



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: February 7, 2023
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Mona Miyasato, County Executive Officer
Contact Info: Jeff Frapwell, Assistant County Executive Officer
SUBJECT: **Sixth Amendment to the Agreement for Services of Independent Contractor with Ernst and Young for Disaster Cost Recovery Consulting Services**

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute an amendment to Agreement for Services of Independent Contractor with Ernst and Young (EY) for disaster cost recovery services to extend the term ten months through December 27, 2023 without an increase in funding;
- b) Determine that the proposed action is an administrative activity that does not involve commitment to any specific project, and therefore is not a project as defined by State California Environmental Quality Act Guidelines section 15378 (b)(5).

Summary Text:

This item is on the agenda to seek the Board’s approval of an amendment to the County’s existing Agreement with EY to extend the term through December 27, 2023. EY is currently under contract through February 27, 2023 to assist the County in strategically managing the project development and administration of various Federal and State Disaster Programs related to Presidentially-declared emergencies or disasters that occur during the term of the Agreement. This amendment will allow the County to continue to utilize EY in order to close-out disaster claim reimbursements from the COVID-19 and Thomas Fire debris flow emergencies.

Background:

Following the 2017 Thomas Fire and 2018 Debris Flow, the County sought the assistance of a qualified accounting firm with experience in Federal Emergency Management Agency (FEMA) programs and reimbursement protocols to help compile, document, and submit all cost recovery claims to FEMA and the California Governor's Office of Emergency Services (CalOES). The County does not have this specialized type of experience or staffing. A panel of County financial professionals requested and reviewed proposals from various firms providing disaster cost recovery services and selected EY due to their qualifications and extensive experience in managing disaster cost recovery for local governments. The County has been satisfied with the professional services provided by EY and wishes to continue using their services to complete close-outs of disaster claim reimbursements related to the COVID-19 and Thomas Fire debris flow emergencies.

The scope of services is detailed in the original Agreement for Services of Independent Contractor (Attachment B). Highly summarized, EY's role is to provide staff work, technical assistance, and guidance to ensure eligible costs incurred by the County in connection with declared emergencies or disasters are submitted for federal and state reimbursement. In addition to helping maximize cost recovery, one of their most critical roles is to ensure that our claims contain sufficient supporting documentation to withstand any future federal audits. Recovery will take many years. Management of the federal and State grants will extend beyond the recovery period and staff will need to continue to manage documentation that meets the audit standards of the Federal Office of Inspector General (OIG).

The Agreement was first amended in May 2019 (Attachment C) to increase funding to continue providing services over an extended term. The Agreement was amended a second time in December 2019 (Attachment D) to extend the term through June 30, 2020 to provide additional time for FEMA review and to close out projects with the State. The Agreement was amended a third time in May 2020 (Attachment E) to extend the term through June 30, 2021 and increase the Agreement by \$250,000 to provide assistance for the COVID-19 emergency. The Agreement was amended a fourth time in June 2021 to extend the term through June 30, 2022 (Attachment F). Finally, the fifth amendment was approved by the Board on June 2022 to extend the term through February 2023 (Attachment G). Given the complex and unique nature of the disaster costs being sought for recovery, significance of eligible costs incurred, and EY's work to-date submitting the pending projects for reimbursement to FEMA and CalOES, staff recommends approval of this Sixth and final amendment to the Agreement (Attachment A) to continue the use of EY services for cost recovery for the remaining work for the Thomas Fire/Debris Flow and the COVID-19 pandemic, and receive disaster recovery preparedness-related services focused on updating the County's fiscal operating policies and procedures related to disasters.

Fiscal Analysis:

None.

Budgeted: Yes, no additional funding is implicated by this amendment. The approximately \$112,000 remaining in the Agreement is included in the CEO-General Fund fiscal year 2022-23 adopted budget.

Attachments:

- Attachment A: Sixth Amendment for Services of Independent Contractor
- Attachment B: Agreement for Services of Independent Contractors – executed
- Attachment C: First Amendment for Services of Independent Contractor – executed
- Attachment D: Second Amendment for Services of Independent Contractor – executed
- Attachment E: Third Amendment for Services of Independent Contractor – executed
- Attachment F: Fourth Amendment for Services of Independent Contractor – executed
- Attachment G: Fifth Amendment for Services of Independent Contractor – executed

Authored by:

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