City of Asheville Staff Report

City Council Meeting Date: June 23, 2026

Staff Resources: Bridget Herring, Recovery Coordinator

Action Requested: Adoption of a resolution authorizing the City Manager to amend a contract with Hagerty Consulting, Inc. for recovery management services from Tropical Storm Helene, and a budget amendment, in the amount of $4,584,593, to fund the contract amendment.

Background:

- The damage caused by Helene required an immediate response by the City to secure public safety, provide aid to the community, and secure public infrastructure.
- In responding to this crisis, the City of Asheville entered into emergency contracts to address the needs of the community when those needs exceeded the capacity of City staff. Under one such contract, the City engaged Hagerty Consulting, Inc., for recovery management services.
- That contract was ratified by the City Council on November 12, 2024 and has since been amended twice, January 28, 2025 and June 10, 2025, for a total amount not to exceed $12,826,024 for work occurring through June 30,2026 (Fiscal Year 2025-2026).
- Accomplishments from the Fiscal Year 2025-2026 (FY26) contract include but are not limited to development and submission of over $400 million in Hazard Mitigation Grant (HMGP) applications, extension of temporary water pretreatment systems through the 2025 hurricane season and grant support from FEMA Public Assistance for permanent pretreatment systems at DeBruhl Water Treatment Plant.
- This contract amendment will increase the contract by $4,584,593 for work to occur in Fiscal Year 2026-2027 (FY27) and brings the total not-to-exceed amount to $17,410,617.
- This contract is designed to be reimbursed through approved management costs embedded within each of the federal grant programs. It is expected that 90% of this expense will be reimbursed by FEMA and CDBG-DR. Remaining expenses may be eligible for additional revenue sources such HMGP and Federal Highway Administration (FHWA)
- The contract for FY27 is anticipated to support work to complete debris removal, a significant increase in infrastructure projects working through the FEMA Public Assistance program and support Hazard Mitigation Grant applications.
- There is no definitive end date for this contract. Staff anticipates bringing contract amendments to Council as needed but will attempt to limit the amendments to one per fiscal year.
- The scope of work includes capacity and support to the City in working with specific federal agencies to maximize access to direct financial reimbursement, grant support and technical assistance
- The federal agencies referenced in the scope of work are: Federal Emergency Management Agency (FEMA) - Public Assistance, Individual Assistance, Hazard Mitigation, Housing and Urban Design (HUD), and the FHWA and Federal Transit

Administration (FTA) disaster recovery programs
- To date Hagerty Consulting's support resulted in the obligation of $72 million dollars to the City through the FEMA Public Assistance Program.
- Ongoing work will focus on maximizing cost recoverable opportunities and funding resources to support the City's infrastructure, housing and economic recovery efforts.

Council Vision 2036 Focus Area(s):

- A Clean, Safe and Healthy Environment
- Fiscally Resilient

Council Priority Recovery Area(s):

- Infrastructure & Environment
- Economic Recovery
- People
- Housing

Committee(s): None

Fiscal Impact:

- This amendment adds $4,584,593 to the contract bringing the total amount not to exceed $17,410,617. It is expected that the majority of the amended contract will be reimbursable through the Federal Emergency Management Agency (FEMA) Public Assistance Program and Hazard Mitigation Grant Program.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to amend a contract with Hagerty Consulting, Inc. for recovery management services from Tropical Storm Helene, and a budget amendment, in the amount of $4,584,593, to fund the contract amendment.

Attachment(s):

- Resolution
- Budget Ordinance

City of Asheville Resolution Number 26-___

Resolution authorizing the City Manager to amend a contract with Hagerty Consulting, Inc. for recovery management services from Tropical Storm Helene

Whereas, the City of Asheville has authority pursuant to Article 3 of Chapter 160A of the North Carolina General Statutes to enter into contracts for services with other entities; and

Whereas, the City of Asheville is currently under contract with Hagerty Consulting, Inc. to provide recovery management services; and

Whereas, the amendment to this contract is intended to ensure continuous operations; and

Whereas, the amendment to this contract will support maximization of reimbursement for City funded recovery efforts through various federal and state funding sources.

Now, Therefore, be it resolved by the City Council of the City of Asheville that:

The City Manager is hereby authorized to execute a contract amendment with Hagerty Consulting, Inc. to add an additional $4,584,593 to this contract, bringing the total amount to $17,410,617.

Read, approved and adopted this 23rd day of June, 2026.

_____
Esther E. Manheimer, Mayor

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Brad Branham, City Attorney

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Magdalen Burleson, City Clerk

City of Asheville Budget Amendment Ordinance Number ____

Be it Ordained by the City Council of the City of Asheville:

That Section 2 of the City of Asheville Annual Operating Budget Ordinance be amended to provide an appropriation of $4,584,593 in the City's Special Revenue Fund for Tropical Storm Helene response. Funds will be reimbursed by the Federal Emergency Management Agency (FEMA), and Federal Highway Administration (FHWA).

Special Revenue Fund

Revenues:

Federal Revenue Sources - $4,584,593

Total Revenues: $4,584,593

Expenditures:

Professional services - $4,584,593

That this ordinance shall be in full force and effect upon the date of final passage.

Read, approved and adopted this 23rd day of June, 2026.

_____
Esther E. Manheimer, Mayor

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Brad Branham, City Attorney

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Magdalen Burleson, City Clerk