

ANALYSIS

Item 39: Water Resources Department National Dam Safety Program

Analyst: April McDonald

Request: Approve, retroactively, the submission of a federal grant application to the Federal Emergency Management Agency in the amount of \$369,674 to fund statewide dam safety activities.

Analysis: The Federal Emergency Management Agency's (FEMA) annual National Dam Safety Program (NDSP) grant provides financial assistance to states to strengthen their existing dam safety programs. Oregon's Water Resources Department (WRD) has been awarded an average of \$90,000 per year since 2010 and the recurring grant is built into the agency's base budget. Due to the availability of Infrastructure Investment and Jobs Act (IIJA) funding for federal fiscal year 2024, FEMA is able to provide supplemental NDSP grants in addition to the standard base awards. WRD submitted a federal application for the supplemental funding on February 28, 2024, and due to a misunderstanding of Oregon's process for federal grant applications, the agency did not submit a request to apply for the federal grant during the 2024 legislative session. WRD has acknowledged the error and made internal process improvements to avoid such an oversight in the future.

If awarded, the Department intends to use the IIJA funding to support dam safety inspections, Emergency Action Plan exercises and updates, dam safety related engineering analysis, and contracted evaluations to determine appropriate dam hazard ratings. There is no requirement for matching state funds, and no additional position authority is needed.

WRD's Dam Safety Program will administer grant delivery. It is likely WRD will be allowed to apply grant funding to some staffing costs for agency work on grant-related activities. To a degree, this will help offset the anticipated fee revenue shortfall in WRD's Dam Safety program during the 2025-27 biennium.

Recommendation: The Legislative Fiscal Office recommends that the Emergency Board approve the request.

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Water Resources Department
Filimoehala

Request: Retroactive authorization to apply for a federal grant of \$369,674 from the Federal Emergency Management Agency for Dam Safety projects.

Recommendation: Approve the request.

Discussion: The Water Resources Department is requesting retroactive authorization to apply for a grant of \$369,674 from the Federal Emergency Management Agency National Dam Safety Program. The National Dam Safety Program is a partnership of states, federal agencies, and other stakeholders to encourage and promote the establishment and maintenance of effective federal and state dam safety programs to reduce the risk to human life, property, and the environment from dam related hazards. The grant has no matching requirements and provides additional resources for an existing program. The Department has continually received the grant since 2010.

As a result of the Infrastructure Investment and Jobs Act (2021), increased funding was made available within the National Dam Safety Program. In Fiscal Year 2023, Oregon was awarded \$87,956 from the program. The Fiscal Year 2024 expected award of \$369,674 represents a 320.3 percent increase year over year. The increase in federal award does not require a state match but does include maintenance of effort requirements of \$524,820 for state funding, which is the same as previous levels of state support. The Department submitted the grant application on February 28, 2024. Due to a timing challenge, the Department submitted notification of intent to apply for the grant retroactively on March 15, 2024, following the advice of staff.



Oregon

Tina Kotek, Governor

Water Resources Department

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May 2, 2024

The Honorable Senator Rob Wagner, President of the Senate
The Honorable Representative Julie Fahey, Speaker of the House
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Oregon Water Resources Department (Department) respectfully submits this letter requesting retroactive approval to apply for the fiscal year 2024 Federal Emergency Management Agency (FEMA) National Dam Safety Program (NDSP) grant opportunity. The NDSP grant program provides financial assistance to states for strengthening their dam safety programs. The Department has applied for and received this federal grant every year since 2010 and it is a vital financial resource for our continued work. In past funding cycles the Department has been awarded an average of about \$90,000 for the base award per federal fiscal year. For the federal fiscal year 2024 funding opportunity, in addition to the regular base award amount, we anticipate the award amount of approximately \$369,674, attributable to the infusion of Infrastructure Investment and Jobs Act (IIJA) funds.

Agency Action

With the additional investment of IIJA funds, the Department discussed the process for application and acceptance of the federal fiscal year 2024 IIJA funding opportunity addition with analysts in the Department of Administrative Services, Chief Financial Office and the Legislative Fiscal Office. The analysts recommended the Department submit a letter of request to apply, given the federal funds are from a different source (IIJA) and the amount is supplemental, above that which is assumed in the Department's budget. No additional state match funds are requested or necessary for OWRD to apply for and implement this grant. The Department submitted the application for funding on February 28, 2024. Due to a misunderstanding of the federal grant process during session, the Department did not submit this request timely. The Department regrets the error and has noted the process to be used for future grant applications that arise while the Legislature is in session.

The grant requires administration by the Department's Dam Safety Program. The grant requirements are consistent with and support the Department's dam safety activities authorized by ORS 540.443 to 540.491. The current grant (base) provides about \$90,000

in assistance to Oregon's Dam Safety Program annually and is included in the Department's base budget. The additional IIIA funding may be used to support agency work related to dam safety inspections, Emergency Action Plan (EAP) exercises and updates, dam safety related engineering analysis, and to contract with outside engineers to complete evaluations needed to determine if a dam has the appropriate hazard rating. No additional position authority is required under this proposal.

Action Requested

The Oregon Water Resources Department requests retroactive approval to apply for an anticipated amount of federal funds not expected to exceed \$369,674. Should funding be awarded to the Department, the federal fund expenditure limitation, if needed, will be requested in a separate letter at the next available Legislative opportunity.

Legislation Affected

Not applicable.

Thank you for your consideration of this request. For additional information, please contact Lisa Snyder, Administrative Services Division Administrator, at (503) 983-5801.

Sincerely,



Douglas E. Woodcock
Acting Director

CC: Amanda Beitel, Legislative Fiscal Office
Kate Nass, Chief Financial Office
April McDonald, Legislative Fiscal Office
Sione Filimoehala, Department of Administrative Services
Adam Crawford, Department of Administrative Services