

## PROJECT FUNDING REQUEST

**BOARD DATE:** January 28, 2021

**PRESENTED BY:** Kathy Hopkins

### ACTION REQUESTED

Consider approving an application from Cameron County and authorizing the Executive Administrator to negotiate and execute a contract for grant funding in an amount not to exceed \$275,658 from the Flood Infrastructure Fund for a federal grant award matching funds project.

### STAFF RECOMMENDATION

Approve       No Action

### BACKGROUND

Passed by the 86th Texas Legislature and approved by voters through a constitutional amendment, the Flood Infrastructure Fund (FIF) was created to provide funding for flood mitigation projects. The purpose of the FIF, as outlined in Senate Bill 7, is to assist in financing drainage, flood mitigation, and flood control projects. FIF projects presented for consideration have been scored and ranked using prioritization criteria outlined in 31 Texas Administrative Code § 363.404 and further specified in the 2020 Flood Intended Use Plan. The prioritized list of projects was approved by the Board on September 17, 2020.

### KEY ISSUES

The selected project is eligible under Category 3, Federal Award Matching Funds, of the 2020 Flood Intended Use Plan. This category of funding was designed to leverage federal funding by assisting applicants with the required local match. Category 3 projects are eligible to receive a maximum of 90 percent grant funds for the required match based on criteria outlined in the 2020 Flood Intended Use Plan. Recipients of financial assistance may either use their own available funds or borrow FIF funds at zero percent interest for any portion of the required local share not provided through FIF grant funds.

Cameron County (County) has submitted a complete financial assistance application and is eligible to receive 75 percent grant funding through the FIF for a portion of the local match requirements for federal funds under the Hazard Mitigation Grant Program (HMGP). The County has been selected to receive \$1,102,626 in federal matching funds through the HMGP.

The project recommended for approval meets all minimum requirements found in the 2020 Flood Intended Use Plan:

- (1) for construction-oriented projects, the benefit/cost ratio of the project meets the requirements of the 2020 Flood Intended Use Plan;
- (2) for flood control projects where the project watershed is located outside the boundaries of the applicant, the applicant has entered into a Memorandum of Understanding with all required entities related to management of the watershed;
- (3) the funding request does not include redundant funding;
- (4) the area to be served by the project meets the requirements of the 2020 Flood Intended Use Plan related to the National Flood Insurance Program;
- (5) the project was developed using the best/most recent available data;

<b>COMMITMENT PERIOD:</b> SIX (6) MONTHS TO EXPIRE JUNE 30, 2021
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(6) for construction projects, the applicant has planned for operation and maintenance costs; and

(7) for construction projects, the applicant has considered possible floodwater capture techniques that could be associated with the project for water supply purposes.

The project recommended for approval meets the statutory requirements found in Texas Water Code § 15.536:

(1) the application and the assistance applied for meet the requirements of Texas Water Code, Chapter 15, Subchapter I and 31 Texas Administrative Code Chapter 363; and

(2) the application demonstrates a sufficient level of cooperation among eligible political subdivisions and includes all of the eligible political subdivisions substantially affected by the flood project.

### **PROJECT NAME**

Cameron County Paso Real Drainage, Project Number 40156

### **PROPOSED PROJECT FUNDING**

<b>TOTAL PROJECT COST</b>	<b>\$1,470,181</b>
Grant amount requested from FIF	\$275,658
Local contribution	\$91,887
Local in-kind	\$0
Federal funding	\$1,102,636

### **PROJECT SCHEDULE**

<b>Task</b>	<b>Estimated Schedule Date</b>
Closing/Contract Execution	March 5, 2021
Planning phase (Ending Date)	February 1, 2020
Design Phase (Beginning Date)	March 1, 2020
Start of Construction	April 1, 2021
Construction Completion	April 1, 2022

### **PROJECT NEED AND DESCRIPTION**

The County's HMGP application has been awarded funding by the Texas Division of Emergency Management and the Federal Emergency Management Agency to address the effects of flooding in the Paso Real Subdivision caused by the surrounding resaca. Through the HMGP, the County can receive up to 75 percent federal funding with the remainder of project costs covered by the local match. The subdivision has 369 residential structures with an estimated population of 2,415 residents. Cameron County has received several major rain events that have caused over 86 percent of the subdivision to flood and required immediate emergency assistance from the County.

The project proposes to remove the overbrush in the resaca and converting the Resaca into a detention pond by constructing a weir system with a 48-inch outfall pipe to convey floodwaters into Cameron County Drainage District's ditches to the northwest of the subdivision. This will protect and prevent floodwater from entering the subdivision causing flooding of these residential structures.

### **FINANCIAL**

The funding being provided by the TWDB is in the form of 100 percent grant and therefore is not subject to our internal risk score analysis that is applied to loans. For this request, staff reviewed the County's annual audit and funding application information to assess the entity's ability to manage existing obligations and business practices. Based on this analysis, staff believes the County has adequate capabilities to manage its obligations.

**SPECIAL CONDITIONS**

- Prior to closing, the County must demonstrate its required local share of \$91,887, which may be provided through in-kind services with prior approval by the Executive Administrator; and
- Prior to closing, the County shall execute a Grant Agreement in a form and substance acceptable to the Executive Administrator.

Attachment: Location Map



# Cameron County

