



# Staff Report

City Council

Item No. {{section.number}}.{{item.number}}

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**Meeting Date:** January 8, 2025

**From:** Kevin Biersack, Financial Services Director

**Title:** Tropical Storm Hilary FEMA Status Update

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**RECOMMENDATION:**

This agenda item is for review and discussion only.

**BACKGROUND:**

On August 23, 2023, the City Council adopted a resolution ratifying the proclamation of the existence of a local emergency due to Tropical Storm Hilary. The City Council then authorized \$1,062,000 on September 13, 2023, from the general fund, for Phase I Emergency Response Work for debris removal and for Emergency Protective Measures. Two weeks later on September 27, 2023, the City Council authorized \$3,967,967 from the general fund for Phase I Emergency Response Work for soil removal.

The proclamation of the existence of a local emergency was continued on October 11, 2023, via resolution by the City Council. On November 21, 2023, California Hurricane Hilary was declared as a major disaster by President Biden, with the incident period cited as August 19, 2023, to August 21, 2023. The Federal Emergency Management Agency (FEMA) assigned the code DR-4750-CA to the disaster declaration.

On November 29, 2023, the City Council approved a resolution continuing the proclamation of the existence of a local emergency due to Tropical Storm Hilary. City staff attended a FEMA applicant briefing for eastern Riverside County in Indio on December 7, 2023. On December 19, 2023, the City of Cathedral City submitted a request for public assistance to FEMA.

Staff from the city met with FEMA representatives assigned to our region during an exploratory call on February 7, 2024. On February 22, 2024, FEMA staff and city staff held a recovery scoping meeting, where they discuss locations and damage caused by the storm. On February 28, 2024, city staff began weekly meetings with a FEMA program delivery manager who assists staff in filing claims for costs related to damage caused by Tropical Storm Hilary.

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On March 15, 2024, FEMA staff performed site inspections of damage caused by Tropical Storm Hilary.

City Council approved a contract on March 27, 2024, with Petrochem Materials Innovation to supply and apply Rubber Emulsion Aggregate Slurry (REAS) in three areas of the city, including the Panorama Neighborhood streets affected by Tropical Storm Hilary. The approved amount was \$1,287,788.00 including the contingency.

On April 10, 2024, the City Council approved a contract with Hardy & Harper for pavement reconstruction in various sections of the Panorama Neighborhood, all affected by Tropical Storm Hilary. The approved amount was \$731,400.00, including the contingency.

City Council approved a contract on June 26, 2024, with Contera Construction for the removal of soil from the Ofelia Bringas Memorial Bridge grade control structure and Date Palm Drive bridge channel lining, both affected by Tropical Storm Hilary. The approved amount was \$3,094,099.15, including the contingency.

## **DISCUSSION:**

The four basic components of FEMA Public Assistance eligibility are:

- Applicant – the City of Cathedral City, a sub-recipient under the State of California (CalOES, the California Office of Emergency Services)
- Facility – road, bridge, park
- Work – result of the declared incident in the designated areas of the disaster
- Costs – documented and tied directly to eligible work

FEMA divides work into multiple categories:

- Category A – emergency work for the removal of debris
- Category B – emergency work for emergency protective measures
- Category C – permanent work related to roads
- Category D – permanent work related to water control facilities, including debris removal to access those facilities
- Category E – permanent work related to public buildings and contents, not applicable to our claims related to Tropical Storm Hilary
- Category F – permanent work related to public utilities, not applicable to our claims related to Tropical Storm Hilary
- Category G – permanent work related to parks, recreation, and other facilities
- Category Z – costs associated with preparing public assistance applications

Funding for approved claims is divided into three parts:

- The federal share of assistance is 75% of eligible costs
- The State of California share of assistance is 18.75% of eligible costs
- The City of Cathedral City is responsible for 6.25% of eligible costs (the City's match)

Category Z costs are 100% federal share and may total up to 5% of the total of all FEMA obligated projects for a disaster.

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For Category A work related to the removal of debris, the City of Cathedral City submitted an application in August 2024 for the following types of costs:

<b>TYPE OF PROJECT COST</b>	<b>AMOUNT</b>
<b>Contracts</b>	<b>\$2,688,444</b>
<b>Force Account Labor</b>	<b>\$ 95,277</b>
<b>Force Account (City-owned) Equipment</b>	<b>\$ 39,343</b>
<b>Equipment Rental</b>	<b>\$ 62,307</b>
<b>City-provided Fuel for Equipment Rental</b>	<b>\$ 4,959</b>
<b>Other (meals, towing, fuel additive)</b>	<b>\$ 3,462</b>
<b>TOTAL</b>	<b>\$2,893,792</b>

The current status of the \$2,893,792 in claimed costs is “pending.” FEMA staff are reviewing documentation after a series of requests for clarification and additional data.

For Category B work related to emergency protective measures, the city submitted an application in June 2024 for the following types of costs:

<b>TYPE OF PROJECT COST</b>	<b>AMOUNT</b>
<b>Contracts</b>	<b>\$30,363</b>
<b>Force Account Labor</b>	<b>\$47,132</b>
<b>Force Account (City-owned) Equipment</b>	<b>\$47,320</b>
<b>Materials</b>	<b>\$24,302</b>
<b>Other (food and drink for emergency responders)</b>	<b>\$ 2,890</b>
<b>TOTAL</b>	<b>\$152,007</b>

The current status of the \$152,007 in claimed costs is “obligated.” FEMA staff have completed the review and obligated funds to the recipient (the State of California). We are awaiting disbursement of funds from CalOES.

During an initial assessment in December 2023, the city identified eleven (11) road repairs due to Tropical Storm Hilary:

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<b>Adelina Road</b>	<b>Los Gatos Road</b>
<b>Avenida La Vista</b>	<b>Panorama Road</b>
<b>Da Vall Drive</b>	<b>Tortuga Road</b>
<b>Date Palm Drive</b>	<b>Varner Road</b>
<b>Horizon Road</b>	<b>Vista Chino Road</b>
<b>Alleys near Date Palm and Vista Chino</b>	

During the process of submitting claims, FEMA divided Horizon Road into three parts to address three types of damage (Horizon north of Adelina, Horizon south of Adelina, and the curb and gutter north of Adelina). The alleys were divided into the North-South Alley off Adelina Road and the East-West Alley off Horizon Road, between Adelina and Vista Chino.

For Category C work related to permanent work on roads, the city submitted two applications in November 2024 to reimburse costs related to four (4) road repairs:

<b>TYPE OF PROJECT COST</b>	<b>AMOUNT</b>
<b>3 Roads:</b> <ul style="list-style-type: none"> <li><b>Avenida La Vista</b></li> <li><b>Adelina Road</b></li> <li><b>Curb and Gutter on Horizon Road @ Adelina</b></li> </ul>	<b>\$110,961</b>
<b>1 Road:</b> <ul style="list-style-type: none"> <li><b>Horizon Road - north of Adelina</b></li> </ul>	<b>\$ 22,544</b>
<b>TOTAL</b>	<b>\$133,505</b>

The status of the \$133,505 in claimed costs is “pending.” FEMA staff are reviewing our claims, which include REAS costs from Petrochem Materials Innovation on Adelina Road and Avenida La Vista and reconstruction costs from Hardy & Harper on the north section of Horizon Road and the curb and gutter located along that section of Horizon.

The city continues to work with FEMA on costs estimated at \$640,280 for repairing seven (7) remaining road locations affected by Tropical Storm Hilary. These roads are under review with FEMA. There are eligibility concerns being addressed by our Public Works/Engineering department.

The status of the eleven (11) roads identified in December 2023 is as follows:

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Road	Status	Road	Status
Adelina Road	Submitted	Los Gatos Road	To be submitted
Avenida La Vista	Submitted	Panorama Road	To be submitted
Da Vall Drive	To be submitted	Tortuga Road	To be submitted
Date Palm Drive	FHWA, not FEMA	Vарner Road	No costs to claim
Horizon Road – curb @ Adelina	Submitted	Vista Chino Road	FHWA, not FEMA
Horizon Road – north of Adelina	Submitted	North-South Alley off Adelina Rd	To be submitted
Horizon Road – south of Adelina	To be submitted	East-West Alley off Horizon Rd	To be submitted

Date Palm Drive and Vista Chino Road are not eligible for claims under FEMA because they are Federal Highway Administration (FHWA) roads. There were no substantive costs to claim for Varner Road.

For Category D work related to water control facilities, the city submitted an application in December 2024 for costs related to debris removal under Ofelia Bringas Memorial Bridge, to regrading under Date Palm Drive Bridge, and to permitting.

TYPE OF PROJECT COST	AMOUNT
Debris Removal and Regrading	\$1,596,586
Permitting Costs	\$ 6,463
<b>TOTAL</b>	<b>\$1,603,049</b>

The current status of \$1,603,049 in claimed costs is “pending.” FEMA staff have received the documentation, and the application is in the review process.

For Category G permanent work related to parks, recreation, and other facilities, the city submitted an application in April 2024 to reimburse costs related to city-wide repair of parks and fencing:

TYPE OF PROJECT COST	AMOUNT
Ocotillo Park landscape repair	\$13,580
Century Park Baseball Field restoration	\$ 5,190
Perimeter fence along Da Vall Drive	\$ 9,900
<b>TOTAL</b>	<b>\$28,670</b>

The current status of \$28,670 in claimed costs is “obligated.” FEMA staff have completed the review and obligated funds to the recipient (the State of California). We are awaiting

disbursement of funds from CalOES.

The claims for costs for FEMA projects are summarized as the following:

CATEGORY	SUBMITTED COSTS	FEMA PORTION	CalOES PORTION	CC PORTION
A – DEBRIS REMOVAL	\$2,893,792	\$2,170,299	\$542,586	\$180,862
B – EMERGENCY PROTECTIVE MEASURES	\$ 152,007	\$ 114,005	\$ 28,501	\$ 9,501
C – ADELINA RD, AVE LA VISTA, HORIZON RD	\$ 133,505	\$ 100,129	\$ 25,032	\$ 8,344
D – SOIL REMOVAL UNDER BRIDGES	\$1,603,049	\$1,202,287	\$300,572	\$100,190
G – PARKS AND FENCE	\$ 28,670	\$ 21,502	\$ 5,376	\$ 1,792
Z – ADMINISTRATIVE COSTS	\$ 240,551	\$ 240,551	n/a	n/a
TOTAL OF ALL APPLICATIONS	\$5,051,574	\$3,848,818	\$902,067	\$300,689
C – OTHER ROADS (TO BE SUBMITTED)	\$640,280			

The anticipated administrative costs are calculated as 5% of cost submissions for categories A through G, not including C – Other Roads which is yet to be submitted. The total of all applications in the amount of \$5,051,574 is an estimate because not all projects are obligated. Thus, the FEMA portion, the CalOES portion, and the Cathedral City portion of the costs are also estimates, except in the case of Categories B and G, which are obligated.

Once a project is obligated, CalOES estimates it can be up to three (3) months to process reimbursement. CalOES sends the FEMA and CalOES portions together. Thus, we can expect Category B funds of \$142,506 and Category G funds of \$26,878 in this fiscal year.

**FISCAL IMPACT:**

The receipt of additional funds for the other categories or the timing of such reimbursements cannot be determined at this time. Staff continues to work with FEMA to provide any clarification or provide any additional information requested.

**FIVE-YEAR STRATEGIC PLAN:**

**GOAL B: COMMUNITY INVESTMENT**

Objective: Cathedral City roads, gateway, public spaces and other city infrastructure are well planned, designed, constructed, and maintained.

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