



## CITY COMMISSION STAFF REPORT

**DEPARTMENT:** Finance

**DATE:** September 17, 2024

**SUBJECT:** Motion to approve an amendment via change order to P.O. 2024-8655 of the Agreement with Witt O'Briens LLC for managing Federal Assistance Programs.  
- **Finance**

### **CITY MANAGER RECOMMENDATION:**

The City Manager recommends approving the amendment via change order to the professional services agreement with Witt O'Briens LLC to manage and navigate complex federal assistance programs for the remainder of the fiscal year.

### **BACKGROUND OF ITEM:**

Witt O'Briens LLC has been providing invaluable support to the City in managing federal assistance programs, including those from the American Rescue Plan Act (ARPA) and Infrastructure Investment and Jobs Act (IIJA). Their expertise and experience have been instrumental in navigating complex federal regulations, maximizing funding opportunities, and streamlining the federal grants management lifecycle.

Witt O'Brien's LLC assisted the City with the development and approval of a fully obligated ARPA budget and continues to monitor expenditures relative to compliance and allow ability and Treasury guidance up to and including implementation of Uniform Guidance 2024 Revisions, which were released in April of 2024 and are to be implemented no later than October 1, 2024. Witt O'Briens provides project, eligibility, documentation support, and related tasks for all ARPA expenditures. Following the transition from the current ARPA consultant, in addition to ongoing effort for the current deliverables noted above, Witt O'Briens will undertake the following additional tasks and activities needed to complete deliverables required for ARPA management and administration:

- Project and eligibility documentation
  - Project research and drafting of documentation, including completion and closure of any informational gaps/deficiencies to support compliance.
  - Expenditure category determination and documentation.
  - Communicate/coordinate with internal/external stakeholders to obtain documents, narratives, and other content needed for project and expenditure scoping and substantiation.

- All U.S. Treasury (quarterly) reporting and related tasks
  - Project Research
  - Expenditure Category development and maintenance
  - Internal/external communication/collaboration, including staff, vendors, Treasury agents, and other entities as needed
  - Data entry into the portal reporting system
  - Financial reconciliation of project expenditures
- Project monitoring and reporting
  - Project activity research and documentation
  - Expenditure category compliance and documentation
  - Coordinate with staff to obtain historical context and project updates
  - Data entry into the portal reporting system
  - Financial reconciliation of project expenditures
  - Monitoring project timeline
- Process and procedures relative to ARPA
  - Review and crosswalk and current processes and procedures related to federal funds
  - Analyze and ensure compliance with:
    - Financial controls guidelines
    - Procurement
    - Cost allow ability, allocability, and reasonableness
    - Waste, fraud, and abuse – safe harbor provisions
    - Subrecipients and contractors, including any Sam.gov requirements
    - Capital expenditures and proper dispensation
  - Assist with the creation and implementation of processes and procedures
- Procurement policy review and crosswalk with Federal requirements
  - Review update to procurement policy under development to ensure adherence to 2 CFR 200.218-327 and any other applicable guidelines
  - Contract selection process
  - Contractor selection process
  - Contract price
  - Original document inviting suppliers to submit proposals
  - All proposals received
  - Negotiations or any change to the contract terms
  - Communication records
  - Financial records related to procurement
  - Vendor performance monitoring
- Determine as needed:
  - Equal Employment Opportunities for federal construction contracts
  - Clean Air Act and the Federal Water Pollution Control Act
  - 'Never Contract with the Enemy'
  - Federal excess and surplus property
  - Oversight policy for contractor terms, conditions, and specifications
  - Non-compliance for contractor/subcontractor Davis-Bacon Act violations
  - Federal Acquisition Regulation (FAR) procurement activities

- Closeout items to ensure the City is audit-ready
  - Draft closeout documents for use during closeout
  - Secure any missing or deficient documentation required for closeout
  - Complete closeout forms
  - Perform final financial reconciliations of projects
  - Ensure compliant record retention
  - Collect and review existing documentation to ensure file completion
- Any unknown that may become evident as needs following the transition from the current ARPA consultant.

**ANALYSIS:**

The amendment to the agreement with Witt O’Briens LLC via change order is essential to continue receiving specialized assistance in managing federal assistance programs, as well as expanding the current tasks and responsibilities currently provided by another ARPA consultant. Their services encompass various activities, including grant administration compliance monitoring, financial management, and reporting. By amending the agreement via a change order, the City can maintain continuity in its operations and ensure accountability in using federal funds.

**STRATEGIC PLAN:**

Strategic Goal 1 Financially Sustaining Someplace Special – Effective management of federal assistance programs is integral to achieving this goal.

**PROCUREMENT:** [Sec. 2-258 \(G\) Professional Services](#)

**FISCAL IMPACT:**

The ARPA consultant position is vacant as of August 16, 2024. For Witt O’Brien to complete the assessment of the eligibility of ARPA projects, a change order will be required in the amount of \$30,000 to allow them to provide professional services until the end of the current Fiscal Year.

<u>General Ledger Acct. Number</u>	<u>Budgeted Amount</u>	<u>Prior Requested Amount</u>	<u>Requested Amount</u>	<u>Remaining Amount</u>
110-160-531100-519	\$275,000	\$218,418	\$30,000	\$26,582

**ALTERNATIVES:**

One alternative to consider is seeking proposals from other firms providing similar professional services to explore potential cost savings. However, transitioning to a new consultant may disrupt ongoing projects and require additional time and resources for onboarding and familiarization. Given the critical nature of the services provided by Witt O’Briens LLC and its proven track record, amending the agreement via change order is recommended to maintain continuity and efficiency in managing federal assistance programs.

**ATTACHMENTS:**

1. Change Order
2. First Amendment
3. Original Agreement