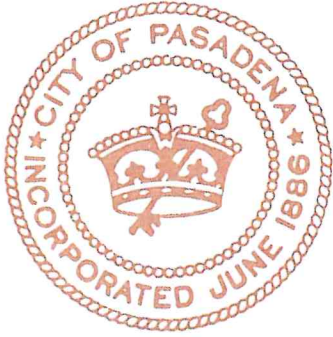




Agenda Report

November 10, 2025

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Finance

SUBJECT: **AUTHORIZE THE CITY MANAGER TO AMEND CONTRACT NO. 33343 WITH FRAME GROUP LLC AND INCREASE THE TOTAL NOT-TO-EXCEED AMOUNT TO \$1,450,000 FOR DISASTER RECOVERY CONSULTING SERVICES**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action proposed herein is not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning of Section 15378(b);
2. Authorize the City Manager to amend contract 33343 with Frame Group LLC (Frame) and increase the contract amount by \$1,200,000, thereby increasing the total not-to-exceed amount from \$250,000 to \$1,450,000; and
3. Amend the Fiscal Year (FY) 2026 Operating Budget by appropriating \$1,450,000 from the unappropriated fund balance of the General Fund (101) to support the anticipated cost of services.

BACKGROUND:

In response to the January 2025 Windstorm and Critical Fire Events, which caused significant damage, particularly within the City of Pasadena, and to support immediate recovery efforts, the Finance Department initiated an emergency procurement process and issued a Request for Proposals (RFP) to secure a qualified contractor to provide disaster recovery consulting and emergency management services assistance. These services include FEMA reimbursement support, claims management, litigation assistance, grant acquisition, disaster recovery analysis, and long-term recovery planning for both current and future emergency declarations. The RFP was released via Open Gov on April 8, 2025. A total of 2,325 vendors received the solicitation notice, and 133 vendors downloaded the RFP. By the submission deadline of April 28, 2025, sixteen proposals were received.

An evaluation panel involving the City's Finance Director, Risk & Insurance Administrator, and the Emergency Services Manager, reviewed the submissions in accordance with the evaluation criteria outlined in the RFP. Based on the panel's assessment, Frame was recommended for the contract award. Frame demonstrated extensive experience in disaster recovery operations across California, including proficiency in FEMA Public Assistance, Hazard Mitigation (Sections 404 and 406), the California Disaster Assistance Act, National Flood Insurance Program, and property/business interruption insurance policies. Frame's engagements include support for FEMA Public Assistance claims, insurance claims, and recovery services across multiple disaster declarations:

Agency	Major Disaster Declarations Nos.	Description	Date
City of Torrance	FEMA-4769-DR	California Severe Winter Storms, Tornadoes, Flooding, Landslides, and Mudslides	January 2024
County of Los Angeles	FEMA-4769-DR	California Severe Winter Storms, Tornadoes, Flooding, Landslides, and Mudslides	January 2024
County of Los Angeles	FEMA-DR-4699	California Severe winter storms, straight-line winds, flooding, landslides, and mudslides	February 2023
City of Santa Maria	FEMA- DR-4683	California Severe Winter Storms, Flooding, Landslides, and Mudslides	December 2022
County of Los Angeles	FEMA- DR-4683	California Severe Winter Storms, Flooding, Landslides, and Mudslides	December 2022
Cal Poly Partners	FM-5336-CA	California Czu Lightning Fire Complex	August 2020
Wilshire Boulevard Temple	FEMA-DR-4407	California Wildfires: Woolsey Fire	November 2018

The team also includes Imperium Consulting Group, which has demonstrated familiarity with the City's insurance program, a critical asset to expedite claims through the insurance process.

On August 1, 2025, the City Manager authorized the Finance Department to enter into Contract No. 33343, in the amount of \$250,000 for three years with two one-year options with Frame for Disaster Recovery Consulting Services, following a competitive selection process and in accordance with Section 4.08.047 of the Pasadena Municipal Code. To date, Frame has met with key departments and legal counsel to align on overall claims strategy and provide comprehensive post-disaster FEMA Public Assistance, cost-recovery management services, support under FEMA and Cal OES programs, and insurance recovery. Frame has coordinated with the Finance Department, the City's Emergency Manager, multiple City departments, and responded

to all formal and informal FEMA Requests for Information (RFI's). FEMA's RFI deadlines are rapidly changing, often being revised and shortened; therefore, rapid responses are required. Frame's expertise with FEMA's Public Assistance Program and Policy Guide (PAPPG) has identified additional eligible expenses for reimbursement and is currently being engaged to review the damage inventory, for further opportunities.

FEMA is advancing projects at an accelerated pace, creating the need for increased Federal, State, County, and City coordination and technical efforts, in order to keep projects moving forward. Key projects, including the Don Benito reservoir, and the Police Training Center are more complex than anticipated, requiring deeper technical analysis, and technical experts to align scope, code requirements, eligibility, and costs with FEMA and PAPPG's technical requirements. Based on the ongoing insurance and reimbursement activities, the contract amount needs to be amended to include additional support for emergent claim processing, FEMA reimbursements, litigation support, and grant application assistance for reimbursement from Federal, State, or other funding agencies. The anticipated cost of the amendment is \$1,200,000.

The proposed amendment mitigates potential risks associated with unforeseen delays or complications in the insurance and FEMA claim submissions, thereby ensuring the City recovers maximum funding from various sources.

COUNCIL POLICY CONSIDERATION:

This proposed contract amendment with Frame Group LLC supports the City's fiscal responsibility and stability by securing expert consulting services to assist with the Eaton Fire recovery efforts.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Guidelines Section 21065 and within the meaning of Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein, authorizing the City Manager to amend an existing contract by increasing the amount to continue receiving disaster recovery consulting services, is an organizational or administrative governmental activity that does not result in physical changes to the environment, and therefore is not a "project" as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The total cost associated with this action is \$1,450,000. To support the cost of engagement, the FY 2026 Non-Departmental Operating Budget will be amended by appropriating said amount from the unappropriated General Fund balance.

The City expects to recover the cost of the contracted services through insurance claim preparation coverage (up to \$1,000,000), management cost reimbursement process, which is capped at 5% of the FEMA accepted projects/obligation (currently estimated at \$450,000), and litigation/settlement administration fees.

Any future cost of services will be included during the budget development in subsequent fiscal years.

Respectfully submitted,



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