

STATE OF MAINE GOVERNOR'S OFFICE OF POLICY INNOVATION AND THE FUTURE 181 STATE HOUSE STATION AUGUSTA, MAINE 04333-0181

Testimony on LD 2225: An Act to Provide Funding to Rebuild Infrastructure Affected by Extreme Inland and Coastal Weather Events

Senator Rotundo, Representative Sachs, and Members of the Appropriations Committee, my name is Hannah Pingree and I am the Director of the Governor's Office of Policy Innovation and the Future (GOPIF) and I am here today on behalf of the Administration to present LD 2225, "An Act to Provide Funding to Rebuild Infrastructure Affected by Extreme Inland and Coastal Weather Events." We are very grateful to Speaker Talbot Ross for her sponsorship of this important bill and thank her for her leadership.

The storms of December 18th, January 10th and 13th were unprecedented for Maine, in that three devastating natural disaster events hit our state in less than a month, causing extreme inland flooding and unprecedented coastal storm surge. These three events brought over \$90 million in estimated damage to public infrastructure across our state, plus millions more for homes and businesses, and cost the lives of four Maine people.

The estimated public damage reports indicate that Somerset, Oxford, Franklin, Piscataquis and Kennebec Counties faced the greatest impacts from the December storm and Cumberland, York, Lincoln, Washington and Hancock Counties saw the greatest reported damages in January. I have attached a chart and maps showing these storm and county reported public damage totals. When the estimated damage is considered across all three events and evaluated by per capita impacts, Washington, Lincoln, and then Piscataquis County respectively saw the greatest reported impacts. And it is important to clarify that many types of community infrastructure, like fishing coop wharves, are not included in these estimates.

These events were the latest in a series of intense, extreme storms to cause damage and devastation across our state. In the span of just 12 months, from December 2022 to December 2023, Maine saw five federal disaster declarations and one emergency declaration — far more than any year in our state's history. Governor Mills just requested further declarations from the storms of January, which are now pending.

Governor Mills said in her January State of the State address:

Tonight, I propose we bolster this Infrastructure Fund with \$50 million from our record high "Rainy Day Fund", to allow Maine communities to build and rebuild infrastructure — roads, culverts, working waterfronts, storm water systems — that will be tough enough to withstand the impacts of climate change.

Essentially, I propose taking from the Rainy Day Fund to respond to some pretty rainy days we've had and some rainy days ahead. At the same time, we will seek every available federal dollar for disaster assistance and resiliency, but the sooner we pass the supplemental budget, the sooner we can get state funds to contractors and fishermen and towns to get things up and running once again before the height of fishing season. This Administration has now advanced this legislation before you to appropriate \$50 million in state funds to the Maine Infrastructure Adaptation Fund to support the urgent recovery of essential community infrastructure not covered by federal resources and to continue to ramp up our flood mitigation efforts as we prepare for future storm events. Supporting infrastructure recovery is important for our communities and our economy. It is essential we invest state dollars wisely by requiring that rebuilding increase our resilience to future storm impacts.

We know there are wharves up and down the Maine coast serving thousands of commercial fishermen and women, as well as aquaculture and other marine businesses, that have faced catastrophic damage and they are doing everything they can to rebuild before the spring and summer fishing seasons begin.

There are wastewater systems that have repeatedly flooded impacting drinking water and public health for days and weeks after flood waters receded. There are undersized culverts that fail and block travel, roadways that face repeated closures with extreme high tides, and inadequate storm water systems that cause flooding for homes and businesses. All these impacts threaten emergency management and public safety, and they challenge both community and economic resilience.

I have included with my testimony photographs shown at a January meeting of the Maine Climate Council, called by Governor Mills, about the severe storms impacts across the state, in communities such as Stonington, Machias, Hallowell, Spruce Head, Bethel, Skowhegan, Strong, Gilead, Swan's Island, New Harbor, Bingam, and more. Each of these images help tell the story of a community, business, family, or vital infrastructure that has been impacted.

As this committee is likely aware, Maine has received a federal Presidential Disaster Declaration from the December 18th storm, triggering Federal Emergency Management Agency (FEMA) support for public infrastructure in most Maine counties, and support for damaged homes and Small Business Administration (SBA) loans for qualified residents and businesses in some Maine counties. The Governor has formally requested a federal Presidential Disaster Declaration for damage recovery from the two January storms. Federal approval for disaster declarations is required for eligibility for FEMA and SBA disaster recovery funding opportunities. For more about eligibility for disaster recovery funds, please visit the state's flood resource site, <u>maine.gov/flood</u>.

As of March 1st, FEMA has awarded more than \$3.6 million in individual assistance to 630 applicants from the December 18th storm, with the deadline for applications at the end of this month. According to MEMA, 140 municipalities have filed for public assistance to date, with a filing deadline of March 28th. However, there are limitations on what FEMA and insurance companies' policies will cover, what the SBA will provide loan programs for, and what components are not eligible for any federal resources. This makes the existence of other funding supports, such as through the Maine Infrastructure Adaptation Fund (MIAF), essential to help restore a broad range of critical community infrastructure.

The \$50 million in state investment proposed in this legislation will be administered by Maine DOT, in partnership with other state agencies, in an attempt to fill in some of the most urgent funding gaps required to recover from these storms and reduce the impacts of flooding from

future storm events. The Maine Infrastructure Adaptation Fund has provided more than \$25 million in funding since 2022 for 52 projects across Maine. MIAF has supported engineering and planning, municipal culvert upsizing and reconstruction, provided match for some statewide federal resilience grants, and funded large-scale infrastructure projects. The Fund is designed to be flexible to meet the needs of Maine communities to address vulnerabilities, invest in responsible solutions, and prevent costly future damages.

I have provided an attached fact sheet about the Fund that details projects funded to date, the history of the Fund, and how the Fund complements other funding streams for recovery and resilience.

The proposed uses for this \$50 million would target those communities recovering from the most significant storm damage. Approximately \$25 million of the proposed funding would be allocated to working waterfronts – a priority given the lack of federal resources available to restore this vital infrastructure and the economic impact of waterfronts for our state and coastal communities. The other \$25 million would be used to support priority infrastructure adaptation projects statewide and to continue the over-subscribed municipal culvert program.

For the working waterfront portion of this MIAF opportunity, grant rounds would be provided in several phases, with an early priority given to wharf reconstruction projects serving the greatest number of commercial fishing boats and businesses. To be eligible for infrastructure grants from MIAF, projects would be required to demonstrate components that increase resiliency to future storms and only wharf infrastructure would be covered. Funds awarded to private infrastructure will require an 1:1 match or only allow reimbursement for materials. The Department of Marine Resources will take a lead role in the evaluation of community and economic benefits of proposed projects, in partnership with the implementing agency, MDOT.

Providing municipal grants for upsizing culverts continues to be a key strategy to reduce flooding, resulting in protection for roadways, and improved watersheds and fish passage. Culvert upgrades have proven their worth as wise, proactive investments. Following the December and January storms, local and state officials observed that upgraded culverts made a critical difference in protecting vulnerable infrastructure from flood damage. This reflects the experience in other states as well, such as Vermont, which has emphasized culvert improvement as a central part of post-flooding restoration and resilience investments.

Continuing to utilize a portion of MIAF to support priority municipal infrastructure projects that reduce flood risks will continue to be key to mitigating the impacts of future storm events. Past infrastructure implementation grants included a stormwater project in Winslow to reduce community and roadway flooding, a wastewater system project upgrade in Boothbay to prevent impacts from storm surge, a sanitary district project upgrade in Anson-Madison, and a large-scale drainage project in Bath. Once implemented, each of these projects will advance public safety and public health benefits, and increase community resilience.

This legislation makes vital state investments to rebuild critical infrastructure across our state and prepare more communities to withstand storm impacts in the future. With your support, we can put these dollars to work immediately. Thank you for your consideration and I would be happy to try to answer any questions.

County	Dec. 18 th Damage	Jan. 10 th Damage	Jan. 13 th Damage	Total_3 Storms
Androscoggin County	\$ 1,890,502.00	\$ -	\$-	\$ 1,890,502.00
Aroostook County	\$ 182,550.00	\$-	\$-	\$ 182,550.00
Cumberland County	\$ 45,900.00	\$ 14,966,735.26	\$ 9,630,091.54	\$ 24,642,726.80
Franklin County	\$ 2,742,628.59	\$-	\$-	\$ 2,742,628.59
Hancock County	\$ 312,062.33	\$ 4,638,291.00	\$ 74,912.00	\$ 5,025,265.33
Kennebec County	\$ 2,222,233.51	\$ 247,632.00	\$-	\$ 2,469,865.51
Knox County	\$ 3,000.00	\$ 1,402,907.00	\$ 11,792.00	\$ 1,417,699.00
Lincoln County	\$ 73,417.00	\$ 6,463,026.00	\$ 74,622.00	\$ 6,611,065.00
Oxford County	\$ 3,011,233.00	\$ -	\$-	\$ 3,011,233.00
Penobscot County	\$ 2,188,795.68	\$ 10,000.00	\$	\$ 2,198,795.68
Piscataquis County	\$ 2,352,506.76	\$ -	\$-	\$ 2,352,506.76
Sagadahoc County	\$ 40,000.00	\$ 204,575.00	\$ 33,000.00	\$ 277,575.00
Somerset County	\$ 3,543,179.00	\$ 80,000.00	\$-	\$ 3,623,179.00
Waldo County	\$ 215,946.00	\$ 2,503,925.00	\$-	\$ 2,719,871.00
Washington County	\$ 1,369,291.71	\$ 3,640,500.00	\$ 1,840,000.00	\$ 6,849,791.71
York County	\$ -	\$ 13,332,944.00	\$ 11,209,843.00	\$ 24,542,787.00
Totals	\$ 20,193,245.58	\$ 47,490,535.26	\$ 22,874,260.54	\$ 90,558,041.38

Two Maine maps – one showing counties by the amount of <u>total public infrastructure damage</u> reported across the three storm events, with the darkest counties facing the most damage, and the other map showing the same damage reports per capita. Total Damage, Dec/Jan Storms Per Capita Damage, Dec/Jan Storms





FACTSHEET: Maine Infrastructure Adaption Fund

- Since 2022, the Maine Infrastructure Adaption Fund has awarded over **\$25 million to Maine communities for 52 projects** to protect vulnerable infrastructure from climate effects such as extreme storms and flooding. An interactive map of awards is here.
- The Fund is designed to be flexible to meet the needs of Maine communities to address vulnerabilities, invest in responsible solutions, and prevent costly future damages.
- By using state funds, the Fund is a valuable source of planning and matching dollars for communities to use to secure Federal grants for significant infrastructure projects and maximize opportunities under the historic Bipartisan Infrastructure Law.



• The December and January storms caused over **\$90 million in estimated damage to public infrastructure in Maine**, plus millions more for homes and businesses. This **unprecedented** damage demands state investment to help restore a broad range of infrastructure that is critical to local communities and the state's economy.

Proposed legislation: LD 2225

- In her State of the State Address, <u>the Governor</u> <u>proposed</u> to invest a further \$50 million in the Maine Infrastructure Adaptation Fund to help Maine communities rebuild in the wake of the recent devastating storms. The funding is proposed to come from Maine's record-high Budget Stabilization Fund, known as the "Rainy Day Fund."
- On Feb. 9, Governor Mills announced she is <u>expediting</u> <u>her \$50 million investment in the Fund</u> by introducing it as standalone legislation. That bill, <u>LD 2225</u>, is now before the Legislature as an emergency measure.
- For the additional \$50 million proposed by Governor Mills, the funds are intended for public infrastructure



projects with exemptions available for some types of private infrastructure upgrades with significant community benefits, such as working waterfronts.

• Eligible projects may include working waterfront infrastructure, culverts, storm water systems, water system upgrades, and other interventions that support reducing or eliminating climate impacts, especially coastal and inland flooding.

MIAF FAQs

What is the Maine Infrastructure Adaptation Fund?

The Maine Infrastructure Adaptation Fund, <u>created by the Mills</u> <u>Administration and the Legislature in 2021</u>, provides grants for significant infrastructure adaptation, repair and improvements that support public safety, protection of essential community assets, and long-term infrastructure resiliency.



Why was it created?

Maine Won't Wait recommended the creation of a state-managed fund to support projects to protect public infrastructure vulnerable to effects of climate change, such as extreme storms and flooding. In 2020, the backlog of identified infrastructure adaptation projects in Maine totaled nearly 1,800, with an estimated cost of \$325 million.

Who administers the Fund?

The Fund is administered by the Maine Department of Transportation, in partnership with other agencies, including the Maine Department of Environmental Protection, the Maine Department of Marine Resources, the Governor's Office of Policy Innovation and the Future, and the Maine Centers for Disease Control and Prevention.

How many projects has it supported?



Since 2022, the Fund has awarded more than \$25 million funds for 52 community projects to protect significant community infrastructure.

What are eligible uses for the funds?

As proposed in LD 2225, eligible projects may include working waterfront infrastructure, culverts, storm water systems, water system upgrades, and other interventions that support reducing or eliminating climate impacts, especially coastal and inland flooding.

How can MIAF funds be used?

The Fund is designed to be flexible to meet the needs of Maine communities to address vulnerabilities, invest in responsible solutions, and prevent costly future damages. State funds

awarded through MIAF can be used to satisfy matching fund requirements for Federal grants or be used to complement state grants awarded by other programs.

How does the MIAF differ from the Community Resilience Partnership?

MIAF offers financial support for large infrastructure projects to mitigate vulnerability to climate effects. The Partnership helps communities with planning, public engagement, and small projects with grants of up to \$50,000. Projects funded through MIAF often require significant engineering and

design, which comes with greater implementation costs and the expertise of MaineDOT. The programs can be complementary. For example, communities can use a Partnership grant to identify a vulnerable infrastructure project, then secure funds for the project through MIAF.

How does MIAF intersect with Federal disaster recovery funding?

In general, disaster funding administered through FEMA is geared for rebuilding and recovery following a disaster. MIAF funds are geared toward mitigating vulnerabilities and increasing the resiliency of infrastructure, which may or not be eligible for funding from FEMA. For example, if flooding caused by undersized culvert damages a public road, the road may be rebuilt with FEMA funds, but improving the culvert to reduce the risk of future washouts would come from MIAF.



MIAF History

In 2020, Maine's climate action plan, *Maine Won't Wait*, recommended the creation of a statemanaged fund to support projects to protect public infrastructure vulnerable to effects of climate change, such as extreme storms and flooding.

In 2021, Governor Mills created the Maine Infrastructure Adaptation Fund (MIAF) with \$20 million in Federal funds though the Maine Jobs & Recovery Plan. To reflect priorities of those Federal funds, MIAF offered grants to communities to improve stormwater, drinking water, and wastewater infrastructure.

In 2022, MaineDOT awarded \$20 million to 13 communities for projects to address flooding along ocean and riverfronts, protect stormwater and wastewater systems, and install culverts to reduce flooding, and more. Awardees were Anson-Madison (\$842,000), Bath (\$4 million), Berwick (\$1.425 million), Blue Hill (\$1 million), Boothbay Harbor (\$4.15 million), Eastport (\$165,750), Frenchville (\$58,500), Kennebunkport (\$2.585 million), Norway (\$100,000), Ogunquit (\$2.85 million), Rockland (\$75,000), Scarborough (\$60,000), Winslow (\$2.738 million).

Example projects include:

• Design and construction activities to protect the Boothbay Harbor Sewer District's wastewater treatment facility from future sea level rise and storm surge.

- Construction activities to address the most problematic of the City of Bath's drainage areas by upgrading and upsizing equipment.
- Increasing the capacity of the stormwater system in the Town of Winslow.

In 2023, Governor Mills proposed, and the Legislature approved, \$7 million in the biennial budget for the MIAF to support further infrastructure projects, with an emphasis on improving culverts to reduce road flooding and improve fish passage.

In 2024, MaineDOT awarded \$4 million for 20 culvert projects in 18 communities. Overall, **75 applications for more than \$13 million** were filed in this round. In addition, MaineDOT awarded \$1.4 million to 19 communities for infrastructure projects. Overall, MaineDOT received **29 applications for more than \$2 million** in projects from this round.

Example projects include:

- \$37,000 to the city of Hallowell for scoping to adapt stormwater infrastructure to handle the increased rainfall from intense storms;
- \$36,000 to the town of Mariaville for a road stabilization project to support access to its volunteer fire department;
- \$50,000 to the town of Penobscot to design a new salt storage facility to replace one now vulnerable to flooding;
- \$125,000 to the town of Stonington for engineering and construction to elevate a 400-foot section of Oceanville Road (photo at right) that is vulnerable to flooding;
- \$125,000 to the town of Vinalhaven for scoping to build a retaining wall to protect a public parking lot that is vulnerable to storm surge.



	Rd. 2 - Culvert Grants		Rd. 2 - Climate Resiliency Grants	
\$842k	Bar Harbor	\$200k	Arrowsic	\$50k
\$4m	Brownfield	\$200k	Castine	\$50k
\$1.43m	Cumberland	\$200k	Falmouth	\$50k
\$1 m	Ebeemee Twp	\$200k	Fayette	\$125k
\$4.15m	Fairfield	\$200k	Frenchville	\$48k
	\$4m \$1.43m \$1m	\$842kBar Harbor\$4mBrownfield\$1.43mCumberland\$1mEbeemee Twp	\$842kBar Harbor\$200k\$4mBrownfield\$200k\$1.43mCumberland\$200k\$1mEbeemee Twp\$200k	Kd. 2 - Cutvert GrantsGrants\$842kBar Harbor\$200kArrowsic\$4mBrownfield\$200kCastine\$1.43mCumberland\$200kFalmouth\$1mEbeemee Twp\$200kFayette

A full list of awardees is below.

Total	\$20m	Total	\$4m	Total	\$1.4 m
		,		Westbrook	\$120k
		Winslow	\$200k	Vinalhaven	\$125 k
		Waterford	\$200k	Vienna	\$50k
		Washington	\$200k	Stonington	\$125 k
		Standish	\$200k	Southport	\$50k
		Randolph	\$200k	Rockland	\$125k
Winslow	\$2.74m	Prospect	\$200k	Portland	\$120k
Scarborough	\$60k	Presque Isle (2)	\$400k	Poland	\$36k
Rockland	\$75k	Norway	\$200k	Penobscot	\$50k
Ogunquit	\$2.85m	Naples	\$200k	Minot	\$50k
Norway	\$100k	Milton Twp	\$200k	Mariaville	\$36k
Kennebunkport	\$2.59m	Ludlow	\$200k	Kennebunkport	\$50k
Frenchville	\$59k	Lincolnville	\$200k	Harpswell	\$50k
Eastport	\$16 6k	Frenchville (2)	\$400k	Hallowell	\$37k

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GOVERNOR'S OFFICE OF Policy Innovation and the Future



MAINE DEPARTMENT OF Environmental Protection



Storm Experience, Impacts, and Response



Maine Climate Council | Special Resilience Meeting





Commercial Fish Pier Stonington, ME



Maine Climate Council | Special Resilience Meeting



Damaged wharf for Isle au Haut Boat Company, mailboat, and ferry to Acadia National Park



Maine Climate Council | Special Resilience Meeting



















Joyce Taylor Department of Transportation

Route 16 Coplin, ME (right)

Route 27 Carrabassett, ME (left)



Maine Climate Council | Special Resilience Meeting









Commissioner Heather Johnson Department of Economic and Community Development

North Country Rivers Bingham, ME



Maine Climate Council | Special Resilience Meeting



Commissioner Heather Johnson Department of Economic and Community Development



Rumford Polar Bears Snowmobile Club Dec 18, 2023 · 🚱

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Lots of water everywhere! Here is a photo by Eric Hamann and a short video by Ron Russell of water flowing over the crane bridge on ITS 82 just off the Isthmus Road.

Hopefully, the underpinning of this bridge, and our 31 other bridges, will hold up to this onslaught.



Photo credit: DECD

Maine Climate Council | Special Resilience Meeting

Mexico Trailblazers Snowmobile Club - ••• Maine

Dec 29, 2023 · 🕄

We have been able to get out and inspect most of the trails in our area. We made out relatively well with the latest storm all things considered. We have a bridge that needs to be reset and a few washouts to fix.

There are several clubs in our area that have been hit hard and will need all hands on deck when the time comes to help repair trails and get things opened back up for when the snow flies.

Remember you can join or donate to the club online at www.mexicotrailblazers.com. Every little bit helps us out.





Jan 2 - 🕥

Wild River Riders is in Gilead. · Follow

Many thanks to Garrett Sullivan for volunteering this morning to retrieve our bridge decking downstream and rebuild the bridge. The extra set of hands made quick work of this project, and we can now move on to other projects.

If you can help us, we'll be working every day this week. Send us a message.





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Pete Rogers Maine Emergency Management Agency

Sunday River Access Road Newry, Maine



Maine Climate Council | Special Resilience Meeting







