City of **JOPLIN** City Council Agenda Item

Requested Council Meeting Date: May 18, 2015

Item: Administration Contract for CDBG-Disaster Recovery – Round 1 – Amendment #4
Originating Department: Planning, Development & Neighborhood Services

Attachments: 1) Amendment #4 to Deloitte FAS Contract
2) Council Bill 2015-402

Department Head: Troy Bolander
Finance Department: Leslie Haase
City Attorney: Peter Edwards
City Manager: Sam Anselm

Recommended Action: Approval of Council Bill No. 2015-402

DISCUSSION:

The following Council Bill is a fourth amendment to the existing agreement approved on April 15, 2013 and amended on September 15 and November 4, 2014 between the City of Joplin and Deloitte FAS for the Administration Services related to the City's initial $45 million award of Community Development Block Grant – Disaster Recovery (CDBG-DR) Funds.

The CDBG-DR Round 1 funding allows for 5% of the funds awarded to be used for administration of the grant award. The funding source also allows for up to 15% of the funds awarded to be used for planning activities. To date City staff and Deloitte FAS have been charging all oversight activities, other than direct delivery costs of a program or project, to administration. Many of the tasks completed and will continue to be completed can be attributable to planning rather than administration. Re-allocating dollars into planning ensures both the City staff and Deloitte FAS will be able to continue oversight until the funds are spent.

Deloitte FAS has provided an accounting of hours spent by their staff on eligible planning activities since entering into an agreement with the City on April 15, 2015. They have also determined what additional time may be spent in planning for the CDBG-DR Round 1 grant. Deloitte FAS is requesting to amend their contract by increasing the amount by $832,471.00. Of that amount, $556,871.00 is for past planning activities, $200,000.00 is for continued planning activities, and $75,600.00 is for additional expenses as they relate to preparation of reports, travel and other expenses. This amendment frees $556,871.00 to go back into general administration by Deloitte FAS which includes but is not limited to compliance, compliance training, monitoring, research, HUD assistance, reporting assistance for the length of the grant.

A minor amendment to the CDBG-DR Round 1 Action Plan has been made to accommodate for Deloitte FAS planning costs as well as costs City staff can attribute to planning activities.

For the immediate preservation of public health and welfare, city staff recommends approval of Council Bill No. 2015-402 on an emergency basis.