



May 10, 2021

AMENDMENT TO ORIGINAL LETTER OF ENGAGEMENT FOR PROFESSIONAL SERVICES

Dianna Casper
Director of Purchasing
Denton Independent School District (ISD)
1307 N. Locust St.
Denton, TX 76201

Dear Ms. Casper,

Disaster Recovery Services (DRS), LLC is presenting this Amendment to the original Letter of Engagement to Denton ISD (CLIENT) for support of disaster cost recovery services related to the Texas Severe Winter Storms (DR-4586-TX), including insurance claims and FEMA recovery. The original Letter of Engagement was executed on or about March 8, 2021.

This Amendment is intended to be supplemental and does not supersede the sections titled Scope of Work, Project Timing, Confidentiality, Pricing and Payment except for Phase II - Long Term Recovery pricing only.

PHASE II - Long Term Recovery:

The Phase II - Long Term Recovery proposed budget in the amount of \$447,611.25 includes time and expense estimates through December 2021 and will include Claims Project Management and Claim Preparation / Forensic Accounting services broken down as follows:



Month	PM		Claim Prep				Total	
	James	Project Management	Cindy	Deb	Ryan	Accounting		
2021	\$ 200.00		\$175.00	\$295.00	\$ 225.00	Claim Prep		
	<i>Hours</i>		<i>Hours</i>	<i>Hours</i>	<i>Hours</i>			
ACTUAL	March	15.25 \$ 3,050.00	48.50	23.25	-	\$ 15,346.25	\$ 18,396.25	Phase I
ACTUAL	April	100.00 20,000.00	98.50	24.50	55.00	36,840.00	56,840.00	Phase I & II
		115.25 23,050.00	147.00	47.75	55.00	52,186.25	75,236.25	
ESTIMATED	May	200.00 40,000.00	100.00	25.00	35.00	32,750.00	72,750.00	Phase II
ESTIMATED	June	200.00 40,000.00	100.00	25.00	15.00	28,250.00	68,250.00	Phase II
ESTIMATED	July	200.00 40,000.00	100.00	25.00	15.00	28,250.00	68,250.00	Phase II
ESTIMATED	August	150.00 30,000.00	100.00	25.00	-	24,875.00	54,875.00	Phase II
ESTIMATED	Sept	100.00 20,000.00	75.00	25.00	-	20,500.00	40,500.00	Phase II
ESTIMATED	Oct	75.00 15,000.00	75.00	25.00	-	20,500.00	35,500.00	Phase II
ESTIMATED	Nov	50.00 10,000.00	50.00	25.00	-	16,125.00	26,125.00	Phase II
ESTIMATED	Dec	25.00 5,000.00	50.00	25.00	-	16,125.00	21,125.00	Phase II
		1,000.00 200,000.00	650.00	200.00	65.00	187,375.00	387,375.00	
Time		1,115.25 223,050.00	797.00			239,561.25	462,611.25	
Expense		25,000.00				10,000.00	35,000.00	Phase II
Total Phase I and II		<u>\$248,050.00</u>		Total		<u>\$249,561.25</u>	<u>\$497,611.25</u>	
						Phase I Budget	(50,000.00)	
						Phase II Budget	<u>\$447,611.25</u>	

Note: The values shown above are estimated. Only actual hours incurred will be charged.

DRS intends to track Claim Project Management time and expenses incurred by James Peterman (Senior Construction Project Manager) separately from claim preparation / forensic accounting time and expenses incurred by Deb Gallagher (Senior Managing Consultant), Cindy DeMasi (Senior Consultant) and Ryan Stykel (Managing Consultant). DRS reserves the right to utilize other DRS team members, as required or necessary.

While TASB's adjuster / representative approved the total budget shown above via email on Monday, May 10, 2021, payment of services rendered is not contingent upon any claim settlement or payment. Fees may also be incurred in support of FEMA claim preparation and/or



COVID-19 as specified in the original Letter of Engagement. DRS will make every attempt to perform all claim related activities within the Phase I and II budgets shown; however, any material changes in the scope of work will need to be addressed separately.

As included in the original Letter of Engagement, *DRS will be entitled to receive payment from CLIENT for services performed by DRS in accordance with Choice Partners contract #19/027 MJ-02, per the rates shown below.*

Senior Managing Consultant	\$250		\$295
Managing Consultant	\$195	to	\$245
FEMA Consultant	\$175	to	\$225
Senior Consultant	\$165	to	\$190
Consultant	\$140	to	\$160
Associate Consultant	\$95	to	\$135
Senior Construction Project			
Manager	\$230	to	\$265
Senior Building and Equipment Professionals	\$190	to	\$225
Area Construction Manager			
Design Specialist	\$125	to	\$185
Support			\$75

This Amendment is supplemental to the original Letter of Engagement and, together, shall represent the full and complete understanding and agreement of CLIENT and DRS.

Denton ISD

DISASTER RECOVERY SERVICES, LLC

By: **Jamie Wilson**
Digitally signed by Jamie Wilson
 Date: 2021.05.18 13:04:16 -05'00'

By: *Deb Gallagher*

Name:
 James K. Wilson, III

Name: Deb Gallagher



DISASTER
RECOVERY
SERVICES

Denton ISD

DISASTER RECOVERY SERVICES, LLC

Title: Superintendent

Title: Public Entity Practice Leader / Senior VP

Date: May 18, 2021

Date: May 18, 2021



March 5, 2021

LETTER OF ENGAGEMENT FOR PROFESSIONAL SERVICES

Dianna Casper
Director of Purchasing
Denton Independent School District (ISD)
1307 N. Locust St.
Denton, TX 76201

Dear Ms. Casper,

Disaster Recovery Services (DRS), LLC is pleased to present this Letter of Engagement to Denton ISD (CLIENT) for support of disaster cost recovery services related to the Texas Severe Winter Storms (DR-4586-TX), including insurance claims and FEMA recovery.

Scope of Work

DRS services involve formulation of a recovery strategy based on available information, and execution of the developed recovery strategy. As part of this approach, DRS intends to:

PHASE I – Emergency Response

Work with CLIENT to establish protocols for comprehensive loss measurement and strategies for recovery from the Texas Severe Winter Storms and/or COVID-19 losses, including:

- Discuss the background of each loss and impacted business units, including, but not limited to, the points of re6 generation, property damage, and extra expenses incurred, and relevant accounting records.
- Suggesting record keeping procedures required to document and support the actual damages/costs sustained or according to insurance coverage, FEMA requirements, and/or other available funding sources in accordance with industry best practices.



- Suggesting means of expediting the recovery of damages/costs as well as optimizing the recovery within the available funding sources.
- Preparing a preliminary insurance claim report for purposes of securing an advance payment, if applicable.
- Providing immediate guidance in the form of templates, checklists, and trackers, to establish protocols and procedures related to measuring the loss and capturing immediate disaster details.
- Reviewing existing procurement policies and procedures and providing general procurement recommendations for FEMA compatibility.
- Providing training sessions in the form of conference calls and/or webinars to distribute guidance to identified personnel.
- Providing support with submission of Request for Public Assistance (RPA) and initial FEMA Grants Portal requirements.
- Providing preliminary "stoplight" analysis for COVID related expenses, when applicable, to determine submittal to optimal funding source.
- At request of CLIENT, provide on-site support to interface with Insurance representatives and/or contractors to ensure continuity when preparing for insurance and/or FEMA claim reimbursement.

PHASE II - Long Term Recovery:

Assist CLIENT with the **(i)** preparation, **(ii)** review, **(iii)** submittal, and **(iv)** settlement/close out of disaster cost recovery claims, including:

Insurance:

- Preparing the insurance claim submission(s) necessary to obtain reimbursement for the loss.
- Assisting in expediting the claim review process.



- Providing support in claim settlement discussions including supporting documentation and explanations of the methodology DRS utilized to calculate loss amounts.

FEMA Public Assistance Grant:

- Assisting with identification of FEMA-eligible costs.
- Providing support to CLIENT with recovery through FEMA's Public Assistance Grant for all approved categories of work, including Hazard Mitigation (if available).
- Discussing and evaluating CLIENT's need for any expedited funding allowable through FEMA, if applicable.
- Supporting CLIENT with requirements as outlined In FEMA's PA Program Delivery Model, to include:
 - Operational Planning: Identification of CLIENT's disaster impacts and recovery priorities.
 - Damage Intake and Eligibility Analysis: Capture CLIENT's disaster-related damages/costs and analyze emergency and permanent work cost eligibility. Support CLIENT with any requests for Essential Elements of Information from FEMA related to eligibility requirements.
 - Scoping and Costing: Develop the Damage Description and Dimension, Statement of Work, and costs for projects. Review and validate all damage documentation to include insurance, mitigation, and Environmental Planning and Historic Preservation evaluation.
 - Obligation: Support CLIENT during meetings with the State and FEMA and conduct Quality Assurance/Quality Control (QA/QC) reviews of each project before CLIENT approves any final drafts.
- Continuing to support CLIENT with any FEMA documentation requirements and issued requests for Essential Elements of Information (EEI's) or Requests for Information (RFIs).



- Assist with overall monitoring and management of FEMA claims through the FEMA Grants Portal and/or TDEM Portal.
- Providing support with eligibility determination memos and appeals.
- Providing support with project closeout and audits (if applicable).

General:

- Preparing a claims package that measures the loss, tracks the applied funding, and demonstrates no duplication of benefits across recovery funding sources.
- Continuing to develop comprehensive claims disaster response strategy as an expansion on the immediate protocols and procedures established in Phase I, as required.
- Continuing to develop comprehensive procurement recommendations as an expansion on the immediate overview established in Phase I, as required.
- Providing Claim Project Management services to optimize and expedite recovery, resolving conflicts within the claim process and performing other claim related tasks.
- Assisting in providing Project Management Services that include oversight to help ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders per the requirements of 2CFR200.318(b), including monitoring of contractor personnel and equipment, and verification that work performed aligns with contracted project scope and invoiced services.
- Please note that this LOE does not include legal interpretation of policy coverage.

It is understood and agreed that DRS's services may include advice and recommendations; however, all decisions in connection with the implementation of such advice and recommendations is the sole responsibility of, and made by, CLIENT. Any analysis, correspondence, or documents prepared by DRS are to be used only for the purposes of this Agreement and may not be published or used for any other purpose without DRS's written consent.



Project Timing

DRS will provide timely presentation of claims submissions utilizing all claim and financial information as soon as it becomes available. Project timing is contingent upon a number of factors, including:

- The time required to repair and replace damaged property;
- The period over which CLIENT must incur extra expense;
- The period of interruption sustained due to the loss event; and,
- The CLIENT'S accounting closing cycle and production of documents required to document the loss.

Confidentiality

DRS anticipates that CLIENT will disclose certain technical, financial, strategic, and other proprietary and confidential information relating to its business operations and properties ("Confidential Information") to DRS for the purposes of this Agreement. DRS agrees to keep this information confidential and neither DRS nor any of its employees or agents directly or indirectly shall use any Confidential Information furnished by or on behalf of CLIENT for any purpose except in furtherance of services to be rendered by DRS pursuant to this Agreement.

Pricing and Payment

PHASE I - Emergency Response: Not-to-exceed \$50,000 without prior written approval.

PHASE II - Long Term Recovery: DRS will be in a position to estimate the cost of consulting services associated with Phase II upon completion of Phase I, at which point DRS expects to have a greater understanding of the scope of the loss and the extent of required services. At the request of the CLIENT and once the full scope of the loss has been defined, DRS will separately provide a detailed fee estimate. Actual fee charges to CLIENT, however, will be based solely upon the actual hours of service provided, at rates described below.

- If Claim Preparation or similar coverage exists within the CLIENT'S insurance policy(ies), the DRS invoices will be submitted to the insurance carrier for recovery as part of the claim. The insurance company will review the DRS invoices just as they review and adjust all elements of the claim. The existence of Claim Preparation coverage does not amend the required timing of payments to DRS by CLIENT as described below.



- If your claim involves FEMA, there are additional opportunities to recover our management costs (indirect and direct) associated with eligible FEMA projects. FEMA will review these costs, just as they review all elements of the claim. FEMA’s decision to reimburse these costs does not amend the required timing of payments to DRS by CLIENT as described below.

The above provisions apply to assistance with CLIENT's insurance claim(s) and/or FEMA claim(s) associated with DR-4586-TX (Texas Severe Storms) and DR-4485-TX (Texas COVID-19 Pandemic), when applicable. DRS will track time and expenses accordingly and will provide separate invoices per event.

DRS will be entitled to receive payment from CLIENT for services performed by DRS in accordance with Choice Partners contract #19/027 MJ-02, per the rates shown below.

Senior Managing Consultant	\$250	to	\$295
Managing Consultant	\$195	to	\$245
FEMA Consultant	\$175	to	\$225
Senior Consultant	\$165	to	\$190
Consultant	\$140	to	\$160
Associate Consultant	\$95	to	\$135
Senior Construction Project Manager	\$230	to	\$265
Senior Building and Equipment Professionals	\$190	to	\$225
Area Construction Manager	\$125	to	\$185
Design Specialist	\$125	to	\$185
Support			\$75

If appropriate for a specific insurance recovery-only project, DRS billing can also be established a flat rate of \$285 per hour versus the stratified rates shown above.



- DRS.box is a secure web-based central repository for project data that facilitates the efficient sharing of information with CLIENT and other interested parties who are granted access.

DRS.doc fees are as follows:

Set Up / Maintenance Fee \$1,500 *Provided at no charge*

Per User Fee (non-DRS) ~~\$300~~ *Provided at no charge*

_____ Initials indicate you are declining DRS.box services on this project.

- In addition to professional fees set forth above, DRS will also bill monthly for our expenses. As is our standard practice, expenses will be comprised of direct expenses, which include reasonable and customary expenses that can be easily traced to this specific engagement such as travel, hotel, meals, large parcel delivery, DRS.doc and similar charges. When these costs originate with outside vendors, they will be passed on at their cost to us.
- DRS will provide CLIENT with consultants that have the specialized knowledge necessary to maximize preparedness and recovery. In some instances, these professionals will not be local to CLIENT and their project involvement will require travel to CLIENT's project site.
- Client is a Texas public school and therefore does not pay taxes.
- Invoices will be sent monthly and are due upon receipt.
- DRS reserves the right to halt or terminate entirely its services until payment is received on past due invoices.
- CLIENT or DRS may terminate this Agreement, with or without cause, effective immediately upon written notice at which time DRS's obligation to render services terminates immediately and DRS is entitled to receive payment for services rendered through the date of termination.
- Availability of Funds.
 1. Any Purchase Order resulting from this contract is contingent upon the continued availability of appropriations and is subject to cancellation, without penalty, either in



whole or in part, if funds are not appropriated by Denton Independent School District School Board or otherwise not made available to Denton ISD.

2. Denton ISD's payment obligations are payable only and solely from funds appropriated and available for the purpose of the purchase.
3. The absence of appropriated or other lawfully available funds shall render the Contract Award null and void to the extent funds are not appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor.
4. Denton ISD shall provide the Contractor written notice of the failure of Denton ISD to make an adequate appropriation for any fiscal year to pay the amounts due under the Contract Award, or the reduction of any appropriation to an amount insufficient to permit Denton ISD to pay its obligations.

- HB89
Pursuant to Section 2270.002 of the Texas Government Code, Respondent certifies that either (i) it meets an exemption criteria under Section 2270.002; or (ii) it does not boycott Israel and will not boycott Israel during the term of the contract resulting from this solicitation. Respondent shall state any facts that make it exempt from the boycott certification in its Response.

(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

(2) "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

- *Jurisdiction and Venue.*
 1. The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas,



V.T.C.A., Business and Commerce Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction.

2. All issues arising from this Contract shall be resolved in the courts of Denton County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts.
3. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of Denton ISD to seek and secure injunctive relief from any competent authority as contemplated herein.

This Agreement represents the full and complete understanding and agreement of CLIENT and DRS. Upon signed acceptance, this Letter of Engagement will govern DRS's provision of services for CLIENT.

Denton ISD

DISASTER RECOVERY SERVICES, LLC

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

[Handwritten signature]

[Handwritten signature: Deb Gallagher]

J. Scott NIVEN

Deb Gallagher

CFO DENTON ISD

Senior Vice President / PE Practice Leader

3-9-2021

03/08/21