

# CITY OF PALM DESERT STAFF REPORT

MEETING DATE: December 14, 2023

PREPARED BY: Veronica Chavez, Director of Finance  
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 Jess Culpeper, Director of Capital Projects

REQUEST: TROPICAL STORM HILARY RECOVERY UPDATE

**RECOMMENDATION:**

Receive and file update on the August 2023 Weather Event Storm Recovery and Redevelopment.

**BACKGROUND/ANALYSIS:**

On August 20, 2023, Tropical Storm Hillary wreaked havoc on the Coachella Valley. An emergency declaration was immediately put in place within the City of Palm Desert. Under the direction of the City Manager, staff took immediate action to procure needed services to protect life and property as authorized by the emergency declaration. City staff worked tirelessly to ensure the community endured minimal impact. Part of that work included engaging various vendors to provide necessary supplies and services in support of emergency operations, in addition to costs anticipated to be incurred as a result of the response to the weather event.

To date, the City Council has approved appropriations totaling \$5,050,000 to cover the initial emergency response, Mid Valley Channel infrastructure, as well as any immediate anticipated recovery costs. City staff will be providing updates in order to facilitate expeditious response to provide an efficient recovery, as well as prepare for future storms by redeveloping and shoring up infrastructure weaknesses identified as a result of Hillary.

Below is the most recent Hilary update:

<i>Description</i>	<i>General Disaster</i>	<i>Freedom Park</i>	<i>Spanish Walk</i>	<i>Combined Total</i>	<i>Mid Valley Channel</i>
<i>Aug-Oct Appropriations</i>	\$1,171,455	\$1,242,651	\$300,894	<b>\$2,715,000</b>	\$2,000,000
<i>This Request</i>				\$	
<i>Invoices to date</i>	\$500,415	\$20,135	\$199,145	<b>\$719,695</b>	\$0.00
<i>Balance Remaining</i>	\$671,040	\$1,222,516	\$101,749	<b>\$1,995,305</b>	\$2,000,000
<i>Anticipated Costs</i>	\$671,040	\$1,222,516	\$101,749	<b>\$1,995,305</b>	\$2,000,000
<b><i>Balance Remaining</i></b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

**Legal Review:**

This report has been reviewed by the City Attorney's office.

**FINANCIAL IMPACT:**

To date staff has requested a total of \$5,050,000 be appropriated to Account No. 1104159-4309000 from committed Emergency Reserve Funds. As studies are completed and infrastructure identified as necessary components to storm recovery and/or preparedness, additional appropriations may be necessary. 20% of the 2023-24 Budgeted General Fund Revenues (\$15,110,893) have been reserved and set aside for this purpose. Additional monies are identified in both the Facilities Reserve \$19M (infrastructure, parks, etc.) and CIP Reserve \$14M categories and may be used at City Council's direction, for this purpose.

In terms of any reimbursements for the financial outlay required with storm recovery efforts, City staff is working closely with representatives from the CJPIA to identify losses that are eligible for reimbursement under our insurance policies. In addition, now that President Biden has declared the area eligible for FEMA assistance, staff is working with our partners at CAL-OES and Townsend Consulting to maximize reimbursement opportunities. The City Council will be kept up to date with these efforts.