

2013 FLOOD RECOVERY TASK FORCE: FINAL REPORT

EXECUTIVE SUMMARY

Long term recovery from the 2013 flood continues for Calgary citizens and The City of Calgary (The City). The Recovery Operations Centre (ROC), established to provide leadership within The City of Calgary and the Calgary community, identify and resource immediate flood recovery activities, and support the delivery of recovery, mitigation and resilience recommendations in Action Plan, will continue to transition over the summer. Long-term recovery will continue beyond 2015 June into future years and the responsibility for implementation, tracking and reporting on progress have been transitioned to several business units. In particular, citizen personal and property related support, finance reporting and funding recovery, insurance and infrastructure recovery projects remain as ongoing recovery work through to end of Action Plan 2018.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommend that Council receive the 2013 Flood Recovery Task Force: Final Report for information.

RECOMMENDATION OF THE PRIORITIES AND FINANCE COMMITTEE, DATED 2015 JULY 14:

That the Administration Recommendation contained in Report PFC2015-0569 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2013 July 02, the Priorities and Finance Committee received PFC2013-0578 Flood Status Update regarding administrative and community activities resulting from the 2013 flood. Since that time, a number of reports have been brought to Council by Administration including: quarterly updates on the activities of the 2013 Flood Recovery Task Force; emergency response updates and lessons learned reports from the Calgary Emergency Management Agency (CEMA); update reports from the Water Expert Management Panel on River Flood Mitigation; Flood Hazard Area land use policy update reports; Flood Permit Grant Program on permit fees; property tax relief reports; flood-related budget impacts; and resiliency recommendations. All flood related reports are available in the Electronic Legislative Management Solution pages at calgary.ca.

BACKGROUND

CEMA promotes and strengthens the emergency preparedness, resilience and the coordinated response and recovery efforts of The City, businesses and citizens to major emergencies and disasters in the city. Prior to the 2013 flood, CEMA had developed a recovery module and educated and trained senior Administration to be prepared to address recovery following a significant disaster. During the flood event, a ROC Steering Committee was established and a Recovery Director appointed to oversee the Flood Recovery Task Force (Task Force) in 2013 July. A *2013 Flood Recovery Framework* identifying recovery objectives was approved by Council on 2013 September 03. Since the disaster, The City has undertaken recovery and rebuilding activities with a focus on five priority areas outlined in the framework: People, Housing and Property, Infrastructure and Services and Funding. With the transition of ROC and the disbanding of the Task Force, several specific recovery activities have transitioned to

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business units within The City. The Recovery Director worked collaboratively with business unit Directors to identify remaining work and transition plans. This work was presented to and approved by the ROC Steering Committee and is contained in Attachment 1 *2013 Flood Recovery Operations Centre Transition Plan (Transition Plan)*.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The Task Force has completed much of the work set out in the five key focus areas outlined in the 2013 Flood Recovery Framework, and long term operations and capital recovery work was identified within 2015-2018 Action Plan. The coordination of activities between business units and other orders of government and external partners is transitioning to business units with the anticipation of the closure of ROC. Securing funding remains a top priority from insurance, grant programs such as the Disaster Recovery Program (DRP), the Municipal Staffing Capacity Grant (MSCG), Property Tax Relief Program, Flood Recovery Erosion Control (FREC) program, and the Alberta Community Resilience Program (ACRP).

People, Housing and Permits:

ROC has made a best effort to inform those citizens that continue to be impacted by the flood with regard to the services available to them and the anticipated program closure dates. At the time of this report, approximately 360 private property DRP files remain active in Calgary, with 39 in appeal (<http://www.aema.alberta.ca/documents/Status-of-Disaster-Recovery-Program-applications-City-of-Calgary.pdf>). Community & Neighbourhood Services will monitor the psychosocial recovery of flood impacted Calgarians, through its connections with Alberta Health Services (AHS) and the Psychosocial Disaster Network. Internal activities related to property recovery and the activities planned by the GOA regarding property buy-outs will be overseen by Planning Development & Assessment (PDA). Currently the GOA owns the buy-out properties and ensures they are maintained such as cutting grass and shovelling sidewalks. The GOA hired a consultant to assess the structures and recommend further action. At this point, The City role is to advise the GOA of city permits and requirements for demolition or alternatives. A full project charter, undertaken by ROC, all PDA Directors and involving staff from other business units has been completed to transition the ongoing community recovery monitoring and restoration work to PDA.

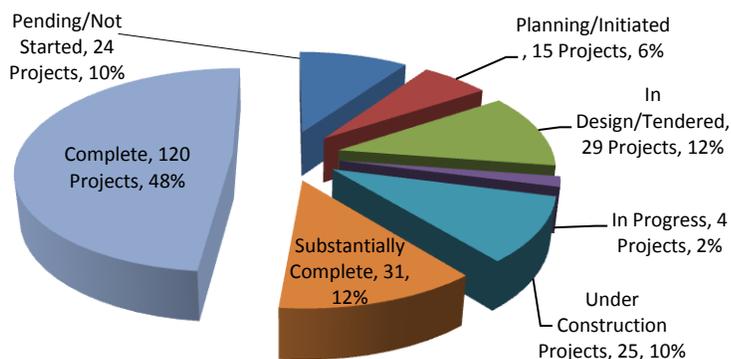
PDA is undertaking work to further engage citizens and review the way in which The City regulates development in floodway, flood fringe and overland flow areas. Citizens have been involved in the discussion of a number of Land Use Bylaw amendments that have been proposed and passed by City Council, and this work continues through technical reporting on risk, triple bottom line assessments and the drafting of appropriate land use policy responses.

Infrastructure:

The Municipal Infrastructure Recovery Program (MIRP) focuses specifically on the municipal infrastructure projects of the 2013 Flood Recovery

Approval(s): Deputy City Manager (B. Ste)

Current Total of 248 Active MIRP Projects



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Framework. It is in place to ensure alignment between projects initiated to repair municipal infrastructure, City budget processes and processes to recover funds from insurance, the Alberta DRP and other funding sources. As indicated in the chart *Current Total of 248 MIRP Projects*, work continues on projects to repair or, where necessary, replace municipal infrastructure damaged during the June 2013 flood. Project status (cost, schedule and scope/quality) is monitored and updated on a monthly basis for all projects.

Directed by the ROC Steering Committee to maintain close coordination of infrastructure recovery activities, this coordination will continue beyond the closure of the ROC and include budget, funding through insurance and DRP and reporting. This will be transitioned into Infrastructure & Information Services (IIS). Flood recovery projects and budgets will be reported through the mid and year end Action Plan process.

Insurance and provincial grants and programs provide the majority of funding for municipal infrastructure recovery. These funding sources have time limits. Insurance claims must typically be processed within a two-year period and the provincial DRP must be concluded and audited within five years of the disaster, less the time to process the paperwork. An extension of the two-year insurance claim period has been granted by The City's insurers given the complexity of the claim and settlement discussions. With respect to the DRP, it is forecasted that the majority of projects relying on DRP funding will be completed within the program time frame. However, since the DRP is very closely aligned with federal government programs that allow the GOA to be reimbursed, some time must be allotted for GOA to audit its own aspects of the program. The net result is The City must actually complete flood recovery project work and grant submission in approximately four years to allow the GOA sufficient time to complete their financial accountability reporting of DRP and obtain cost reimbursement from the federal government, Public Safety Canada. This risk is managed through the continued central coordination and advocacy with the GOA, ongoing tracking of project progress, budget and funding through MIRP and through bi-annual forecasting of the program against the DRP timelines. Overall progress on the MIRP is summarized in Attachment 2 *Municipal Infrastructure Recovery Program Progress Summary – 2015 May*.

A risk mitigated by ROC involved navigating an interim DRP process as the GOA commenced direct oversight and administration of the DRP program. In order to mitigate risks of changing personnel and expectations, a DRP interim process plan was developed and agreed to by both The City and GOA. The change in program administration has introduced some risk to financial recovery due to the delays in decisions and approvals by the Province. ROC therefore continues to work closely with the GOA by ensuring regularly scheduled meetings and communications are honoured to minimize further disruption to the program. This relationship will be maintained through the sustained coordination of City infrastructure recovery offered by the MIRP program.

The City is working with Alberta Environment and Parks (AEP) and the Department of Fisheries and Oceans (DFO) to evaluate the fish habitat compensation required due to the in-stream repair and recovery work in Calgary rivers resulting from the 2013 flood. With the DFO's support, The City is proceeding with a systematic approach to ensure the process is efficient, optimizes value and benefits the habitat. Given the large number of flood recovery projects that were completed by several business units across The Corporation, The City recognizes it would

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be beneficial to approach a compensation plan in a holistic manner. The requirements associated with all the flood projects will be combined and the impacts and opportunities analyzed together. This methodology will allow The City the flexibility to select compensation projects that will offer the greatest potential for success. The City has obtained approval for funding under the FREC Program for fish compensation. The Province's Disaster Recovery Program has approached Public Safety Canada to support funding for fish compensation related to flood. The Province has also informed The City that they will require assistance in developing a business case to confirm funding for this work. The City will support the GOA once The City receives clarification on what the GOA needs are.

The City is preparing its 2015 submission to the Alberta Community Resilience Program (ACRP). The ACRP accepts applications on an annual basis in September. A prioritized list of projects is being compiled and will be submitted for Council approval to allow time to meet the provincial ACRP program deadline of 2015 September.

The City may request an extension to the five year DRP timeframe dependent on ability to demonstrate due diligence and accountability to meeting program eligibility. The MIRP program has established a solid working relationship with the GOA's DRP team and will enable continued discussion and dialogue regarding the DRP timelines.

Funding:

The original approved and forecasted budget of \$445.1M had been revised to \$409.6M for the 2015-2018 budget. As of 2015 May 31 \$200M (or 54 per cent of the total 2013 to 2015 recovery budgets) has been spent (Attachment 3). As the flood damage becomes better understood over time, Administration is identifying opportunities to refine the budget where possible through project re-estimates and completion of project phases. This revised budget information will be captured as part of mid and year end budget approvals during the 2015-18 timeframe.

Administration is tracking expenditures, reporting costs, securing recovery funding, and updating budget adjustments related to the 2013 flood. The City continues to seek flood recovery funding through a number of sources. As of this reporting period, the provincial DRP has reimbursed The City \$33.7M in operating expenses for flood response, and the return rate on these DRP submissions for flood operations is an average of 99 per cent. Efforts will continue to maintain this high rate of return with the remaining submissions to come forward over the next few years. Flood financial information (budget and expenditures to date) is provided in Attachment 3. A detailed summary of the capital budget on flood recovery-related projects summarized by business unit is included in Attachment 4.

The City also continues to work with our insurers to process a claim for flood damage for those properties for which insurance was in place. The insurers have provided to The City an advance of \$50M based on the early estimates of damage.

Services:

The CBoC completed two separate external reviews of the 2013 flood response and recovery activities and a report on the recovery review will be presented at Emergency Management Committee in 2015 July. A collaborative effort between recovery and CEMA staff will be

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undertaken to update the CEMA Recovery Operations Centre Response and Resource Manual. CEMA will provide an update on the manual to the Administrative Leadership Team in Q4.

Additional lessons learned have been collected from all the stakeholder groups that have supported recovery. Several themes have been identified from these lessons learned and have been articulated as part of the Transition Plan. A full report on the lessons learned will be brought to Council and will inform future recovery practices. A few highlights include:

- Membership, role clarity and governance for future Recovery Operations Centres.
- Development of a transition/demobilization plan for business units with regards to shift from short term to long term recovery.
- Commencement of Executive Outreach meetings between GOA and The City earlier in the recovery process.

Stakeholder Engagement, Research and Communication

ROC continues to advocate to the GOA regarding Calgary's overall DRP application. Advocacy for citizen DRP support has been well received and supported by the GOA through changes in the DRP process and support of citizens through case workers and AHS. ROC has supported answering 311 Service Requests from Calgarians related to flood recovery as well as attending flood open houses in May 2015. Councillor/citizen inquires and Service requests will be transitioned to respective business units as per the work identified within the Transition Plan.

Strategic Alignment

This report aligns with the Municipal Development Plan (MDP), the Calgary Transportation Plan (CTP), the Municipal Emergency Plan (MEP) and the 2020 Sustainability Direction. Calgary, our communities and neighbourhoods are striving to be safe, resilient and supportive: By 2020, communities will have demonstrated the resiliency to self-activate to respond to natural disasters. Council priorities in 2015-2018 include "Build resiliency to flooding" and "Enhance The City's capacity and resiliency to prepare for and respond to pandemics, natural disasters and emergency situations."

Social, Environmental, Economic (External)

The Triple Bottom Line (TBL) is repeatedly referenced in literature regarding disaster recovery and resilience. The Task Force has centred its key result areas within the *2013 Flood Recovery Framework* on the TBL sustainable development principles. The Task Force has aligned the deliverables of the *2013 Flood Recovery Framework* to the business plan and budget coordination cycles of The City to capitalize on organizational capacity and effectiveness.

The social impacts of the 2013 flood continue to be monitored and supported through ongoing liaison between several City business units and partners. Strong networks of relationships within service agencies in Calgary and other orders of government including AHS have been established and are continuing to strengthen with the common goal of supporting citizens.

Environmental impacts continue to be identified and assessed as long term recovery projects are executed. The City continues to work with other orders of government and other municipalities regarding flood recovery, repair and mitigation projects. The City continues to build relationships with the GOA regarding the DRP transition and the approval for eligibility of

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fish compensation under DRP. Recovery work is subject to standard procurement and permitting processes.

Financial Capacity

Current and Future Operating Budget:

There are no requests for Council to consider for operating budgets in this report. To date, much of the internal administrative work to support recovery has been funded through the Municipal Staffing Capacity Grant (MSCG) and the DRP. Finance continues to track administrative costs and recover funding through these two programs. The MSCG program is scheduled to be closed in 2016 March. Administration anticipates there will be ongoing recovery activities and requests for resiliency projects that may have implications for both current and future operating budgets and those will be presented and addressed on a case-by-case basis or as part of mid and year end Action Plan reporting.

Current and Future Capital Budget:

There are no requests for Council to consider for capital budgets in this report. Administration anticipates there will be ongoing recovery activities and requests for resiliency projects that may have implications for both current and future capital budgets and those will be presented and addressed on a case-by-case basis or as part of mid and year end Action Plan reporting.

Risk Assessment

There are several risks that may impact future operating and capital budgets. Flood insurance could be extremely costly or potentially unavailable in the future, if The City does not build resiliency into our infrastructure. The City continues to work with our insurers and impacted business units to repair the 2013 flood-related damage where insurance coverage was in place. Any expenses not recoverable from insurance on DRP eligible projects will be submitted to the GOA through the DRP. The City has submitted its first and second submission relating to expenses not recoverable by insurance and at the time of this report the submissions with the GOA policy team are under review.

An extension of the two-year insurance claim period has been approved by City insurers to accommodate the complexity of the claim and settlement. The City and its insurers are in discussion about settling the claim.

There are risks and mitigation options noted earlier in the report relating to the DRP. Specifically, risks include a refusal to extend the timeframe for DRP, the potential lag in approvals and resulting progress of infrastructure projects caused by changes in DRP program administration, and the ability to include partial or all fish compensation costs under DRP. It remains a risk that The City may not recover all costs associated with flood repairs and rebuilding of our infrastructure and restoration of services.

There would be a risk of loss of public confidence and corporate reputation if The City failed in two key areas: addressing infrastructure issues and resiliency in a timely or thoughtful manner and ensuring land use policies and bylaws promote resilient development.

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REASON(S) FOR RECOMMENDATION(S):

The Flood Recovery Task Force has successfully delivered on objectives outlined within the *2013 Flood Recovery Framework*, has developed a Transition Plan moving remaining long term recovery, restoration and resilience work to appropriate business units, and has collected and incorporated lessons learned for future recovery events.

ATTACHMENT(S)

1. 2013 Flood Recovery Operations Centre Transition Plan
2. Municipal Infrastructure Recovery Program Progress Summary – 2015 May
3. 2013 Flood - Financials 2015 May
4. Capital Budget – Flood Related Projects / Budget & Expenditures as at 2015 May 31, 2015