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**FIRE DEPARTMENT
MEMORANDUM**

TO: Gregg Mandsager, City Administrator

FROM: Jerry Ewers, Fire Chief

DATE: February 27, 2012

SUBJECT: Request to enter into grant agreement for storm warning siren upgrades

INTRODUCTION:

The City of Muscatine has been awarded federal assistance under the Hazard Mitigation Grant Program, disaster DR-1930 for the purchase and installation of twenty-three (23) outdoor warning siren radio controllers.

BACKGROUND:

The Hazard Mitigation Grant Program is available for communities for mitigation projects. The Muscatine Fire Department submitted a Notice of Interest for the Hazard Mitigation Grant for upgrading the storm warning sirens and we were notified that our request met the guidelines of the program and that we were allowed to apply for the grant.

Currently the storm warning sirens are activated through telephone lines that have a monthly charge of \$ 1,100. The upgrading of the sirens would eliminate the telephone line notification and would change it to radio controlled activation. This change would have an annual cost savings of \$ 13,200 per year by eliminating the monthly telephone charges for the outdoor storm warning sirens.

The City of Muscatine was notified February 22, 2012 that the grant application was approved and we now need to enter into a grant agreement in order to proceed with the project. The total grant award was for \$ 59,527 and the city's 15 % match for the project is \$ 8,930.

RECOMMENDATION/RATIONALE:

We are requesting that City Council authorize the Muscatine Fire Department to enter into a grant agreement with the Iowa Homeland Security and Emergency Management Division in order to purchase and install twenty-three (23) warning siren radio controllers. Total project cost is \$ 59,527 with a 15 % city match of \$ 8,930.

ATTACHMENTS:

1. Grant Agreement

"I remember Muscatine for its sunsets. I have never seen any on either side of the ocean that equaled them" — Mark Twain

PROJECT GRANT AGREEMENT

between

Iowa Homeland Security and Emergency Management Division

and

City of Muscatine

PROJECT TITLE: **City of Muscatine Warning Siren Project**

GRANT AGREEMENT NO: **HMGP- Dr-1930-0028 01**

PROJECT NO: **Dr-1930-70-01**

FEDERAL TAX ID#: **426005008**

SCOPE OF WORK:

This Grant Assistance Agreement (AGREEMENT) is to provide the **City of Muscatine** (SUBGRANTEE) with federal assistance from the Hazard Mitigation Grant Program. The total grant award is **\$59,527.00**. The federal share shall not exceed **\$44,645.00** or (75%) of actual allowable project costs, whichever is less. The state share shall be **\$5,952.00** or (10%) and the SUBGRANTEE shall provide at least **\$8,930.00** or (15%) through local non-federal (cash and/or in-kind) sources for actual allowable project costs. These funds are to assist the SUBGRANTEE with completing the approved scope of work in accordance with the work schedule, milestones, and scope of work that was submitted to and approved by Iowa Homeland Security and Emergency Management Division (HSEMD) and the Federal Emergency Management Agency (FEMA). Any changes to the approved scope and / or amount budgeted must be submitted to, and approved by HSEMD prior to executing the changes. This includes all Change Orders. The SUBGRANTEE is required to obtain all necessary permits before any construction begins.

AGREEMENTS

HSEMD will provide financial oversight and management in the role of GRANTEE based on the grant guidance, the grant financial guide and other State and federal guidelines. The GRANTEE will provide technical assistance and direction to the SUBGRANTEE on programmatic and financial requirements. The GRANTEE will provide all appropriate documents and forms and make payments to the SUBGRANTEE to complete the approved scope of work.

The Grantee is responsible for monitoring SUBGRANTEE activities to provide reasonable assurance that the SUBGRANTEE administers federal awards in compliance with federal and GRANTEE requirements. Responsibilities include the accounting of receipts and expenditures,

cash management, the maintaining of adequate financial records, and the refunding of expenditures that are not eligible and allowable.

Additionally, the SUBGRANTEE will be monitored periodically by the GRANTEE to ensure that the program goals, objectives, timelines, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, and administrative issues relative to each program, and will identify areas where technical assistance and other support may be needed.

The SUBGRANTEE will pass appropriate resolutions to assure HSEMD that it is participating, and will continue to participate, in the National Flood Insurance Program, if mapped.

The SUBGRANTEE and the SUBGRANTEE's AUTHORIZED REPRESENTATIVE agree to provide all supervision, inspection, accounting, and other services necessary to complete the scope of work from inception to closeout with the requirements set forth below.

I. PERFORMANCE PERIOD

The approved performance period for this grant is from *2/2/2012 through 2/2/2014*. All work must be completed prior to the performance period ending. The SUBGRANTEE shall not incur costs or obligate funds for any purpose pertaining to the operation of the project, program, or activities beyond the expiration date of the period of performance.

If a time extension is needed it must be requested at least 90 days prior to the performance period end date. All requests must be supported by adequate justification submitted to HSEMD in order to be processed. This justification is a written explanation of the reason or reasons for the delay; an outline of remaining funds available to support the extended performance period; milestones that are unmet; and a description of performance measures necessary to complete the project. The Hazard Mitigation Extension Request Form will be made available to you. Without the justification, extension requests will not be processed.

II. AUTHORITIES AND REFERENCES.

The SUBGRANTEE shall comply with all applicable laws and regulations. A non-exclusive list of laws and regulations commonly applicable to FEMA grants follows hereto for reference only.

- OMB Circular A-102 – Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments
- OMB Circular A-87 – Cost Principles for State and Local Governments-now codified at 2 CFR, Part 225
- OMB Circular A-133 – Audits of States, Local Governments, and Non-Profit Organizations
- Section 404 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act), 42 U.S.C. 5133, as amended by Section 102 of the Disaster Mitigation Act of 2000 (DMA)

- Title 44 of the Code of Federal Regulations (CFR) – especially Part 13, Administrative Requirements
- Title 31 CFR 205.6 Funding Techniques
- Hazard Mitigation Assistance Unified Guidance, June 1, 2010.
- SUBGRANTEE's application that was received and approved by HSEMD and FEMA

III. GRANT MANAGEMENT SYSTEM

To ensure that federal funds are awarded and expended appropriately, the SUBGRANTEE will establish and maintain a grant management system. The standards for SUBGRANTEE organizations stem from the Office of Management and Budget's (OMB) uniform administrative requirements and cost principles. State, local and tribal organizations must follow the uniform administrative requirements standards in OMB Circular A-102, and cost principle standards in OMB Circular A-87 (2 CFR, Part 225). These standards combined with the audit standards provided within OMB Circular A-133, plus the requirements of the federal Cash Management Improvement Act constitute the basis for all policies, processes and procedures set forth in this grant management system for the SUBGRANTEE.

The SUBGRANTEE's grant management system must include:

- internal controls based on the American Institute for Certified Public Accountant's (AICPA) definitions and requirements in the government-wide administrative requirements and cost principles
- a chart of accounts that includes a separate cost center, fund, or accounting codes for each federal grant or program
- be in compliance with the Cash Management Improvement Act (CMIA), and good business processes
- procedures to minimize federal cash on hand
- the ability to track expenditures on a cash or accrual basis
- the ability to track expenditures in both financial and program budgets
- procedures to document all grant-related expenditures, broken down by budget line items
- procedures to ensure expenditures are eligible and allowable
- the ability to fulfill government-required financial reporting forms

IV. PROCUREMENT

This agreement requires that all procurement is executed by the SUBGRANTEE. Procurement standards must be in accordance with the written adopted procedures of the SUBGRANTEE, provided that the local procurement standards conform to applicable State and Federal law and the standards identified in the 44 CFR, Section 13.36. The SUBGRANTEE will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. **The SUBGRANTEE must submit copies of all bid documents and contract documents to HSEMD prior to awarding or executing contracts. No contract will be accepted without HSEMD's prior review and approval.**

V. AUDIT

SUBGRANTEE must comply with the requirements of the Single Audit Act Amendments of 1996 and the Office of Management and Budget (OMB) Circular A-133. Reference: Catalog of Federal Domestic Assistance (CFDA) Number: 97.039

VI. PAYMENT REQUEST PROCESS

The SUBGRANTEE may submit a payment request up to 30 days prior to an anticipated expenditure or disbursement. Grant revenue received by the SUBGRANTEE must be placed in a separate account. A non-interest-bearing checking account is preferred. If interest is earned, the SUBGRANTEE agrees to comply with the federal requirements from the 44 CFR, Section 13.21 (I). The SUBGRANTEE may keep interest earned on Federal grant funds up to \$100 per fiscal year. This maximum limit is not per award; it is inclusive of all interest earned as a result of all federal grant program funds received per year. SUBGRANTEE's are required to report all interest earned at least quarterly to the GRANTEE. HSEM will provide instructions to the SUBGRANTEE for the disposition of reported interest earned.

Payments to SUBGRANTEE's are based on eligible expenditures that are specifically related to the approved grant budget and scope of work. The SUBGRANTEE has two options available to them when requesting payments from HSEMD. SUBGRANTEE's can request **Reimbursement** for allowable expenditures already paid, or request an **Advance** for expenditures expected to be paid within 30 days.

Payments shall be limited to the documented cash requirements submitted by the SUBGRANTEE. The SUBGRANTEE must submit a completed Payment Request Form and provide supporting documentation of eligible project costs to receive payment of funds.

- **Reimbursement** requests must include payment verification (i.e. paid invoices, receipts, payroll records with personnel activity reports, cancelled checks, general ledger print outs, etc.).
- **Advance** payment requests must include a detailed cost estimate (i.e. invoices, quotes, or other document). Payment verification documents (same documents required for a **Reimbursement** request) for the advance must be submitted to HSEMD within 30 days after the advance, and before future advances are made.

No more than thirty (30) days should elapse between the date of receipt of a warrant and pay out of the funds by the SUBGRANTEE. All supporting documentation must be submitted to HSEMD immediately following the SUBGRANTEE's pay out of the funds.

Required documents prior to Payments from HSEMD. Payment of funds will not be made to a SUBGRANTEE until HSEMD has on file the following documents:

- Signed Grant Agreement
- Substitute W9/Vendor Update Form (if not already on file at HSEMD)

- Chart of Accounts verifying that unique revenue and expenditure accounts or cost centers or account codes have been established within the SUBGRANTEE's cash management/accounting system for each separate grant program included in this agreement
- Floodplain development permit (if applicable)
- Procurement documents: method of procurement, bid specifications approved by HSEMD, copy of approved and executed contracts between the subgrantee and contractor
- Site plans approved by FEMA

VII. Match Verification

The maximum federal share to this mitigation project grant cannot exceed 75% of eligible project expenditures. Therefore, the matching funds (cash and in-kind) must be at least 15% of eligible project expenditures, and the state share shall be 10%. The subgrantee is responsible for submitting proof of the local non-federal match that was used for their mitigation grant to HSEMD. Expenditures must be in accordance with the approved scope of work and budget and in accordance with the 44 Code of Federal Regulations (CFR), Section 13.24, "Matching or cost sharing"

Cash match can be money contributed to the subgrantee by the subgrantee, other public agencies and institutions, private organizations, and individuals as long as it comes from a non-federal source. Cash spent must be for allowable costs in accordance with the subgrantee's approved scope of work and budget and must be applicable to the period to which the cost sharing or matching requirement applies. Documentation can be copies of the subgrantee's checks to the third parties and a copy of the subgrantee's general ledger for revenues and expenses clearly showing the federal and non-federal cash sources.

In-kind match must comply with the requirements of the 44 CFR, Section 13.24 (matching or cost sharing). The value of in-kind contributions is also applicable to the period to which the cost sharing or matching requirement applies. The in-kind match provided must be documented by the third party contributing the in-kind services. The in-kind match must be specifically stated in the subgrantee's scope of work and budget before in-kind match will be allowed to match any mitigation grant. Documentation can be a letter (on letterhead) from the third party stating the scope of their work, what is being contributed as it relates to the scope of work, the value, a statement to the effect that the value is normally charged, and a statement that the value is being waived on behalf of the subgrantee to meet the matching requirements to the subgrantee's mitigation grant.

If the local match is insufficient to satisfy the local match requirements for receiving all available federal funds, the awarded federal funds will be reduced accordingly so as not to exceed the maximum federal share allowed under this award.

VIII. REPORTING REQUIREMENTS

The mitigation grant program requires quarterly financial reporting and progress reporting, relative to the approved scope of work. SUBGRANTEES are required to complete the quarterly progress report forms that are provided by HSEMD and submit them by the due dates stated to HSEMD. Due dates are; Jan15, April 15, July 15, and Oct 15. The first report is due following the end of the reporting period in which the grant was awarded by FEMA. The reporting periods are; Jan-Mar, April-June, July-Sept, and Oct-Dec.

WAIVERS

No conditions or provisions of this AGREEMENT can be waived unless approved by HSEMD and the SUBGRANTEE, in writing. Unless otherwise stated in writing, HSEMD's failure to insist upon strict performance of any provision of this AGREEMENT, or to exercise any right based upon a breach, shall not constitute a waiver of any right or obligation specified under this AGREEMENT.

AMENDMENTS AND MODIFICATIONS

This AGREEMENT may be amended or modified in reference to the grant funds provided, administrative procedures, or any other necessary matter, but not to take effect until approved, in writing, by HSEMD and the SUBGRANTEE.

COMPLIANCE, TERMINATION AND OTHER REMEDIES

Unless otherwise stated in writing, HSEMD requires strict compliance by the SUBGRANTEE and its authorized representative(s) with the terms of this AGREEMENT, and the requirements of any applicable local, state and federal statute, rules, regulations; particularly those included in the Assurances in the Project Application which was submitted to FEMA by HSEMD.

HSEMD may suspend or terminate any obligation to provide funding or demand return of any unused grant funds, following notice from HSEMD, if the SUBGRANTEE fails to meet any obligations under this AGREEMENT or fails to make satisfactory progress toward administration or completion of said project.

The SUBGRANTEE understands and agrees that HSEMD may enforce the terms of this AGREEMENT by any combination, or all remedies available to HSEMD under this AGREEMENT, or under any other provision of law, common law, or equity.

INDEMNIFICATION

1. It is understood and agreed by HSEMD and the SUBGRANTEE and its agents that this AGREEMENT is solely for the benefit of the parties to this grant and gives no right to any other party. No joint venture or partnership is formed as a result of this AGREEMENT.
2. The SUBGRANTEE, on behalf of itself and its successors and assigns, agrees to protect, save, and hold harmless HSEMD and the State of Iowa, and their authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the negligent acts, errors, or omissions of the SUBGRANTEE or its authorized representative, its contractors, subcontractors, assigns, agents, licensees, arising out of or in connection with any acts or activities authorized by this AGREEMENT. The SUBGRANTEE's obligation to protect, save, and hold harmless as herein provided shall not extend to claims or causes of action for costs, damages, or expenses caused by or resulting from the negligent acts, errors, or omissions of HSEMD, the State of Iowa, or any of their authorized agents or employees.
3. The SUBGRANTEE further agrees to defend HSEMD, the State of Iowa, and their authorized agents and employees against any claim or cause of action, or to pay reasonable attorney's fees incurred in the defense of any such claim or cause of action, as to which the SUBGRANTEE is required to protect, save, or hold harmless said parties pursuant to paragraph 2 of this part. The SUBGRANTEE's obligation to defend, or to pay attorney's fees for the defense of such claims or causes of action as herein provided, shall not extend to claims or causes of action for costs, damages, or expenses caused by or resulting from the negligent acts, errors, or omissions of HSEMD, the State of Iowa, or any of their authorized agents or employees.

ACKNOWLEDGMENTS

The SUBGRANTEE shall include, in any public or private release of information regarding the project, language that acknowledges the funding contribution by HSEMD and FEMA.

INDEPENDENT CONTRACTOR STATUS OF APPLICANT

The SUBGRANTEE, its officers, employees, agents and council members shall all perform their obligations under this AGREEMENT as an independent contractor and not in any manner as officers, employees or agents of HSEMD or the State of Iowa. All references herein to the SUBGRANTEE shall include its officers, employees, city council/board members, and agents. HSEMD shall not withhold on behalf of any such officer, employee, city council/board member, or agent, or pay on behalf of any such person, any payroll taxes, insurance, or deductions of any kind from the funds paid to the SUBGRANTEE for administrative purposes.

GOVERNING LAW, VENUE AND SEVERABILITY

The laws of Iowa shall govern this AGREEMENT and venue for any legal action hereunder shall be in the Polk County District Court of Iowa. If any provision under this AGREEMENT or its application to any person or circumstances is held invalid by any court of rightful jurisdiction, said invalidity does not affect other provisions of this AGREEMENT which can be given effect without the invalid provision.

NOTICES

The SUBGRANTEE shall comply with all public notices or notices to individuals as required by applicable state and federal laws, rules, and regulations and shall maintain a record of such compliance.

RESPONSIBILITY FOR PROJECT

While HSEMD undertakes to provide technical assistance to the SUBGRANTEE and its authorized representative in the administration of the project, said project remains the sole responsibility of the applicant in accomplishing grant objectives and goals. HSEMD undertakes no responsibility to the SUBGRANTEE, or any third party, other than what is expressly set out in this AGREEMENT.

NOTICES AND COMMUNICATIONS BETWEEN HSEMD AND APPLICANT

All written notices and communications to the SUBGRANTEE by HSEMD shall be to:

June Anne Gaeta,
Muscatine Fire Department
312 E 5th Street
Muscatine, IA 52761

Or the Alternate Point of Contact,

Jerry Ewers,
Muscatine Fire Department
312 E Fifth Street Ste 2
Muscatine, IA 52761

All written communications to HSEMD by the SUBGRANTEE and its authorized representative shall be to:

Patrick J Hall
Attention: Mitigation Section
Iowa Homeland Security & Emergency Management Division
7105 NW 70th Avenue
Camp Dodge Bldg, W4, Johnston, Iowa 50131

ENTIRE GRANT AGREEMENT

This AGREEMENT sets forth the entire AGREEMENT between HSEMD and the SUBGRANTEE with respect to subject matter hereof. Commitments, warranties, representations and understandings or agreements not contained, or referred to, herein or amended thereto shall not be binding on either HSEMD or the SUBGRANTEE. Except as may be expressly provided herein, no alteration of any of the terms or conditions of this AGREEMENT will be effective without written consent of both parties.

IN WITNESS WHEREOF, HSEMD and the SUBGRANTEE have executed this AGREEMENT by the signatures of authorized persons of both entities and on the dates indicated below:

Iowa Homeland Security and Emergency Management Division: **City of Muscatine:**

Patrick J Hall
Alternate GAR

Gregg Mandsager
City Administrator

Date

Date

Signature of Authorized Representative (optional)

Date