

# Hurricane Katrina

## FEMA & Recovery

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# Hurricane Katrina

- August 29, 2005
- Category 3
- Storm surge: 20 ft
- Impacted area: 90,000 sq mi
- Wind speeds: up to 120 mph
- 238 Mississippi deaths: (1833 total)
- Total Federal Aid: \$120.5B
- FEMA fraud: \$1,000,000,000

# Pass Christian, Mississippi



# FEMA

- Mission: Reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.



# FEMA Sequence

- Declare state of emergency (locally)
- Report damages to state EMA
- Gov. requests federal aid
- Presidential disaster declaration
- Applicants assign representatives and request public assistance
- FEMA damage assessment

# Who does FEMA fund?

- State governmental agencies
- Local governments
- Private non-profit organizations
- Indian tribes

# Local Governments

- Community Disaster Loans
  - Subject to Congressional funding
  - Loss of 5% or more of tax revenue
  - Restrictions:
    - Only use funds to maintain existing government functions + disaster related needs.
    - No capital improvement projects
    - Local cost share and repayment

# What does FEMA fund?

- Emergency Work
  - Debris removal
  - Emergency protective measures
- Permanent Work
  - Roads/bridges
  - Water control facilities
  - Buildings/equipment
  - Utilities
  - Parks/recreational facilities



# Small Projects

- Designation dependent on cost threshold that changes annually
- Damage estimate, state grants funds.
- State certification of work
- No FEMA review
- Expedited grant funding
- Proof of expenditures

# Repair or Replace?

- 50% Rule
- $\text{Repair Cost} / \text{Replacement Cost} < 50\% = \text{Repair}$
- $\text{Repair Cost} / \text{Replacement Cost} \geq 50\% = \text{Replacement}$

# Project Worksheets

- Cause of damage
- Damages/dimensions
- SOW
- Estimated or actual costs to complete work
- Insurance estimates and/or payments
- Engineer/architect estimated costs
- Versions

# Relocations

- Repetitive damages
- Cost effective
- What is covered by FEMA?
- Alternate project

# Large Projects

- Estimate of damages (PW)
- Funding approved and federal share obligated
- Applicants paid periodically
- PW revised periodically
- Project complete
- State certifies work and costs
- FEMA review (obligate/deobligate \$)
- Final payment



# Improved Projects

- Restoration of facility + improvements
- Federal share limited to cost associated with damages
- Hazard mitigation (406) can be applied to original facility
- Hazard mitigation (406) not applied to a new facility
- National Environmental Policy Act (NEPA)
- Function
- Capacity

# CEF

- Part A: Construction estimate (PW)
- Part B: General contractor supervision costs not included in Part A
- Part C: Construction budgetary risks due to complexity
- Part D: Construction contractor overhead and profit
- Part E: Cost escalation
- Part F: Fees for reviews and permits
- Part G: Changer orders
- Part H: Project management (design and construction)

# Procurement

- Small purchases
- Sealed bids
- Competitive proposals
- Noncompetitive proposals (sole source)
- Emergency contracts – time and materials
- Contracts
  - Lump sum
  - Unit price
  - Cost + fixed fee

# Eligible Costs

- Reasonable and necessary
- Comply with procurement requirements
- Does not include insurance proceeds, salvage values or any other credits.
- Required as a result of the declared disaster
- Within designated disaster area
- Legal responsibility of eligible applicant

# Duplication of Benefits

- Insurance
- Funding from other state and Federal agencies
- De-obligations



# Post Recovery

- Maintain flood and wind insurance
- Keep accurate inventory
- Mitigation plan
- Contingency plan