



## **DRCA Call with FEMA's Recovery Directorate**

### **10.29.2020**

#### **DRCA MEMBERS IN ATTENDANCE:**

- Dan Craig, Chairman DRCA & President Tidal Basin
- Casey Long, Managing Director DRCA
- Lisa Miller, DRCA Policy Advisor, President of Lisa Miller & Associates &
- John Buri, Director Post-Disaster Programs Tetra Tech
- John Sullivan, President DRC
- Aaron Dugas, President Response Division, SLS
- Roy Dunn, COO, CDR McGuire

#### **FEMA Attendees:**

- Eric Heighberger, FEMA Chief of Staff
- Keith Turi, FEMA Assistant Administrator of the Recovery Directorate
- Tod Wells, FEMA Deputy Director, Public Assistance Division, Recovery Directorate

#### **AGENDA:**

- Opening Remarks, Casey Long
- COVID-19 Policy Discussion, John Buri & Roy Dunn
- Debris White Paper, John Sullivan
- Disaster Housing Discussion, Aaron Dugas
- Closing Remarks & Next Steps, Casey Long

#### **DRCA Read Ahead Materials sent to FEMA (attached):**

- Debris White Paper
- Disaster Housing White Paper
- June 31<sup>st</sup> COVID-19 letter to FEMA
- Oct. 23<sup>rd</sup> COVID-19 letter to FEMA

#### **Call commenced at 3:31pm EST:**

**Casey Long, DRCA:** Introduced all DRCA members in attendance and the Eric, Keith, and Tod from FEMA. Casey thanked FEMA for continuing COVID guidance release and their engagement with DRCA.

#### **COVID-19 DISCUSSION:**

**John Buri, Tetra Tech:** We would like to discuss the three main issues highlighted in the DRCA 10.23.20 COVID letter.

Is the latest FEMA COVID expense eligibility guidance retroactive to the September 15, 2020 date referenced? The guidance document (COVID-19 Pandemic Work Eligible for Public Assistance Interim FP 104-009-19) seems to have an inconsistent interpretation as to how costs are being reimbursed and how guidance is being applied in the country. Some FEMA Regions are retroactively applying the September 15 standard, indicating that the standard was the standard all along. Folks are seeing processing slowing down with this retroactive interpretation. The application of the guidance has been inconsistent. Can FEMA-HQ work with administrators in the region and issue a supplemental communication perhaps from the Administrator to get folks on the same page? We are seeing the struggle with the programs and there could be some improvements with a simple signal of whether the guidance is retroactive or not.

**Roy Dunn, CDR Maguire:** The guidance was great, but it needs a little more teeth. With current budget cycles (ending September/beginning October) communities need a clear message as to whether September 15 is retroactive or not. After the new year, communities are trying to get obligations finalized and asking if submissions will be OK in 2021. We need to continue to refine the work of Treasury so that they continue to coordinate with FEMA.

**Roy Dunn, CDR Maguire:** The next issue is the interplay of FEMA Public Assistance (PA) with Treasury funds. How will these funds be available in 2021? Since Treasury acts as a match, folks are aware that obligations will be after December 30, 2020 for costs during the covered period. We are seeing uncertainty with how these funds work through December 30, 2020. We understand there is a recovery support function leadership group (RSFLG) and ask that FEMA take a lead and bring this coordinated funding seamless process issue to the forefront. DRCA would be willing to participate with the members of (RSFLG) representing the private sector. We would like to do a presentation with the agencies and those involved with the Charter of this group.

**Roy Dunn, CDR Maguire:** FEMA is the coordinating agency and just the opportunity to voice our concerns to those in these interagency meetings could also help FEMA reinforce its concerns and efforts for clarification. We want the private sector to present the challenges and talk through these concerns in an environment where all stakeholders are present.

**John Buri, Tetra Tech:** Data publishing for grantees and subgrantees are referenced on pages 2 and 3 of our October 23, 2020 letter. Our aim is to increase transparency in the data. The open data and the daily obligation data along with the 2<sup>nd</sup> appeal schedule make tracking easy to navigate and the Roadmaps released earlier this week are helpful. Our ask is that we see more best management practices (i.e., what does “right” really mean)? What does a successful COVID PW look like? Large and small communities need to be provided with what is eligible for COVID reimbursement. You can see in our letter the request for an API and other transparency initiatives.

**Roy Dunn, CDR Maguire:** In the past number of weeks, many of the communities preparing reimbursement packages have never been a PA applicant and they need more clarification. It’s not that there isn’t PA training but most are interested in COVID PA or examples or best submission practices... elementary to help them understand. If nothing else, communities who are trying to comply on their own could really use the “what is right” sample. We would like to see improved training on how this works and some COVID specific samples ... the actual process and sample of a successful PW would be best.

**Keith Turi, FEMA:** We absolutely appreciate the engagement and the DRCA feedback that lays out specific needs. It’s helpful and it mirrors what we are hearing from our state partners and other associations. We appreciate your perspective because you work day to day in these programs and you understand the what and the why.

**Re: September 15:** This policy was intended to 1) provide what is and is not eligible for COVID PA. There was a wide range of requests like “can we use PA funds for increased cost for trash service, for distance learning or to retrofit buildings?” We wanted to provide clarity what is and isn’t eligible and to tweak some of those parameters from September 15.

The overarching statement is the policy is not retroactive. It has an effective date of September 15. Some of these things outlined in the FEMA Public Assistance Policy & Program Guide (PAPPG), which of course is long standing so that is most likely why they are being interpreted to be retroactive. One of the things we have to work through in implementing the program in a Pandemic is the 10 Regions with state and local application. So, I must say that the date of September 15 “depends.” As an example, the increased operating cost for operating a facility is in the PAPPG and we don’t pay for it regardless of the new COVID guidance.

**RE: Consistency** – We are and have been working hard on this. How do we work across our stakeholders to make them consistent when running a program like we are. There are two levers you have to drive consistency: you can limit decision makers and write things down that can (and can’t be done) but the more things we right down the less flexible we are. Within the parameters of the policy and the specific circumstance, that’s not to say we can’t improve consistency but it always a challenge... We lean toward flexibility.

**Re: Treasury funds** – We do anticipate PA funds past December 31. All of our deadlines have been extended and we will provide a 30-day notice of deadlines. We don’t anticipate any deadline for PA funding in the near future. Treasury funding is a parameter that FEMA is working through...there are applicants that want this beyond Dec 31, 2020 and having certainty of funding on the PA side. Those that have asked for PA haven’t given us a PW. We know that it takes time and backlogs are starting to grow. We do talk to Treasury regularly to get clear on as much info as possible. We will try to be flexible, but we are restricted by statutory deadline at some point.

**Keith Turi, FEMA:** Regarding Best Practices, we work on as many training and examples as we can. We run into the challenge with volume and balance that with being prescriptive. We put out two example templates of what “good” looks like...it’s a challenge with so many different scenarios.

**Tod Wells, FEMA:** He concurred with Turi. Before Sept 15, not everything will be eligible for funding. We are going through those. Re flexibility – working consistently with CRC to answer questions so we can have a consistent approach.

**Keith Turi, FEMA:** There is a checklist of sample submissions out there ...challenge is that it doesn’t apply. We will continue to look for ways to release what is “good.”

**Tod Wells, FEMA:** Certain samples may not be applicable to whatever circumstance. Template PW’s for COVID are available and we are developing some additional training.

#### **DEBRIS MANAGEMENT DISCUSSION:**

**John Sullivan, DRC:** We have had separate calls regarding the DRCA Debris White Paper that we have presented to you. Each storm season, we recommend good clear guidance on procurement, the use of Cooperative Purchasing Agreements (CPA’s) and piggybacking. And each year it seems like we need better specificity... I am requesting that FEMA and DRCA sit down and go through our white paper. It’s been one-sided so far with us talking to FEMA and we haven’t gotten FEMA feedback. We would like to sit down with you and come out with action items with what we are going to implement. CPA’s were challenging in LA this storm season. Florida not so much. Alabama not so much. In LA, there is so much damage and the monitoring companies had CPA challenges.

The guidance that came out of Cedar Rapids after a wind event contradicted previous guidance. It said to allow sole source and pay hourly and justification had to be provided to address deviations. We believe in justification and although it was allowed in Cedar Rapids, when it came to providing justification in LA... LA wasn’t allowed. Confusing guidance has been given on best procurement (low bid vs best qualified) so we would like to put together FEMA and an association work group and script action items.

**Keith Turi, FEMA:** Keith asked Casey to share the Cedar Rapids documentation and get examples of COVID inconsistency.

**Re: debris white paper:** We received some talking points from procurement folks and right now we are up to our eyeballs in a range of issues. As much as I want to work with DRCA in the short term, we currently just don’t have the capacity. So please check back in 30 to 60 days from now, find more detail on these issues and we will set the path forward. The Federal procurement guidelines are there, and we have parameters we can emphasize. There are others where we can’t add guidance. I want to noodle some more on this and candidly... I don’t have time now with hurricane season and COVID. I would like to touch base 60 days from now after hurricane season is over when we have some time.

**John Sullivan, DRC:** No complaints here and we are up to our eyeballs cleaning up places too. That’s great. We will send you examples of inconsistent policy implementation. Back to procurement...we are a big supporter of FEMA procurement but the states and locals violate some of your guidance and clarification by FEMA will help.

**Casey Long, DRCA:** Keith, we can provide as much detail as you would like on individual examples of inconsistent practices, but our overall goal as an association is to address these systematic problems and make process improvement so we don’t have to pester FEMA with a whole host of individual problems as they continually spring up. If we can address these issues and effectively communicate guidance to the states & counties, hopefully, we can decrease the overall number of issues that arise from these types of inconsistencies.

**Keith Turi, FEMA:** I want to see examples of inconsistency, but I probably won’t address each one. I would still like to see them so we can use them to make systematic approaches.

#### **DISASTER HOUSING DISCUSSION**

**Aaron Dugas, SLS:** SLS has played a big role in NY, TX, and PR. Providing housing in 2020 has reopened everyone’s eyes to housing response and COVID took away congregate shelters which increases the expense. The sheer volume of responses nationwide...the biggest enemy of efficiency when it comes to local governments is that they are uncertain what they are allowed to do. In all fairness to local officials, they are not in the best position to make strategic decisions after an event. We would like to come up with a way with a preposition contract like the debris hauling industry. Resources identified and everyone responding efficiently.

**Aaron Dugas, SLS:** When a storm is in the Gulf, we think ahead to be prepositioned. The evolution of housing in the last 20 years has added to each scenario to help us understand the challenges. What we ask is that FEMA be open and forward leaning and educating the states to help them come up with the best tools to use.... and to know each step of prepositioning efforts so it follows FEMA's guidelines ahead of time. The industry has learned so much and necessity is the mother of invention. The STEP rapid repair model is not a program anymore. As we all think of best ways to respond, we don't go too far from that model. 10k homes repaired in 4 months and 100k homes in 12 months in other locations shows the scale of that program. We understand that STEP is not a favorite of FEMA, so we continue to build on the things that work. For example, if the home is in place we can avoid the holdups of utility connections because of the existing hookup. We know local utility companies are stretched so existing hookups are good. We are seeing the rapid repair model to make Permanent Housing Construction Repair Program (PHC) a very efficient option. We believe we should match PHC to the rapid repair model.

**Casey Long, DRCA:** Keith, you gave us a brief overview of FEMA's position on STEP this hurricane season on a call we had a few months ago. Given the challenges associated with providing congregate sheltering with COVID social distancing requirements, have you changed your position on Federally supported housing programs. What is FEMA's current position and what are you thinking heading into 2021?

**Keith Turi, FEMA:** We saw a lot of benefit from the STEP model and how a government can mobilize resources and manage the homes quickly. There is a lot of promise and potential. There is a lot of dynamics... if there is a statutory change or flexibility for direct repair in an IA program. The Administrator hasn't taken an official position on this, but we believe it is cost effective and has feasibility. What we have done is provide flexibility for non-congregate shelter – hotels and other facilities. If we use STEP again in COVID, there is nothing to say it has a life-saving component. Direct repair for future assistance will work, but we need authority to make it happen. Considerations have to be made. The Disaster Recovery Reform Act of 2018 (DRRA), authorized a state grant program for housing which had another challenge to get that out...we had a two year period after 2018 and as a pilot but we don't have the authority after 10/5/2020. Our position is the same... conversations like this one and with the FEMA Administrator and others in LA and the path forward...we are not turning STEP back on and have an integrated approach to the authority we have.

**Aaron Dugas, SLS:** That was the point... leaning more toward that vs reinstating STEP. We want to help develop something new and better and DRCA would like to be heavily involved in designing the program with FEMA using our boots on the ground perspective. We want to put these recommendations on paper so FEMA can see if it follows the rules. The hotels: one of the things we saw in FL was that we should be using hotel rooms. We all knew it was best option, but depending on the size of the event we have to know the IAs, workers, FEMA adjusters and others have a place to stay as well vs. having the homeowners taking up the hotels. If we are not prepared, the hotels will fall short quickly.

**Casey Long, DRCA:** Thanked FEMA for their time and noted that DRCA planned to follow up on the agreed upon next steps in the areas of COVID-19 reimbursement, debris contracting and disaster housing. FEMA thanked DRCA for our time and continued engagement in these important issues.

**The call concluded the call at 4.21pm EST.**