FEMA’s PDM-C 2003
What was successful, and why?

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PDM-C 2003

- Congress approved $150 million for 2003
- FEMA “advertised” the program in spring 2003
- Proposals were due to state OES by mid-September 2003
- About 450 proposals were forwarded by all the states’ OES to FEMA on October 6, 2003
PDM-C 2004 - 2005

• Congress has approved another $150 million for 2004

• The exact dates of proposal submittals are not yet publicized; guess -> publicize in September 2004

• Sub-Applicants will need to apply to OES by perhaps Mar 1 2005?

• FEMA will start their selection process in April 2005??
What Makes a Successful Proposal

- What worked in 2003
Personal Observations

• Based on my experience working with FEMA for 10 years
  • Review for FEMA of many earthquake applications for Northridge, Loma Prieta, and a variety of other natural disasters
  • Development of proposals for various applicants
  • No, I do not review for FEMA the applications I write....
Successful Proposals

- Benefit Cost Analysis is the key ingredient
- BCA should be:
  - Comprehensive
  - Clear
  - Follow FEMA guidelines
  - Pick 2?
How to do a BCA

• Option 1. Get trained by FEMA using the FEMA software. Do it yourself. Probability of success: 33% to 50%

• Option 2. Use FEMA and/or refined software. Use experts. Probability of success: 50% to 75%

• Option 3: Use the FEMA software and the people who wrote the software. Probability of success: so far, 100%
Examples of Success 2003

- Seismic retrofit of URM telephone building and equipment
- Seismic upgrade of large water tank
- Seismic upgrade of wastewater treatment plant
- Seismic upgrade of EOC and equipment
- Seismic upgrade of library
- Seismic upgrade of University housing
Examples of Problematic Proposals

- Asking for more than $3,000,000
- Using unrealistic costs and benefits, gaming the system
- Mis-using the FEMA software
- Poorly written applications, incomplete BCA
Statistics - 2003

- 24 applications, mostly seismic related
- California 7$Oregon 7$Tennessee 2$Utah 1$
  Arizona 1$South Carolina 2$
What is an Adjusted BCR?

• Assume an application states that a project has BCR = 3 pretty high$

• What is the adequacy of the BCR?
  • Some are “very good”
  • Some are “so-so”
  • Some are “pretty bad”
• The goal is to normalize all applicants’ BCRs to a “level playing field”

• Then the projects with the highest adjusted BCRs would reflect the best way for FEMA’s money to get the “most bang for the buck” in the nation
Alternate Approaches

• FEMA could do the BCA for every application. But this approach is not used for PDM-C.

• FEMA could give the money out without BCA. This is like to giving out “pork” to your political friends. It is bad public policy. It ultimately makes us a poorer nation, and results in needless deaths and economic impacts in future disasters.
Summary

- FEMA did a good job in 2003 to sort out the “good”, the “bad”, and the “ugly”

- Oregon did the best job: 7 applications, 7 funded projects

- California: 7 applications: Announcements to come??

- Alabama writes better proposals than California? or, CA OES needs to get more involvement?
Thank you.
Questions?