

ANALYSIS

Item 66: Water Resources Department High Hazard Potential Dams

Analyst: Matt Stayner

Request: Increase Federal Funds expenditure limitation for the Water Resources Department by \$381,651 for the expenditure of unanticipated federal grant monies awarded by the Federal Emergency Management Agency for the High Hazard Potential Dams Program.

Analysis: Funding for this program is used to provide financial assistance to dam owners for planning, design, and preconstruction costs of rehabilitation of state regulated dams in poor or unsatisfactory condition. Matching funds of 35% are required to be provided by the dam owners of the projects selected for funding.

The Water Resources Department (WRD) has received funding through this program for the past three years. This formula-driven funding is based on the number of eligible dams in Oregon relative to the number of dams in all other states applying for the grant. The unanticipated additional funding is associated with the 2021 federal fiscal year. WRD had originally applied for \$291,250 in grant funding, but was awarded \$672,901, a difference of \$381,651. WRD does not require additional positions or FTE.

Recommendation: The Legislative Fiscal Office recommends that the Emergency Board increase Federal Funds expenditure limitation for the Water Resources Department by \$381,651, for the expenditure of unanticipated federal grant monies awarded by the Federal Emergency Management Agency, for the High Hazard Potential Dams Program.

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Oregon Water Resources Department
Crawford

Request: Increase Federal Funds expenditure limitation by \$381,651 to support dam safety.

Recommendation: Approve the request.

Discussion: The Oregon Water Resources Department (WRD) is responsible for maintaining a list of dams regulated by the state. Included in this inventory of over 950 dams is the dam's location, name, permit number, height, storage capacity, and hazard classification. WRD, through Senate Bill 788 (2009), is allowed to charge a permit fee to dam owners based upon their dam's hazard classification. Dam safety is not based on the condition of the dam itself, but what would occur if the dam were to fail.

Federal grant funding is also used to help address high hazard dams in Oregon, specifically the Federal Emergency Management Agency High Hazard Potential Dam (HHPD) grant program. The HHPD program provides technical, planning, design, and construction assistance in the form of grants for rehabilitation of eligible high hazard potential dams.

WRD submitted an application to the HHPD grant program on June 22, 2021 for \$291,250. WRD has been notified they have been awarded \$672,901 and is seeking additional Federal Funds expenditure limitation for the \$381,651 in increased funding.

Legal Reference: Increase the Federal Funds expenditure limitation established by Chapter 665, Section 4(4), Oregon Laws 2021, for Oregon Water Resources Department Technical Services by \$381,651 for the 2021-23 biennium.



Oregon

Kate Brown, Governor

Water Resources Department

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August 22, 2022

Senator Peter Courtney, Co-Chair
Representative Dan Rayfield, Co-Chair
Joint Emergency Board
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 Federal Fund expenditure limitation increase in the amount of \$381,651. The limitation is needed because the Department was awarded a larger than anticipated grant in Federal Fiscal Year 2021 for the Federal Emergency Management Agency (FEMA) High Hazard Potential Dam (HHPD) funding opportunity. The grant was awarded in September 2021 and is a vital financial resource for our continued work. Funding from this opportunity will be used for contract services to assist dam owners with planning and design related work for addressing identified dam safety issues.

Agency Action

The grant requires administration by the Department's Dam Safety Program. The grant requirements are consistent with and would support the Department's dam safety activities authorized by ORS 540.443 to 540.491. The grant requires a 35 percent cost match which will be achieved by using existing General Fund expenditures in the Dam Safety program. The Department submitted the application for funding on June 22, 2021, requesting \$291,250 in grant funds. The Department received notification of the increased funding amount and was subsequently awarded funds in the amount of \$672,901 on September 15, 2021, provided the Department meets certain requirements to receive the funding. The Department has not yet received the funds and is assessing the requirements; however, if the Department receives the full amount, it will exceed its expenditure limitation by \$381,651.

Action Requested

The Oregon Water Resources Department requests an increase in Federal Fund expenditure limitation in the amount of \$381,651 to support the activities of this grant award. No additional positions or FTE are requested.

Legislation Affected

Amend Oregon Laws 2021, Chapter 665 (Senate Bill 5545), Section 4, Subsection 4, "Technical Services," increasing the budget by \$381,651.

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

Sincerely,



Thomas M. Byler
Director

- c: Amanda Beitel, Legislative Fiscal Office
George Naughton, Chief Financial Office
Matt Stayner, Legislative Fiscal Office
Sione Filimoehala, Department of Administrative Services
Adam Crawford, Department of Administrative Services
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