

Preparing for Disaster-Related Projects

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Objective of the Public Assistance Program:

To help communities quickly respond to
and recover from major disasters.



Greene County Public Disaster Declarations

Disaster Event	CU's Eligible Restoration Costs
May 2003 Tornados	\$0.3 Million
March 2006 Tornados	\$0.8 Million
December 2006 Winter Storms	\$0.5 Million
January 2007 Ice Storm	\$29.5 Million
February 2008 Ice Storm	\$3.5 Million
May 2009 Tornados/Wind Storm	\$1.0 Million



Realized Benefit of Public Assistance Program

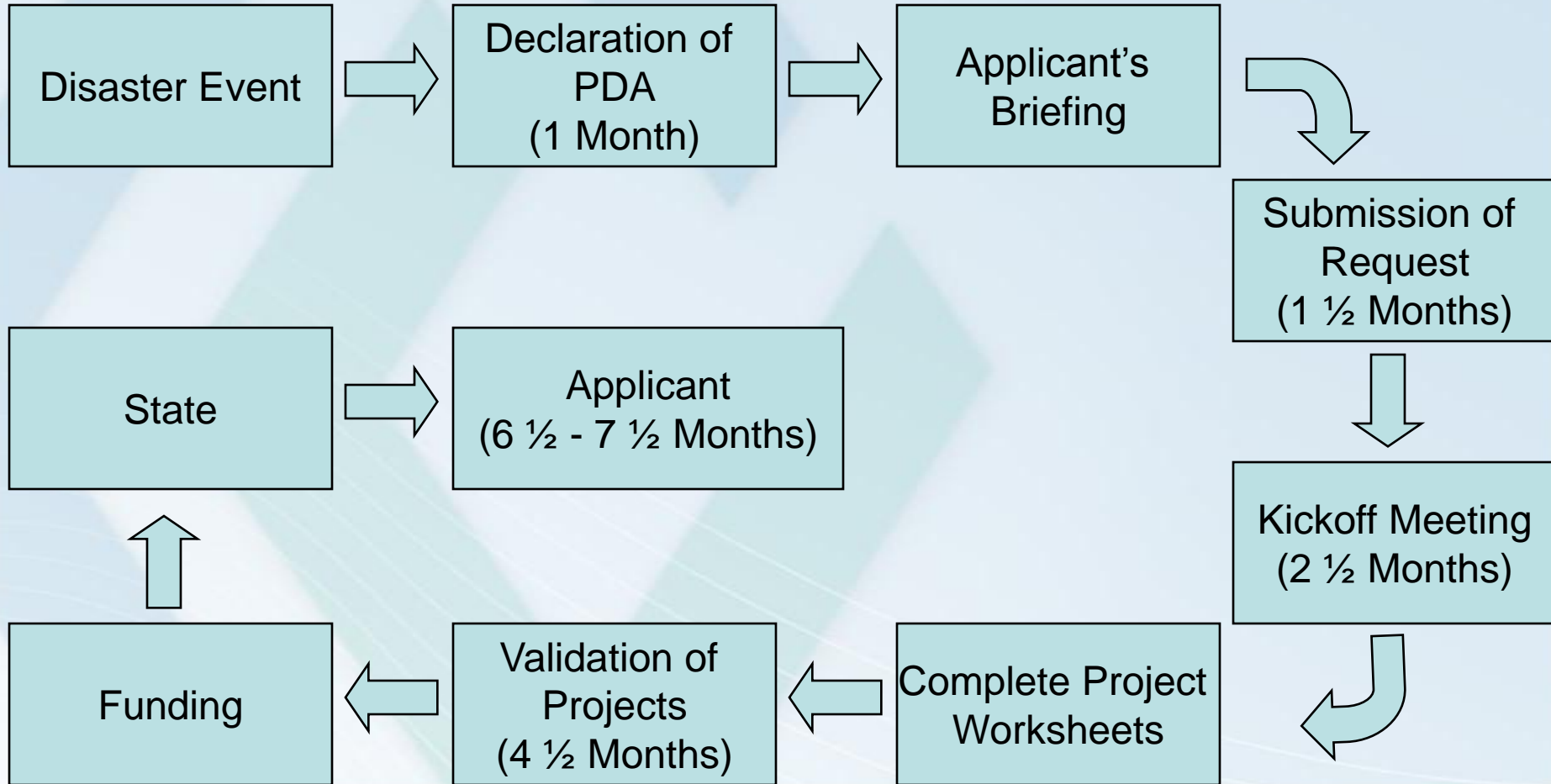
Avoided Electric Service Price Increase

2007 and 2008 ice storms - \$33 Million Cost to CU

- Without Public Assistance Program – Customers could have seen
 - 3% rate increase
 - Minimum period of 5 years
- With Public Assistance Program – Customers did not see change in electric bills



Public Assistance Process



Responsibilities

Local is primary.

Communities are responsible for the protection of their residents, and local emergency response forces will always be the first line of defense when a disaster strikes.

Federal is supplemental.

The intent of the Stafford Act is that Federal assistance be supplemental to local and State efforts.



Preparation Tips

- Disaster Reserve Policy and Funding
- Procurement Policies and Procedures
- Contracting Practices
- Labor Policies and Procedures
- Vehicle and Equipment Logs
- Accounting and Record Keeping Systems



Disaster Reserve Funds and Policies

- Determine an adequate level of disaster reserve funding – An actuarial study may be necessary.
- It's more than what you think!
(2007 ice storm resulted in \$24.1 million in contractor payments representing a two – three week period.)
- Policies need to be clearly written and create responsible governance and discipline.



Procurement Procedures

- Must be written
- Should reflect good business practices
- Comply with Federal, State and local procurement standards
- Should address emergency situations
- Procedures should not be altered for potential federal reimbursement



Contracting Practices

- Time and Equipment Contracts vs. Unit Price Contracts
- Monitoring work performed
 - Contactor Assistance Personnel (Bird Dog) Training Program
- Ensure reasonable cost and efficiency
- Mutual Aid Agreements



2007 Ice Storm Cost Analysis of Contract Services

Type of Work	Average Costs per Hour*
Line Restoration -	\$102
Internal Forces	\$73
Mutual Aid Agreements	\$65
Competitive Bid Agreements	\$118
Emergency Agreements	\$122
Tree Trimming -	\$42
Competitive Bid Agreements	\$40
Emergency Agreements	\$61
Combined	\$78
* Labor and Equipment	



Labor Policies and Procedures

- Union agreements & labor policies should support operational requirements
- Labor policies should be clear & flexible
- Identify and define critical job functions
- Fringe benefits will vary for regular and OT hours
- Safety is always a priority!



Vehicle and Equipment Logs

- Logs should be maintained daily or at least weekly
- Include it as apart of your payroll process - add a section to the timesheet
- Enter the data into a spreadsheet or database
- Develop an equipment listing with detail descriptions



Accounting/Recordkeeping

Requirements -

- An authorized agent & alternate has to be assigned.
- A separate cost accounting and record keeping system must be established.
- Cost components have to be separated.
- Separate files for each project must be maintained for 3 years following close-out



Accounting System

Required Account Code Structure –

- Department – 111 (Electric Line)
- Project – ELMN05 (Storm – Lines Maint.)
- **Activity – 100897 (Feb 2030 - Ice Storm)**
- Resource – CU Labor
- Sub Category – Operations Reg. Labor
- **Operating Unit – Storms**
- Product – 130000 (Electric Distribution)
- Account – 593002 (Maint. OH Lines)



Questions?

