

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of
LAURA H. THIELEN
Chairperson

Before the

LEGISLATIVE FEDERAL ECONOMIC STIMULUS PROGRAM OVERSIGHT
COMMISSION
ACT 150, SESSION LAWS OF HAWAII 2009

Tuesday, December 22, 2009
10:00 A.M.

State Capitol, Conference Room 423

In Consideration of
OVERVIEW OF FEDERAL STIMULUS FUNDS

The Department of Land and Natural Resources (Department) is the recipient of 4 Federal Stimulus Funds grants in the subject areas of Water and Environmental Infrastructure and Job Training and Unemployment. Three grants were received from the U.S. Forest Service and deal with forest health and invasive species control and wildland fire and fuels management. The fourth grant was received from the Corporation for National and Community Service for the state's YCC youth job training program.

The Department's completed questionnaire is attached for your information.

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUIJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

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DEPARTMENT/AGENCY QUESTIONNAIRE

Instructions: Please use this MS Word document as a template, entering your answers below the corresponding number/letter. The commission is cognizant of the numerous reporting requirements of ARRA and does not wish to burden your Department or agency with duplicative requests for information where possible. Please use information that you have all ready reported to the Federal government, as applicable.

If a question is not applicable please indicate N/A. The information requested under question 1 should be answered under each item for each group/category or program/project. However, Questions 2 and 3 need not be answered for each group/category or program/project.

Department of Land and Natural Resources

1. For each group/category or program/project for which ARRA funds have been obtained, please provide the following information:

(a) A brief summary of the program/project, including goals;

Project 1. US Forest Service Forest Health – Invasive Plant Control and Monitoring

Project 2. US Forest Service Wildland Fire Management – Fuels Hazard Reduction

Project 3. US Forest Service Forest Health – Insect and Disease Early Detection in Urban Forests and Development of Koa Disease Resistance

Project 4. YCC – Recovery Youth Conservation Corps for 2009 – 2010 year based on Existing YCC Program; Match waiver and Federal match support for existing YCC program Year 3.

(b) Whether funds were appropriated for expenditure by a federal agency, were awarded as a formula/block grant to a State or county agency, or were awarded on a competitive grant basis;

Project 1 Forest Health Invasive Plants. Awarded on a competitive basis
Project 2 Wildland Fire Management. Awarded on a competitive basis
Project 3 Insects and Disease Detection. Awarded on a competitive basis
Project 4 Recovery YCC Program. Awarded on a competitive basis

(c) Whether matching funds are required, and, if so:

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Projects 1-4: No match required.

- (i) Are they available; Projects 1-4: N/A
- (ii) Have they been secured; Projects 1-4: N/A
- (iii) If they have not been secured, why not; and: Projects 1-4: N/A
- (iv) Will the State be required to continue that match or provide increased/full funding in the future; Projects 1-4: No

- (d) If there are additional requirements to receive funds, what are they;

Projects 1-4: None

- (e) The amount of funds involved and the state/federal fiscal year within which the funds must be expended (e.g. SFY 2009-2010 or FFY 2009-2010);

Project 1 Forest Health Invasive Plants. \$4,383,000, over 3 state fiscal years, SFYs 2009-2012.

Project 2 Wildland Fire Management. \$897,000, over 3 state fiscal years, SFYs 2009-2012.

Project 3 Insects and Disease Detection. \$140,000, over 3 state fiscal years, SFYs 2009-2012.

Project 4 Recovery YCC Program. \$1,150,344, over 2 state fiscal years, SFYs 2009-2011.

- (f) What criteria were used to identify the program/project as a priority and how does the program/project meet them;

Projects 1-3. Projects that fell under existing federal programmatic mandates for Wildland Fire Management and Forest Health protection were submitted to the U.S. Forest Service. Projects that met these programmatic requirements were prioritized by the Department according to need and project effectiveness while considering state budget shortfalls for managing invasive species and fire prevention, two primary threats to Hawaii's forests. Without additional funding these important projects would have suffered setbacks such as staff losses that would have jeopardized past successes. These ARRA-funded projects will continue to protect Hawaii's forests against the risks posed by invasive species (plants, insects and disease) and wildland fires.

Project 4 Recovery YCC Program. The Corporation for National and Community Service's (CNCS) AmeriCorps State programs ARRA was only awarded as grants to current programs/grantees. The potential awardees needed a proven track record and previously demonstrated capacity to efficiently and effectively implement projects and use new resources to assist communities in need. The ARRA Recovery YCC grants included the expansion of existing projects or addition of new projects and an increase in members served, state-

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match waivers and/or federal funds for the grantee portions of the match. Recovery YCC host sites were selected from existing partners that demonstrated interest and the capacity to support the program.

- (g) Efforts undertaken to coordinate application for funds and administration of the program/project, including expenditure of funds, with other federal, state, and county agencies;

Projects 1-3. Funds awarded through these programs were only awarded to state forestry agencies. The Department consulted and coordinated with project partners such as Department of Agriculture, island-based partnerships such as invasive species committees and watershed partnerships, and county fire departments to develop quality competitive projects.

Project 4 Recovery YCC Program. Funds were only awarded to existing programs to expand work based on existing program models. As such, existing partners were contacted in order to determine if they needed Recovery YCC assistance and selected based on their ability to expand with additional capacity and support new AmeriCorps members.

- (h) The criteria used to select activities for the program/project;

Projects 1-3. Criteria for selection included adherence to federal programmatic mandates as well as importance to maintaining the Department's core programs, which were threatened by state budget shortfalls.

Project 4 Recovery YCC Program. The Federal government awarded the CNCS funds for enhancement of existing programs, which would replicate existing program models. As such, existing partners were contacted in order to determine if they needed additional assistance. The existing program is coordinated as part of the HRS 247 requirement which was impacted by state budget shortfalls.

- (i) Efforts made to provide public notice and seek public comment/input or, if public comment/input was not sought, why;

Projects 1-3. Partners were consulted, but general public comment was not sought due to the extremely short notice given by the federal agency. The Department had only 5 days to compile and prioritize the initial list of projects.

Project 4 Recovery YCC Program. Partners were consulted, but general public comment was not sought, as there is no ability to modify program criteria based on the federal grant guidance.

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- (j) Efforts made during the bidding/award process to ensure that it was transparent and that the funds were awarded based on merit and in a prompt, fair, and reasonable manner;

Projects 1-3. All work to be carried out by private contractors has or will follow normal state procurement rules and/or any new rules created specifically for ARRA funds. Purchase of goods and services less than \$50,000 will go through the Heps procurement process or adhere to small purchase procedures. Purchases of contract goods and services greater than \$50,000 will go through an RFP process and follow State Procurement regulations.

Project 4 Recovery YCC Program. Funds were awarded to a program coordinator to implement the project through an RFP process and followed State Procurement regulations.

- (k) Measures employed to: (1) reduce duplication of efforts, (2) ensure that funds were used for authorized purposes, and (3) prevent cost overruns, fraud, waste, error, and abuse;

Projects 1-4. All grants are expansions of existing federal programs with existing review and oversight processes. Grants are being implemented by staff experienced in federal grant management and programmatic and administrative procedures. In addition, department staff will work closely in cooperation with the federal funding agency to eliminate any duplication and ensure funds are used properly. In addition, project inspections, quarterly reports, and special accounting protocols will alert the Department to any abuse or fraud.

- (l) Current status of the program/project, including percentage of awarded funds that have been obtained, percentage of awarded funds encumbered and/or expended, and what part(s) of program/project have been completed; and

Project 1 Forest Health Invasive Plants. Grant was executed on September 8, 2009 for \$4,124,000. 94% has been obtained, and an additional 6% (\$259,000) is being processed as an amendment to increase the award to \$4,383,000. Parts of the project have begun such as work by the invasive species committees and invasive species control work on state forest reserves and natural area reserves. Other project activities are still in the procurement phase. Departmental personnel who work on invasive plants have begun charging their time to this grant. As of October 31, 2009, 9% of the awarded funds have been encumbered or expended. Work on various activities in the project have begun and no part of the project has been completed thus far.

Project 2 Wildland Fire Management. Grant was executed on November 13, 2009. 100% of awarded funds have been obtained. Work on procurement and other

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start up activities in the project have begun and no part of the project has been completed thus far. Start-up expenditures for November and December have begun and expenditure reports for November are being compiled and will be available to report on at the end of December.

Project 3 Insects and Disease Detection. Final grant documents for \$140,000 were submitted to the granting agency on December 11, 2009 and are currently being processed. A grant execution letter will be issued to state by federal agency by December 31, 2009. 100% of award has been obtained, and 0% has been encumbered and/or expended. Encumbrance and spending will start in January 2010. No part of the project has been completed thus far.

Project 4 Recovery YCC Program. Grant was executed on April 2, 2009 for \$1,150,293.00. 100% of awarded funds have been obtained. 93% of funds have been encumbered or expended. The Recovery Act YCC program members started work September 23, 2009, and the regular state YCC program members started work on December 7, 2009. These are both 1700 hour programs and completion is subject to member attendance at work. The anticipated completion date for Recovery Act YCC is September 30, 2010 and October 31, 2010 for YCC. No part of the project has been completed thus far.

- (m) Actual or anticipated economic impact to the State of the program/project, including the number of jobs saved/created and the long-term public benefits of the program/project.

Project 1 Forest Health Invasive Plants. The \$4,124,000 is anticipated to create or retain 36 jobs for two years with the additional \$259,000 creating or retaining 3 jobs for two years totaling 39 FTEs for 2 years. Public benefits include the continued management of invasive plants to protect Hawaii's native plant and animal habitat, clean water supply, and maintaining the state's natural resources and natural beauty.

Project 2 Wildland Fire Management. The projects under this grant will create or retain 5 FTEs for 2 years. Public benefits include reduced incidence of and damage to forest resources sustained by wildland fires.

Project 3 Insects and Disease Detection. The \$140,000 is expected to create or retain approximately 2.1 FTEs. The early detection of forest pests in urban forests will provide entomology expertise for identifying new pests as well as outreach to improve public capacity to report new pest outbreaks. Faster detection of pests in urban forest will allow foresters and arborists to manage problems before they jump to nearby watershed forests. The development of techniques for vegetatively propagating koa tree will speed the development of disease resistant koa planting stock for commercial production and reforestation.

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Project 4 Recovery YCC Program. Forty-five 1700 hour AmeriCorps full-time positions were created in addition to 1.5 FTE program coordinator positions. All positions are awarded healthcare. The 45 AmeriCorps members also have the opportunity to: apply for child care assistance, receive a \$4,725 education award upon successful completion of service, receive loan forbearance, and are offered several training opportunities. Recovery YCC AmeriCorps members work to protect Hawaii's natural and cultural resources: vital components for the perpetuation of healthy and environmentally literate communities.

2. For other programs/projects, if ARRA funds, such as competitive grants, were available for a program/project but were not sought or were denied, please briefly describe why the funds were not sought or why they were denied.

Seven ARRA funding opportunities known to the Department were applied for but not funded. Unfunded projects were denied either because the proposed projects did not match federal program mandates/requirements or proposed projects were not selected because they did not rank high enough in competitive rankings on a national basis.

3. Please describe:
 - (a) Any legal/operational barriers/constraints encountered in the award, receipt, encumbrance, or expenditure of funds, including procurement, late/delayed federal guidance, and reporting requirements;
None
 - (b) The effect of those barriers/constraints; and None
None
 - (c) If and how they were mitigated.
N/A