



# Monterey County

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Budget Committee

Legistar File Number: BC 19-039

April 22, 2019

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**Current Status:** Agenda Ready

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**Matter Type:** Budget Committee

- a. Receive a Monthly Status Report on the 2017 Winter Storm Repair Projects authorized by the Board of Supervisors on April 24, 2018;
- b. Receive an update on projects obligated by FEMA since the April 24, 2018 meeting, and initialized as a result of 2019 winter storms; and
- c. Provide direction to staff.

### RECOMMENDATION:

It is recommended that the Budget Committee:

- a. Receive a Monthly Status Report on the 2017 Winter Storm Repair Projects authorized by the Board of Supervisors on April 24, 2018;
- b. Receive an update on projects obligated by FEMA since the April 24, 2018 meeting, and initialized as a result of 2019 winter storms; and
- c. Provide direction to staff.

### SUMMARY:

As a result of the 2017 Winter Storms, Monterey County submitted 111 project worksheets to the Federal Emergency Management Agency (FEMA) or the Federal Highway Administration (FHWA) for repair projects totaling over \$62.8 million. At the April 24, 2018 Board of Supervisor (Board) meeting, staff reported 47 projects (\$23.4 million) had been approved and funds obligated by FEMA or FHWA. At this time, there are 62 projects (\$30.7 million) approved and obligated by FEMA or FHWA. One of the projects exceeded the County match, and staff will be coming back to the committees and Board on how to address.

Nine (9) 2017 Winter Storm projects that are FEMA fund obligated but not approved on the Board list for progress, were programmed into the Annual Work Plan. These projects were located on high speed, high traffic volume roads (such as Hall Road) that were degrading at a rate that imposed life/safety and traffic concerns if not addressed, or would become unmanageable by PW Maintenance. Staff will be coming back to the committees and Board on how to move forward with the balance of the 2017 Winter Storm projects.

Storms from this winter have added a few significant projects, including expanding damage in a couple areas that were damaged in 2017. Total estimated cost for repairs from storms this year total about \$3.5 million, including Carmel Valley Road (M.P. 13.6), Palo Colorado Road (M.P. 3.5), Robinson Canyon Road (M.P. 5.0), San Benancio Road (M.P. 0.62) and Tassajara Road. Recently that State issued an Emergency Declaration so staff is evaluating if any of these impacted areas can qualify. While staff have been keeping these drivable, some of these sites (such as San Benancio Road and Coast Road) are experiencing increased damage and are raising concern. There is a potential that staff

may need to engage on these in the near future, prior to FEMA determination. Funding for these urgent, limited repairs is projected to use unexpended Road Fund (such as SB-1 or HUTA) for use, potentially on the order of \$1 Mil.

DISCUSSION:

Since January 2017, RMA has continued to work on storm repair projects as directed by the Board. Out of 51 projects approved by the Board on April 24, 2018, 38 projects have been completed totaling \$14.7 million, with reimbursements in the amount of \$7.4 million received to date. Of these completed projects, 9 have been determined to be ineligible for reimbursement totaling \$799,070. The remaining amounts are pending reimbursement due to closing out the larger projects or the County's share of the project costs. The exact dollar amount will not be known until the larger projects have been closed out and FEMA determines if additional funding would be obligated. There are 12 FEMA-approved and obligated projects totaling \$7.4 million are currently underway, and FEMA had already reimbursed a total of \$4.3 million in advance for these projects.

In addition to the 51 projects approved by the Board, there are 9 projects RMA had moved forward due to life and safety concerns. These projects total \$4.5 million where 7 of them are FHWA projects with potential reimbursements up to 88 percent and 2 are FEMA projects where \$377,399 had been obligated. Total estimated reimbursements for these projects is \$3.7 million and estimated County match \$626,856.

There are also 15 new obligated projects totaling \$6.0 million that are currently being tracked by staff and pending resources and direction by the Board these projects will move forward. There are currently 11 projects pending approval from FEMA or FHWA totaling \$17.8 million. These projects are currently in the environmental review process with the various agencies.

In April 2018, RMA provided the Board with a list of projects and their various stages in the FEMA/CAL OES process. Based on the information provided, the Board identified priority projects as those with significant reimbursement. Staff has continued to move forward with those repairs. Some projects were obligated, meaning federal funds dispersed to Cal OES, that are not significant and received very little reimbursement. Given the magnitude of projects, staff feels that some of these projects should be vacated and the funds returned, as applicable. Staff will be bringing additional projects forward to the Board for approval to begin repairs with the assistance of consultants to manage additional projects that have received approval for reimbursement and/or obligated since that April meeting.

OTHER AGENCY INVOLVEMENT:

RMA staff continues to coordinate with the Office of Emergency Services (OES) and the CAO to accurately track and categorize the projects.

Due to late submission of this Staff Report, the CAO Budget and Analysis Division was not provided adequate time to fully review for potential fiscal, organizational, policy, or other implications to the County of Monterey.


FINANCING:

On March 14, 2017, the Board of Supervisors (Board) approved allocating \$16.8 million from the Strategic Reserve to the Disaster Assistance fund balance assignment designating \$8.5 million as the County's share (match) and \$8.3 million as cash flow to make critical repairs in response to Soberanes Fire and 2017 Winter. On June 24th, 2017, the Board also authorized \$366,954 to fund disaster response cost and \$1.7 million loan to fund repair projects for the Pajaro and San Jerardo County Sanitation Districts. Then on April 24, 2018, the Board increased the County's share from \$8.5 million to \$13.0 million, reduced available cash flow from \$8.3 million to \$3.8 million from the initial Disaster Assistance Designation and also authorized the use of NMC Capital fund up to \$11.8 million to cash flow storm repair projects. Besides available cash flow authorized by the Board, the Road Fund was reimbursed up to \$6.9 million from FEMA reimbursements as projects get completed.

Of the \$63.1 million in projected disaster repair cost of Winter Storms and the Soberanes Fire, the Board approved and authorized funding of 51 projects as of April 24, 2018. The Road Fund has expended \$20.9 million for those projects as of March 2019, which includes, \$14.7 million for completed projects and \$6.2 million for projects in progress. FEMA and FHWA has accepted \$17.9 million in project estimates, obligated \$16.3 million to date, leaving \$1.7 million remaining to be obligated. The County has received funding from FEMA, California Governor's Office of Emergency Services (CalOES) and FHWA in the amount of \$11.7 million to date. There is an estimated \$11.9 million additional County cost for these projects, however; County expects to get additional reimbursements for some large projects as they complete. If obligations do not increase and projects in progress are expended at estimated cost, the County match is projected to be exceeded by \$825,958. RMA is planning to utilize the NMC Capital Funds to cash flow funds as necessary to complete the projects.

As of April 24, 2018, there were additional 68 storm repair projects with an estimated cost of \$33.4 million that were pending either County resources to complete the projects or funding approval from FEMA, CalOES or FHWA. Of those projects, 21 projects have been approved and obligated for \$4.6 million, 11 projects with an estimated cost of \$17.8 million are pending obligation, and 36 projects are deemed ineligible where County incurred \$638,104 in cost. Due to life/safety and traffic concerns, RMA had initiated and programmed 9 additional road repair projects totaling \$4.4 million in cost estimate are now in progress and staff estimated an estimated need of \$626,856 County match and \$3.7 million in cash flow. Staff will be seeking the Board authorization for the incurred cost of the additional projects and direction on whether to move forward with the projects that are currently in progress. Once the Board approves the incurred cost for the ineligible projects and authorizes RMA to move forward with the projects in progress, the County match of \$13.0 million will need to be increased by \$5.4 million. With this status update, staff is requesting the Budget Committee to recommend funding for the County match portion.

There have been new obligations made by FEMA, CalOES and/or FHWA, staff is also preparing to seek direction from the Board on which additional storm projects to move forward. Staff will also be seeking direction and funding by the Board which new projects to move forward out of the 15 new obligated projects.

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Attachments:

Attachment A - Board approved 2017 Winter Storm & Fire Projects Funding Status  
Attachment B - RMA 2017 Winter Storm & Fire Projects' - Pending Board's Decision  
Attachment C - 2017 Disaster Assistance Cost Projection Summary