



Legislation Details (With Board Report)

File #: 20-467 **Name:** 2017 & 2019 Winter Storm Status Report
Type: General Agenda Item **Status:** Agenda Ready
File created: 5/29/2020 **In control:** Capital Improvement Committee
On agenda: 6/8/2020 **Final action:**
Title: Receive a Status Report on repairs to County roads, lands, and infrastructure resulting from the 2017 and 2019 Winter Storms.
Sponsors: Public Works / RMA
Indexes:
Code sections:
Attachments: 1. CIC Report, 2. Attachment A - 2017 Storm & Soberanes Fire Project Status.pdf, 3. Attachment B - 2017 Winter Storm Funding Summary .pdf, 4. Attachment C - 2019 Winter Storm Project Status.pdf

Date	Ver.	Action By	Action	Result
6/8/2020	1	Capital Improvement Committee		

Receive a Status Report on repairs to County roads, lands, and infrastructure resulting from the 2017 and 2019 Winter Storms.

RECOMMENDATION:

It is recommended that the Capital Improvement Committee:

- a. Receive a Status Report on the 2017 Winter Storm Repair Projects; and
- b. Receive a Status Report on the 2019 Winter Storms Repair Projects .

SUMMARY:

Significant natural disaster events that occurred in fiscal year (FY) 2016-17, including the 2016 Soberanes Fire and the 2017 Winter Storms, caused major damage to County roads, lands, and infrastructure, currently estimated at \$57.0 million. Then, in FY 2018-19, more winter storm systems hit Monterey County causing widespread damage, with cost estimates reaching \$4.3 million. Overall, the County has completed 59 projects and received reimbursements from federal and state entities of nearly \$13.0 million for the 2017 and 2019 Winter Storms Projects are in various stages and are grouped together for discussion as follows: 2017 Winter Storm Projects are group into the three categories of 1) Board Approved Projects, 2) Projects Pending, 3) Ineligible/Denied Projects; and the 2019 Winter Storm Projects are grouped together in the three categories of 1) Board Approved Emergency Response and Repair Projects, 2) Board Approved Projects, and 3) Projects Pending Direction.

DISCUSSION:

2017 WINTER STORM PROJECTS

As a result of the 2017 Winter Storms, Monterey County Resource Management Agency (RMA) submitted 119 project worksheets to the Federal Emergency Management Agency (FEMA) or the Federal Highway Administration (FHWA) for repair projects currently totaling \$57.0 million. FEMA/FHWA have obligated (encumbered) \$23.2 million, leaving \$21.1 million for the County’s Share, and \$12.6 million in projects that have no funding. (**Attachments A & B**)

The Board approved \$16.8 million in Disaster Assistance fund balance for the 2017 Winter Storms, allocating \$13.0 million for the County’s share of costs (County Match) and \$3.8 million for cash-flow purposes. An

additional \$866,705 was approved for County Match utilizing one-time Transient Occupancy Tax Road Fund set-aside (TOT), bringing the total County Match to \$13.9 million. The cash-flow amount is expected to be repaid once FEMA/FHWA funds are received; however, the County's share of costs (County Match) will not be reimbursed.

RMA was also approved to utilize Natividad Medical Center (NMC) Facility Master Plan Project Fund 404 Unassigned Fund Balance for cash-flow purposes up to \$25.0 million. Any funds used were to be repaid within two (2) years from April 24, 2018 using FEMA/FHWA reimbursements. RMA was able to manage cash flow within the Road Fund and did not use NMC funds. The term for accessing NMC funds has expired.

Board Approved Projects

The Board of Supervisors approved 64 projects, with cost estimates of \$28.8 million. FEMA/FHWA have obligated \$17.0 million and thus far reimbursed the County \$12.1 million. The County's share is \$11.8 million and is funded with Board approved Disaster Assistance Assignment, TOT, and Road Fund Measure X revenues.

Of these projects, 51 have been completed at a cost of \$24.5 million and include projects, such as, Palo Colorado Mile Post 3.3 (MP 3.3, Rocky Creek), Cachagua Road, Elkhorn Road, and Robinson Canyon. Of these, ten (10) projects were ineligible for funding, but an insurance claim has been filed for one (1) of those, the Pajaro County Sanitation District (PCSD) Manhole and Generator repairs, with total project costs of \$732,129. PCSD received a loan from the General Fund out of the Disaster Assistance Assignment. The terms of the loan require repayment one year after a sewer rate increase has been established and PCSD's cash balance is at least 10% of its operating expenditure budget. These BOS approved completed projects are a subset of the first category listed in the Summary, and shown in **Attachment A**.

There are 13 projects that are approved by the Board and are in process, with estimated costs of \$4.4 million. Many of these 13 projects are in the design or environmental/permitting phase. One of these projects is the initial design and permitting for Palo Colorado MP 4.0-7.4 (aka: "Upper Palo Colorado", from "the Hoist" to "Botchers Gap"). While funding has not been identified for construction, this project is currently in the procurement stage for advertisement and selecting a consultant to perform the design work. All the projects have received extensions from FEMA through either February or March of 2021, except for Upper San Juan Grade Road at MP 8.6, which is a FHWA project and does not require an extension at this time. These BOS approved underway/in progress projects are a subset of the first category listed in the Summary, and shown in **Attachment A**.

Projects Pending

There are 18 projects that are pending resources or action, with estimated cost of \$14.9 million and have FEMA obligations of \$6.2 million, leaving the County with an \$8.7 million match. Of those, 15 projects were obligated by FEMA, but are not approved by the Board for action. RMA does not currently have the capacity to add these projects to the Road Fund Work Plan. Notably, the Palo Colorado MP 4.0-7.4 projects are included in this group with estimated costs of \$10.4 million, an obligation of \$3.4 million and County match of approximately \$7.0 million. The Board did provide \$500,000 for the initial design and permitting phase of the Palo Colorado MP 4.0-7.4 project, which is included in the projects underway group (please see previous category). The remaining three (3) projects are still pending determination from FEMA or CalOES, and staff are working with the Monterey County Office of Emergency Services to receive a final determination. These projects include Kirby Road, Giberson Road Sinkhole and Iverson Road. These projects pending are the second category listed in the Summary, and shown in **Attachment A**.

Ineligible/Denied Projects

FEMA and FHWA deemed 35 projects ineligible and denied two (2), which were the Paradise Road and Laguna

Seca Recreational Area projects. These projects have an estimated cost of \$13.2 million and the County has spent \$638,104. The costs were primarily for the Laguna Seca Recreational Area (\$437,488), Old Stage Road (\$101,426), and Toro Park Emergency Maintenance and Response (\$71,866). The remaining \$27,324 was spent on initial response efforts on eleven different projects. The storm damages still exist at these locations, and will need to be prioritized in future Annual Work Programs for Road Fund.

The County filed a formal written appeal with FEMA for the Laguna Seca Recreational Area project, but FEMA has yet to render a decision. Under FEMA's Appeal and Arbitration Process, this project does not qualify for the next step in the appeal process, arbitration, as total project costs fall under the minimum disputed amount of \$500,000. RMA will continue to work with FEMA and CalOES to ensure the appeal is addressed. If the appeal is denied, the General Fund will not be reimbursed for project expenditures of \$437,488. These ineligible/denied projects are the third category listed in the Summary, and shown in **Attachment A**.

2019 WINTER STORM PROJECTS

As a result of the 2019 Winter Storms, RMA identified a total of 21 emergency response and repair projects at various locations throughout the County with current estimated cost of \$4.3 million. Since that time, the four (4) Carmel Valley Road Projects have been combined into one (1) by the California Disaster Assistance Act (CDAA), which means there are now a total of 18 projects. Of the 18 projects, nine (9) qualified for CDAA funding and four (4) of those also qualified for FEMA funding for a total award of \$1.2 million. Nine (9) projects, are not eligible for State or Federal assistance as the damages occurred outside of the declared incident periods. (**Attachment C**)

Board Approved Emergency Response and Repair Projects

Eleven projects were approved by the Board for emergency response and repairs with a cost estimate of \$2.3 million. The projects were performed by either force account County staff, or by contractors, primarily for debris removal or road repairs. These projects include FEMA and CDAA funding totaling \$173,860, leaving the County with \$2.1 million. The County's share will be paid from Road Fund revenues, including, Highway Users Tax Account (HUTA) and State Senate Bill 1 (SB 1). To date, seven (7) projects have been completed and four (four) are underway. RMA has spent \$725,844 and received \$173,859 in reimbursements. These BOS approved emergency response and repair projects in progress are the first category listed in the Summary, and shown in **Attachment C**.

Board Approved Projects

An additional four (4) projects, with estimated costs of \$1.0 million, were approved by the Board with funding from FEMA, CDAA, SB1 and TOT. FEMA and CDAA funding accounts for \$845,972, and the County's share is \$184,058. These BOS approved projects are the second category listed in the Summary, and shown in **Attachment C**.

Projects Pending Direction

The final three (3) projects are not yet approved by the Board. There are two (2) projects at Laguna Seca which are pending FEMA Environmental and Historic Preservation (EHP) review. The Laguna Seca Recreation Park Trails project is under review and total project costs are not yet known. The Laguna Seca Recreation Road B Culvert is estimated to cost \$160,000, has FEMA/CDAA funding of \$150,000, leaving the County with a \$10,000 match. The Palo Colorado Highway to MP 2.7 project was deemed ineligible and therefore the entire estimated cost of \$750,000 would be the County's responsibility, if approved. These projects pending direction are the third category listed in the Summary, and shown in **Attachment C**.

OTHER AGENCY INVOLVEMENT:

RMA staff continues to coordinate with the Office of Emergency Services and the County Administrative Office to accurately track and categorize the projects. This report was reviewed by the County Administrative Office Budget & Analysis Division. The report was presented to the Budget Committee on May 28, 2020.

FINANCING:

For the 2017 Winter Storms, the County has received \$12.6 million in FEMA/FHWA reimbursements and spent \$25.7 million to date. The Board provided \$13.9 million in County Match, which is estimated to cover all 64 Board approved projects, leaving \$2.4 million in County Match for other projects. If direction was provided to move forward with the next 15 projects that have been obligated, the County could access \$6.2 million in FEMA funds, but would need an additional \$5.2 million in County Matching funds. These projects, along with the ineligible projects, will each be considered and compete against all other Road Fund projects for Measure X, SB 1, TOT, and HUTA funds through the 5-year Capital Improvement Program process. **(Attachment B)**

The 2019 Winter Storm Projects have received reimbursements of \$319,338 from FEMA and CDAA. A total of \$742,498 has been spent and eight (8) projects are complete. The Board approved using Road Fund revenues, including HUTA (\$576,140), SB 1 (\$1.8 million) and one-time Transient Occupancy Tax Road Fund set-aside (\$15,000), for 14 projects.

Prepared by: Randell Ishii, M.S., P.E., P.T.O.E., RMA Chief of Public Works (831) 784-5647
Jessica Cordiero-Martinez, Finance Manager II

Approved by: Shawne Ellerbee, Deputy Director of Administrative Services of RMA

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A- 2017 Winter Storm & Soberanes Fire Project Status

Attachment B- 2017 Winter Storm Funding Summary

Attachment C- 2019 Winter Storm Project Status