

PETER SHUMLIN
Governor



State of Vermont
OFFICE OF THE GOVERNOR
May 3, 2012

The Honorable Barack Obama
The President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

Through: Mr. Don Boyce, Regional Administrator
FEMA Region 1
99 High St., 6th Floor
Boston, MA 02110

Through: Mr. James N. Russo
Federal Coordinating Officer

RE: Requests for Cost Share Adjustments for Vermont Major Disasters

Dear President Obama,

I write today to respectfully request an increase in the federal cost share for assistance provided through the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to respond to the devastating damage caused in Vermont by Tropical Storm Irene (FEMA-4022-DR and FEMA-3338-EM). As you know, the Stafford Act allows for a cost share adjustment from seventy-five percent to ninety percent for emergency assistance, debris removal, and repair of infrastructure damage if total damages in a state exceed the indicator described in 44 C.F.R. § 206.47(b).

Tropical Storm Irene was an exceptional event in the history of our small state. Nothing since the Great Flood of 1927 has so devastated Vermont. The state sustained extraordinary damage on August 28th, when record rainfall resulted in catastrophic flooding across the state. Some areas received more than ten inches of rain – and were battered by sustained winds of 50 miles per hour – during an eight-hour period. Rivers across the state crested at levels not seen for generations, some exceeding historic records established during the flood of 1927.

The damage was severe and widespread. Six Vermonters lost their lives. More than 3,500 homes were damaged and 1,500 families were displaced; 50,000 households lost power affecting 74,000 people. More than 561 mobile homes were damaged or destroyed. Transportation and public infrastructure were decimated. Of Vermont's 251 towns and cities, 225 suffered damage to municipal infrastructure. In the immediate aftermath, over 500 hundred of miles of state roads were damaged, more than 200 miles of state-owned rail were impassable, over 200 bridges damaged and 34 state bridges closed. Thirteen communities were completely cut off for days, as National Guard units were mobilized to deliver emergency supplies to these towns by air. More than 300 businesses sustained losses or were destroyed. Agricultural impacts include the flooding of 20,000 acres of farmland, and the loss of over 400 acres of

crops as well as many herds of livestock for Vermont's family farms. The largest state office complex was completely flooded, forcing the evacuation of employees and clients of the Vermont State Hospital (an acute care mental health facility), and displacing 1,500 state workers indefinitely. Even the State Emergency Operations Center (SEOC) was flooded, necessitating its relocation to the FEMA Joint Field Office. Sixteen public schools could not open for weeks.

Tropical Storm Irene established a state record in terms of individual assistance provided. More than 7,200 Vermonters – one of every 85 residents – have registered for assistance, and 161 maximum grants have been awarded under the Individual Assistance Program.

Our State has mustered every possible resource to respond. National Guard troops from seven different states were deployed as the storm unfolded. Communities instituted their emergency management plans and heroically rose to the challenges besetting them. As the floods receded, Vermonters volunteered their time and resources cleaning homes and businesses and feeding, clothing and housing fellow Vermonters who had lost everything. Vermonters continue to volunteer to rebuild homes, clear debris, collect donations and raise disaster relief funds. My administration has redeployed staff to continue to support the ongoing needs of the disaster response. However, the resources of this small rural state cannot cover the extraordinary extent of the damages from this devastating event.

The localized impact of this disaster has placed many Vermont communities under severe fiscal stress. The cost of damage in many rural towns is several times their total annual operating budget. To pay for repairs and replacement, nearly 50 small Vermont communities have had to obtain loans and lines of credit, some for more than \$1 million – a very significant amount considering these are small rural towns, sometimes with just a few hundred residents. These towns will be paying off Irene-related debt for many years to come.

Current obligations for FEMA-4022-DR are \$82,629,563; these federal obligations exceed the 2011, \$127 per capita indicator of \$79,469,107 described in 44 C.F.R. § 206.47(b) that allows for a 90% federal cost share for FEMA Public Assistance. For this reason, I am requesting at this time that your administration assist Vermont by extending the 90% federal cost share for FEMA-4022-DR-VT (TS Irene).

as of May 3, 2012 at 7 a.m. ET

| Disaster # | 4022 | 4043 | 4001 | 1995 | Combined |
|------------------------------------|---------------|---------|-----------|---------------|-------------|
| | | \$ | \$ | \$ | \$ |
| Human Services | \$ 26,439,744 | - | 1,380,538 | 1,902,630 | 29,722,912 |
| | | \$ | \$ | \$ | \$ |
| Infrastructure | \$ 55,877,819 | 822,969 | 7,794,922 | 8,796,181 | 73,291,892 |
| | \$ | \$ | \$ | \$ | \$ |
| Mitigation | - | - | - | 45,863 | 45,863 |
| | \$ | \$ | \$ | \$ | \$ |
| Operations | 312,000 | - | - | - | 312,000 |
| | | \$ | \$ | | \$ |
| Total Obligated | \$ 82,629,563 | 822,969 | 9,175,460 | \$ 10,744,674 | 103,372,666 |
| minus 2010 census x \$127 | \$ 79,469,107 | | | | |
| | \$ | | | | |
| Obligated in excess of requirement | 3,160,456 | | | | |

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In addition to Tropical Storm Irene, in 2011 Vermont suffered three other major disasters – all within a five month period (FEMA-1995-DR, FEMA-4001-DR, and FEMA-4043-DR). These include a windstorm that wiped-out power to 80,000 customers, record-breaking spring flooding in and around Lake Champlain, and flash flooding in several parts of the state. Additionally, a series of severe snowstorms throughout February caused significant distress, including the isolation of 41 dairy farms, forcing them to dump their milk. These successive extreme weather events have caused a significant financial burden for the citizens of Vermont, and have severely stretched the state's financial capacity to recover and prepare for the next emergency.

Given the extraordinary impact of TS Irene, on top of the preceding three disasters in such a short period of time, I am also requesting that your administration increase the cost share for the three other declared disasters (FEMA-1995-DR with current obligations of: \$10,744,674; FEMA-4001-DR with current obligations of: \$9,175,460; and FEMA-4043-DR with current obligations of: \$822,969) which, when combined with the obligations from FEMA-4022-DR, show a per capita amount of \$165. There is clear precedent for such action. *In 2004, Florida was also beset by four disasters, and was awarded the 90% federal cost share increase for all four storms, even though no single disaster exceeded the threshold on its own.* 69 Fed. Reg. 61507-02 (Oct. 19, 2004). Vermont has experienced similar successive storms and these special circumstances deserve similar treatment. The Code clearly states that, when considering a cost-share adjustment, FEMA takes into consideration the impact of major disaster declarations in the State during the preceding twelve-month period. 44 C.F.R. § 206.47(c). Never in Vermont's history have four disasters been declared in one year. The devastation to the people and businesses involved in the spring disasters is no less significant than those impacted by Irene. I hope you will consider favorably this additional request to adjust the federal cost share for all storms of 2011.

I am attaching to this letter additional information highlighting the significant impacts to Vermont's government and infrastructure, as well as to the state's economy, environment and historic and cultural resources resulting from the disasters of 2011. These impacts further illuminate the devastation from the series of storms Vermonters have withstood and the great need for your continued assistance in our recovery.

Vermont has a long road to recovery ahead, and the cost share adjustments I am requesting are desperately needed in order for our state to move forward with a full recovery. I am enormously grateful for the federal assistance Vermont has received to date and for the swift and solid support from FEMA, led by Administrator Craig Fugate. This assistance has made a great difference in the lives of affected Vermonters, in spite of many ongoing needs. In the months ahead, I look forward to working closely and in partnership with your strong FEMA team here in Vermont, led by Federal Coordinating Officer Nick Russo.

Thank you for your consideration of this request and for all you have already done for our great state.

Sincerely,



Peter Shumlin
Governor
State of Vermont

IMPACTS FROM TROPICAL STORM IRENE AND THE DISASTERS OF 2011

Government and Infrastructure:

Transportation Infrastructure

More than 500 miles of state highway was damaged or closed, 200 bridges sustained damage, thirty-four bridges were completely closed, more than 200 miles of state-owned rail was impassible and six rail bridges were badly damaged. The Agency of Transportation opened three regional incident coordination centers and redeployed over 700 employees to restore mobility throughout the state. The privately run New England Central Railroad also received heavy damage, requiring repairs at 66 separate locations. Two state Airports sustained damage. Significantly, the local (town-supported) transportation network had 2,260 segments of local road impacted, 335 culverts damaged, resulting in the closure of 211 local roads and 90 bridges.

Water/waste Waters Systems

The water/waste water support systems in fifteen (15) towns had varying degrees of damage ranging from major system renovation to multiple “boil water” orders. The reservoir supporting the city of Rutland sustained significant damage to the primary and secondary supply systems that required water rationing measures in the city of 18,000 for weeks. This resulted in 28 emergency supply deliveries by air and 64 deliveries by ground in the beginning days of the incident, totaling 107 pallets of MREs, 401 pallets of water, 19 pallets of cots, 19 pallets of blankets, 19 pallets of tarps.

Economic, Historic, Cultural and Environmental Impacts:

The long term economic impact on the state, business and agricultural communities is yet to be fully determined. Current indicators point to long term economic impacts.

- More than 300 businesses have reported damage and have applied for Small Business Administration and Vermont Economic Development Association loans amounting to almost \$35 million.
- Statewide agricultural losses due to Irene are estimated at \$10 million. The potential value of feed damage – mostly to an estimated 120,580 tons of corn silage – is still unknown due to fermentation and potential for molds within harvested feed, which will have to be tested. If all feed were to be condemned due to poor fermentation and high levels of mold, the cost to replace the feed could be over \$8 million.
- Statewide, USDA compiled Irene-related damage assessments on over 460 farms. The breakdown, approximately: 200 dairy farms, 100 crop operations, 60 vegetable farms, 30 sugarbushes, and the balance other: nursery, beef, sheep, apple, etc. Acreage damage, approximately: 7,200 hay, 6,000 corn, 1,800 pasture, 1,400 maple, 600 vegetable and 225 soybeans. The nine FSA county offices are currently processing about 200 Emergency Conservation Program (ECP) applications.
- The Small Business Administration declared a disaster for the state of Vermont which resulted in a total of \$17,348,300 in home loans and \$14,925,700 in business loans.
 - Eleven (11) counties declared due to losses caused by excessive rain, flooding and flash flooding that began April 1, 2011.
 - Five (5) counties declared due to losses caused by excessive rain, flooding and flash flooding that began May 1, 2011.

- The historic and cultural impact on Vermont is significant.
 - More than 600 historic and cultural sites reported damage.
 - Damage was reported to five (5) historic covered bridges.
 - Sixteen schools experienced delayed opening and an additional four (4) were damaged.

- Natural Resources Conservation Service (NRCS) Emergency Watershed Protection.
 - Exigent work resulting from Tropical Storm Irene on 53 sites in 39 towns at a cost of nearly \$2 million.
 - Non-Exigent work on 97 sites in 46 towns is planned at a cost of more than \$4 million.
 - Debris removal work will expended about \$100,000 of NRCS funds.
 - Additionally there is about \$200,000 dollars worth of flood work to be done associated with spring flooding.