

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

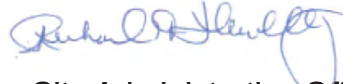
Date: May 19, 2021

CAO File No. 0220-05848-0000

Council File No. 20-0159

Council District: All

To: City Council



From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: CF 20-0159: Motion Krekorian-Blumenfield

Subject: **FEDERAL EMERGENCY MANAGEMENT AGENCY PROJECT SUBMISSION
STATUS REPORT**

RECOMMENDATION

That Council note and file this report as it is provided for informational purposes only.

SUMMARY

The City Council adopted Motion Krekorian-Blumenfield (CF 20-0159) directing this Office to report on the current state of the City's submitted Federal Emergency Management Agency (FEMA) reimbursement requests, anticipated revenues and what the change to 100 percent reimbursement means for the totals expected to be received by the City. We were further directed to submit revised reimbursement requests to FEMA for 100 percent of the City's eligible expenses as soon as possible.

Attachment 1 provides the current status of all submitted projects as of this report, including the amount received to date and the total anticipated expenditures. To date we have submitted ten projects, four of which were submitted as expedited projects and six as regular large projects. All projects have been adjusted by FEMA to represent the new 100 percent reimbursement level and there are no additional actions the City needs to take to receive the increased reimbursement levels beyond normal submission and draw down requests.

To date, we have submitted a total of \$178 million in actual costs and have received a total of \$30.8 million in reimbursements as noted in the attached for three expedited projects. As the initial FEMA obligation for expedited projects is for 50 percent of our estimated expenditures, we have already submitted amendments for these to receive the remaining funds per FEMA's process. As of this report, we have not yet received notice of obligation for the remaining funds for these three projects but once an obligation is approved, we will submit for the final draw down. The fourth expedited project is for our vaccination program. We received notice of obligation for \$54.5 million for this project on April 29, 2019 and will begin developing a package of actual costs for submission.

For the six projects submitted through the non-expedited process, they are currently under FEMA review, but no obligations have yet been approved. As these were submitted as non-expedited projects, FEMA will obligate the full amount of the approved project (less disallowed costs, if any) and once we receive notice of obligation we will draw down our reimbursement as quickly as possible.

It is important to note that all projects are subject to audit for up to three years after the issuance of an audit letter. The audit letter is issued after the event is over, all projects have been submitted and reconciled, and funds have been obligated and paid out. Given we are still in the midst of responding, we can anticipate the audit letter will likely not be issued for another 12 to 18 months. At any time during the three year audit period, the City is subject to audit of any or all projects and any findings could require the return of funds.

As our COVID-19 response is ongoing, we continue to incur FEMA eligible expenditures and Departments are submitting documented costs to us approximately every six weeks. The goal is to submit additional projects reflecting approximately three month's worth of expenditures as documentation is received and reviewed. As many of these projects include multiple departments, we need all department responses in order to put together complete and coherent project packages for submission and to avoid submitting amendments that restart the FEMA review process. While we have made good progress in submitting additional projects, we are also in the process of bringing a contractor on board to assist in packaging our costs for submission to FEMA. We are in active negotiations and anticipate having a contract in place by the end of May.

FISCAL IMPACT STATEMENT

There is no fiscal impact statement in approving this report. To date, the City has received actual reimbursement of \$30.8 million. We anticipate receiving another \$138.9 million for projects submitted to date and currently project \$26 million in FEMA reimbursement as part of the 2021-22 Proposed Budget based on our experience with the timing of FEMA receipts.

FINANCIAL POLICIES STATEMENT Submission of all eligible costs for reimbursement is in compliance with the City's Financial Policies.

RHL:PJH

STATUS OF FEMA CLAIMS
AS OF MAY 2021

Project Name	Expedited Project Estimate	Actual Expenditures Submitted to FEMA	Anticipated to be received		Received by City		Status of Claim/Notes	Cost Share from FEMA (As stated in Grants Portal)
			Federal	State	Federal	State		
Expedited Projects								
LACC Hospital Surge	\$7,263,674.00	\$3,118,129.09	\$1,013,392.09	\$0.00	\$2,104,737.00	\$0.00	The reconciliation of the project is currently under review with FEMA for final obligation of funds. Note - the \$3.1 million in actual expenditures reflects the total expended as this project is now complete.	100% as of 3/31/2021
Testing Sites (Incident start - July 4, 2020)	\$79,375,638.12	\$74,516,862.19	\$47,612,994.19	\$0.00	\$26,903,868.00	\$0.00	The reconciliation of the project is currently under review with FEMA for final obligation of funds.	100% (as of 2/17/2021)
Great Plates (Sr Meals) (Incident Start - August 15, 2020)	\$4,116,941.11	\$10,337,910.89	\$8,562,480.89	\$0.00	\$1,389,467.00	\$385,963.00	The reconciliation of the project is currently under review with FEMA for final obligation of funds.	100% (as of 2/17/2021), no State share as FEMA share is now 100%, anticipated to be received reflects submitted amount minus receipts
Covid-19 Vaccination Sites	\$108,986,541.08	\$0.00	TED	TED	TED	TED	This expedited project was submitted to FEMA 3/11/21 and obligated 4/29/21 at 50% of estimated total.	100%
Non-expedited projects								
EOC/DOC claim (Incident Start - July 4, 2020)	N/A	\$12,093,578.90	\$3,845,590.94	\$0.00	\$0.00	\$0.00	This project is currently under review with FEMA. Difference between submitted amount and anticipated amount reflects determination that some costs included in this project are attributable to other projects and need to be resubmitted under appropriate project(s).	100% (as of 2/17/2021)
PRK Non-congregate sheltering (Incident start - Aug 15, 2020)	N/A	\$13,493,428.63	\$13,493,428.63	\$0.00	\$0.00	\$0.00	This project was submitted 3/9/2021.	100%
PRK Non-congregate sheltering (Aug 16, 2020 - Dec 19, 2020)	N/A	\$40,809,310.96	\$40,809,310.96	\$0.00	\$0.00	\$0.00	This project was submitted 4/1/2020	100%
Testing Sites (July 5, 2020 - December 19, 2020)	N/A	\$8,703,554.54	\$8,703,554.54	\$0.00	\$0.00	\$0.00	This project was submitted 4/21/2021	100%
EOC/DOC (July 5 - December 19, 2020)	N/A	\$452,190.58	\$452,190.58	\$0.00	\$0.00	\$0.00	This project was submitted 5/5/2021	100%
Food Purchase and Distribution August 16 - December 19, 2020 4A (formerly titled Great Plates)	N/A	\$14,439,361.94	\$14,439,361.94	\$0.00	\$0.00	\$0.00	This project was submitted 5/11/2021	100%
Totals	\$199,742,794.31	\$177,964,327.72	\$138,932,304.76	\$0.00	\$30,398,072.00	\$385,963.00		\$30,784,035.00