



## Boulder County CDBG-DR Collaborative Standing Meeting Minutes – July 14, 2017

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**Facilitator:** Kathy Fedler, City of Longmont

**BCC Partners:** Leslie Irwin, Boulder County  
Deb Gardner, Boulder County  
Heather Balsler, City of Louisville  
Shawn Lewis, City of Longmont  
Kyndra Daniels, City of Longmont  
Molly O'Donnell, City of Longmont

Kristyn Unrein, Boulder County  
Victoria Simonsen, Town of Lyons  
Richard Markovich, Town of Lyons  
Peter Gibbons, City of Longmont  
Philip Strom, City of Longmont

**Consultants:** Deborah Siefert, Hagerty Consulting

**Others:** None

**Location:** City of Longmont, City Manager's Conference Room

### Agenda and Discussion Items:

- Changes to or Approve Minutes from May meeting
- Boulder County Resiliency Plan Report Out – BoCo Strong & Resiliency Para Todos
- Updates
  - General Round 2 Infrastructure Project Updates
    - Round 2 Obligation 1 Expenditures, Targets, & Issues
    - Community Project Report Out
  - Update on Housing Projects (Ponderosa and Lyons)
  - Update on Status of Round 3 Funding
  - Update on Procurement Issues/Policies:
    - Resources
    - Getting an independent cost estimate before bid
    - Price/Cost Analysis vs. Cost Principles
  - SB-40 Policy Update
- Advocacy and Agitation about:
  - Other Concerns/Issues?

### Handouts:

- Updated BCC Master Tracker & Dashboard
- Reconciliation of Funding Allocation with Updated R2 Housing New Construction Numbers

## 2:34 pm – Introductions

### May 12, 2017 Standing Meeting Minutes Review

Motion to approve made Heather Balsler, seconded by Victoria Simonsen. No comments, discussion, or requests to make revisions occurred. Meeting minutes for May 12, 2017 approved.

### Boulder County Resiliency Plan Report Out – BoCo Strong & Resiliency Para Todos.

No updates from BoCo Strong or Resiliency Para Todos.

### Updates

#### General Round 2 Infrastructure Project Update, including Round 2, Obligation 1 Expenditures Targets & Issues – Molly O’Donnell

- Molly presented the revised BCC Master Tracker spreadsheet showing the entire program, from Round 1 through Round 3.
- Molly provided updates on recent reimbursements, bringing total Round 2 expenditures and reimbursements to \$13,651,031 to date. When added to the Round 1 expenditures of \$1,073,275, total expenditures and reimbursements to date for the program are \$14,724,306.
- LMI Graphs that reflect the entire program through Round 3 were presented showing that 46% of funds are projected for Low/Moderate Income (LMI) currently, when 50% is the target. Based on actual draws to date, 33% of the funds were spent on LMI projects, 67% on Urgent Need.
- Expenditure Projections Graphs were revised to reflect the expenditures that occurred through June 2016. Every BCC Partner has now expended funds. For Round 2, Obligation 1, 79% of the time has expended, while 62% of the funds have been expended.
- Overall, based on project readiness it looks like we can hit the September 2017 targets, however all BCC Partners need to work hard to get the documentation ready for draws to meet the targets.
- FEMA Match reimbursement timeliness issues have been/are being resolved for the 4 projects we reported on in the immediate term, however this problem will continue through the end of the program for other FEMA Match projects.

#### Community Project Report Out

- *Louisville Raw Water Diversion*: Project will be ready to complete draws within Round 2, Obligation 1.
- *Lyons – all projects*: Tony Cavalier is leaving, Ana Canada will take his place as Finance Director. Richard Markovich started as Flood Recovery Manager. Habitat for Humanity affordable housing development was approved. Bohn Park will finish construction next year, needed to relieve Laverne Johnson park overuse. Annexation of the Eastern Corridor is complete and the public works building is moving forward on that site. An RFP will be put out this month for development on Eastern Corridor. CDBG-DR buyouts are almost complete; the Foothills Mobile Home Park was purchased in April, and the last property is targeted for August.
- *Jamestown – all projects*: HMGP Buyouts program is complete, preparing for reimbursement. First URA reimbursement complete for HMGP tenants that were rejected as ineligible costs by FEMA. Elevations construction bids came in very high, looking for a regional option. Lower Main St. Bridge construction received its HMGP grant from FEMA. Boulder County’s portion of CR-94 is in construction, and FEMA’s review of Jamestown’s portion is almost complete.
- *City of Boulder Wonderland Creek Greenways Improvement Project*: Preparing for final substantial reimbursement. *Ponderosa Mobile Home Park Resiliency & Stabilization Project*:

Closing scheduled for July 21, environmental clearance last big step remaining to prime for CDBG-DR funds.

- *Boulder County*: Buyouts are complete except for a couple that depend on the Home Access program, in demo for all the rest. Home Access will be ongoing through 2018. Over 100 rehab cases have been completed to date, the program will be complete in 2017. Temporary Rental Assistance will be ongoing as long as it is needed. Round 3 infrastructure planning underway.
- *Longmont Resilient St. Vrain*: FEMA-funded City Reach 2A is in FEMA's hands for PAAP amendment approval, anticipated construction bidding end of 2017. CDBG-DR funded City Reach 2B is in negotiations with BNSF Railroad on a bridge replacement and an income survey is underway to confirm LMI status of the project. Anticipated construction in 2<sup>nd</sup> quarter 2018.
- *Nederland Drainage Improvements*: Main CDBG-DR reimbursement complete, waiting for DHSEM project close out for final CDBG-DR reimbursement.
- *St. Vrain & Left Hand Water Conservancy District Lake 4 Improvements*: Waiting for Boulder County to submit version to DHSEM to determine CDBG-DR funding approach for this project.

#### Update on Housing Projects (Ponderosa and Lyons)

Molly O'Donnell reported on Ponderosa's project status in the Community Report Out (see above).

Lyons' project ties in with Round 3 Funding discussion, see item below for updates.

#### Update on Status of Round 3 Funding – Kathy Fedler

Kathy reported that the State Division of Local Affairs (DOLA) and Division of Housing (DOH) originally pushed back on the BCC's calculation of the \$2.8 million in leftover Round 2 New Construction funding that should be coming to the BCC in Round 3, saying it should be closer to \$1 million. However, after walking through the numbers in depth, the State and the BCC actually arrived at \$3.6 million, which has been confirmed in writing. The key to determining the correct number was ensuring that Boulder County received at least 52% of all CDBG-DR grant funds per the Action Plan.

The next negotiation is to determine whether DOH should manage the remaining Round 3 new construction funds (Allocated to Lyons) or the BCC will manage the funds. If it's decided that the BCC should manage the funds the \$3.6 million would be included into our Round 3 grant agreement amendment. If it's decided that DOH manages the new construction funding, the BCC would reduce the Round 3 grant agreement amendment by a little less than \$400k to make sure Lyons new construction project allocation remains at \$4 million. Meetings are being set up for late July between the State, BCC, and Lyons to discuss options.

Kathy Fedler presented the Reconciliation of Funding Allocation with Updated R2 Housing New Construction Numbers handout. This handout is revised version of the handout discussed at the January 2017 BCC meeting. The handout shows what the BCC agreed to at the January meeting, the funding options depending on if the State manages Lyons' New Construction funding, and options for applying the remainder to unmet needs in Infrastructure or Housing, with numbers provided for meeting LMI targets for Infrastructure and percentage of Area Median Income (AMI) households for Housing.

For Housing, all <30% AMI households are funded, an additional \$404,258 is needed to cover all <50% AMI households, and over \$1 million to cover <80% AMI households. Boulder County already transferred a portion of its infrastructure funding to cover <50% AMI households, so if funds are applied to housing, the infrastructure funding could be transferred back. Longmont and Boulder County need to discuss what would be needed in order to fund <80% AMI households.

**Action Item:** Leslie Irwin will refine Boulder County's Round 3 Housing numbers and present back at the September BCC meeting with preferences for how to move forward. By this time, more information will be known about Lyons' Housing New Construction funding, and whether any leftover unspent Round 2, Obligation 1 funding might come to the BCC, so a decision can be made.

## Update on Procurement Issues/Policies – Molly O'Donnell

**Resources:** Reminder that all the latest versions of Procurement Resources are available on the BCC website ([www.bccollaborative.org](http://www.bccollaborative.org)). Recent updates have occurred to Cost Reasonableness, MBE/WBE, and CDBG-DR Contract Provisions.

**Getting an Independent Cost Estimate Before Bid:** Reminder that 2 CFR 200 requires that contracts over \$150,000 obtain an independent cost estimate prior to going out to bid. For FEMA projects, PW's or HMGP grant agreements satisfy this requirement since they've undergone cost benefit analysis.

**Price/Cost Analysis vs. Cost Principles:** Price/Cost Analysis and Cost Principles are both ways to determine cost reasonableness. Cost Principles apply to every single purchasing action using federal funds. This consists of a more basic, fundamental review to ensure federal funds spent are necessary, reasonable, and allocable. Price and Cost Analysis is a higher threshold of review required for procurements over \$150,000 and incorporate cost comparisons to determine cost reasonableness. Using the BCC Cost Reasonableness worksheet on the website will walk your procurement through one or both of these steps as required for your procurements.

## SB-40 Policy Update – Molly O'Donnell

The BCC Policy Memo on compliance with SB-40 Wildlife Certifications requirements has been posted to the BCC website. It memorializes the decisions made at the May 12, 2017 BCC meeting and provides a clear interpretation of when SB-40 compliance is required for BCC projects. It also includes an analysis of known BCC projects and whether SB-40 compliance will be required based on each project's unique circumstances.

### **Advocacy and Agitation about:**

#### Other Concerns/Issues?

**Oil & Gas issues on Buyouts:** Victoria Simonsen reported that FEMA changed its policy on the inability to use HMGP funds on acquired properties in states that allow fracking. FEMA will now allow a horizontal drilling operation on an HMGP buyout property but no above-ground appurtenances. This change in policy will allow the Jansen buyout in Lyons to move forward.

**HUD Monitoring:** Kathy Fedler reported that HUD monitored the State from July 10-13, 2017. Some highlights of the exit conference include:

- Irv Halter and Dave Bowman had differing interpretations on the State's plans for CDBG-DR program extensions. Irv reported that no extensions would occur, but Dave is already working on extensions for specific larger projects that are anticipated to go beyond September 2019. Dave will work with Irv's office to ensure they are on the same page.
- HUD gave Boulder County kudos for their buyout program.
- HUD was happy with some changes the State made based on the results of the last monitoring, however they were unhappy that some of the findings/concerns from last time were not yet adequately addressed.

**3:50 pm - Meeting adjourned.**

**The August 2017 BCC meeting is cancelled. The next Meeting will be on September 8<sup>th</sup>, location TBD.**