



## Comprehensive Assessment of Capacity to Administer CDBG-DR Funds



### Introduction

The City of Minot, North Dakota, which is the county seat for Ward County, was inundated with flood waters on June 22, 2011. The damage to the City included 4,100 homes flooded with 3,100 lost or extensively damaged. There were 11,000 individuals displaced. Six of Minot's public schools were severely damaged and two completely lost. Twelve of 27 sanitary lift stations were inundated with water. All of the City's water wells were inundated, eight river storm pump stations damaged, 277 street lights damaged, and many other vital components to the City's infrastructure were damaged. This flood has left lasting damage to the City of Minot and its citizens. According to the Corps' assessment, "an estimated \$600 million of property and infrastructure damage" resulted from the flood.

On April 16, 2012 the Department of Housing and Urban Development (HUD) released \$400 million in Community Development Block Grant funds for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster in 2011 under Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). The Appropriations Act requires funds to be used only for specific disaster-related purposes.

The City of Minot received a direct allocation of \$67,575,964 of Community Development Block Grant Disaster Recovery (CDBG-DR) funds. As a special contract condition with the City of Minot under P.L. 112-55 for 2011 Disasters, HUD has requested that the City conduct a comprehensive assessment of its capacity to plan for, implement, and manage its long-term recovery efforts.

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The Assessment will be approached in the following format:

- Section 1 will assess the City's staffing capacity to manage its internal CDBG-DR grant administration duties and its procured contractor CDM Smith.



- Section 2 will assess CDM Smith’s capacity to implement and administer the City’s CDBG-DR funded activities.
- Section 3 will assess the City’s progress in planning and implementation of its grant requirements and eligible activities in accordance with its approved Action Plan.

## Section 1: City Staffing

The City of Minot is governed by a Mayor, fourteen (14) City Aldermen, a City Manager, and several Department Heads including but not limited to Finance Director, Public Works Director, City Attorney, City Engineer, and City Assessor.

The City Finance Director is the primary point of contact for the administration of the CDBG-DR grant. The Finance Director coordinates the City staff that has been tasked with carrying out the City’s administrative responsibilities under the approved Action Plan. Below is a list of the staff and their responsibilities pertaining to the use of CDBG-DR funds.

### Mayor, Curt Zimbelman

Mayor Zimbelman is very active in the planning and implementation of the City’s goals and objectives for the use of CDBG-DR funds. The Mayor is the signatory for the City and has final approval for its statutory requirements and environmental compliance.

### City Aldermen

The fourteen City Aldermen take an active role in holding the necessary public hearings, Action Plan approval, required CDBG-DR policy and certification approvals, and contract approvals.

### City Manager, David Waind

The City Manager, David Waind, coordinates between the City’s Department Heads, City Attorney, Mayor, and Aldermen to ensure that actions required by the Mayor and City Aldermen take place in a timely manner.

### City Attorney, John Van Grinsven

The City Attorney, John Van Grinsven, reviews all legal documents for implementation of the CDBG-DR grant for the City of Minot. He attends planning meetings and advises on the City’s risks and liabilities under the North Dakota Century Code and local city ordinances.

### Finance Director, Cindy Hemphill

The City Finance Director, Cindy Hemphill, is the primary contact and coordinator between the City’s contracted administrator, CDM Smith, and other relevant entities such as HUD, the State of North Dakota, City Department Heads, and local community groups and citizens. The Finance Director oversees her staff to ensure that all funds are tracked and reported to HUD per Federal requirements. The Finance Director also ensures that procurement activities are in compliance with HUD requirements and Council approved policies and procedures.



#### City Comptroller, Sue Greenheck

The City Comptroller, Sue Greenheck, has the primary responsibility for reconciling expenditure of funds for all CDBG-DR eligible activities and submitting the CDBG-DR funding request to HUD through the DRGR data management system. This includes funds reimbursement requests and Quarterly Performance Reports (QPR).

#### Grants and Project Coordinator, Shelia Latham

The Grants and Project Coordinator, Shelia Latham, works under the supervision of Sue Greenheck. Sheila Latham's duties include the detail reconciliation of all grant projects for the City. She also works under the direction of the Comptroller to insure compliance with OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

#### Internal Auditor, Karen Pocha-Melby

The City of Minot brought on the Internal Auditor, Karen Pocha-Melby, to perform independent audit functions for the CDBG-DR Program. The internal auditor will audit the disaster funds to ensure that all expenditures are for eligible CDBG Disaster Recovery uses as defined in 24 CFR 570 regulations. Audit results will be reported directly to the City of Minot Mayor.

#### Public Works Director, Dan Jonasson

The Public Works Director, Dan Jonasson, heads all public works infrastructure projects for the City of Minot. Under the City's Action Plan, several infrastructure projects were determined necessary for flood recovery. The Public Works Director coordinates with CDM Smith staff on all CDBG-DR funded projects and oversees the publication of Request for Proposals (RFPs) needed to procure contracts for implementation of the Action Plan activities.

#### Assistant Public Works Director, Jason Sorenson

The Assistant Public Works Director, Jason Sorenson, assists the Public Works Director on all infrastructure projects. Jason will manage the construction of the landfill cell.

#### City Engineer, Lance Meyer

The City Engineer, Lance Meyer, is responsible for the engineering on all City projects to include the streets, lighting and curb and gutter. He also coordinates closely with the Public Works Director on the water and sewer infrastructure projects.

#### Building Code Inspector, Darrell Linnertz

The Building Code Inspector, Darrell Linnertz, coordinates and oversees the CDM Smith staff as it relates to code compliance for housing rehabilitation and reconstruction.



City Assessor, Kevin Ternes

The City Assessor, Kevin Ternes, performs the first level appeal process on the voluntary home acquisitions. He also provides the pre-flood assessed value of homes and provides documentation of the adjusted pre-flood assessed value if the original assessed value was below the market value. He coordinates as necessary with CDM Smith consultants in regards to home valuations for the City of Minot.

City Clerk, Lisa Jundt

The City Clerk, Lisa Jundt, ensures all publication dates are adhered too and placed in the newspaper of records.

## **Section 2: CDM Smith**

CDM Smith is a global, full-service consulting, engineering, and disaster services firm with a full array of disaster recovery services. CDM Smith is an employee-owned corporation with \$1 billion in annual revenues and a multi-disciplinary staff of 6,000 in more than 120 offices worldwide. CDM Smith maintains the size, stability, and resources required to successfully undertake a diverse range of projects, such as that required to for the City of Minot's CDBG-DR grant administration and project delivery. CDM Smith has over 50 members in its Disaster Recovery Team with direct CDBG/CDBG-DR funding experience. CDM Smith makes efficient and timely strides to utilize all of its Disaster Recovery Team in support of the City of Minot CDBG-DR program.

CDM Smith has established a Disaster Recovery Services Office within the City of Minot with key staff present on a daily basis to ensure meeting the City's goals and objectives under its Action Plan. Below is a list of the staff and their responsibilities pertaining to the use of CDBG-DR funds.

Project Principal, Steve Wolsfeld, P.E.

The Project Principal, Steve Wolsfeld, has over 20 years experience in the fields of water, wastewater, and water resources engineering. He is responsible for contract signing and overall performance of the CDBG-DR project and team members.

CDBG-DR Program Manager, Deb Siefert, J.D., PMP

The CDBG-DR Program Manager, Deb Siefert, has worked solely in CDBG-DR programs for over six years delivery housing and infrastructure programs in compliance with HUD regulations. Prior to moving into CDBG-DR program management, she administered HUD grants for two entitlement communities in the State of Texas.

The CDBG-DR Program Manager is responsible for providing direction to the City of Minot on all of its HUD requirements and overseeing the CDM Smith Disaster Services staff. The Program Manger prepared the City's Action Plan and ensures that Action Plan Amendments are presented to the City in a timely manner as projects change moving forward in the program. The Program Manager serves as technical support to the City's Finance Director on all proposed Action Plan



activities. The Program Manager is responsible for ensuring the expenditure of funds is tracked and monitored within the data management systems. Also, ensures that all documents are maintained for HUD monitoring and auditing purposes.

Senior HUD Grant Advisor, Mike Spletto

The Senior HUD Grant Advisor, Mike Spletto, has over 20 years working with HUD Grant Programs. Most of those years were spent working for the State of North Dakota as their grants manager. The Senior HUD Grant Advisor serves to support the City of Minot and the CDBG-DR Program Manager with program design and meeting State of North Dakota requirements.

CDBG Policy Expert, Suzie Elkins

The CDBG Policy Expert, Suzie Elkins, has over 30 years working in State government managing Federal and State programs. She has excellent relationships with HUD personnel at the Federal, Regional, and State levels. The CDBG Policy Expert serves to support the City of Minot and the CDBG-DR Program Manager in policy decisions that affect the eligibility and national objectives that must be met for the CDBG-DR programs.

Lead Practitioner, Bruce Conklin

The Lead Practitioner, Bruce Conklin, has 40 years with CDM Smith. As Lead Practitioner for the Minot project he brings his many years of expertise in Federal contracting and will serve in an advisory role for the project team in the City of Minot. He is providing oversight on the Request for Proposal (RFP) process being implemented to procure contractors to carry out the City CDBG-DR Housing Rehabilitation and Reconstruction programs. The Lead Practitioner's primary responsibility is to see that the internal quality control is adhered to for all project deliverables.

Financial Manger, Steve Green, CPA

The Financial Manager, Steve Green, has over 30 years experience working in State CDBG programs as Finance Manager and is responsible for establishing and implementing financial processes and controls for the City of Minot's CDBG-DR funded activities. These processes and controls must comply with all Federal, State, and local regulations, supply accurate and current financial data and reporting, and meet program management requirements. He is also responsible for providing financial and other required information as needed for HUD's DRGR system. Additional duties include the establishment and oversight of the anti-fraud, waste, and abuse (AFWA) policies and procedures.

Financial Specialist, Fran Hulm

The Financial Specialist, Fran Hulm, has over 16 years as an account technician for the State of North Dakota's Department of Commerce grant programs. The Financial Specialist works under the supervision of the Finance Manager and is responsible for reviewing and recommending



approval of CDBG-DR expenditures. She also is responsible for data entry into the data management systems utilized by both the program and HUD.

Project Controls Coordinator, Gordon Horn, P.E., BCEE

The Project Controls Coordinator, Gordon Horn has over 34 years of experience in engineering and large scale project management. The Project Controls Coordinator tracks project deliverables and deadlines to ensure responsible staff stay on target with assigned tasks.

Infrastructure Manager, Patrick Davis

The Infrastructure Manager, Patrick Davis, has 25 years in government service and managed three HUD block grant programs. He is responsible for managing the City of Minot's CDBG-DR infrastructure projects to ensure compliance with all Federal, State, and local requirements. He works directly with the City's Public Works Director and Engineer. The Infrastructure Manager is responsible for oversight of Davis Bacon compliance and documentation for all infrastructure projects receiving CDBG-DR funds.

Housing Construction Coordinator, Steve Ates

The Construction Coordinator, Steve Ates, has over 20 years in the construction industry and has provided construction field services for CDM Smith for the last six years. The Construction Coordinator oversees the subcontractor performing damage and lead based paint inspections on properties receiving CDBG-DR assistance with rehabilitation or reconstruction. He also oversees the contractors providing the housing rehabilitation or reconstruction and manages the reimbursement process for ensuring that building requirements are being met and contractors are paid for their work.

Housing Rehabilitation and Reconstruction Case Manager, Marcy Witteman

The Housing Rehabilitation and Reconstruction Case Manager, Marcy Witteman, has been in public education for over 30 years in the City of Minot. She worked with the non-profit volunteer organizations for over a year after the 2011 flood to help assess unmet needs for persons impacted by the flood and assist in gaining repairs for their damaged properties. She is responsible for the application intake, verification of eligibility documentation, eligibility determinations for homeowners applying to the City's Housing Rehabilitation and Reconstruction Program. She maintains all applicant files for the program.

Housing Rehabilitation and Reconstruction Quality Control Specialist, Phuoc Lam

The Housing Rehabilitation and Reconstruction Quality Control Specialist, Phuoc Lam, has been responsible for Quality Control on housing rehabilitation and reconstruction files for the past 3 years. He is very detailed oriented and ensures that all Case Manager files are correct in their





eligibility determinations and required documentation. Files do not progress through the process without 100% review and approval.

Acquisition and Relocation Specialist, D’Juana Conner

The Acquisition and Relocation Specialist, D’Juana Conner, provides the quality control review and approval for all property owners being processed through the City of Minot’s Voluntary Acquisition of Flooded Properties program. CDM Smith has contracted with the law firm of Swanson and Warcup to provide the Case Management, purchasing, and closing requirements associated with acquiring these properties for the City of Minot. The Acquisition and Relocation Specialist receives, reviews, and files all property purchases and relocation claims provided by Swanson and Warcup. She manages the overall approval process and submits funds requests to the City on all eligible properties.

Demolition and Removal Manager, Nancy Whitten

The Demolition and Removal Manager, Nancy Whitten, has worked with CDM Smith for over five years providing disaster recovery assistance with demolition and removal of storm damaged structures (primarily housing). Housing being acquired through the City of Minot’s Voluntary Acquisition Program must be demolished and removed for green space of flood controls. The Demolition and Removal Manager will oversee the subcontractors procured to perform the demolition and removal tasks and ensure that all Federal, State, and local regulations are in compliance.

Environmental Review Coordinator, Rebecca Jablon, AICP, LEED AP

The Environmental Review Coordinator, Rebecca Jablon, has been responsible for all levels for Federal environmental review and compliance for over 5 years. She has worked exclusively on environmental review and compliance of CDBG-DR funded projects for more than 3 years. The Environmental Review Coordinator is responsible for managing and completing the appropriate level of HUD environmental review and release of funds for all of the City of Minot’s CDBG-DR funded activities.

Data Management and IT Specialist, Chris David

The Data Management and IT Specialist, Chris David, has an extensive background in data management design and implementation. He has spent the last three years with CDM Smith exclusively working on data management solutions for CDBG-DR programs.

Principal Planner, Melissa Ziegler CEcD

The Principal Planner, Melissa Ziegler, has an extensive background in planning and most specifically as it relates to HUD grants. She is heading a team of CDM Smith staff conducting the



City of Minot's Affordable Housing Study. The purpose of the study is to develop an Affordable Housing Plan and Action Strategy for the City of Minot.

Disaster Services Office Manager, Lori Williams

The Disaster Services Office Manger, Lori Williams, has over 10 years of office management experience and ensures that the City of Minot's Disaster Services Office runs efficiently and effectively. She provides file support to the disaster staff and maintains program administrative files for HUD monitoring and audit purposes.

Disaster Services Office Receptionist, Melanie Funke

The Disaster Services Office Receptionist, Melanie Funke, is a recent college graduate and possesses excellent computer skills. She oversees the front desk and reception area, ensures that requests for applications, appointments, and other assistance is tracked in the Program data base. She is responsive to all program assistance inquiries.

**CDM Smith Sub-Contractors**

IBTS Inc.

IBTS has been assisting in disaster recovery programs since Hurricane Katrina. IBTS has partnered with CDM Smith on most of their disaster recovery housing programs and provides the damage estimates and lead based paint tests for these projects.

Swanson & Warcup, LTD

The law firm of Swanson and Warcup has been providing legal services for disaster recovery projects since 1997 after the flood in Grand Forks, ND. The law firm is meeting with prospective property owners and gathering all required documentation allowing them to participate in the City of Minot's Voluntary Acquisition of Flooded Properties program. Swanson and Warcup are also assisting in the identification and pay-out of relocation claims as required under the Uniform Relocation Act.

O. R. Colan Associates

O.R. Colan Associates have been a subject matter expert for HUD on relocation and the Uniform Relocation Act (URA) for more than a decade. O.R. Colan has contracted with CDM Smith to review and provide guidance on all URA requirements as they pertain to the City of Minot's CDBG-DR program.





#### Minot Guaranty and Escrow Company

Minot Guaranty and Escrow Company is a local title company that has contracted with CDM Smith to provide escrow services for homeowners required to escrow funds as part of their rehabilitation or reconstruction assistance.

#### Housing and Development Software, Inc.

Housing and Development Software (HDS) is a software company providing customized financial data management and DRGR reporting for the City of Minot's CDBG-DR program.

### **Section 3: City of Minot's Progress in Planning and Implementation**

#### Overall Grant Administration

Within the first four months since the City began its CDBG-DR program, the City of Minot successfully completed and submitted its Action Plan to HUD for the planning, management, and implementation of its CDBG-DR program. Since the Action Plans original approval in August, 2012, the City has successfully submitted and has received approval on two amendments and its first Quarterly Performance Report (QPR) in HUD's DRGR data management system.

The City has developed, approved, and implemented the following policies and procedures:

- Citizens Participation Plan
- Anti-Displacement Plan
- Excessive Force Policy
- Procurement Policy
- Section 3 and Fair Housing Policies and Compliance Officer
- Complaint Policy
- EEO Compliance Policy and Compliance Officer
- Section 504 Grievance Policy and Coordinator
- Communications Policy for Sensory Impaired
- Voluntary Acquisition and Relocation Policies
- Anti-Fraud, Waste, and Abuse Policy and Procedures
- Conflict of Interest Policy and Procedures
- Monitoring Policy and Procedures
- Davis Bacon Policy and Procedures
- Housing Rehabilitation and Reconstruction Policy and Procedures
- Infrastructure Policy and Procedures



### Program Implementation

1) The City has completed environmental reviews and received release of funds for the following activities:

- All housing programs including Acquisition, Relocation, Rehabilitation, and Reconstruction.
- Expansion of the landfill.
- Infrastructure projects
  - road for the Domestic Violence Center
  - lift stations

2) The City's Voluntary Acquisition Program has acquired 61 flooded properties and expended \$8,310,997.67 in State and CDBG-DR funds.

3) The City has successfully relocated 5 tenant households related to the Voluntary Acquisition Program and expended \$66,498 of CDBG-DR funds.

4) The City has successfully begun its Rehabilitation and Reconstruction Program and has given out 124 applications and held 84 intake appointments. Approximately 40 applications are complete and 24 are going through the QC process. Ten homeowners have been determined eligible and 5 are being scheduled for their first damage inspections. Fifteen homeowners were determined ineligible either due to being over income for the program or having homes outside of the Minot city limits.

5) Four of the infrastructure lift stations projects have been successfully bid and awarded to a contractor.

6) Remaining infrastructure projects are either in environmental review or being prepared for bid.

7) The City is meeting with two different housing developers to finalize Developer Agreements for developments that will include affordable housing units.

8) The City has completed an Unmet Needs Assessment and completed the first phase of the Affordable Housing Study.