposed budget to include these services.
- » Hagerty has included a price for one substantial action plan amendment to include UNA.
- » Hagerty reserves the opportunity to revise the estimated mitigation activity line item upon release of a Federal Register. Hagerty assumes that a BCA will need to be performed for any City projects desired to be included in the Action Plan to utilize mitigation funding.
- » Hagerty assumes 10 percent of total utilization over the two-year period will be related to amendments, reporting, and other related activity.

Table 4: Proposed Hours - Community Development Block Grant Disaster Recovery (CDBG-DR) Activities

	Community Development Block Grant Disaster Recovery (CDBG-DR) Activities						
	a	b	c	d	e	f	g
Project Principal	30	6	4	24	30	30	8
Project Manager	176	60	20	240	320	160	24
Recovery Consultant IV	176	60	24	240	320	160	40
Recovery Consultant III	104	40	24	120	160	80	20
Recovery Consultant I	176	120	80	480	320	160	160
Subject Matter Expert	20	6	4	96	0	0	200
Recovery Consultant IV	104	60	40	320	160	80	80
Recovery Consultant IV	0	0	0	0	0	0	160

Table 5: Proposed Hours - FEMA Section 404 and 406 Coordination

	FEMA Section 404 and 406 Coordination		
	a	b	c
Project Principal	16	8	4
Project Manager	20	16	8
Recovery Consultant IV	32	24	16
Recovery Consultant III	20	16	20
Recovery Consultant I	120	120	80
Subject Matter Expert	120	80	80
Recovery Consultant IV	80	40	80
Recovery Consultant IV	240	80	80

Table 6: Proposed Hours - Funding and Grant Support

	Funding and Grant Support				
	a	b	c	d	e
Project Principal	16	4	24	4	16
Project Manager	32	8	48	16	32
Recovery Consultant IV	80	16	80	40	80
Recovery Consultant III	40	16	60	20	40
Recovery Consultant I	200	32	240	80	200
Subject Matter Expert	120	16	120	40	120
Recovery Consultant IV	120	32	48	40	120
Recovery Consultant IV	40	16	80	40	40

Table 7: Other Tasks - Outreach and Education, Primary Contact, Language Services, Coordinate with the City, Quarterly Reporting and Record Keeping

	Outreach and Education	Primary Contact	Language Services	Coordinate with City	Quarterly Reporting and Record Keeping
Project Principal	2	0	0	0	0
Project Manager	2	2	0	104	8
Recovery Consultant IV	4	2	80	104	8
Recovery Consultant III	80	2	100	0	0
Recovery Consultant I	16	16	80	0	32
Subject Matter Expert	8	24	0	52	32
Recovery Consultant IV	8	8	0	0	16
Recovery Consultant IV	8	24	0	52	32

Table 8: Other Tasks - Total Proposed Budget

Role	Hourly Rate	Total Hours	Total Proposed Cost
Project Principal	\$235.00	210	\$49,350.00
Project Manager	\$160.00	1264	\$202,240.00
Recovery Consultant IV	\$170.00	1506	\$256,020.00
Recovery Consultant III	\$150.00	922	\$138,300.00
Recovery Consultant I	\$105.00	2512	\$263,760.00
Subject Matter Expert	\$215.00	1018	\$218,870.00
Recovery Consultant IV	\$170.00	1316	\$223,720.00
Recovery Consultant IV	\$170.00	852	\$144,840.00
		Total	
		9600	\$1,497,100.00

6. Proposed Schedule

Immediately following contract award, our professionals will prepare for and execute a kickoff meeting during which we will review the City's primary objective and goals specific to recovery operations, which will be incorporated into our overall Project Management Plan and recovery timeline. In tandem with the project initiation process, Hagerty will:

1. Execute a strategic plan, which may reframe recovery roles and responsibilities;
2. Assign Hagerty professionals to specific and strategic roles in support of the City; and
3. Prioritize consultative needs in the most efficient and effective order.

The objective of the strategic planning process is to incorporate the best information available and create a roadmap for recovery, including considerations for planning and organization to more effectively recover from future disasters. This will also serve as a time to finalize deliverables and proposed timelines for achieving those scopes of service.

Our professionals will develop a gap analysis to inform our staffing plan, offering insight into the capability and capacity of City personnel. This will help our project leadership to adjust and refine the plan while simultaneously making it more efficient, and less costly. Our personnel will also review the City processes for capturing information, accounting, and financial management as a component of the gap analysis, enabling our Team to identify actionable improvements and reduce the chance of disallowances of federal recovery funding. Our staffing plan will include personnel to support coordination with the City, local, regional, and State stakeholders, and FEMA in a proactive manner, establishing a collaborative relationship between all our teams and creating a common timeline for recovery.

Following kickoff, the Hagerty Team will operate within a framework based on the required services and recovery goals designated by City officials throughout the implementation of the recovery roadmap. The roadmap, or schedule of work, will guide all recovery activity performed by our Team and will be tailored to meet the needs of the City. The high-level schedule is outlined in the figure below; the specific details for approaching all City deliverables and the associated timeline for completion is discussed in the balance of this section.