



# PUBLIC ASSISTANCE PROGRAM ALTERNATIVE PROCEDURES

Fiscal Year 2015 Report to Congress – Second Quarterly  
Status Report  
*November 12, 2015*



Homeland  
Security

*Office of the Administrator*

# Foreword from the Administrator

November 12, 2015

I am pleased to submit the following report, “Public Assistance Program Alternative Procedures: Fiscal Year 2015 Report to Congress – Second Quarterly Status Report,” prepared by the Federal Emergency Management Agency (FEMA).

This document has been compiled pursuant to a requirement in House Report 113-481 which accompanies the *Fiscal Year 2015 Department of Homeland Security Appropriations Act* (P.L. 114-4). This report provides an overview of the Public Assistance Program Alternative Procedures including summaries of permanent work and debris removal projects; financial information associated with these projects; an overview of FEMA’s authorities under Sections 406, 422, and 428 of the Stafford Act; and a discussion of issues related to the implementation of alternative procedures.



Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable Joseph R. Biden, Jr.  
President of the Senate

The Honorable Paul Ryan  
Speaker of the House of Representatives

Inquiries related to this report may be directed to me at (202) 646-3900 or to the Department’s Deputy Under Secretary for Management and Chief Financial Officer, Chip Fulghum, at 202-447-5751.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Craig Fugate".

W. Craig Fugate  
Administrator  
Federal Emergency Management Agency

# Executive Summary

The Sandy Recovery Improvement Act (SRIA) (P.L. 113-2), signed by the President on January 29, 2013, amended the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (P.L. 93-288) to add Section 428 (42 U.S.C. 5189f). Section 428 authorizes alternative procedures for the Public Assistance Program and allows the Federal Emergency Management Agency (FEMA) to implement these new authorities through a pilot program. The law sets forth four goals of the alternative procedures: (1) reducing the costs to the Federal Government; (2) increasing flexibility in the administration of such assistance; (3) expediting the provision of such assistance; and (4) providing financial incentives and disincentives for the timely and cost-effective completion of projects.

This report serves as FEMA's response to House Report (H.R.) 113-481 accompanying the *Fiscal Year (FY) 2015 Department of Homeland Security (DHS) Appropriations Act* (P. L. 114-4), which directs the Administrator to submit quarterly reports to Congress detailing and describing the projects proceeding under the Public Assistance Alternative Procedures (PAAP) pilot programs. H.R. 113-481 requires the Administrator to provide information on the following five requests:

- a financial summary of permanent work projects under Section 428 (report Sections IV, VI, and VII);
- a description of Section 428 projects with a cost exceeding \$50,000,000 (report Sections IV, V and VII);
- an overview of the use of Sections 406, 422, and 428 (report Section III);
- a summary of the debris removal projects under Section 428 (report Section VIII); and
- an identification of challenges and recommendations related to the alternative procedures, and modifications that may further achievement of the four goals of the alternative procedures (report Section IX).

This report provides the specific information requested, including financial information related to permanent work and debris removal projects under the alternative procedures. It also explains the authorities under which FEMA may provide assistance and the procedures for implementing these authorities. This information includes eligibility requirements, project timeframes, administrative procedures, and conditions affecting the provision of assistance.

The alternative procedures for permanent work and debris removal projects described in this report represent innovative concepts that further FEMA's mission of aiding community recovery following a major disaster or emergency. The alternative

procedures are designed specifically to achieve FEMA's goals of providing disaster assistance expediently and efficiently, with options that allow communities greater flexibility in meeting their needs for more resilient rebuilding and recovery.



Public Assistance Program Alternative  
Procedures:  
Fiscal Year 2015 Report to Congress –  
Second Quarterly Status Report

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# I. Legislative Request

This document was compiled pursuant to legislative language set forth in H.R 113-481 accompanying the *FY 2015 DHS Appropriations Act* (P.L. 114-4).

H.R. 113-481 states:

## Sandy Recovery Improvement Act

The Committee commends FEMA for its efforts to implement its new authorities under section 428 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5189f), which was enacted as a provision of the Sandy Recovery Improvement Act on January 29, 2013 (Public Law 113–2, Division B). Section 428 authorizes the Administrator to establish a Public Assistance Alternative Procedures Program and explicitly lays out the goals of the alternative procedures: (1) reducing the costs to the federal government; (2) increasing flexibility in the administration of such assistance; (3) expediting the provision of such assistance; and (4) providing financial incentives and disincentives for the timely and cost-effective completion of projects.

The Committee directs the Administrator to submit quarterly reports, commencing 60 days after the date of enactment of this Act, to the Committee and to the House Committee on Transportation and Infrastructure detailing and describing the projects proceeding under the Public Assistance Alternative Procedures Program. Each report shall include the following:

- 1) A financial summary of the projects under the section 428 alternative procedures for permanent work, including planned and anticipated projects, and their anticipated obligation and expenditure dates;
- 2) A brief description of each section 428 project in excess of \$50,000,000, a description of how each of these projects is expected to meet the four stated goals for the Program, and a summary of how the section 428 projects below that threshold are cumulatively addressing each of those goals;
- 3) An overview of the use of sections 406, 422, and 428, including the eligible scope of work and costs of such projects; the eligibility and costs of section 406 mitigation funds, project timetables administrative costs; and other relevant information determined by the Administrator;
- 4) A summary of the projects under alternative procedures for debris removal; and
- 5) An identification of challenges and recommendations, including proposed authority modifications, to better enable the Program to achieve the four stated goals.

The Joint Explanatory Statement accompanying the *FY 2015 DHS Appropriations Act* states:

In lieu of direction in the House report directing FEMA to provide a report on the Public Assistance Alternative Procedures Program to certain committees, FEMA shall provide the report to Congress.

## II. Background on the Alternative Procedures for Permanent Work

On January 29, 2013, President Obama signed into law the Sandy Recovery Improvement Act of 2013. This law amends Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. It authorizes FEMA to implement the Public Assistance (PA) Alternative Procedures Pilot Program for Debris Removal and Permanent Work. The Alternative Procedures Pilot Program for Permanent Work began May 20, 2013, and the Alternative Procedures Pilot Program for Debris began June 28, 2013.

- Goals of the PA Alternative Procedures Pilot Programs

**Goal 1: Reduce Costs:** Reduce the costs to the Federal Government of providing Public Assistance.

**Goal 2: Increase Flexibility:** Increase flexibility in the administration of such assistance.

**Goal 3: Expedite Assistance:** Expedite the provision of assistance to a state (includes U.S. Territories), tribal or local government, or nonprofit owner or operator of a private nonprofit facility.

**Goal 4: Provide Incentives/Disincentives for Timely/Cost-effective Completion:** Provide financial incentives and disincentives for timely and cost-effective completion of projects with such assistance.

FEMA's implementation guides for both Debris Removal and Permanent Work alternative procedures are available on our website at <https://www.fema.gov/alternative-procedures>.

### III. Overview of Public Assistance Authorities – Sections 406, 422, and 428 of the Stafford Act

#### **Section 406. Repair, Restoration, and Replacement of Damaged Facilities (42 U.S.C. 5172)**

Section 406 authorizes FEMA to provide grant assistance to state, local, and tribal governments and eligible private nonprofit (PNP) organizations for the repair, restoration, and replacement of damaged or destroyed facilities.<sup>1</sup> FEMA categorizes this type of work as “permanent work,” or Public Assistance (PA) Categories C-G work. Permanent work is that which is required to restore a damaged facility, through repair or restoration, to its pre-disaster design, function, and capacity in accordance with applicable codes or standards.<sup>2</sup>

Under Section 406, FEMA also may provide funding for an improved or alternate project in accordance with 44 CFR § 206.203(d)(1) and (2). An improved project is where a subrecipient wants to make improvements, but still restore the pre-disaster function of a facility. This requires approval from the recipient/pass-through entity, and federal funding is limited to the federal share of the approved estimate of eligible costs. An alternate project is where the subrecipient has determined that restoring a damaged public facility or the function of that facility does not best serve the public interest, and the subrecipient requests approval from FEMA to use the funding for an alternate eligible use. For alternate projects, the federal funding for damaged public facilities is 90 percent of the federal share of the federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility, while damaged PNP facilities may receive 75 percent of the federal share of the federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility.

#### **Section 406(e) Eligible Cost**

Section 406(e) authorizes FEMA to fund as an eligible cost the work necessary to conform to applicable codes, specifications, and standards. This includes “hazard mitigation criteria required by the President.”<sup>3</sup> Hazard mitigation is defined as “any cost effective measure which will reduce the potential for damage to a facility from a disaster event.”<sup>4</sup> Therefore, the Stafford Act allows FEMA to consider for inclusion in a PA subgrant certain mitigation measures that are beyond work required to repair a facility to its pre-disaster function and design.

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<sup>1</sup> Stafford Act Section 406, 42 U.S.C. 5172.

<sup>2</sup> *Public Assistance Guide* FEMA 322 dated June 2007, page 79.

<sup>3</sup> Stafford Act Section 406(e)(1)(A)(ii), 42 U.S.C. 5172(e)(1)(A)(ii).

<sup>4</sup> 44 CFR § 206.201(f).

In evaluating whether hazard mitigation may be eligible for inclusion as an eligible cost in a PA subaward, FEMA considers project eligibility requirements and cost-effectiveness of the proposed measures. In some cases, FEMA may require mitigation measures as part of an approved project, such as requiring that a flood-damaged building be elevated in order to comply with local ordinances established in accordance with requirements under the National Flood Insurance Program. The basic considerations for hazard mitigation measures funded under Section 406 are: that the mitigation is implemented through the PA program (as opposed to other sources of mitigation funding, such as Section 404 hazard mitigation administered by the state (recipient)); the mitigation applies to structural measures; it must apply to the damaged element(s) of the facility; and there are no programwide limits on funds, but each project must be cost-effective and approved by FEMA.

For further guidance on Section 406 hazard mitigation funding, please see FEMA [Recovery Policy RP9526.1 Hazard Mitigation Funding Under Section 406 \(Stafford Act\)](#) dated March 30, 2010.

### **Section 422. Simplified Procedures (42 U.S.C. 5189)**

Pursuant to Section 422, FEMA is authorized to provide PA subaward funding based on federal estimates rather than actual costs for small projects (those with estimated or actual costs below the threshold determined in accordance with the annually adjusted Consumer Price Index (CPI) for All Urban Consumers published by the U.S. Department of Labor). Funding for the project is made based on the initial amount approved, whether this amount is for estimated or actual costs.

As explained in the [Public Assistance Guide FEMA 322](#) dated June 2007 on page 95:

“A project is a logical method of performing work required as a result of the declared event. The applicant is responsible for identifying all work that is required as a result of the event. To facilitate project review, approval, and funding, projects are divided into small and large projects based on the monetary threshold established in Section 422 of the Stafford Act and elaborated upon in 44 CFR § 206.203(c). Small projects are those projects with a total estimated cost below the threshold, and large projects are those projects with a total estimated cost at or above the threshold. The threshold is adjusted each fiscal year to account for inflation and published in the Federal Register...The determination of the threshold that will be used for a disaster is based on the declaration date of the disaster, regardless of when project approval is made or when the work is performed. Projects

are categorized as large or small based on the eligible damage cost of the approved PW (project worksheet).”

The Sandy Recovery Improvement Act of 2013 (SRIA) revised Section 422 of the Stafford Act. Section 1107 of the SRIA directs the Administrator to evaluate whether it would be appropriate to increase the small project threshold.<sup>5</sup> Following this analysis, on January 29, 2014, FEMA submitted a report to Congress conveying the determination that the threshold for small project subawards should be increased to a maximum of \$120,000. On February 26, 2014, FEMA issued a notice in the *Federal Register* adjusting the threshold for simplified procedures to \$120,000.<sup>6</sup> FEMA also adjusted the minimum project threshold to \$3,000, from \$1,000. Both threshold amounts are adjusted annually based on the CPI. Further, on November 19, 2014, FEMA issued a subsequent notice in the *Federal Register* seeking comment on the findings of the report to Congress to inform any future revisions to the project thresholds.<sup>7</sup> This comment period closed on January 20, 2015. FEMA received 19 comments from 17 respondents that will be considered as part of our triennial review of Simplified Procedures, as required by the SRIA.

### **Section 428. Public Assistance Program Alternative Procedures (42 U.S.C. 5189f)**

The SRIA also amended the Stafford Act to add Section 428, which authorized alternative procedures for PA under Sections 403(a)(3)(A), 406, 407, and 502(a)(5). The statute further authorized FEMA to implement pilot programs for the alternative procedures until FEMA promulgates and adopts revised regulations that implement the PA program changes that the law authorizes. Section 428 applies to both debris removal and permanent work.

### **Permanent Work**

Participation in the alternative procedures pilot program is voluntary. For Permanent Work, a subrecipient must accept a fixed capped subaward based on an agreed-upon estimate in order to participate in the pilot program. As stated in the [\*PA Alternative Procedures Pilot Program for Permanent Work Guide Version 2\*](#) dated December 19, 2013:

For permanent work, the law:

- “Allows for making grants for permanent work projects on the basis of fixed estimates to provide financial incentives and disincentives for the

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<sup>5</sup>Stafford Act Section 422(b)(1)(A), 42 U.S.C. 5189 (b)(1)(A).

<sup>6</sup> 79 Fed. Reg. 62648 (Oct. 20, 2014).

<sup>7</sup> 79 Fed. Reg. 10685 (November 19, 2014).

timely or cost-effective completion of work if the state, tribal, or local government, or owner or operator of the private non-profit facility agrees to be responsible for actual costs that exceed the estimate;

- Provides an option for state, tribal, or local government, or owner or operator of the private nonprofit facility to receive an in-lieu contribution, without reduction, on the basis of estimates for repair, restoration, reconstruction, or replacement of a public facility and management expenses (i.e., eliminates the funding reduction for Alternate Projects under Sections 406(c)(1) and (2) of the Stafford Act);
- Allows for consolidating, as determined by the Administrator, the facilities of a state, tribal, or local government, or owner or operator of the private nonprofit facility as a single project based upon estimates adopted under the procedures;
- Allows for the Administrator to permit a recipient or subrecipient to use all or part of the excess grant funds for cost-effective activities that reduce the risk of future damage, hardship, or suffering from a major disaster and other activities to improve future Public Assistance operations or planning;
- Requires the Administrator to make available an independent expert panel to validate the estimated eligible cost if requested by a subrecipient, and where the Administrator or certified cost estimate prepared by the applicant's professionally licensed engineers has estimated an eligible Federal share for a project of at least \$5 million; and
- Requires the Administrator, at an applicant's request, to consider properly conducted and certified cost estimates prepared by professional licensed engineers (mutually agreed upon by the Administrator and the applicant).<sup>8</sup>

The alternative procedures do not change timelines for identifying disaster damage, as established by regulation. In order to achieve the goal of expediting assistance, agreement on the cost estimate of the fixed subaward must be reached within 9 months of the declaration date. This deadline may be extended as appropriate based on extenuating circumstances. If FEMA, the recipient, and subrecipient cannot agree on the estimate within this time frame, the subaward will be processed pursuant to standard procedures. Subrecipients have 12 months from the date of declaration to consolidate fixed estimate subawards into a single subaward.

Regarding hazard mitigation funding, under standard Section 406 PA procedures, hazard mitigation funding cannot be retained on Alternate or Improved projects that involve facility replacement or relocation. However, as the alternative procedures authorized under Section 428 seek to promote greater flexibility for the use of fixed estimate subaward funding, FEMA may allow subrecipients, on a

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<sup>8</sup> PA *Alternative Procedures Pilot Program Guide for Permanent Work Version 2* dated December 19, 2013, pages 1-2.

case-by-case basis, to retain mitigation funding on Alternate and Improved projects that involve facility replacement or relocation when a subrecipient can demonstrate a commensurate reduction of risk.

## **Debris Removal**

Participation in the alternative procedures pilot program is voluntary. For debris removal, subrecipients may elect to use one or more of the procedures for their debris removal projects. Utilizing multiple debris removal alternative procedures is not required in order to receive the incentive for any of the other provisions. As stated in the [Public Assistance Alternative Procedures Pilot Program Guide for Debris Removal Version 3](#) dated June 28, 2015:

“For debris removal, the law allows for, and FEMA is currently piloting:

- The use of a sliding scale for determining the Federal share for removal of debris and wreckage based on the time it takes to complete debris and wreckage removal;
- The use of program income from recycled debris without offset to the award amount;
- Reimbursing base and overtime wages for the employees of state, tribal or local governments, or owners or operators of private nonprofit facilities performing or administering debris and wreckage removal; and
- Providing incentives to a state or tribal or local government to have a debris management plan accepted<sup>9</sup> by the FEMA Administrator and have pre-qualified one or more debris and wreckage removal contractors before the start of the declaration’s incident period.

Recently, FEMA approved a 1-year extension of the debris removal procedures pilot until June 27, 2016.

*The law also authorizes FEMA to make awards for debris removal on the basis of fixed estimates, and to allow subrecipients to use excess funds from those awards for approved purposes. FEMA is not implementing these procedures as part of this pilot. FEMA continues to work to improve debris-estimating methodologies and will consider implementing these procedures in the future.*

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<sup>9</sup> *Public Assistance Alternative Procedures Pilot Program Guide for Debris Removal Version 3* dated June 28, 2015, pages 1- 2.

## IV. Alternative Procedures Permanent Work Pilot Projects in Excess of \$50 Million

FEMA has obligated six PAAP Permanent Work Pilot Program projects (as of May 2015) in excess of \$50 million. All six projects are under FEMA-4085-DR-NY (New York Hurricane Sandy).

### 1. Long Island Power Authority

<b>DR-4085-NY – PW #367 – Long Island Power Authority</b>	
<b>Damage Category</b>	F – Public Utilities
<b>Application Title</b>	Overhead Power Distribution Lines
<b>Project Amount</b>	\$1,409,702,766
<b>Federal Share Obligated</b>	\$1,268,732,489
<b>Date Obligated</b>	September 18, 2014
<b>Alternative Procedure Used</b>	PAAP Consolidated Fixed Estimate

#### **Subrecipient**

The Long Island Power Authority is a nonprofit municipal electric provider servicing more than 1.1 million customers in Nassau and Suffolk counties and the Rockaway Peninsula in Queens.

#### **Damage**

Strong winds associated with Hurricane Sandy caused extensive damage to the power infrastructure throughout the subrecipient’s four divisions on Long Island, New York, resulting in power outages for approximately 90 percent of the customer base. Specific damages occurred when trees and broken limbs fell on to and across overhead electric distribution circuits damaging poles, pole structure hardware, transformers, power lines, insulators, and fuses.

#### **Repair Project Description**

The project scope of work includes activities to restore the damaged overhead power distribution line facilities and associated components to their pre-disaster design, capacity, and function. PW 367 identifies specific work associated with overhead power distribution line repairs, costs of materials for line repairs, incidental removal of trees and limbs to clear power lines and rights-of-way, and electric meter replacement. Specific work includes the replacement of damaged wood poles, damaged cross arms, and damaged transformers, replacement and installation of 454 miles of conductors and pole structural hardware, and disposal of removed items.

#### **Hazard Mitigation Scope of Work**

Hazard mitigation measures were identified to reduce future physical damages and loss of function to the subrecipient’s infrastructure. These include elevating or relocating

equipment at damaged substations, strengthening portions of vulnerable overhead three-phase mainlines of distribution circuits, installing automatic sectionalizing unit and associated hardware and software, and strengthening damaged lines.

**2. Metropolitan Transportation Authority**

<b>DR-4085-NY – PW# 3791 – Metropolitan Transportation Authority</b>	
<b>Damage Category</b>	C – Roads & Bridges
<b>Application Title</b>	Public Assistance Alternative Procedures
<b>Project Amount</b>	\$373,571,860
<b>Federal Share Obligated</b>	\$336,214,674
<b>Date Obligated</b>	November 28, 2014
<b>Alternative Procedure</b>	PAAP Consolidated Fixed Estimate

**Subrecipient**

Metropolitan Transportation Authority (MTA) is a public benefit corporation chartered by the State of New York. It provides transportation services to 12 counties in southeastern New York.

**Damage**

Hurricane Sandy inundated portions of the Brooklyn Battery Tunnel (BBT) with an estimated 60 million gallons of brackish water. Water entered through the Manhattan portal roadway into both tubes, and through the ConEdison vault and exhaust air duct grating of the west tube; the Brooklyn portal did not flood. Containing a mix of seawater, storm runoff, and up to 2,000 gallons of spilled fuel oil, the water inundated approximately 65 percent (5,800 linear feet) of the tunnel. Industrial pumps completed dewatering 10 days after the incident. Hurricane damages include mechanical, electrical, and structural components of the tunnel and its support facilities.

Hurricane Sandy also inundated the lowest portions of the Queens Midtown Tunnel (QMT) with an estimated 12 million gallons of brackish water. Water entered through the Queens portal roadway into both tubes; the Manhattan portal did not flood. Containing a mix of seawater, storm runoff, and leaked sewage, the water inundated approximately 16 percent (1,000 linear feet) of the tunnel roadway ceiling. Industrial pumps completed dewatering 5 days after the incident. Hurricane damages include mechanical, electrical, and structural components of the tunnel and its support facilities.

**Project Description**

This PW will provide funding for the permanent repair and hazard mitigation measures at both the BBT and QMT, including repairing tunnel walls, roadways, and electrical and mechanical components.

**Hazard Mitigation Scope of Work**

Hazard mitigation opportunities have been identified for the two tunnels to prevent flooding and loss of mechanical and electrical system functionality during a future event.

The project includes mitigation measures for the Manhattan Plaza Area, Brooklyn Plaza Area, Brooklyn Ventilation Building, BBT Facilities Service Building, Governor’s Island Ventilation Building, Queens Tunnel Plaza, QMT Manhattan Plaza, Queens Ventilation Building, and the QMT Facilities Service Building. The measures include raising plaza perimeter walls, installing flood gates, erecting flood walls, dry floodproofing measures, and raising certain pieces of equipment.

**3. Nassau County Wastewater Treatment Facilities**

<b>DR-4085-NY – PW# 3714 – Nassau County</b>	
<b>Damage Category</b>	F – Public Utilities
<b>Application Title</b>	Wastewater Facilities
<b>Project Amount</b>	\$810,708,377
<b>Federal Share Obligated</b>	\$729,637,539
<b>Date Obligated</b>	September 18, 2014
<b>Alternative Procedure</b>	PAAP Consolidated Fixed Estimate

**Subrecipient**

The Nassau County Department of Public Works is responsible for the design, construction, repair, and maintenance of all streets and bridges, county buildings, parks and grounds, water and wastewater system facilities and infrastructure, and other facilities within the county.

**Damage**

Storm surge and flooding from Hurricane Sandy caused extensive damage to structural elements and mechanical, electrical, and plumbing (MEP) systems at the Bay Park wastewater treatment plant (WWTP), two water pollution control plants (WPCP), and 32 pump stations throughout the wastewater distribution system.

**Project Description**

The fixed estimate subaward includes restoration work for the WWTP, the two WPCPs, and the 32 pump stations. Included in the subaward is funding for repair or replacement of damaged structural elements, the replacement of MEP systems, required upgrades to meet codes, specifications, and standards, architecture and engineering fees, and program management fees and contingencies.

**Hazard Mitigation Scope of Work**

The estimate also includes funding for hazard mitigation measures to make the reconstructed plants and pump stations more resilient to future disasters. This includes the construction of a protective berm at the WWTP to eliminate or mitigate the potential for future flooding, and dewatering and electrical system improvements to better handle future flooding events.

#### 4. New York University

<b>DR-4085-NY – PW# 4005 – New York University</b>	
<b>Damage Category</b>	E – Public Buildings
<b>Application Title</b>	Campus-Wide Repair
<b>Project Amount</b>	\$1,091,635,575
<b>Federal Share Obligated</b>	\$982,472,017
<b>Date Obligated</b>	August 21, 2014
<b>Alternative Procedure</b>	PAAP Consolidated Fixed Estimate

#### **Subrecipient**

NYU Langone Medical Center is a PNP organization located in Manhattan that provides direct healthcare services to patients; medical education for doctors, nurses, and researchers; and medical and healthcare research.

#### **Damage**

Floodwaters and storm surge from Hurricane Sandy flooded the first floor of the facilities; filled the basements, cellars, and subcellars; and caused failure of the backup generators that supported the facility's pumping systems. Some of the basement areas were flooded from the floor to the ceiling, while other basement areas were partially submerged. Approximately 406,439 square feet of basement and ground floor space suffered flood damage.

#### **Project Description**

The scope of work includes cleaning and painting of the interiors, and repair or replacement of: damaged elements; lab equipment; research equipment; diagnostic equipment; IT systems; research animals; biospecimens; and supplies and contents. This work will be performed at multiple facilities within the main campus and at off-campus facilities.

#### **Hazard Mitigation Scope of Work**

Exterior mitigation measures are focused on the construction of an integrated dry flood-proofing barrier. Major elements of the mitigation proposal include: installation of exterior flood doors and barriers; wall and slab reinforcements, elevation of MEP systems and equipment; and installation of interior flood doors, barriers, penetrations seals, check/backflow valves, pumps, and sump pumps.

#### 5. South Nassau Communities Hospital

<b>DR-4085-NY – PW# 4276 – South Nassau Communities Hospital</b>	
<b>Damage Category</b>	E – Public Buildings
<b>Application Title</b>	Public Assistance Alternative Procedures
<b>Project Amount</b>	\$171,224,942
<b>Federal Share</b>	\$154,102,448

<b>Obligated</b>	
<b>Date Obligated</b>	January 21, 2015
<b>Alternative Procedure</b>	PAAP Single Site Fixed Estimate

**Subrecipient**

South Nassau Communities Hospital is a PNP entity providing critical healthcare services to surrounding communities.

**Damage**

Flooding from Hurricane Sandy caused extensive architectural damage to the main medical facility, which consists of five wings. Standing floodwaters in the basement level of all five wings also caused significant damage to the facility’s MEP systems, which were housed on the basement level.

**Project Description**

The fixed estimate subaward includes the restoration of the medical facilities to their pre-disaster function and capacity, applicable codes, specifications, and standards upgrades, contents replacement, and a FEMA-approved hazard mitigation proposal. Repairs include structural repairs, elevator repairs, and replacement of MEP infrastructure (e.g., wiring, piping, etc.) throughout the facility. Additional costs for demolition are also included. Codes, specifications, and standards upgrades include seismic retrofitting for structural elements, and structural modifications to the elevators. Contents approved for replacement consist of medical supplies and medications.

**Hazard Mitigation Scope of Work**

The hazard mitigation proposal involves moving the MEP system housing from the basement to the roof to prevent future flood-related damage to critical systems.

**6. Queens Rockaway Boardwalk**

<b>DR-4085-NY – PW# 4223 - Office of New York / Management and Budget</b>	
<b>Damage Category</b>	G – Recreational or Other
<b>Application Title</b>	Queens Rockaway Boardwalk
<b>Project Amount</b>	\$480,373,535
<b>Federal Share Obligated</b>	\$432,336,182
<b>Date Obligated</b>	April 30, 2015
<b>Alternative Procedure</b>	PAAP Consolidated Fixed Estimate

**Subrecipient**

New York City’s park system has approximately 1,700 parks that include marinas, golf courses, boardwalks, skating rinks, and numerous other public facilities. The Rockaway Boardwalk was completed in the 1930s and stretches a little over five miles along the beach from 126th Street east to 9th Street along the Rockaway Beach shoreline in Queens.

**Damage**

Hurricane Sandy's high winds, heavy rain, and storm surge damaged or destroyed 3.42 miles of the boardwalk's wooden decking system along with concrete supports and concrete fire breaks. The storm also damaged or destroyed ramps, stairs, park benches, shower units, and electrical lighting infrastructure.

**Project Description**

The fixed estimate subaward will be used to repair or replace more than one million square feet of boardwalk and will replace 84 ramps, 87 stair units, 232 light poles, and 424 park benches.

**Hazard Mitigation Scope of Work**

The estimate also includes \$198 million for hazard mitigation that will elevate the boardwalk, provide concrete decking, and build a sand barrier to increase resiliency.

## V. How these projects are expected to meet the four stated goals for the Program

**Goal 1: Reduce Costs:** In contrast to standard procedures for large permanent work projects where the initial scope of work and associated cost estimate may change several times during the life of the project, including a final reconciliation based on documentation of actual costs, permanent work projects funded under the Alternative Procedures are funded based on an agreed-upon fixed estimate. This eliminates administratively intense review processes for each version of the subaward as well as the final reconciliation. Further, typical delays from incremental modification and refinement of the scope of work and reimbursable costs on such subawards are eliminated by the requirement that agreement on the fixed estimate must be reached within 9 months of the date of declaration (for catastrophic events, FEMA and the recipient may agree to adjust this deadline).

Once there is agreement on the fixed estimate it will not be revised. The only exception will be when actual insurance proceeds differ from the anticipated insurance proceeds. Specifically, if the subrecipient's actual insurance proceeds exceed the amount of the reduction based on anticipated insurance proceeds, the subrecipient will have to return to FEMA the difference between those amounts in order to avoid a duplication of benefits. Conversely, if the subrecipient's actual insurance proceeds are less than the amount of the anticipated insurance proceeds used to calculate the reduction and the subrecipient demonstrates that it performed the due diligence required in pursuing all available insurance proceeds, FEMA agrees to return to the subrecipient the difference between those amounts.

Upon completion of work, the subrecipient is required to provide an accounting of actual costs to FEMA within 90 days. If the actual costs exceed the fixed estimate, the subrecipient will not receive additional funding to cover the shortfall. Conversely, if the fixed estimate exceeds the actual costs, the subrecipient must notify FEMA of its intent to use excess funds for cost-effective hazard mitigation activities that will reduce the risk of future disaster damage, or activities that improve future PA Program permanent work operations, such as training and planning for future disaster recovery operations. In these ways, FEMA expects the changes in process to result in administrative savings due to a reduction in the processing of versions and appeals and the reconciling to actual costs. Reduced costs resulting from the agreed-upon fixed estimates, or future costs avoided by mitigation measures will not be known until after completion of work.

**Goal 2: Increase Flexibility:** Subawards based on fixed estimates are similar to improved/alternate projects. They provide subrecipients with flexibility to repair or rebuild a facility as it deems necessary for its operations with no requirement to rebuild to pre-disaster design, capacity, or function. While pre-disaster function, design, capacity,

and condition determine the amount of FEMA-eligible funding, a subrecipient is not constrained from using this funding to complete a project with a different function, design or capacity.

Consolidation of individual subawards allows the subrecipient to share funding across the component projects of the consolidated subaward. If the subrecipient is able to manage a component project such that efficiencies are achieved, the savings on that project can be utilized for overruns on another component project.

**Goal 3: Expedite Assistance:** By virtue of the agreement upon the fixed estimate, funding based on actual costs does not have to wait until project closeout and cost reconciliation. To achieve the goal of expediting assistance to subrecipients, agreement on the cost estimate of the fixed subaward must be reached within 9 months of the declaration date, under current PAAP Pilot Program guidelines. The subrecipient must also notify FEMA within 12 months of the declaration date of the subawards to be consolidated. Some recipients have reported anecdotally that by eliminating the cost reconciliation process at closeout, they expect subrecipients will be closed and fully funded 1 to 2 years sooner than under the standard PA Program procedures.

**Goal 4: Provide Incentives/Disincentives for Timely/Cost-effective Completion:** Subrecipients base fixed estimates on market conditions at the time of agreement. Due to variability in the cost of materials, labor, and equipment, subrecipients are more likely to enter into contracts for the work in a timely manner to assure that the work is completed within budget. Generally, when project completion extends beyond initial target completion dates, additional funding is also required to complete the project. In this way, the fixed estimate subaward incentivizes subrecipients to manage projects effectively and efficiently as they are unable to receive additional funding from FEMA.

## VI. Alternative Procedure Pilot Projects below \$50 Million

As of May 2015, 170 PAAP Permanent Work Pilot subawards have amounts below \$50 million. This represents 38 declarations; 96 subrecipients; 170 PWs; and a total funding amount of \$469,083,042:

**Table 1. PAAP Permanent Work Pilot Projects below \$50 Million**

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
1603	11746	LA	FACILITY PLANNING AND CONTROL, STATE OF LOUISIANA	E - Public Buildings	\$56,888.00	11/28/2014
1603	20805	LA	FACILITY PLANNING AND CONTROL, STATE OF LOUISIANA	E - Public Buildings	\$4,339,967.00	9/26/2014
1603	20915	LA	FACILITY PLANNING AND CONTROL, STATE OF LOUISIANA	E - Public Buildings	\$277,461.32	11/28/2014
1603	4372	LA	LIVINGSTON PARISH FIRE DISTRICT #11, 53	E - Public Buildings	\$270,453.00	1/21/2015
1603	1908	LA	NEW ORLEANS, CITY OF	E - Public Buildings	\$57,387.10	4/28/2015
1603	3779	LA	NEW ORLEANS, CITY OF	E - Public Buildings	\$328,895.86	4/28/2015
1603	7425	LA	NEW ORLEANS, CITY OF	E - Public Buildings	\$56,509.58	4/28/2015
1603	10815	LA	NEW ORLEANS, CITY OF	E - Public Buildings	\$113,074.68	4/28/2015
1603	20947	LA	NEW ORLEANS, CITY OF	E - Public Buildings	\$44,865,354.94	4/28/2015
1603	15111	LA	PLAQUEMINES (PARISH)	E - Public Buildings	\$71,872.55	11/5/2014
1603	18649	LA	PLAQUEMINES (PARISH)	G - Recreational or Other	\$108,084.50	11/5/2014
1603	20914	LA	PLAQUEMINES (PARISH)	E - Public Buildings	\$16,378,499.38	11/5/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
1603	9482	LA	ROMAN CATHOLIC CHURCH/ARCHDIOCESE OF N.O.	E - Public Buildings	\$4,759,346.00	11/17/2014
1603	18335	LA	XAVIER UNIVERSITY OF LOUISIANA	E - Public Buildings	\$99,872.00	3/25/2015
1603	20932	LA	XAVIER UNIVERSITY OF LOUISIANA	E - Public Buildings	\$1,255,512.41	3/25/2015
1786	6873	LA	LOUISIANA DEPARTMENT OF WILDLIFE & FISHERIES	D - Water Control Facilities	\$1,238,331.36	7/15/2014
1786	6907	LA	STATE OF LA. FACILITY PLANNING AND CONTROL	E - Public Buildings	\$161,586.12	4/14/2015
1791	14052	TX	GALVESTON	F - Public Utilities	\$5,279,515.01	7/23/2014
1791	15158	TX	GALVESTON (COUNTY)	G - Recreational or Other	\$11,546,637.16	4/21/2015
1791	15826	TX	TEXAS AVIATION HALL OF FAME	E - Public Buildings	\$8,515,054.51	2/28/2014
1792	1354	LA	GRAND ISLE	F - Public Utilities	\$102,100.00	7/18/2012
1918	56	WV	WYOMING COUNTY SCHOOL DISTRICT	D - Water Control Facilities	\$115,082.26	1/14/2011
1930	684	IA	MADISON COUNTY SECONDARY ROAD DEPARTMENT	C - Roads & Bridges	\$981,888.00	4/17/2015
1952	1157	CA	SAN DIEGO (COUNTY)	C - Roads & Bridges	\$161,083.82	7/9/2014
1984	2098	SD	WAUBAY	F - Public Utilities	\$489,200.00	7/2/2012
1994	290	MA	SPRINGFIELD	G - Recreational or Other	\$7,187,285.00	12/29/2014
4015	60	LA	CONCORDIA (PARISH)	C - Roads & Bridges	\$92,612.16	7/30/2012
4015	63	LA	EAST CARROLL (PARISH)	C - Roads & Bridges	\$662,835.10	12/28/2012
4015	29	LA	LA DEPT OF PUBLIC SAFETY & CORRECTIONS	C - Roads & Bridges	\$329,936.40	7/25/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
4022	2389	VT	BETHEL (TOWN OF)	C - Roads & Bridges	\$919,040.00	12/4/2014
4022	3040	VT	BRAINTREE (TOWN OF)	C - Roads & Bridges	\$196,652.00	10/21/2014
4022	3119	VT	BRANDON (TOWN OF)	F - Public Utilities	\$133,721.80	8/21/2012
4022	3369	VT	GRANVILLE (TOWN OF)	C - Roads & Bridges	\$667,692.00	10/16/2014
4022	702	VT	GROTON (TOWN OF)	C - Roads & Bridges	\$488,845.07	5/22/2012
4022	3087	VT	MENDON (TOWN OF)	C - Roads & Bridges	\$210,793.00	9/4/2014
4022	3039	VT	PLYMOUTH (TOWN OF)	C - Roads & Bridges	\$215,194.00	7/17/2014
4022	2041	VT	SHREWSBURY (TOWN OF)	C - Roads & Bridges	\$244,900.00	7/18/2014
4022	3307	VT	VT DEPARTMENT OF BUILDINGS & GENERAL SERVICES	G - Recreational or Other	\$32,416,477.00	9/20/2013
4022	1090	VT	WINDSOR (TOWN OF)	C - Roads & Bridges	\$1,266,873.00	3/13/2015
4022	1776	VT	WOODSTOCK (TOWN OF)	C - Roads & Bridges	\$875,621.00	1/2/2015
4030	4226	PA	HARRISBURG	G - Recreational or Other	\$77,959.48	6/11/2012
4030	3682	PA	LYKENS	D - Water Control Facilities	\$1,368,012.00	6/14/2012
4030	1998	PA	PA GAME COMMISSION	C - Roads & Bridges	\$210,592.00	3/26/2012
4030	1177	PA	PA STATE SYSTEM OF HIGHER EDUCATION	E - Public Buildings	\$129,549.80	3/14/2012
4030	2615	PA	PINE GROVE	C - Roads & Bridges	\$186,546.00	4/21/2012
4031	2000	NY	OWEGO APALACHIN SCHOOL DIST	E - Public Buildings	\$7,895,665.60	3/27/2015

<b>Disaster</b>	<b>PW #</b>	<b>State</b>	<b>Subrecipient Name</b>	<b>Damage Category Code</b>	<b>Project Amount</b>	<b>Obligation Date</b>
4061	42	WV	LOGAN	C - Roads & Bridges	\$874,661.32	6/29/2012
4080	566	LA	ST JOHN THE BAPTIST PARISH SCHOOL BOARD	E - Public Buildings	\$13,396,001.59	9/4/2014
4080	606	LA	ST JOHN THE BAPTIST PARISH SCHOOL BOARD	E - Public Buildings	\$23,360,946.22	7/15/2014
4085	3406	NY	GRAND VIEW-ON-HUDSON (GRAND VIEW)	E - Public Buildings	\$3,872,111.00	5/22/2015
4085	3867	NY	ISLIP (TOWN OF)	E - Public Buildings	\$356,529.04	11/5/2014
4085	2370	NY	LONG BEACH CITY SCHOOLS	E - Public Buildings	\$4,327,472.00	10/7/2014
4085	2330	NY	NEW YORK	E - Public Buildings	\$247,412.38	10/23/2013
4085	3207	NY	NEW YORK	E - Public Buildings	\$808,448.96	11/18/2013
4085	3260	NY	NEW YORK	E - Public Buildings	\$94,125.14	11/18/2013
4085	3351	NY	NEW YORK	E - Public Buildings	\$235,219.14	11/25/2013
4085	3521	NY	NEW YORK	E - Public Buildings	\$7,633,332.28	2/21/2014
4085	3552	NY	NEW YORK	E - Public Buildings	\$432,976.00	5/23/2014
4085	3553	NY	NEW YORK	E - Public Buildings	\$466,151.00	9/18/2014
4085	3589	NY	NEW YORK	E - Public Buildings	\$729,655.00	5/23/2014
4085	3600	NY	NEW YORK	E - Public Buildings	\$321,201.00	11/5/2014
4085	3601	NY	NEW YORK	E - Public Buildings	\$425,470.00	9/18/2014
4085	3642	NY	NEW YORK	E - Public Buildings	\$6,687,957.75	4/25/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
4085	3688	NY	NEW YORK	E - Public Buildings	\$2,283,920.00	6/27/2014
4085	3689	NY	NEW YORK	E - Public Buildings	\$399,630.00	5/23/2014
4085	3690	NY	NEW YORK	E - Public Buildings	\$81,980.00	7/15/2014
4085	4247	NY	NEW YORK	G - Recreational or Other	\$10,680,992.93	5/22/2015
4085	4249	NY	NEW YORK	E - Public Buildings	\$6,702,369.44	5/8/2015
4085	4262	NY	NEW YORK	E - Public Buildings	\$1,859,267.28	2/25/2015
4085	4270	NY	NEW YORK	F - Public Utilities	\$780,716.90	5/6/2015
4085	3361	NY	OHEL CHILDREN'S HOME AND FAMILY SERVICES, INC.	E - Public Buildings	\$805,236.50	11/5/2014
4089	217	RI	WESTERLY (TOWN OF)	E - Public Buildings	\$154,282.56	7/15/2013
4116	1210	IL	SPRING VALLEY	F - Public Utilities	\$1,329,291.19	2/5/2015
4117	450	OK	CANADIAN VALLEY TECHNOLOGY CENTER	E - Public Buildings	\$4,652,904.00	11/7/2014
4117	149	OK	MOORE SCHOOL DISTRICT	E - Public Buildings	\$4,795,069.00	11/7/2014
4124	29	AR	CLEBURNE (COUNTY)	C - Roads & Bridges	\$478,581.80	9/12/2013
4124	49	AR	CLEBURNE (COUNTY)	C - Roads & Bridges	\$410,056.10	10/15/2013
4124	51	AR	CLEBURNE (COUNTY)	C - Roads & Bridges	\$217,370.40	9/12/2013
4124	177	AR	CROSS (COUNTY)	C - Roads & Bridges	\$86,663.00	7/2/2014
4124	171	AR	MONTGOMERY (COUNTY)	C - Roads & Bridges	\$89,315.22	1/16/2015

<b>Disaster</b>	<b>PW #</b>	<b>State</b>	<b>Subrecipient Name</b>	<b>Damage Category Code</b>	<b>Project Amount</b>	<b>Obligation Date</b>
4124	38	AR	POLK (COUNTY)	C - Roads & Bridges	\$233,585.00	11/6/2013
4124	84	AR	POLK (COUNTY)	C - Roads & Bridges	\$175,177.75	12/4/2013
4124	26	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$121,352.24	10/15/2013
4124	40	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$230,122.69	10/15/2013
4124	110	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$115,553.01	11/6/2013
4124	111	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$125,279.41	12/4/2013
4124	127	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$73,932.38	11/6/2013
4124	140	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$125,715.91	11/6/2013
4124	160	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$126,081.43	12/4/2013
4124	174	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$969,496.55	3/25/2014
4124	175	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$902,465.10	3/5/2014
4124	176	AR	SCOTT (COUNTY)	C - Roads & Bridges	\$1,198,563.60	5/1/2014
4126	347	IA	CHEROKEE COUNTY ENGINEER	C - Roads & Bridges	\$271,967.00	12/11/2014
4126	390	IA	CHEROKEE COUNTY ENGINEER	C - Roads & Bridges	\$289,700.00	3/13/2015
4126	391	IA	CHEROKEE COUNTY ENGINEER	C - Roads & Bridges	\$152,300.00	9/5/2014
4126	418	IA	CHEROKEE COUNTY ENGINEER	C - Roads & Bridges	\$342,513.00	4/30/2015
4126	499	IA	CHEROKEE COUNTY ENGINEER	C - Roads & Bridges	\$715,996.00	11/28/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
4126	514	IA	CHEROKEE COUNTY ENGINEER	C - Roads & Bridges	\$329,496.70	8/21/2014
4129	650	NY	DEPT OF TRANSPORTATION (DOT)	C - Roads & Bridges	\$229,101.50	5/4/2015
4143	36	AR	BENTON (COUNTY)	C - Roads & Bridges	\$127,906.27	2/6/2014
4143	38	AR	BENTON (COUNTY)	C - Roads & Bridges	\$80,707.22	2/6/2014
4143	39	AR	BENTON (COUNTY)	C - Roads & Bridges	\$103,284.50	2/6/2014
4143	40	AR	BENTON (COUNTY)	C - Roads & Bridges	\$90,518.05	2/6/2014
4143	41	AR	BENTON (COUNTY)	C - Roads & Bridges	\$340,051.59	2/6/2014
4143	42	AR	BENTON (COUNTY)	C - Roads & Bridges	\$258,366.80	2/6/2014
4143	43	AR	BENTON (COUNTY)	C - Roads & Bridges	\$329,046.02	2/6/2014
4143	48	AR	BENTON (COUNTY)	C - Roads & Bridges	\$273,130.77	2/6/2014
4143	50	AR	BENTON (COUNTY)	C - Roads & Bridges	\$251,045.08	2/6/2014
4143	51	AR	BENTON (COUNTY)	C - Roads & Bridges	\$262,917.54	2/6/2014
4143	53	AR	BENTON (COUNTY)	C - Roads & Bridges	\$120,265.44	2/6/2014
4143	58	AR	BENTON (COUNTY)	C - Roads & Bridges	\$376,617.54	2/6/2014
4143	59	AR	BENTON (COUNTY)	C - Roads & Bridges	\$188,270.83	3/5/2014
4143	60	AR	BENTON (COUNTY)	C - Roads & Bridges	\$158,105.47	2/6/2014
4143	25	AR	MADISON (COUNTY)	C - Roads & Bridges	\$330,731.98	2/6/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
4143	27	AR	MADISON (COUNTY)	C - Roads & Bridges	\$82,499.60	2/6/2014
4143	28	AR	MADISON (COUNTY)	C - Roads & Bridges	\$213,625.88	2/6/2014
4143	76	AR	MARION (COUNTY)	C - Roads & Bridges	\$144,748.01	2/6/2014
4143	77	AR	MARION (COUNTY)	C - Roads & Bridges	\$232,058.94	2/6/2014
4143	78	AR	MARION (COUNTY)	C - Roads & Bridges	\$251,907.75	2/6/2014
4143	79	AR	MARION (COUNTY)	C - Roads & Bridges	\$167,966.61	2/6/2014
4143	80	AR	MARION (COUNTY)	C - Roads & Bridges	\$95,159.94	2/6/2014
4145	316	CO	BIG ELK MEADOWS ASSOCIATION	D - Water Control Facilities	\$1,820,522.06	10/17/2014
4145	1062	CO	BOULDER (COUNTY)	G - Recreational or Other	\$250,190.00	6/16/2014
4145	925	CO	COLORADO DIVISION OF PARKS AND WILDLIFE	G - Recreational or Other	\$916,203.10	9/8/2014
4145	1154	CO	COLORADO DIVISION OF PARKS AND WILDLIFE	G - Recreational or Other	\$973,769.59	8/1/2014
4145	1084	CO	COLORADO STATE DEPT. OF TRANSPORTATION	E - Public Buildings	\$445,581.18	6/16/2014
4145	1082	CO	DENVER WATER	D - Water Control Facilities	\$816,600.00	6/16/2014
4145	997	CO	EVANS	G - Recreational or Other	\$5,639,331.90	6/2/2014
4145	884	CO	FORT MORGAN	G - Recreational or Other	\$309,588.59	5/14/2014
4145	853	CO	FRASIER MEADOWS MANOR, INC	E - Public Buildings	\$9,217,063.85	6/24/2014
4145	923	CO	JEFFERSON (COUNTY)	G - Recreational or Other	\$345,417.46	5/9/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
4145	337	CO	LARIMER (COUNTY)	G - Recreational or Other	\$409,467.20	1/26/2015
4145	1079	CO	LONGMONT	D - Water Control Facilities	\$5,428,766.00	7/2/2014
4145	1153	CO	LONGMONT	G - Recreational or Other	\$29,536,647.50	10/17/2014
4145	602	CO	LOVELAND	D - Water Control Facilities	\$14,303,240.64	10/22/2014
4145	1078	CO	LYONS	G - Recreational or Other	\$21,497,351.00	11/6/2014
4148	28	NM	BERNALILLO (COUNTY)	C - Roads & Bridges	\$191,846.40	2/18/2014
4148	64	NM	BERNALILLO (COUNTY)	C - Roads & Bridges	\$125,429.09	3/18/2014
4148	74	NM	BERNALILLO (COUNTY)	C - Roads & Bridges	\$146,642.75	4/23/2014
4148	77	NM	BERNALILLO (COUNTY)	C - Roads & Bridges	\$95,849.78	3/26/2014
4152	513	NM	SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTH	C - Roads & Bridges	\$206,346.47	7/23/2014
4152	37	NM	TORRANCE (COUNTY)	C - Roads & Bridges	\$98,180.66	3/4/2014
4155	170	SD	BUTTE ELECTRIC COOPERATIVE, INC.	F - Public Utilities	\$151,024.68	3/21/2014
4155	222	SD	GRAND ELECTRIC COOPERATIVE, INC.	F - Public Utilities	\$156,003.49	4/2/2014
4155	224	SD	GRAND ELECTRIC COOPERATIVE, INC.	F - Public Utilities	\$576,708.00	4/2/2014
4155	225	SD	GRAND ELECTRIC COOPERATIVE, INC.	F - Public Utilities	\$23,678,447.00	4/11/2014
4155	215	SD	MOREAU-GRAND ELECTRIC COOP, INC	F - Public Utilities	\$3,187,981.09	4/4/2014
4155	179	SD	WEST RIVER ELECTRIC ASSOCIATION	F - Public Utilities	\$1,450,014.32	3/21/2014

Disaster	PW #	State	Subrecipient Name	Damage Category Code	Project Amount	Obligation Date
4158	72	CA	CITY AND COUNTY OF SAN FRANCISCO	F - Public Utilities	\$127,019.79	7/30/2014
4160	109	AR	SALEM	E - Public Buildings	\$501,050.00	5/21/2015
4168	29	WA	SNOHOMISH (COUNTY)	G - Recreational or Other	\$684,184.00	7/25/2014
4168	17	WA	SNOHOMISH COUNTY PUD	F - Public Utilities	\$208,368.51	6/17/2014
4174	178	AR	VILONIA	G - Recreational or Other	\$902,151.76	5/7/2015
4175	104	MS	LOUISVILLE	E - Public Buildings	\$47,294,791.26	12/5/2014
4175	132	MS	LOUISVILLE UTILITIES	F - Public Utilities	\$2,238,973.82	3/23/2015
4175	102	MS	WINSTON (COUNTY)	E - Public Buildings	\$6,535,455.00	10/14/2014
4175	127	MS	WINSTON (COUNTY)	E - Public Buildings	\$6,627,695.34	10/27/2014
4175	133	MS	WINSTON COUNTY MEDICAL FOUNDATION	E - Public Buildings	\$8,476,621.97	4/7/2015
4177	96	FL	JACKSON (COUNTY)	C - Roads & Bridges	\$211,889.75	11/27/2014
4177	330	FL	JACKSON (COUNTY)	C - Roads & Bridges	\$120,942.72	10/28/2014
4177	491	FL	JACKSON (COUNTY)	C - Roads & Bridges	\$152,522.00	12/30/2014
4177	597	FL	JACKSON (COUNTY)	C - Roads & Bridges	\$149,424.25	1/29/2015
4183	51	NE	LOWER ELKHORN NATURAL RESOURCES DISTRICT	E - Public Buildings	\$332,279.81	11/17/2014
4183	118	NE	PILGER	E - Public Buildings	\$344,191.71	12/3/2014
4183	151	NE	WISNER-PILGER PUBLIC SCHOOLS	E - Public Buildings	\$2,626,622.21	4/10/2015

<b>Disaster</b>	<b>PW #</b>	<b>State</b>	<b>Subrecipient Name</b>	<b>Damage Category Code</b>	<b>Project Amount</b>	<b>Obligation Date</b>
4186	90	SD	ELK POINT (TOWNSHIP OF)	C - Roads & Bridges	\$170,472.02	10/22/2014
4186	107	SD	SD DEPT OF GAME FISH & PARKS	C - Roads & Bridges	\$211,482.21	11/5/2014
4189	46	TN	HOLLOW ROCK	C - Roads & Bridges	\$141,667.50	11/7/2014
4190	18	ND	PIERCE (COUNTY)	C - Roads & Bridges	\$178,124.00	11/28/2014
4194	16	HI	HAWAII COUNTY - DEPT. OF PUBLIC WORKS	C - Roads & Bridges	\$181,792.69	5/22/2015

## VII. Alternative Procedures Pilot Program for Permanent Work Participation

FEMA is piloting five permanent work alternative procedures:

- Fixed estimate subawards. If a subrecipient elects to accept a fixed estimate subaward then it may choose to participate in the four other procedures:
  - Elimination of the reduction in federal cost share for alternate projects
  - Consolidation of fixed estimate subawards
  - Use of excess funds for certain PA Program-related purposes
  - Use of an expert panel to validate project estimates of more than \$5 million

As of May 2015, the overall participation in permanent work alternative procedures is summarized below. This constitutes all of the disasters, subrecipients, and PWs with fixed estimate subawards (Figure 1):

- 38 declarations; 101 subrecipients; 177 PWs; and \$4.9 billion total project costs.

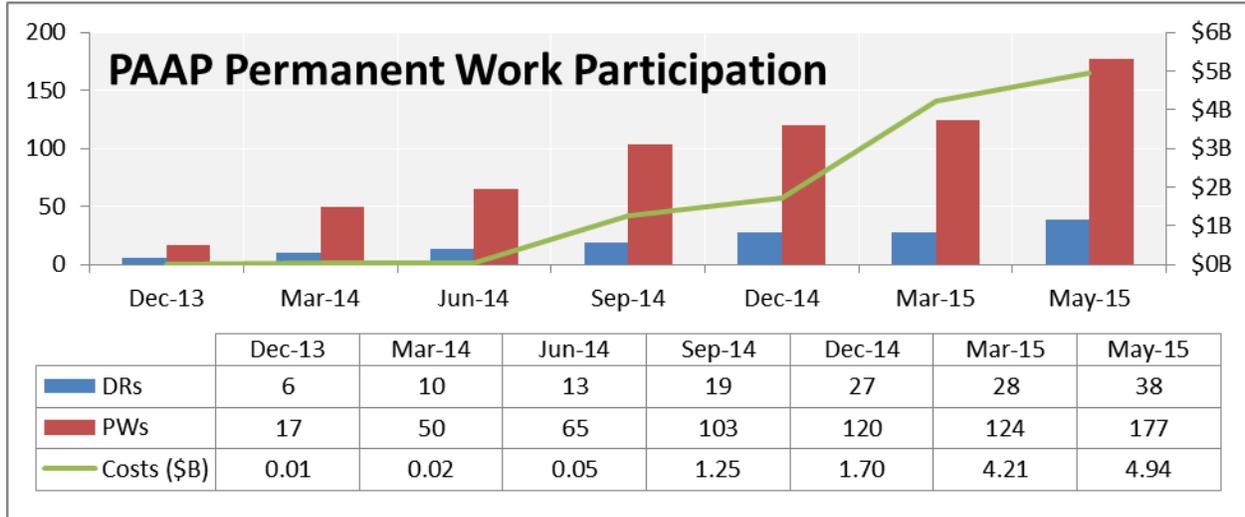
**Table 2. PAAP Permanent Work Provisions**

PAAP Permanent Work Provision	Declarations	PWs	Total Project Amounts
Subawards Based on Fixed Estimates	38	177	\$4,936,846,111
Elimination of Reduction in Federal Cost Share for Alternate Projects	19	34	\$80,895,971
Consolidation of Fixed Estimate Subawards	10	26	\$2,425,143,337
Fixed Estimate Subawards – Expert Panel Validation	1	1	\$7,633,333
Use of Excess Funds*	0	0	0

\*Data is not available at this time as work is still being completed.

Note: Subrecipients may elect to participate in more than one procedure. As such, the sum of the figures above does not represent the total amount of participation in the alternative procedures.

**Figure 1. PAAP Permanent Work Provisions Participation**



**Elimination of the Reduction in Eligible Costs for Alternate Projects -**

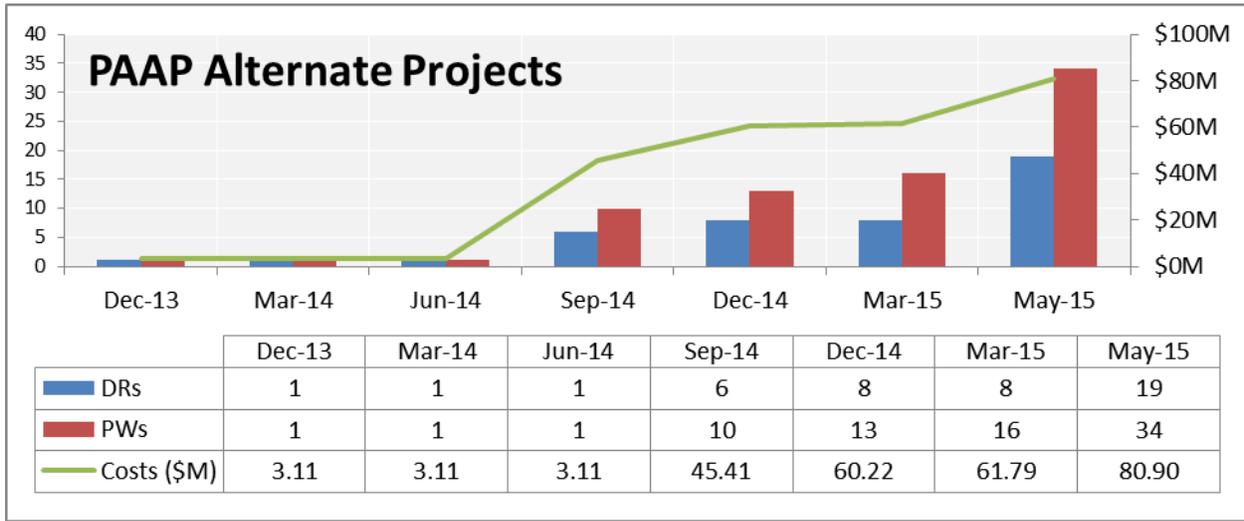
When a subrecipient accepts a fixed estimate subaward under the Permanent Work Pilot, FEMA will waive the federal cost-share reduction imposed on alternate projects under the standard procedures. The data below reflects participation in this option of the fixed estimate subawards.

There are 19 declarations with 34 projects associated with this procedure (Figure 2).

**Table 3. PAAP Permanent Work Alternate Projects Provision**

Alternate Projects	Projects	Project Amount
C - Roads & Bridges	14	\$6,652,698
D - Water Control Facilities	2	\$1,483,094
E - Public Buildings	9	\$27,828,597
F - Public Utilities	3	\$1,760,483
G - Recreational or Other	6	\$43,171,098
<b>Grand Total</b>	<b>34</b>	<b>\$80,895,970</b>

**Figure 2. PAAP Permanent Work Pilot Alternate Projects Provision Participation**



**Consolidation of Fixed Estimate Subawards-**

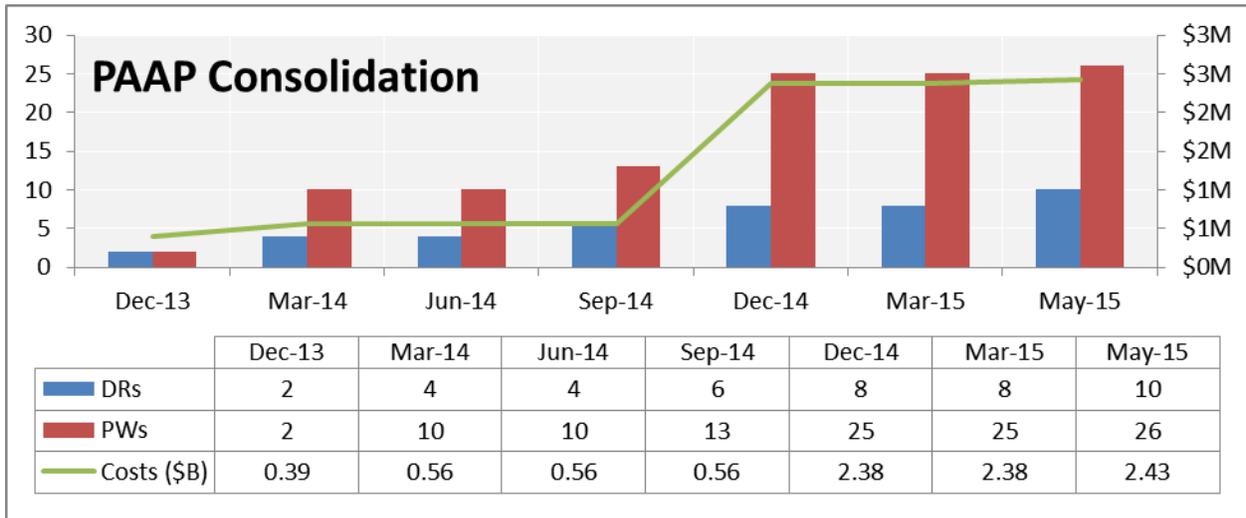
A subrecipient can combine two or more fixed subawards into a single consolidated subaward. This feature allows the subrecipient greater flexibility to execute work and share funding across multiple facilities or sites in ways that support its post-disaster recovery needs. While restoration to pre-disaster function, design, capacity, and condition determines the amount of FEMA-eligible funding, a subrecipient is not constrained from using this funding to complete a project or projects with a different function, design, or capacity. Funding for the consolidated subaward is capped at the aggregate amount of the eligible costs for the formerly separate, individual fixed subawards.

This provision is currently being used on 10 declarations with 26 associated projects (Figure 3).

**Table 4. PAAP Permanent Work Pilot Consolidated Subawards Provision**

Consolidation of Fixed Estimate Subawards	Projects	Project Amount
C - Roads & Bridges	6	\$1,221,778
D - Water Control Facilities	2	\$16,123,763
E - Public Buildings	9	\$85,234,105
F - Public Utilities	3	\$2,225,690,658
G - Recreational or Other	6	\$96,873,034
<b>Grand Total</b>	<b>26</b>	<b>\$2,425,143,338</b>

**Figure 3. PAAP Permanent Work Pilot Consolidated Subawards Participation**



**Fixed Estimate Subawards – Expert Panel Validation**

Subrecipients may request a FEMA-funded, independent validation of estimates for permanent work subawards with an estimated federal share of at least \$5 million. FEMA is currently utilizing the United States Army Corps of Engineers (USACE) Center of Excellence for Cost Estimating to provide this support.

This procedure was used in DR-4085-NY in New York – 1 Cat E PW (Draper Hall) for \$7,633,333. USACE reviewed the subrecipient-provided estimate. Based on the review, the subrecipient adjusted its estimate downward and accepted a fixed estimate subaward.

## VIII. Alternative Procedures Pilot Program for Debris Removal Participation

### **Debris Alternative Procedures Pilot Participation**

FEMA is piloting four debris removal alternative procedures. Subrecipients may elect to participate in them individually or in combination with others:

- Use of a sliding scale for determining the federal share for debris removal based on the timeliness of project completion;
- Use of program income from recycled debris without offset to the subaward amount;
- Reimbursement of base and overtime wages for force account labor performing or administering debris and wreckage removal activities; and
- Providing a one-time two-percent cost share incentive for subrecipients who have a Debris Management Plan accepted by FEMA and have pre-qualified one or more debris removal contractors prior to the start of the declaration's incident period.

*The law also authorized FEMA to make awards for debris removal on the basis of fixed estimates, and to allow subrecipients to use excess funds from those awards for approved purposes. FEMA is not implementing these procedures as part of this pilot. FEMA continues to work to improve debris-estimating methodologies and will consider implementing these procedures in the future.*

As of June 2015 (Figure 4):

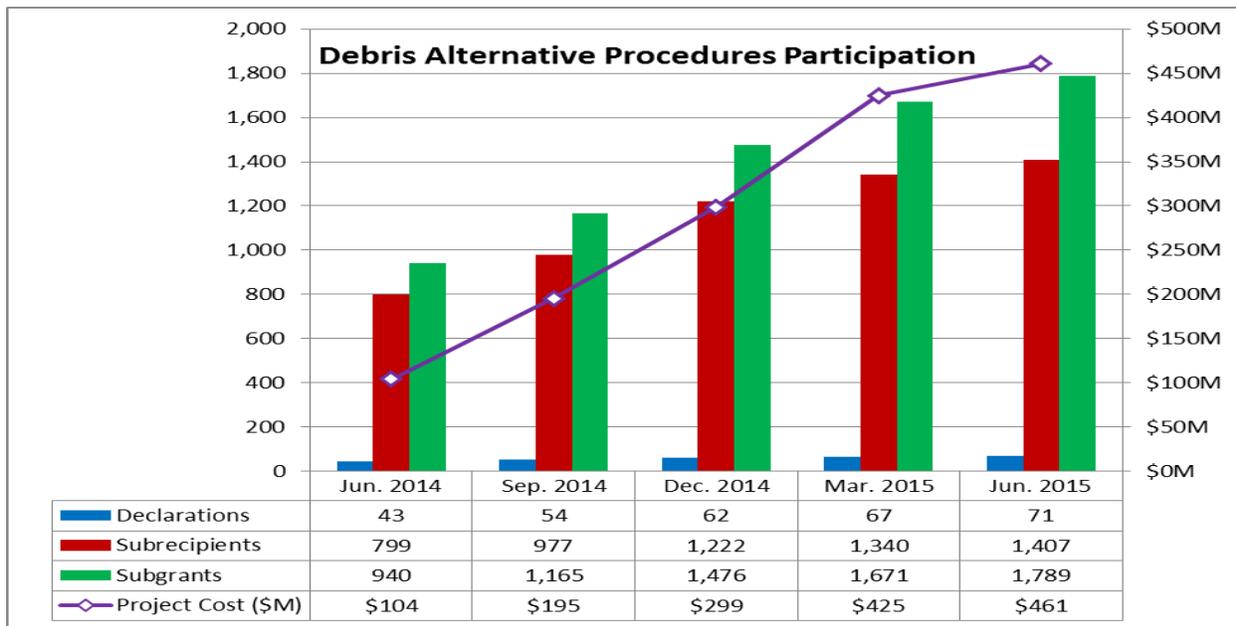
- 71 of 76 declarations eligible for alternative debris procedures have debris pilot subawards.
- 1,407 of 1,755 subrecipients with eligible debris removal costs are using one or more of the alternative procedures.
- 1,789 of 2,305 eligible projects are using one or more of the alternative procedures.
- \$461 million of \$495 million in debris costs is on subawards with one or more of the alternative procedures.

**Table 5. PAAP Debris Pilot Provisions**

PAAP Debris Provisions	Declarations	PWs	Total Project Amounts
Straight-Time Force Account	71	1,460	\$237,928,351
Accelerated Debris Removal—Increased Federal Cost Share (Sliding Scale) Procedure	55	840	\$407,248,826
Recycling Revenue Procedure	7	14	\$33,249,905
Debris Management Plan Procedure	6	93	\$164,171,865

Note: Subrecipients may elect to participate in more than one procedure. As such, the sum of the figures above does not represent the total amount of participation in the alternative procedures.

**Figure 4. PAAP Debris Pilot Provisions Participation**



## Status of Debris Pilot Procedures

To address the goals of the Sandy Recovery Improvement Act, FEMA is piloting four debris alternative procedures:

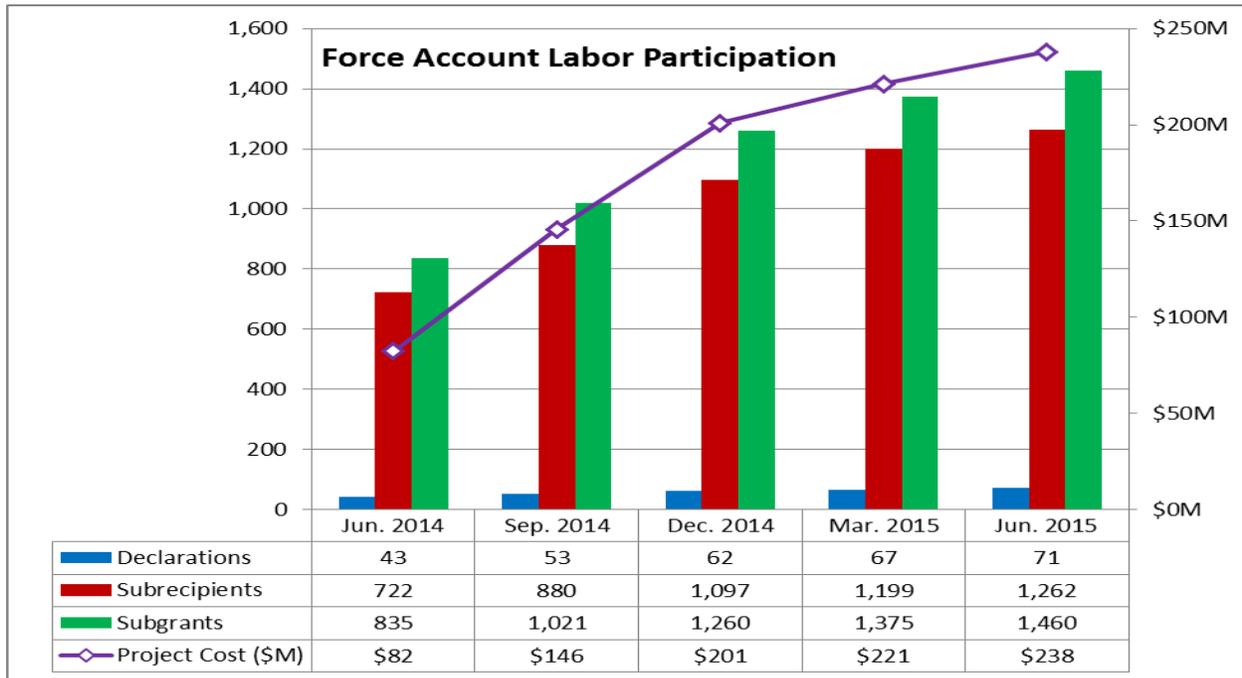
### 1. Straight-Time Force Account

This procedure provides reimbursement of base wages for the employees of state, tribal, or local governments, or owners or operators of PNP facilities performing or administering debris and wreckage removal.

Current use of the Straight-Time Force Account procedure (Figure 5):

- 71 declarations
- 1,262 subrecipients
- 1,460 debris projects
- \$237,928,351 total project amounts

**Figure 5. PAAP Debris Pilot Straight Time Force Account Participation**



## 2. Accelerated Debris Removal—Increased Federal Cost Share (Sliding Scale) Procedure

This procedure provides an increased federal cost-share for a short period of time to incentivize subrecipients to initiate and complete debris removal operations quickly after a disaster.

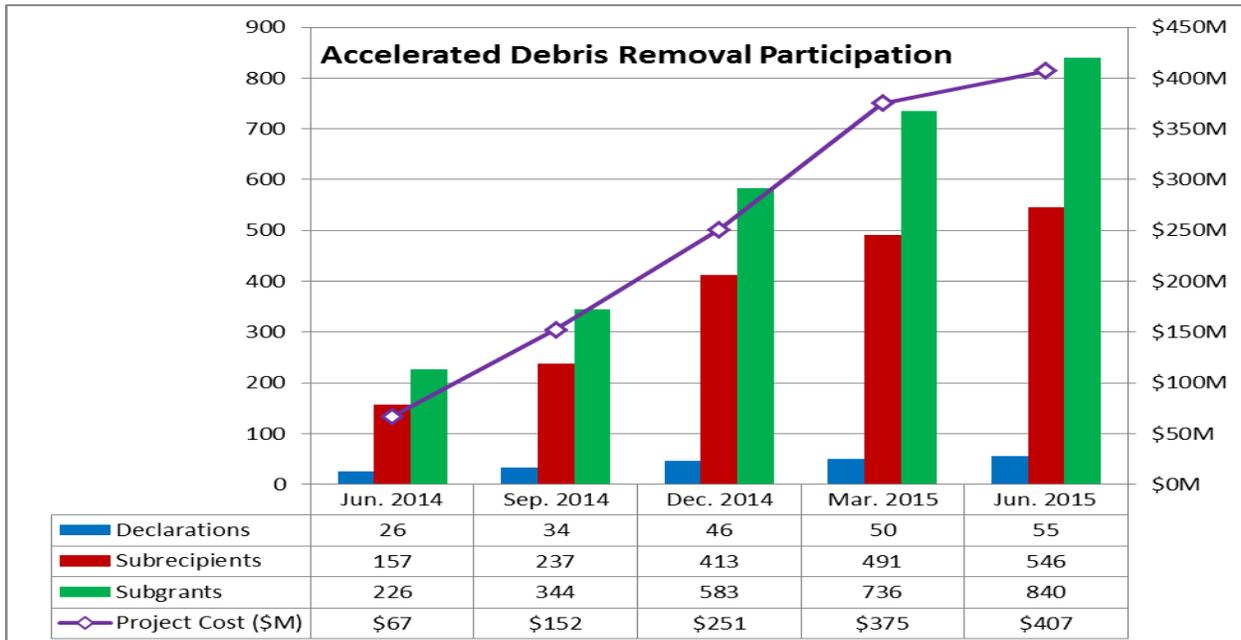
**Table 6. Sliding Scale Procedure Federal Cost Share**

Debris Removal Completed (Days from Start of Incident Period)	Federal Cost Share
0-30	85%
31-90	80%
91-180	75%
Federal dollars will NOT be provided for debris removal after 180 days (unless FEMA approves an extension).	

Current use of the Sliding Scale procedure (Figure 6):

- 55 declarations
- 546 subrecipients
- 840 debris projects
- \$407,248,826 total project amounts

**Figure 6. PAAP Debris Pilot Accelerated Debris Removal Participation**



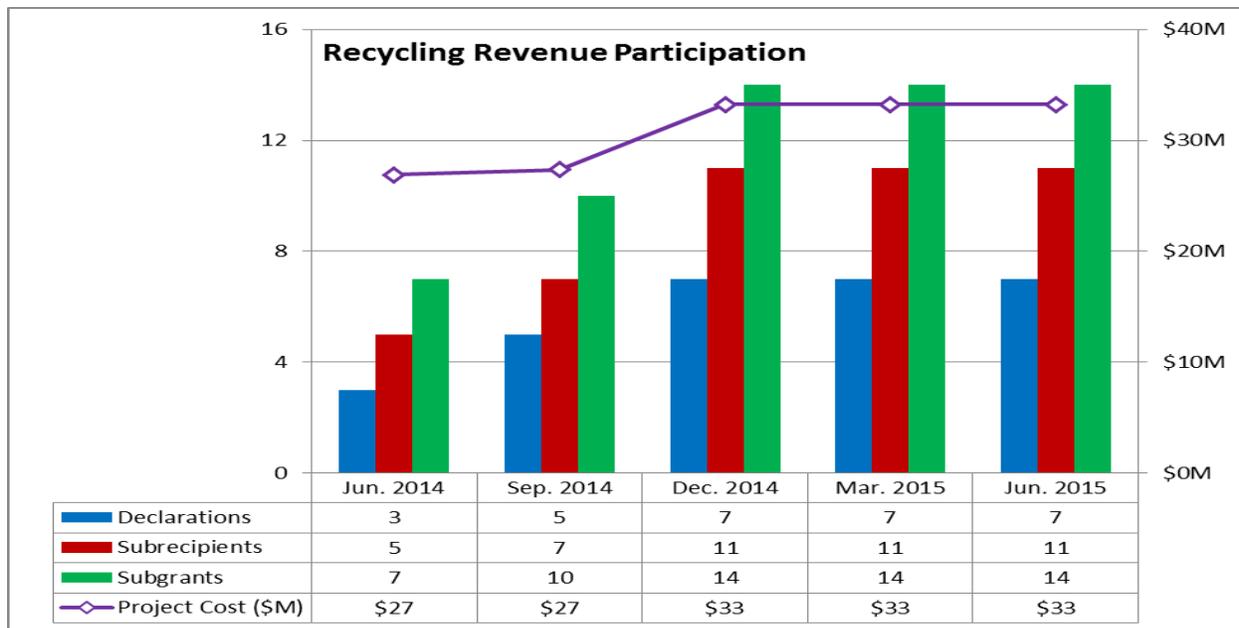
### 3. Recycling Revenue Procedure

This procedure allows subrecipients flexibility to use debris recycling proceeds to meet the cost-sharing requirements of PA subaward funding for debris removal and for activities that will improve debris removal operations in the future. The subrecipient can retain program income received from recycled debris without having to offset the subaward amount.

Current use of the Recycling Revenue procedure (Figure 7):

- 7 declarations
- 11 subrecipients
- 14 debris projects
- \$33,249,905 total project amounts

**Figure 7. PAAP Debris Pilot Recycling Revenue Participation**



#### 4. Debris Management Plan Procedure

This procedure provides the subrecipient a one-time two (2) percent increase in the federal cost share when it has a FEMA accepted Debris Management Plan (DMP) and has pre-qualified one or more debris and wreckage removal contractors before the date of the declaration. Guidance on required content, recipient review, submittal to FEMA, and resubmittal (if necessary) of a DMP for review and approval is found in the PAAP pilot program [Debris Management Plan Review Job Aid](#) dated June 28, 2015, and greater detail on DMP preparation in the [Public Assistance Debris Management Guide FEMA 325](#).

**Table 7. PAAP Debris Management Plan Submission Stats**

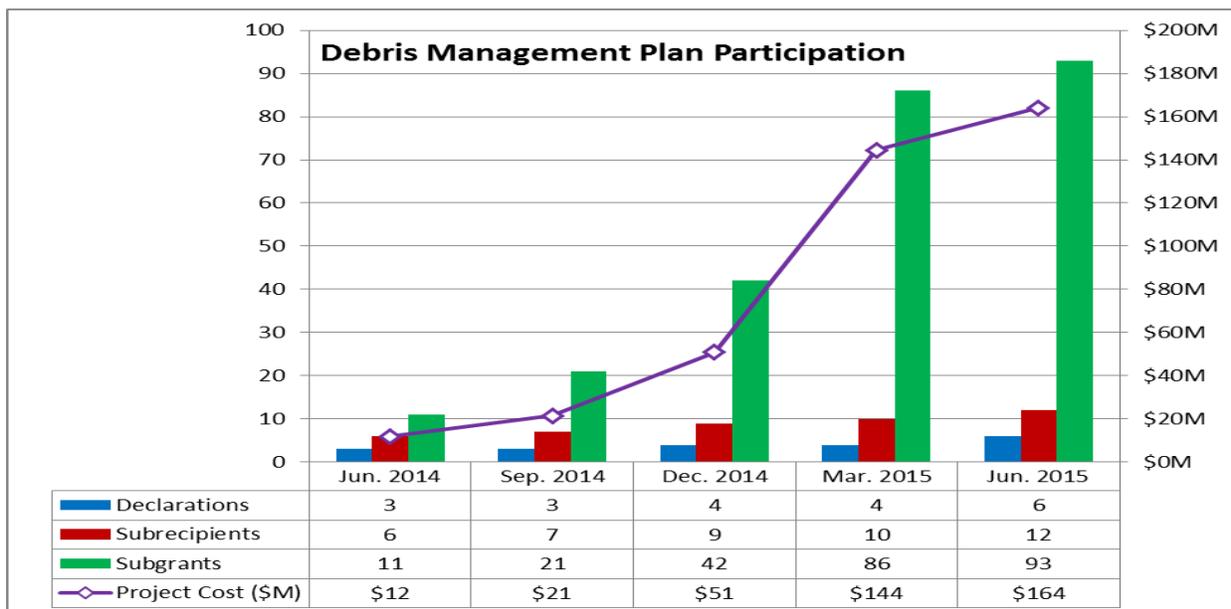
Date	Received	Deemed Insufficient	Under Review	Accepted	Percent Accepted
Oct-14	212	74	35	103	49
Dec-14	238	75	56	107	45
Mar-15	315	99	51	165	52
June-15	333	102	51	180	54

\*values represented in this table are cumulative.

Current use of the Debris Management Plan procedure (Figure 8):

- 6 declarations
- 12 subrecipients
- 93 debris projects
- \$164,171,865 total project amounts

**Figure 8. PAAP Debris Pilot Disaster Management Plan Incentive Participation**



## IX. Challenges and Recommendations

FEMA has not identified any *significant* challenges with the authorities for implementing the alternative procedures. FEMA has identified two issues thus far with the alternative procedures. The issues are related to the collection and evaluation of data for the debris alternative procedures and the expertise related to those participating in the alternative procedures for permanent work.

- **Debris Alternative Procedures: Since the implementation of the debris alternative procedures, there has not been a large-scale debris-generating event.** FEMA has collected and continues to collect data on participation under each of the debris alternative procedures. The major disasters and emergencies where the program has been utilized have been smaller events, and while the data trends indicate that the program is achieving its goals, accurately measuring the effectiveness of the alternative procedures provisions would occur under the conditions of a large debris-generating event. FEMA has approved a 1-year extension of the pilot until June 27, 2016, in order to facilitate the necessary data collection.
- **Permanent Work Alternative Procedures: PA recipients and subrecipients do not have experience with fixed estimate subaward funding.** Fixed estimate subawards are an innovative concept for providing disaster assistance. Because the concept is relatively new and has not been implemented widely, PA subrecipients have expressed concern with the condition that subrecipients are responsible for any excess costs over the fixed, capped amount. The fixed estimate subaward procedure ultimately allows more timely assistance and greater flexibility with the use of recovery funding, and as more projects are completed that utilize this procedure, subrecipients will have more exposure to this procedure and will view it as an opportunity rather than a risk. FEMA continues to educate recipients and subrecipients on the benefits and flexibilities. FEMA expects that as more of them become familiar with the procedures and associated benefits, participation rates will increase.

At this time, FEMA does not have recommendations for changes to the authorities for alternative procedures. FEMA updated the debris pilot program guidance under current authorities to coincide with the extension of the pilot. FEMA is also preparing updates to the pilot program guide for permanent work under existing authorities. FEMA may have recommendations, including proposed authority modifications, after more data has been collected and analyzed that may lead to recommended improvements to procedures and lessons on more effective implementation.