



Legislation Text

File #: 21-0465, **Version:** 1

Department of Transportation recommending the Board:

- 1) Authorize Transportation to apply for a reimbursable grant through the Federal Emergency Management Association's Hazard Mitigation Grant Program to provide funding for removal of roadside vegetation to mitigate impacts from wildfires;
- 2) Approve and authorize the Chair to sign Resolution **017-2021** supporting the grant application and endorsing that the County's non-federal matching funds, currently estimated at \$380,000, will be available in Fiscal Year 2023/24, and that the County will fund the remainder of the Project with reimbursement from the Federal Emergency Management Agency; and
- 3) Provide direction to Transportation regarding the funding plan for the project.

FUNDING: Federal Emergency Management Agency's Hazard Mitigation Grant Program Funds (75% Federal) and El Dorado County General Fund/Designated Reserves (25%).

DISCUSSION / BACKGROUND

The United States Department of Homeland Security's Federal Emergency Management Agency (FEMA) provides grant funding through its Hazard Mitigation Grant Program (HMGP) for projects that reduce the impacts from natural disasters, including wildfire. The State of California Governor's Office of Emergency Services (CalOES) is California's administrator for FEMA's HMGP funding.

On September 18, 2020, El Dorado County submitted a Notice of Interest to CalOES indicating our intent to apply for HMGP funding for a Hazardous Fuels Reduction Project (Project) that will reduce wildfire risk in vulnerable communities dependent on the El Dorado County road network. El Dorado County is home to many communities with heavy fuel loading along evacuation routes. Massive evacuations triggered by wildfire threaten to clog County roadways, impeding access of firefighters. This Project would reduce the risk of fires burning alongside priority roadways and increase the ability of residents to evacuate and firefighters to respond to wildfire events in rural communities quickly. The need for hazard fuels reduction is far greater than the resources currently available to the County's Department of Transportation (Transportation). Should Transportation's grant application receive funding, the roads proposed for treatment are Rock Creek Road, Mosquito Road, Pleasant Valley Road, Newtown Road, Snows Road, Starkes Grade, Fort Jim Road, Forebay Road, Blair Road, Carson Road, Sly Park Road, and Cedar Ravine Road.

Transportation estimates a total project cost of \$1,519,429 for this work. Under this grant agreement, FEMA will contribute 75 percent of the total project cost (\$1,139,572) on a reimbursement basis. Applicants are required to provide a non-federal match equal to a minimum of 25 percent of the total project cost (\$379,857). The local match must be substantiated by a Local Match Commitment Letter identifying the funding source and the date match funds will be available.

Transportation is requesting Board approval to submit the HMGP grant application to CalOES for FEMA HMGP funding, including the attached resolution endorsing the availability of local matching funds, if the grant application is approved, commit to funding the remainder of the total project cost for which the County will be reimbursed by FEMA after construction is complete.

Transportation is also requesting that the Board provide direction as to which funding source will be utilized for the project. Some options for funding include General Fund, Tribe, Transient Occupancy Tax, Road Fund, and others. The Board could defer this funding source discussion to the point at which the Board is asked to accept the grant, which could be as late as Spring 2023.

ALTERNATIVES

Should the Board not approve this item, Transportation will not be able to apply for FEMA HMGP funding.

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel has reviewed and approved the Resolution.

CAO RECOMMENDATION / COMMENTS

Beginning on January 3, 2017, the region experienced four major storm systems that caused more than \$21 million in damage to El Dorado County infrastructure. In FY 2017-18, the Board set aside \$3.5 million dollars of General Fund for emergency projects and other unfunded Road improvements to cover costs incurred for the emergency projects that are not eligible for FEMA reimbursement, and to help cover any additional ineligible expenses or County match requirement for the FEMA projects.

Since that time, the County has completed all projects, using County Road Fund, County Service Area 10 - Solid Waste funding, and FEMA reimbursements as well as portions of the General Fund designation. It is unknown what funding will be needed in order to reimburse the Road Fund for outstanding costs, since portions of some of the projects are still in appeal. Additionally, an obligation letter for expenses at the Landfill of approximately \$600,000 still has not been received. Although it is likely that FEMA will approve these reimbursements, it is possible that FEMA may not approve up to \$1.1 million in reimbursements, which the County has already expended to complete these projects. Due to the Road Fund negative cash balance, it is anticipated that approximately \$200,000 may also be needed to pay for the negative interest at the end of the Fiscal Year. Approximately \$1.65 million is left in the Designation.

It is recommended that the Board direct that the cost of the match (\$380,000) be allocated from the \$1.65 million General Fund set-aside. This funding will remain in the designation in order to be available in FY 2023-24, as required by the Local Match Commitment Letter. Should a greater portion of the remaining FEMA reimbursements not be approved than what is available in the designation, staff will return to the Board with a request to allocate additional discretionary revenues in order to reimburse the Road Fund and/or Solid Waste for these emergency projects in future years.

FINANCIAL IMPACT

A 25% local match contribution is required for the FEMA HMGP in the amount of \$379,857. The 75% federal share contribution in the amount of \$1,139,572 will be new funding from the FEMA HMGP. In addition to the 25% match, the County will be required to front the \$1,139,572 federal share and obtain reimbursement from FEMA through CalOES after the project construction is complete. The County will also be required to fund all non-FEMA eligible expenses, including overhead costs.

CalOES estimates the County will receive notification of the grant award in May 2023. If the County's application is selected for the grant award, Transportation staff will return to the Board with a detailed proposal for funding the federal share of the total project cost, including a schedule for FEMA reimbursement.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board will obtain the Chair's signature on the original Resolution.
- 2) Clerk of the Board will forward a copy of the executed Resolution to Transportation, John Kahling, Headington Engineering Unit.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

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Department of Transportation