

COUNCIL AGENDA REPORT

December 1, 2009

TO: City Council

FROM: City Manager
Prepared by: Acting Fire Chief

SUBJECT: ACCEPTANCE OF STATION CONSTRUCTION GRANT FUNDS

RECOMMENDATION:

That the City Council adopt a resolution approving the acceptance of funds awarded to the City through the Station Construction Grant program under the American Recovery Reinvestment Act of 2009.

BACKGROUND:

As discussed at both the May 19th and June 16th Council meetings, the City is moving forward with construction of a new Fire Station #3 in the northwest section of the City. The approximately \$3.4 million fire station was to be funded by Growth Mitigation funds (\$450,000), 2008-09 CDBG Capital Development funds (\$364,511), 2009-10 CDBG-R funds from the Stimulus Package (\$341,281), 2008-09 reallocated CDBG Capital Development Project funds (\$282,820), and reallocated General Fund CIP monies from the previous fiscal year (\$1.5 million). In addition, staff identified \$685,000 of Growth Mitigation funding available for the new northeast station.

In July, the Fire Department applied for additional stimulus money through the Station Construction Grant program (SCG). The program was established as part of the American Recovery Reinvestment Act of 2009 (ARRA) to provide financial assistance for fire departments to build or modify fire stations to enhance response times to their communities.

DISCUSSION:

Under the program there was \$210 million in funding available and the grant program allowed applicants to apply for more than one construction project, provided no single project was valued over \$5 million, with a maximum total application value of \$15 million. Highest consideration was given to those projects that met the program's funding priorities of communities that have

suffered the highest increases in unemployment rates; applicants with significant levels of incidents and those who protect large populations; fire departments that own the land where they plan to construct the station; those projects that are to replace unsafe or uninhabitable structures or expand fire protection coverage to meet increased service demand in compliance with NFPA 1710 or 1720; and those projects that were "shovel ready" and able to be completed within a short time frame.

With these priorities in mind, the Fire Department, with assistance from Special Projects and Engineering, applied for grants for two projects; the northwest fire station located at Preisker Park that would replace the existing Fire Station #3 and a new northeast fire station located at Suey and Donovan Roads that would be designated Fire Station #5. These projects are consistent with the goals outlined in our "Standards of Cover" report developed in 1998.

Utilizing revised cost estimates from BFGC Architects the Fire Department applied for a total of \$4,735,494 in grant funding to complete the two projects; \$3,439,418 for Fire Station #3 and \$3,399,689 for Fire Station #5. While there were no matching fund requirements under the grant, highest priority was given to projects for which matching funds were available. With matching funds identified above, the City was given a competitive edge in the grant process.

Each application was scored according to the priorities established by the Department of Homeland Security (DHS). Once the initial scoring was complete, the applications within the competitive range were sent to peer review panels for evaluation. The panelists scored the applications based on the clarity of the project description and project budget, the cost/benefit of the project, the financial need of the applicant, and the effect the project will have on the applicant's community.

The Fire Department was notified in late September we had been awarded \$4,368,907 in grant funding to proceed with construction of both the northwest and northeast fire stations. Nationwide 6,025 agencies applied for a portion of the \$210 million funding available under the program. The City was one of seven applicants in California awarded funding of 96 awarded nationwide. In addition, at \$4,368,907 the City had the third highest award after Chicago and San Antonio.

Fiscal Considerations

Prior to this grant award it was determined that the City would only be able to construct the northwest station, due to funding shortfalls and the downturn in the economy. This award will allow us to build both stations while reducing the City's contribution of matching funds previously identified. This grant replaced approximately \$1.5 million in funding earmarked for the Northwest fire station; allowing us to reallocate those funds back to the General Fund CIP.

Impact to the Community

Both stations will be constructed in the area designated as Fire District 3, which has the highest call volume in the City. Engine 3 responded to 3,530 of the 8,841 total citywide calls for service in 2008. Construction of the two stations, provided through the SCG will eventually allow the Department to essentially split the district into two separate response zones, thereby enhancing response times in the busiest and most populace portion of the City.



JEFFREY JONES
Acting Fire Chief

RESOLUTION NO. 2009-172

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE
ACCEPTANCE OF FUNDS AWARDED TO THE CITY THROUGH
THE STATION CONSTRUCTION GRANT PROGRAM UNDER
THE AMERICAN RECOVERY REINVESTMENT ACT OF 2009.

WHEREAS, the American Recovery and Reinvestment Act (ARRA) of 2009 provided the Department of Homeland Security with \$210,000,000 to fund the construction and modification of fire stations; and

WHEREAS, the Santa Maria Fire Department had, through their Standards of Cover report, determined the need to provide two fire stations in the northern portion of the City; and

WHEREAS, the Santa Maria Fire Department applied for and was awarded grant funding in the amount of \$4,368,907 for the construction of both stations.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Santa Maria, California, as follows:

The Acting Director of Administrative Services is hereby authorized and directed to receive and appropriate any funds awarded through the Station Construction Grant program.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Santa Maria, California, held this 1st day of December, 2009.

Mayor

ATTEST:

Chief Deputy City Clerk

APPROVED AS TO FORM

Philip F. Sinico
asst. City Attorney

APPROVED AS TO CONTENT

TAL
City Manager

[Signature]
Department Head