



APPROVED
BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS

December 12, 2014

JAN 06 2015 KH/BS

TO: Mayor Teresa Jacobs
-AND-
Board of County Commissioners

FROM: Fred Winterkamp, Manager, Fiscal and Business Services *FWS*

CONTACT PERSON: Fred Winterkamp, Manager, Fiscal and Business Services
PHONE NUMBER: (407) 836-5442

SUBJECT: Authorization to pay State of Florida Invoice OC-R34-DR1561 in the amount of \$333,440.84

The State of Florida is the grantee of the FEMA federal assistance grant for all Florida claims from the 2004 Florida hurricanes. The FEMA claims for Orange County recovery costs following the 2004 hurricanes were submitted by Orange County as a sub-grantee to the State. Orange County submitted about 230 claims for eligible recovery costs after the three 2004 hurricanes (Charley, Frances and Jeanne). These claims resulted in about \$85 million in recovery cost reimbursements to the County from the State. FEMA processed each "small" claim under \$54,100 as an adjusted claims payment, however "large" claims over \$54,100 were treated as capital projects. "Large" projects for facility damages were subject to funding only for actual costs incurred pending post-construction review. Most of Orange County's large projects were for debris processing and emergency services and those large claims were reconciled within a few years.

Within the first few years after the 2004 storms, the Orange County recovery claims had been compiled and submitted and recovery grant reimbursements had been paid to the County by the State. Then, over the course of the last five years some of the largest claims were audited by Homeland Security auditors. The project for repairs to the Orange County Courthouse roofing system and windows was the most complicated large project that required the longest time to reconcile and close-out, following an extended repair schedule.

Finally now in 2014, after several years, the "close-out process" to review the Orange County claims with the State has reached the final stage. Following the end of the close-out process, the County will receive the official notice that the claims process for the 2004 hurricanes has been completed (although under federal rules the claims remain subject to possible further audit for seven years after the completion notice). The final forms are being completed at this time to finish and certify the close-out process for the Orange County cost reimbursement for recovery from the three 2004 storms.

One of the final steps in the close-out process was completed last year and that was to reconcile all of the remaining balances either owed by the County, or owed to the County, for the Orange County reimbursement claims. That reconciliation resulted in the State sending Orange County about \$3.2 million last year which was primarily for reconciliation of the final stages of debris processing. However, that reconciliation and check last year did not include the reconciliation of the construction project at the Orange County Courthouse which was more complicated and had taken a longer time.

The County was paid about \$3 million in Courthouse repair claims reimbursement amounts and the close-out process conducted by the State to review the eligible costs resulted in the determination that over \$300,000 in courthouse repair payments would not be eligible (for example if the costs were determined to be for upgrades during the repair, or for non-storm damages). Therefore, in order to finalize the Orange County 2004 storm damage claims that resulted overall in about \$85 million in cost reimbursements, a \$333,440 final reconciliation amount must be repaid to the State as a last offset against the \$3.2 million claims reconciliation amount the county received from the State last year. This final payment will allow the State to re-allocate funds between a couple claims in the three storms (including the courthouse) to finally balance their books and complete the close-out reconciliation. Once State of Florida invoice OC-R34-DR1561 in the amount of \$333,440.84 is repaid to the State, all of the Orange County 2004 storm claims will be reconciled and the claims forms can be submitted to finally terminate the claims process more than ten years after the 2004 storms.

Action Requested: Authorization to pay State of Florida Invoice OC-R34-DR1561 in the amount of \$333,440.84

C: Eric Gassman, Deputy County Administrator



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

RICK SCOTT
Governor

BRYAN W. KOON
Director

December 12, 2014

Mr. Fred Winterkamp
Chief Accountability Officer
Orange County
201 South Rosalink Ave.
Orlando, FL, 32801

FEMA-1561-DR -FL
FIPS No. 095-99095-00

Re: First Request for Reimbursement of Overpaid Funds

Dear Mr. Winterkamp:

The Florida Division of Emergency Management (Grantee) has performed a financial reconciliation of DR - 1561, Hurricane Jeanne. This reconciliation has found that \$580,037.29 has been overpaid due to project underruns or deobligations.

The Division also found accessible funds in the amount of \$246,596.45 from Payable # 63 in DR - 1561 Hurricane Charley, that will be utilized to offset a portion of the overpaid funds due. Offsetting in this manner will reduce the amount of overpaid funds to be reimbursed.

The Disaster Relief Funding Agreement (attached), ARTICLE XI, Reimbursement of Funds, specifies that the "Subgrantee shall reimburse to Grantee the sum by which the total disbursements exceed the eligible costs within forty-five (45) days from the date Subgrantee is notified of such determination."

When the Federal Emergency Management Agency reduces funding for a Subgrantee's projects, those funds are immediately withdrawn from the Grantee's account (SmartLink). Repayment of these funds is critical to the overall Public Assistance Program. If not repaid timely, there may not be enough available funding to cover the eligible work of other subgrantees.

FEMA's immediate withdrawal policy (above), we have no choice but to seek repayment of these funds immediately. In the event of a favorable determination on the appeal, DEM will process a payment upon reinstatement of funding by FEMA.

Mr. Fred Winterkamp
December 12, 2014
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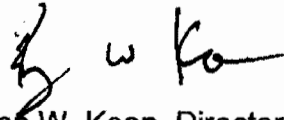
We have enclosed documentation supporting our findings and invoice number OC R34 DR1561 is our formal request for repayment. We request that you process the invoice attached within the standard forty-five (45) days per State guidelines.

Please address your refund by 2/16/14 in the amount of \$333,440.84 to:

Florida Division of Emergency Management
Attn: FDEM "Cashier"
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

If you have any questions regarding this Reimbursement Request, please contact Pam Hughes, Public Assistance Grants Supervisor, at (850) 487-2032 or via e-mail at Pam.Hughes@em.myflorida.com.

Sincerely,



Bryan W. Koon, Director
Governor's Authorized Representative

BWK/ER/ph

Enclosure: Invoice

INVOICE

STATE OF FLORIDA



Division of Emergency Management

Date: Dec 12, 2014

Invoice #: OC R34 DR1561

To: Orange County (FIPS: 095-99095-00)

201 South Rosalind Avenue

Orlando, Florida 32801

Projects:

Disaster	PW #	Federal Share	Admin	State Share	Line Item Total
1561	1505	(\$293,839.69)	\$0.00	(\$39,601.15)	(\$333,440.84)
SubTotal:					(\$333,440.84)

Total:

Make checks payable to State of Florida for total amount of: \$333,440.84