

Hurricane Sandy Aftermath

Part Two

Utility Response, Tax Assessment, Purchasing,

Environmental Impact and Rebuilding

Purchasing Issues Related To Disaster Recovery

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I. Before The Storm And Getting Ready

A. Should we have known more then what we came to know now (The Florida Hurricane Story, 60th NIGP Annual Forum, August, 2005)

B. New Jersey has procurement statutory requirements in place to assist in resolving emergent situations

1. ...an emergency affecting the public health, safety or welfare requiring the immediate delivery of goods or the performance of services

2. Notification by official in charge of the agency wherein the emergency occurred

3. Either the purchasing agent, purchasing agent's supervisor, or designated representative of the governing body should be notified

4. Notification shall specify:

- the need for contract performance
- the nature of the emergency
- the time of its occurrence
- the need for invoking the emergency provision

5. Governing body needs to take such action as shall be required to provide for vendor payment

6. Governing body may prescribe additional rules and procedures to implement requirements for emergencies

C. New Jersey also has procurement regulatory requirements in place to assist in resolving emergent situations

1. An actual or imminent emergency must exist including those relating to a formal declaration of an emergency by the Governor

2. The need for goods and services could not have been reasonably foreseen

3. Emergency contracts shall be of limited duration, and not for multiple years

4. Provision must be made by governing body to pay the contract price

5. Designate a chain of command to ensure appropriate individuals are always available to make decisions- a requirement by rule (N.J.A.C. 5:34-6.1)

D. State Division of Purchase and Property

1. Purchases made without public bidding from vendors (a) holding current state contracts, (b) participating in federal procurement programs, or (c) participating in purchasing agreements with one or more other states or political subdivisions thereof

2. Local and regional (counties) co-ops and national co-ops

II. After the Storm

A. Lessons learned

1. Everyone is dealing with stress and emotions after what happened

2. Life threatening situations- downed utility lines, impassable/non-existent roadways, non-existent traffic control issues, etc.

3. When planning Emergency Operations Centers (EOCs) include procurement officials on the team. Procurement is a critical part of the logistics function.

4. Purchasing representatives must be onboard at the outset of an emergency and equipped with necessary tools (PCs and cell phones).

5. Purchasing agents and procurement staff members need to organize groups (other local agencies/departments) into commodity- functional teams, such as shelter, bedding, clothing and laundry, meals, sanitation (abundance of meals and disposal of trash and bathroom facilities), communication equipment and services just to name a few.

6. Have a plan for obtaining, receiving and distributing goods and equipment

7. Assist in the control and management of rental equipment- where is it needed?

8. Maintain a procurement activity log to ensure that purchases are not

9. Have open-end contracts (pursuant to law) in place for certain basic emergency services contracts, and a printout by service/commodity of all contractor's/vendor's contact personnel, phone numbers, cell phones, locations and where they may be reached during and after business hours. However, what do you do if you do not have the availability of those vendors?

10. Keep a record of every expenditure. Detailed accounting records will be requested by FEMA or some other regulatory funding agency for eventual reimbursement

11. Keep records of expenditures that may be the primary responsibility of a public entity

III. Teamwork Approach

A. The importance of key public officials and department heads working together to better coordinate a comprehensive response

B. Teamwork is essential in order to consider the multitude of possible crises that will require workable and safe responses

IV. Are You Flexible? "We Can't Figure It All Out Ahead Of Time" ("In Disaster's Wake," Governing, Nov., 2005)

A. Key to disaster preparedness

1. Need to think of a response plan as a living document that's constantly revised

2. No amount of planning or updating can prepare officials for every possible emergency event

B. Importance of procurement personnel as an integral component in responding to acts of aggression and natural disasters

1. Purchasing agents should monitor contract performance

2. Purchasing agents should apply sound internal control procedures