



# CITY OF DEL REY OAKS

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## Staff Report

**DATE:** August 27, 2024

**TO:** Honorable Mayor and Members of City Council

**FROM:** Chris Bourquin, Chief of Police

**SUBJECT:** Designation of Applicant's Agent Resolution for Non-State Agencies allowing the City to be eligible to receive federal disaster relief funding.

**CEQA:** This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an administrative activity of the City that will not result in direct or indirect physical changes in the environment.

### Recommendation

It is recommended that the Council adopt Resolution 2024-15 authorizing the Designation of Applicant's Agent for Non-State Agencies allowing the City to be eligible to receive federal disaster relief funding for 2023 storm-related damages to City Hall.

### Summary & Discussion

A Presidential declaration of a major disaster for the State of California (FEMA-4699-DR), dated April 3, 2023 was issued by FEMA. 4699DR dealt with severe California winter storms, straight-line winds, flooding, landslides, and mudslides between Feb 21, 2023 - Jul 10, 2023. The City of Del Rey Oaks applied for disaster relief for damage sustained to the roof of City Hall. FEMA has approved our application for relief. The application is currently with Cal OES pending distribution of funds. A Designation of Applicant's Agent Resolution for Non-State Agencies (CalOES Form 130) is required of all Applicants to be eligible to receive funding.

### Fiscal Impacts

There is no financial impact to the city in adopting the Designation of Applicant's Agent Resolution for Non-State Agencies.

The cost estimate for the repairs is \$77,622.75. The Federal Share is \$58,217.07 (75%) with a non-Federal match of \$19,405.68 (25%). Of the 25% match, Cal OES will cover half, or \$9,702.84 and the City is responsible for the remaining \$9,702.84. It is anticipated that these costs will be funded with existing funding approved for City Hall roof repairs in the FY 2024-25 Budget.

### ATTACHMENTS:

- Designation of Applicant's Agent Resolution for Non-State Agencies
- FEMA Project Report

Respectfully Submitted,

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Chris Bourquin  
Chief of Police



Cal OES ID No: 053-18688-00

**DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES**

BE IT RESOLVED BY THE City Council OF THE City of Del Rey Oaks  
(Governing Body) (Name of Applicant)

THAT Chief of Police, OR  
(Title of Authorized Agent)

City Manager, OR  
(Title of Authorized Agent)

\_\_\_\_\_  
(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the City of Del Rey Oaks,  
(Name of Applicant)

a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining federal financial assistance for any existing or future grant program, including, but not limited to any of the following:

- **Federally declared Disaster (DR), Fire Mitigation Assistance Grant (FMAG), California State Only Disaster (CDAA), Immediate Services Program (ISP), Hazard Mitigation Grant Program (HMGP), Building Resilient Infrastructure and Communities (BRIC), Legislative Pre-Disaster Mitigation Program (LPDM)**, under
- Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.
- **Flood Mitigation Assistance Program (FMA)**, under Section 1366 of the National Flood Insurance Act of 1968.
- **National Earthquake Hazards Reduction Program (NEHRP)** 42 U.S. Code 7704 (b) ((2) (A) (ix) and 42 U.S. Code 7704 (b) (2) (B) National Earthquake Hazards Reduction Program, and also The Consolidated Appropriations Act, 2018, Div. F, Department of Homeland Security Appropriations Act, 2018, Pub. L. No. 115-141
- **California Early Earthquake Warning (CEEW)** under CA Gov Code – Gov, Title 2, Div. 1, Chapter 7, Article 5, Sections 8587.8, 8587.11, 8587.12

That the City of Del Rey Oaks, a public entity established under the  
(Name of Applicant)

laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.



**Please check the appropriate box below**

- ☒ This is a universal resolution and is effective for all open and future disasters/grants declared up to three (3) years following the date of approval.
- ☐ This is a disaster/grant specific resolution and is effective for only disaster/grant number(s): \_\_\_\_\_

Passed and approved this 27 day of August, 2024

**Scott Donaldson, Mayor**

(Name and Title of Governing Body Representative)

**John Uy, Vice Mayor**

(Name and Title of Governing Body Representative)

**Jeremy Hallock, Council Member**

(Name and Title of Governing Body Representative)

**CERTIFICATION**

I, **Karen Minami**, duly appointed and **City Clerk** of  
(Name) (Title)

**City of Del Rey Oaks**, do hereby certify that the above is a true and  
(Name of Applicant)

correct copy of a resolution passed and approved by the **City Council**  
(Governing Body)

of the **City of Del Rey Oaks** on the 27 day of August, 2024.  
(Name of Applicant)

**City Clerk**

(Signature)

(Title)



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### **Cal OES Form 130 Instructions**

**A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted resolution is older than three (3) years from the last date of approval, is invalid, or has not been submitted.**

When completing the Cal OES Form 130, Applicants should fill in the blanks on pages 1 and 2. The blanks are to be filled in as follows:

#### **Resolution Section:**

**Governing Body:** This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

**Name of Applicant:** The public entity established under the laws of the State of California.

Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

**Authorized Agent:** These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the California Governor's Office of Emergency Services regarding grants for which they have applied. There are two ways of completing this section:

1. **Titles Only:** The titles of the Authorized Agents should be entered here, not their names. This allows the document to remain valid if an Authorized Agent leaves the position and is replaced by another individual. If "Titles Only" is the chosen method, this document must be accompanied by either a cover letter naming the Authorized Agents by name and title, or the Cal OES AA Names document. The supporting document can be completed by any authorized person within the Agency (e.g., administrative assistant, the Authorized Agent, secretary to the Director). It does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document, or their title changes.



**Checking Universal or Disaster-Specific Box:** A Universal resolution is effective for all past disasters and for those declared up to three (3) years following the date of approval. Upon expiration it is no longer effective for new disasters, but it remains in effect for disasters declared prior to expiration. It remains effective until the disaster goes through closeout unless it is superseded by a newer resolution.

**Governing Body Representative:** These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents. A minimum of three (3) approving board members must be listed. If less than three are present, meeting minutes must be attached in order to verify a quorum was met.

**Certification Section:**

**Name and Title:** This is the individual in attendance who recorded the creation and approval of this resolution.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member. If a person holds two positions (such as City Manager and Secretary to the Board) and the City Manager is to be listed as an Authorized Agent, then that person could sign the document as Secretary to the Board (not City Manager) to eliminate "Self-Certification."

## Department of Homeland Security Federal Emergency Management Agency

### General Info

<b>Project #</b>	731550	<b>PW #</b>	372	<b>Project Type</b>	Standard
<b>Project Category</b>	E - Buildings and Equipment			<b>Applicant</b>	Del Rey Oaks, City of (053-18688-00)
<b>Project Title</b>	City Hall roof			<b>Event</b>	4699DR-CA (4699DR)
<b>Project Size</b>	Small			<b>Declaration Date</b>	4/3/2023
<b>Activity Completion Date</b>	10/03/2024			<b>Incident Start Date</b>	2/21/2023
<b>Process Step</b>	Obligated			<b>Incident End Date</b>	7/10/2023

### Damage Description and Dimensions

The Disaster # 4699DR, which occurred between **02/21/2023** and **07/10/2023**, caused:

#### Damage #1341693; City Hall roof

##### General Facility Information:

- **Facility Type:** Building
- **Building Type:** City Hall
- **Facility:** City of Del Rey Oaks City Hall
- **Facility Description:** Split level with stucco coating and flat roof
- **Year Built:** 1953
- **Location Description:** 650 Canyon Del Rey Road, Del Rey Oaks, CA 93940
- **GPS Latitude/Longitude:** 36.59414, -121.83727
- **Number of Stories:** 1

##### General Damage Information:

- **Date Damaged:** 3/5/2023 to 3/7/2023
- **Cause of Damage:** High winds, wind driven rain

##### Building Damage:

- Building Exterior, 2,384 SF of roof cap sheeting and membrane, Square footage from Google Earth dimensions, see SIR page 3, high winds lifted and tore roof materials, 0% work completed.
- Building Exterior, 84.5 SF of 3/4 inch plywood sheeting covered in stucco, 13 FT long x 6.5 FT wide, wind driven rain got into roofing then leaked through the foyer ceiling, 0% work completed.
- Building Interior, 27.5 SF of 5/8 In painted sheetrock Soffit over main window in city clerk's office, 11 FT long x 30 IN wide, wind driven rain penetrated into the building and caused paint to blister and peel, 0% work completed.
- Building Interior, 7 each of acoustic ceiling tiles, 4 FT long x 2 FT wide, wind driven rain penetrated building and saturated the ceiling tiles causing them to stain, 0% work completed.

During the event period of February 21, 2023 to July 10, 2023, high winds and wind driven rain damaged the roof of the City Hall office building and penetrated into the building in several places. The roof could not be visually inspected due to restrictions, however the Applicant stated that the roof covering was damaged; also damages were noted inside the building where rain water had penetrated. The applicant plans to restore the facility to original condition.

## Final Scope

1341693 **City Hall roof**

### Work Completed

The applicant will utilize Force Account and/or Contracts for the repairs to the City of Del Rey Oaks City Hall to restore this facility back to pre-disaster design, function, use, and capacity within the existing footprint.

### Building Damage:

- A. Removed and replace 2,384 SF of roof cap sheeting and membrane.
- B. Removed and replace 84.5 SF of 3/4 inch plywood sheeting covered in stucco, 13 FT long x 6.5 FT wide.
- C. Removed and replace 27.5 SF of 5/8 In painted sheetrock Soffit, 11 FT long x 30 IN wide. wide.
- D. Remove and replace 7 each of acoustic ceiling tiles, 4 FT long x 2 FT wide.

Work to be Completed Total: **\$64,308.72**

### Project Notes:

1. In accordance with FEMA's Simplified Procedures, the project scope and cost were developed from State Weighted Averages and/or RS Means and will be certified by the Applicant using the Small Permanent Work Project Certifications and Acknowledgements form. See attachment labeled: *731550 - 4699DR - Costing Spreadsheet.xlsx*
2. All work will be completed within the applicants ROW. If staging of equipment and materials would be needed, that work will be staged within the applicants ROW.
3. Disposal is expected to be deposited at an acceptable location (Landfill). Location will be provided by Applicant once work commences.

## 406 HMP Scope

Public Assistance  
Hazard Mitigation Proposal



Applicant Name	City of Del Rey Oaks	GM Project #	731550	HMP Date	January 15, 2024
Site Name	City Hall Roof				
DR-	4699	- CA	D#	1341693	
HMP Writer and Title:	Jim Hatfield-Rivers : CRC Costing Specialist				
This HMP is based on the following Grants Manager project report, see attachment.					
	PRJ_Report_731550_20240117.pdf				
Select Work Completed Status:	Work to be Completed				
<b>I. Related Damaged Items to be Protected</b>					
<p>During the declared incident period of February 21, 2022, through July 10, 2022, the applicant was impacted by major storms resulting in high winds and wind driven rain damaging the roof of the City Hall office building which will be mitigated. As a direct result of this event, wind driven rain damaged the roof and penetrated into the building in several places..</p>					
Total repair cost of damaged elements being protected by the HMP at this site*=					\$ 64,308.72
*Before Cost Estimating Format (CEF) factors if a large project.					
Comments:					

## II. Hazard Mitigation Proposal (HMP) Scope of Work

The applicant will increase the Ultra Fold Barrier from 1/2 inch to 1 inch and will also be installing an 80 mil vs. 50 mil plastic sheathing, which is thicker, stronger, and better absorption. They will also install new 3" two piece compression metal / drip edge / fascia to strengthen areas vulnerable to high wind. This would be a mitigation method against future, similar damages to this site.

The mitigation measures will help reduce the risk of future damage by protecting the City Hall roof from being damaged during potentially high winds and heavy rainstorms.

## III. Hazard Mitigation Proposal (HMP) Cost: Worksheet

- Reference and attach a detailed, itemized cost estimate and/or CEF.

A. Cost of items if the HMP is approved=	\$52,622.75
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B. Cost of items deducted from the repair scope of work (SOW)=	0
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C. Net Hazard Mitigation Cost (before CEF factors) =	\$52,622.75
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D. Is there a CEF?	?Yes ?No
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E. Net Hazard Mitigation Cost (after CEF factors)=	\$52,622.75
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F. What is the CEF ratio (CEF Total Cost/Base Cost)?	N/A
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Comments:			
Hazard Mitigation Proposal Cost: Summary			
Net Hazard Mitigation Cost =	\$52,622.75		
See attachment(s).	731550 - 4699 DR - Costing Spreadsheet.xlsx		
Comments:	See HMP Mitigation Tab in document.		
<h2>IV. Cost Effectiveness Calculation</h2> <p>(Net HMP Cost/Total Repair Cost of the damaged portions of the facility for which the mitigation measure applies) x 100</p>			
	\$ 52,622.75	/	\$ 64,308.72
		x 100 =	81.82 %
			= 100%
The Benefit-Cost Analysis (BCA) ratio is		N/A	= 1.0
<h2>V. HMP Cost-Effectiveness</h2> <p>The mitigation measures meet the cost effectiveness criteria based on:</p>			

b) Mitigation measure is listed in Appendix J and is within 100% of the total eligible repair cost of the facility or facilities for which the mitigation applies.

In accordance with FEMA Public Assistance Program and Policy Guide (PAPPG) V4 June 2020, Appendix J (100% Cost Effective PA Mitigation Measures) H. Roofs. II. Strengthen the high wind pressure areas. (e.g., corner zones, roof soffits, overhangs), this mitigation measure does not exceed 100 percent of the eligible repair cost and is considered to be cost-effective.

## VI. Compliances and Assurances

For 'work to be completed,' this HMP is for estimating purposes only. If the site's final placement and configuration are different than the preliminary estimate, the Applicant should submit a change in scope request. This HMP is subject to further review prior to award.

The Applicant is responsible for final design, placement, configuration, procurement, permits and compliance with all regulatory codes and standards.

Eligibility and funding for the mitigation at this site on this project will be subject to the compliance of all environmental laws, regulations, and executive orders applicable to the site(s).

### HMP Notes

1. The mitigation proposal estimates were generated using RS Means. See attachment labeled 731550 - 4699 DR - Costing Spreadsheet.xlsx

Cost

Code	Quantity	Unit	Total Cost	Section
9001 (Contract)	1.00	Lump Sum	\$64,308.72	Uncompleted

CRC Gross Cost	\$64,308.72
Total 406 HMP Cost	\$52,622.75
Total Insurance Reductions	(\$39,308.72)
CRC Net Cost	\$77,622.75
Federal Share (75.00%)	\$58,217.07
Non-Federal Share (25.00%)	\$19,405.68

# Award Information

## Version Information

Version #	Eligibility Status	Current Location	Bundle Number	Project Amount	Cost Share	Federal Share Obligated	Date Obligated
0	Eligible	Awarded	PA-09-CA-4699-PW-00372(404)	\$77,622.75	75%	\$58,217.06	8/2/2024

## Drawdown History

EMMIE Drawdown Status As of Date	IFMIS Obligation #	Expenditure Number	Expended Date	Expended Amount
No Records				

## Obligation History

Version #	Date Obligated	Obligated Cost	Cost Share	IFMIS Status	IFMIS Obligation #
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## Subgrant Conditions

- As described in Title 2 Code of Federal Regulations (C.F.R.) § 200.333, financial records, supporting documents, statistical records and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three (3) years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. Exceptions are stated in 2 C.F.R. §200.333(a) – (f)(1) and (2). All records relative to this project are subject to examination and audit by the State, FEMA and the Comptroller General of the United States and must reflect work related to disaster-specific costs.
- In the seeking of proposals and letting of contracts for eligible work, the Applicant/Subrecipient must comply with its Local, State (provided that the procurements conform to applicable Federal law) and Federal procurement laws, regulations, and procedures as required by FEMA Policy 2 CFR Part 200, Procurement Standards, §§ 317-326.
- The Recipient must submit its certification of the subrecipient's completion of all of its small projects and compliance with all environmental and historic preservation requirements within 180 days of the applicant's completion of its last small project, or the latest approved deadline, whichever is sooner.
- When any individual item of equipment purchased with PA funding is no longer needed, or a residual inventory of unused supplies exceeding \$5,000 remains, the subrecipient must follow the disposition requirements in Title 2 Code of Federal Regulations (C.F.R.) § 200.313-314.
- The terms of the FEMA-State Agreement are incorporated by reference into this project under the Public Assistance award and the applicant must comply with all applicable laws, regulations, policy, and guidance. This includes, among others, the Robert T. Stafford Disaster Relief and Emergency Assistance Act; Title 44 of the Code of Federal Regulations; FEMA Policy No. 104-009-2, Public Assistance Program and Policy Guide; and other applicable FEMA policy and guidance.
- The DHS Standard Terms and Conditions in effect as of the declaration date of this emergency declarations or major disaster, as applicable, are incorporated by reference into this project under the Public Assistance grant, which flow down from the Recipient to subrecipients unless a particular term or condition indicates otherwise.
- The Uniform Administrative Requirements, Cost Principles, and Audit Requirements set forth at Title 2 Code of Federal Regulations (C.F.R.) Part 200 apply to this project award under the Public Assistance grant, which flow down from the Recipient to all subrecipients unless a particular section of 2 C.F.R. Part 200, the FEMA-State Agreement, or the terms and conditions of this project award indicate otherwise. See 2 C.F.R. §§ 200.101 and 110.
- The subrecipient must submit a written request through the Recipient to FEMA before it makes a change to the approved scope of work in this project. If the subrecipient commences work associated with a change before FEMA approves the change, it will jeopardize financial assistance for this project. See FEMA Policy No. 104-009-2, Public Assistance Program and Policy Guide.
- Pursuant to section 312 of the Stafford Act, 42 U.S.C. 5155, FEMA is prohibited from providing financial assistance to any entity that receives assistance from another program, insurance, or any other source for the same work. The subrecipient agrees to repay all duplicated assistance to FEMA if they receive assistance for the same work from another Federal agency, insurance, or any other source. If an subrecipient receives funding from another federal program for the same purpose, it must notify FEMA through the Recipient and return any duplicated funding.

## Insurance

### Additional Information

1/29/2024

### GENERAL INFORMATION

Event: DR4699

Project: ST731550

Category of Work: Cat E - Buildings & Equipment

Applicant: City of Del Rey Oaks

Event Type: Severe Storms

Cause of Loss: Wind / Wind Driven Rain

Incident Period: 3/5/2023 to 3/7/2023

Total Public Assistance Amount: \$116,931.47

### **COMMERCIAL INSURANCE INFORMATION**

Does the Applicant have a Commercial Policy: Yes

Policyholder (Named Insured) per Policy Documents: Monterey Bay Area Self Insurance Authority; City of Del Rey Oaks

Policy Issued by: Alliant Property Insurance Program

Policy Number: APIP2023 (Dec 01) 0104

Policy Period: From: 7/1/2023 To: 7/1/2024

Policy Valuation: Pool Policy

Policy Limits: 500,000,000

RCV or ACV: Actual Cash Value

Deductible Type: Per Occurrence : \$25,000

Does the Applicant's Commercial Policy extend coverage for the damage described in this project: Yes

The amount of the deductible being funded in this project is \$25,000.

The amount of the deductible previously funded in other project(s) for the facilities listed in this project are \$0.00

Final Insurance Settlement Status: Insurance proceeds for this project are anticipated

The amount of Anticipated Insurance Proceeds applied for Project: \$39,308.72

### **NUMBER OF DAMAGED INVENTORIES INCLUDED IN THIS PROJECT: (1)**

#### **Damaged Inventory (DI) #1341693:**

##### **City Hall Roof**

Number of damaged locations included in this DI: (1)

Location Description: 650 Canyon Del Rey Road, Del Rey Oaks, CA 93940

GPS Coordinates: (36.59414, -121.83727)

Cause of Loss: Wind & Flood



SOV / Schedule #: Loc. 100

SOV / Schedule Amount: \$2,666,341

Applicable Deductible Amount: \$25,000

Damage Inventory Amount: \$116,931.47

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility.

Reduction(s):

A reduction is being made for anticipated insurance proceeds in the amount of \$39,308.72.

Obtain and Maintain Requirement:

An Obtain & Maintain Requirement is being required for Building, for the peril of wind associated losses including "wind driven rain" for (**City Hall Roof**) in the amount of \$116,931.47 (Insurable Repair Amount \$64,308.72 + Insurable HMP Amount \$52,622.75)

Insurance Proceeds Statement:

In accordance with 44 CFR §206.250-253, in the absence of an actual settlement, anticipated insurance recoveries will be deducted from this project based on Applicant's insurance policy limits. FEMA subsequently adjusts the eligible costs based on the actual amount of insurance proceeds the Applicant receives after a final settlement.

FEMA's Recovery Policy FP 206-086-1, Public Assistance Policy on Insurance (June 29, 2015), requires applicants to take reasonable efforts to recover insurance proceeds that it is entitled to receive from its insurers. FEMA will consider final insurance settlements that may be less than the insurance policy limits when an applicant demonstrates that it has taken reasonable efforts to recover insurance proceeds that it is entitled to on a case-by-case basis.

Standard Insurance Comments

FEMA Policy 206-086-1

**PART 2: Other Insurance-Related Provisions. (Sections 312 and 406(d) of the Stafford Act)**

**A. Duplication of Benefits.** FEMA cannot provide assistance for disaster-related losses that duplicate benefits available to an applicant from another source, including insurance.

1. Before FEMA approves assistance for a property, an applicant must provide FEMA with information about any actual or anticipated insurance settlement or recovery it is entitled to for that property.
2. FEMA will reduce assistance to an applicant by the amount of its actual or anticipated insurance proceeds.
3. Applicants must take reasonable efforts to recover insurance proceeds that they are entitled to receive from their insurer(s).

FEMA Policy 206-086-1

**H. Subsequent Assistance.** When a facility that received assistance is damaged by the same hazard in a subsequent disaster:

1. If the applicant failed to maintain the required insurance from the previous disaster, then the facility is not eligible for assistance in any subsequent disaster.
2. Upon proof that the applicant maintained its required insurance, FEMA will reduce assistance in the subsequent disaster by the amount of insurance required in the previous disaster regardless of:
  - a. The amount of any deductible or self-insured retention the applicant assumed (i.e., "retained risk").

Obtain and Maintain Requirements:

#### 44 CFR § 206.253 Insurance requirements for facilities damaged by disasters other than flood.

(a) Prior to approval of a Federal grant for the restoration of a facility and its contents which were damaged by a disaster other than flood, the recipient shall notify the Regional Administrator of any entitlement to insurance settlement or recovery for such facility and its contents. The Regional Administrator shall reduce the eligible costs by the actual amount of insurance proceeds relating to the eligible costs.

(b)

(1) Assistance under section 406 of the Stafford Act will be approved only on the condition that the recipient obtain and maintain such types and amounts of insurance as are reasonable and necessary to protect against future loss to such property from the types of hazard which caused the major disaster. The extent of insurance to be required will be based on the eligible damage that was incurred to the damaged facility as a result of the major disaster. The Regional Administrator shall not require greater types and extent of insurance than are certified as reasonable by the State Insurance Commissioner.

(2) Due to the high cost of insurance, some applicants may request to insure the damaged facilities under a blanket insurance policy covering all their facilities, an insurance pool arrangement, or some combination of these options. Such an arrangement may be accepted for other than flood damages. However, if the same facility is damaged in a similar future disaster, eligible costs will be reduced by the amount of eligible damage sustained on the previous disaster.

(c) The Regional Administrator shall notify the recipient of the type and amount of insurance required. The recipient may request that the State Insurance Commissioner review the type and extent of insurance required to protect against future loss to a disaster-damaged facility, the Regional Administrator shall not require greater types and extent of insurance than are certified as reasonable by the State Insurance Commissioner.

(d) The requirements of section 311 of the Stafford Act are waived when eligible costs for an insurable facility do not exceed \$5,000. The Regional Administrator may establish a higher waiver amount based on hazard mitigation initiatives which reduce the risk of future damages by a disaster similar to the one which resulted in the major disaster declaration which is the basis for the application for disaster assistance.

(e) The recipient shall provide assurances that the required insurance coverage will be maintained for the anticipated life of the restorative work or the insured facility, whichever is the lesser.

(f) No assistance shall be provided under section 406 of the Stafford Act for any facility for which assistance was provided as a result of a previous major disaster unless all insurance required by FEMA as a condition of the previous assistance has been obtained and maintained.

**For large projects only:** Final Obtain and Maintain requirement amount will be determined during the closeout process after the final actual eligible costs to repair or replace the insurable facility have been determined.

#### **FEMA Policy 206-086-1**

**F. Timeframes for Obtaining Insurance.** FEMA will only approve assistance under the condition that an applicant obtains and maintains the required insurance.

The applicant must document its commitment to comply with the insurance requirement with proof of insurance.

If an applicant cannot insure a facility prior to grant approval (for example, if a building is being reconstructed), the applicant may provide a letter of commitment stating that they agree to the insurance requirement and will obtain the types and extent of insurance required, followed at a later date by proof of insurance once it is obtained. In these cases, the applicant should insure the property:

- a. When the applicant resumes use of or legal responsibility for the property (for example, per terms of construction contract or at beneficial use of the property); or
- b. When the scope of work is complete.

**D. Modifying the Insurance Requirement.** An applicant may request that FEMA modify the insurance requirement if the applicant attempts to comply with the requirement and believes that: the required insurance is not reasonably available; an alternative to the insurance requirement provides adequate protection against future loss to the property; or the required insurance is not necessary to protect against future losses to the property.

1. The applicant should submit its written request to modify the insurance requirement to FEMA through the recipient. The request should include supporting documentation.
2. In its supporting documentation, the applicant should identify and provide relevant evidence, such as:
  - a. Whether insurance coverage for the hazard or category of property exists, the conditions under which insurers offer coverage, or whether like-situated parties have substantially similar coverage.
  - b. Whether the applicant can obtain the amount of insurance coverage, and if not, why (for example, if the amount of insurance FEMA requires exceeds the value of the property).
  - c. The likelihood of repetitive damage.
  - d. Whether hazard mitigation measures reduce future risk to the property<sup>9</sup>.

- e. Information describing the alternative to insurance and an explanation as to why it provides adequate protection against future loss.
  - f. The affordability of the types and extent of insurance, including the amount of retained risk required as part of available insurance policies, and the cost of insurance in relation to the applicant's operating budget; and
  - g. The possibility of renewing an existing insurance policy.
3. In its request, the applicant should also specify the types and extent of insurance it suggests are reasonably available, adequate, and necessary to protect against future loss, based on the supporting documentation provided.
  4. FEMA will consider the request provided by the applicant and work with the applicant and recipient to determine whether it is appropriate to modify the insurance requirement.

**E. State Insurance Commissioner Certifications.** FEMA will not require greater types and amounts of insurance than are certified as reasonably available, adequate, or necessary by the appropriate State insurance commissioner. The State insurance commissioner cannot waive Federal insurance requirements but may certify the types and extent of insurance reasonable to protect against future loss to an insurable facility.

1. In a certification, a State insurance commissioner should identify the facility or facilities that the certification applies to and certify the types and extent of insurance reasonable to protect against future loss to the property or properties.
2. The certification should include supporting information regarding the availability, adequacy, and necessity of insurance such as:
  - a. Insurance market conditions, including market competition and the relative size of voluntary and residual markets within the State and declared area.
  - b. Reasonable risk management practices based on the applicant's function, size, and operating budget;
  - c. Additional information related to the hazard(s) and class(es) of property for which the applicant must obtain insurance, the extent of policy limits for each insured property, and related premium costs.
3. FEMA will not accept a State insurance commissioner certification that purports to certify that flood insurance—up to the maximum amount of coverage available through an SFIP—is not reasonably available for properties insurable under the NFIP.
4. FEMA will use the type and amount of insurance certified as reasonably available, adequate, or necessary by the State insurance commissioner to modify the applicant's insurance requirement.
5. A State insurance commissioner certification regarding an applicant's property only applies to the current declared event. FEMA does not consider prior certifications when establishing insurance requirements in a subsequent disaster.

FEMA and the recipient will verify proof of insurance, modification, or Insurance Commissioner's certificate prior to grant closeout to ensure the applicant has complied with the insurance requirement.

An applicant should notify FEMA—in writing through the recipient—of changes to their insurance which impact their ability to satisfy the insurance requirement after it provides proof of insurance to FEMA. This includes changes related to self-insurance. If an applicant fails to do this, FEMA may de-obligate assistance and not provide assistance in a future disaster.

When a Obtain and Maintain requirement has been placed on a facility from a previous disaster the insurance coverage that is required must be procured and in force prior to the Disaster Declaration Date of the current disaster. Regardless of the peril, If the same facility is claimed in the current or future disaster and the prior Obtain and Maintain requirement has not been satisfied that facility it is no longer eligible for FEMA Section 406 assistance. Stafford Act-Sec. 311. Insurance (42 U.S.C. 5154)

Kaneta Alexander, PA Insurance Specialist

CRC West, Sacramento

## O&M Requirements

Insured Peril	Item Type	Description	Required Coverage Amount
Wind	Building	An Obtain & Maintain Requirement is being required for Building, for the peril of wind associated losses including "wind driven rain" for (City Hall Roof) in the amount of \$116,931.47 (Insurable Repair Amount \$64,308.72 + Insurable HMP Amount \$52,622.75)	\$116,931.47

## 406 Mitigation

There is no additional mitigation information on **City Hall roof**.

## Environmental Historical Preservation

Is this project compliant with EHP laws, regulations, and executive orders?

Yes

### EHP Conditions

- Any change to the approved scope of work will require re-evaluation for compliance with NEPA and other Laws and Executive Orders.
- This review does not address all federal, state and local requirements. Acceptance of federal funding requires recipient to comply with all federal, state and local laws. Failure to obtain all appropriate federal, state and local environmental permits and clearances may jeopardize funding.
- If ground disturbing activities occur during construction, applicant will monitor ground disturbance and if any potential archaeological resources are discovered, will immediately cease construction in that area and notify the State and FEMA.
- EO 11988 Condition: The Subrecipient must coordinate with the local floodplain administrator and obtain any required permits prior to initiating work. Coordination correspondence with the Floodplain administrator, including any required permits, and implementation documentation to any permit conditions need to be forwarded to the State and FEMA for inclusion in the permanent project files.
- SHM&SWL Condition: The Subrecipient shall ensure that all debris is separated and disposed of in a manner consistent with applicable agency(s). The Subrecipient is responsible for ensuring contracted removal of debris also follow these guidelines and requirements. Failure to comply with these conditions may jeopardize FEMA funding; verification of compliance will be required at project closeout.

### EHP Additional Info

There is no additional environmental historical preservation on **City Hall roof**.

# Final Reviews

## Final Review

**Reviewed By** AUCOIN, ANDREW Z.

**Reviewed On** 07/22/2024 10:56 AM PDT

### Review Comments

No comments available for the Final Review step

## Recipient Review

**Reviewed By** Earl, Derick

**Reviewed On** 07/23/2024 2:07 PM PDT

### Review Comments

If costing and scope are accurate, this project looks good to proceed to the Applicant for review and signature.

# Project Signatures

**Signed By** Bourquin, Chris

**Signed On** 07/23/2024