City of **JOPLIN** City Council Agenda Item

Requested Council Meeting Date: July 20, 2015

Item: Administration Contract for CDBG-Disaster Recovery – Round 1 – Amendment #5
Originating Department: Planning & Community Development

Attachments: 1) Exhibit 1 - Administration Contract Change Order No. 5
2) Exhibit 2 - Engagement Letter dated August 26, 2014
3) Council Bill No. 2015-405

Department Head: Troy Bolander	Date:
Finance Department: Leslie Haase	Date:
City Attorney: Peter C. Edwards	Date:
City Manager: Samuel L. Anselm	Date:

Recommended Action: Approval of Council Bill No. 2015-405

INTRODUCTION:

The following Council Bill is a fifth amendment to the existing agreement approved on April 15, 2013 between the City of Joplin and Deloitte Financial Advisory Services LLP ('Deloitte FAS') for the Administration Services related to the City's initial $45 million award of Community Development Block Grant – Disaster Recovery Funds.

DISCUSSION:

The Engagement Letter attached to the amendment delineates Joplin Homebuyer Assistance Program (JHAP) Activity Delivery task support that is currently being undertaken by Deloitte FAS and additional tasks that will also be undertaken by Deloitte FAS. As of the end of June, 2015 nearly $8.5 million of assistance has been provided and over 320 closings have been completed. This highly successful program quickly outgrew the City's in house capability to administer. As a result, Deloitte FAS has been providing the service and is being asked to continue to provide the service. Those tasks are considered 'Activity Delivery Costs' by HUD and, as such, can be charged directly to the Joplin Homebuyers Assistance Program, not administration. To preserve the administration dollars available to oversee the grant by the City and Deloitte FAS, which is restricted to 5%, staff recommends additional funding in the amount not to exceed $1.1 million or approximately $67 thousand monthly over a twelve month period ending November 30, 2016 or as directed by the City.

RECOMMENDATION:

For the immediate preservation of public health and welfare, city staff recommends approval of Council Bill No. 2015-405 on and emergency basis.