



EROSION DISTRICT ST. LUCIE COUNTY, FLORIDA Regular Meeting

February 5, 2019

Convened: 7:44 PM
Adjourned: 7:51 AM

1. CALL TO ORDER

The meeting was called to order at 7:44 PM by District No. 4, Chair Frannie Hutchinson

Attendee Name	Title	Status	Arrived
Frannie Hutchinson	District No. 4, Chair	Present	6:00 PM
Cathy Townsend	District No. 5, Vice-Chair	Present	6:00 PM
Chris Dzadovsky	District No. 1	Present	6:00 PM
Sean P. Mitchell	District 2	Present	6:00 PM
Linda Bartz	District No. 3	Present	6:00 PM
Howard Tipton	County Administrator	Present	6:00 PM
Daniel S. McIntyre	County Attorney	Present	6:00 PM
Brittany Jones	Recording Secretary	Present	6:00 PM

2. APPROVAL OF MINUTES

There are no items scheduled.

3. GENERAL PUBLIC COMMENT

Chair Hutchinson opened the meeting for public comment at this time. There being no one wishing to appear before the Board, Chair Hutchinson closed public comment.

4. CONSENT AGENDA

There are no items scheduled.

5. REGULAR AGENDA

A. Post-Irma South County Beach Restoration (Continuation)

BACKGROUND

In September/October of 2017 Hurricane Irma impacted St. Lucie County, when approximately 374,000 cubic yards of sand was documented to have been lost from the active beach profile, adjacent to the 2013 beach project area. Consequently, County staff worked with FEMA representatives to develop a Category G damage claim to replace those sands lost during the storm event (anticipated construction related costs \$12,703,168.42). On September 18, 2018 an obligated Project Worksheet (PW) was issued by FEMA to the Florida Department of Emergency Management (FDEM, Grantee); who on November 13, 2018 entered into a sub-grant agreement with the County to secure FEMA obligated funds for future reimbursement, if needed. The Sub-grantee agreement with FDEM will include not only beach related claims but other storm related claims obligated by FEMA for Hurricane Irma impacts. Per the PW, beach related construction must be completed by March 10, 2018 unless a request for an extension is submitted and approved in advance by FEMA/FDEM. The FEMA project option requires the County to advance all funds required for construction, coordinate and initiate all components of construction, and request reimbursement from FEMA. Additional efforts should include financial planning for some future Federal opportunity and aggressive, future advocacy to ensure Congress re-appropriates "New Start" funds.

Subsequently, Congress passed the Bipartisan Budget Act of 2018 which included Federal Supplemental Irma funds to support the first Federal nourishment Project (New Start) of the South St. Lucie Beach Restoration Project (long-term loan option for the non-Federal share). The Federal Supplemental Irma funds identifies \$20,276,000 (non-Federal share @ 65%, \$13,179,000) for the placement of 422,000 cubic yards of sand. The Feasibility Study for this project, which was recently authorized in the Water Resource and Development Act of 2018, includes the initial nourishment (35% federal) and two (2) additional renourishment events (27% federal) over a 50 year period. USACE guidance pertaining to these construction funds requires the County to enter into a Project Participation Agreement (PPA) with the USACE (50 years), and identify a local funding plan to pay back the non-Federal share of initial construction; originally \$13,179,000 (per the Chief's Report dated December 15, 2017).

Recent FEMA Developments:

At the recommendation of the USACE (letter dated November 13, 2018), St. Lucie County pursued the possibility of reallocating FEMA funds towards partial payment of the non-Federal portion of the Federal Supplemental Irma Project (letter dated November 14, 2018). The County received a response letter from FEMA on January 7, 2019 not only suggesting denial of

our request but further developing a case for the complete de-obligation of funds previously obligated in Project Worksheet 567 (\$9,527,376.32); citing the USACE project as a Federal "Duplication of Benefits."

Recent USACE Developments:

According to recent correspondence by USACE Staff (January 23, 2019), the cost of the Federal Supplemental Project was recently adjusted for inflation, and the new project cost breakdown totals \$14,821,950 not \$13,179,000, as previously established. In addition, new USACE guidance pertaining to the Federal Supplemental Bill excludes the use of long-term financing for CBRA Zone and limited use areas (including private benefits). This determination therefore resulted in an unanticipated upfront cost of \$10,508,999 (needed before bidding the project) with only the remaining \$4,312,951 eligible for long-term financing.

Considering the recent developments cited above, certain previous Board actions require nullification to keep all possible project options alive while these significant last minute funding changes are responsibly assessed and understood. In both scenarios, time is of the essence and extending previously established timelines for both project funding options improves our chances for a successful project.

Ultimately, any future project should seriously consider the current state of the Erosion District's budget as well as future program needs (Ft. Pierce Beach, Inlet Sand Trap, Possible Emergency Efforts, etc.). In addition, there is a beach management funding request (approximately \$5.4 million) pending in the upcoming State legislation which could also benefit the Federal Supplemental Irma project.

RECOMMENDATION

Given the extraordinary circumstances surrounding the possible funding options for a future South County Beach project, as well as the latest developments concerning FEMA funding, Administration and Staff recommend the Board nullify the following previous actions adopted during the December 18, 2018 Erosion District meeting (Agenda Item 5734):

- Recommendation No. 2 - to move forward with the FEMA funded project option, along with supporting budget resolution.
- Recommendation No. 3 - approval of Work Authorization No. 13 with G.E.C, Inc., for design and construction services associated with this project, including the pursuit of a lease agreement with BOEM for sands located in Federal waters.
- Recommendation No. 4 - approval to formally notify the USACE of the County's intention of utilizing FEMA funding in-lieu-of the Federal Supplemental appropriation.

In addition, Administration and Staff also recommend Board approval 8) to follow up with FEMA regarding the potential de-obligation, and 9) to request a formal time extension from the USACE to delay the Federal Supplemental Irma nourishment project.

A motion was made to approve staff recommendation and it passed unanimously.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Chris Dzadoovsky, District No. 1
SECONDER:	Linda Bartz, District No. 3
AYES:	Hutchinson, Townsend, Dzadoovsky, Mitchell, Bartz

6. MOTION TO ADJOURN

There being no further business to be brought before the Board, the meeting was adjourned.

Please Note: Final minutes are recorded in the official minute books that are filed with the Clerk of the Circuit Court and available for inspection upon request.