



Government
of
Saskatchewan

Minister of
Government Relations
Legislative Building
Regina, SK Canada S4S 0B3



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2016-336

Mr. Ray Orb, President
Saskatchewan Association of Rural Municipalities
200 – 2221 Cornwall Street
REGINA SK S4P 2L1

Dear Mr. Orb:

Thank you for your letter, dated October 4, 2016, regarding the status of the formal review of the Provincial Disaster Assistance Program (PDAP) and the reiteration of your outstanding concerns with this program and the federal Disaster Financial Assistance Arrangements (DFAA).

I am pleased to hear that SARM members have benefitted from the recent improvements made to this important program. Ministry officials continue to listen to the concerns raised by stakeholders and strive for continuous program improvement.

Before addressing your specific concerns, I would like to provide a brief overview of current discussions at the national table. The federal government, under the leadership of Public Safety Canada (PSC), is currently preparing to complete a review of the DFAA, as well as exploring potential enhancements to the National Disaster Mitigation Plan (NDMP), which was introduced in 2015. Although discussions are preliminary, we are encouraged to see an increased interest in advancing flood mitigation initiatives across the country. We are optimistic that these discussions will result in increased funding opportunities for municipalities in Saskatchewan. In addition, there is significant work being done to develop and implement residential flood insurance products that will also need to be coordinated with provincial disaster recovery programs. These issues are complex and will likely require several years to resolve. Until final outcomes are known, it is difficult to predict the specific impact(s) on provincial programs.

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Disaster response and recovery costs are increasing for all levels of government. Effective February 1, 2015, PSC amended the cost-sharing formula applied to provincial cost recovery, raising the deductible applied on each disaster event claim. The impact on Saskatchewan was an increased cost of \$4.4 million for each large-scale event. In many years, we experience multiple events, resulting in significant increased costs for the province.

I would like now to address each of your specific concerns as indicated in your letter:

- a) *The guidelines and/or applicable legislation and regulations should be updated to ensure compensation rates for use of public equipment for all hours of emergency operation to a level comparable with the eligible rates for private contractors and that compensation for the regular wages of municipal employees undertaking disaster related work in place of regular responsibilities be made eligible;*

Response: Federal and provincial programs are intended to provide financial assistance to partially offset incremental costs associated with disaster response and recovery; they are not intended to supplement established operational costs such as regular salaries. However, if a municipality incurs additional expense as a result of replacing displaced workers, these incremental costs may be eligible under PDAP. This could apply to situations where temporary staff or contracted resources are retained to complete regular responsibilities. Similarly, incremental equipment costs for owned equipment may be considered eligible, or the actual costs associated with retaining equipment from outside sources.

- b) *The Province should include severe wet spots and frost boils as compensable damage in the PDAP guidelines;*

Response: Wet spots and frost boils are identified as routine maintenance items and not associated with disaster events. As such, they remain ineligible under provincial and federal programs.

- c) *In those instances where improvements to damaged property are needed to reduce the likelihood of future damages and duplicate program expenditures, a suitable level of funding be available to municipalities to cost-share the extra costs to build properties to an appropriate state to mitigate future flood damage;*

- d) *The Province should consider the following criteria when further developing its mitigation program under PDAP;*
- e) *Cost-shared funding for the difference between rebuilding infrastructure to its previous condition and to an improved state to mitigate future damages;*
- f) *Engineers should be required to sign-off on the mitigation plans to ensure that the measures being undertaken will reduce the likelihood of future subsequent events and the engineering related costs should be cost-shared;*
 - i. *That funding eligibility for projects should be based on past history e.g. PDAP claims the last two out of four years or three out of five years; and*
 - ii. *Funding for mitigation under PDAP needs to be stand-alone, rather than reliant on funds from other programs;*
 - iii. *That both structural and non-structural mitigation projects be funded under the DFAAs. With respect to non-structural projects, that funding be provided for the development of flood mitigation strategies; these would likely include baseline data gathering (e.g. hydro-mapping), engineering and planning support, and feasibility studies. Regarding structural projects, we asked that funding for dykes, costs associated with raising properties and channels dug for flood protection be considered.*

Response: [for c), d), e), and f)] The Province supports current initiatives intended to enhance mitigation projects. Current discussions do identify the need for increased funding and expanded criteria in support of mitigation initiatives. We are hopeful that the review of the DFAA and the NDMP will result in increased support in this area. With respect to engineering related costs, these are currently eligible for approved structural mitigation projects. Only in non-structural projects, such as studies, are these costs not currently eligible under DFAA.

- g) *The Program should pay municipalities for gravel used based on the actual worth of the gravel;*

Response: Gravel costs will be reimbursed on the provision of paid invoices; if consumed gravel is already owned, then the cost of the purchase to replace this consumed inventory is an eligible expense under PDAP.

- h) *There needs to be an online format for submitting applications and similar means to track your application through the approval process;*

Response: PDAP continues to investigate these types of opportunities to further improve the program.

- i) *There is a need for additional staff to administer the program and training for staff and sub-contractors, i.e. engineers so that guidelines are applied consistently.*

Response: The unpredictable nature of disasters makes it difficult for PDAP to define ongoing resource requirements. As such, the Ministry reviews staffing levels in PDAP on an ongoing basis to meet the current demand for managing active claims. In addition, Engineer training has been introduced and is now an ongoing process.

As mentioned in your letter, PDAP did undergo a comprehensive review in 2014-2015. This review has resulted in a number of improvements, some of which have been noted above. However, given the potential for changes in the area of disaster response and recovery based on discussions at the national level, I have committed PDAP to a comprehensive policy review including jurisdictional comparison, in 2016-17. This review will need to be completed in conjunction with any policy or program changes that may result from national discussions.

I appreciate your continued interest and support for this important provincial program. I believe that we share a common goal in providing the best possible disaster response and recovery programming for the citizens of Saskatchewan.

Sincerely,



Donna Harpauer
Minister of Government Relations and
Minister Responsible for First Nations, Métis and Northern Affairs

cc: Al Hilton, Deputy Minister of Government Relations and
Deputy Minister of First Nations, Métis and Northern Affairs