

TESTIMONY OF
C. WILLIAM WINSLADE
MANAGER, YARDLEY BOROUGH
For the Committee on Financial Services

Michael G. Oxley, Chairman
Michael G. Fitzpatrick, Member

“A Look at the National Flood Insurance Program and Flood Mitigation Efforts:
Is Bucks County, Pennsylvania Ready for Another Flood?”

Tuesday, August 15, 2006 – 10:00 am

Location: Yardley Community Center
64 South Main Street
Yardley, PA 19067

Good morning, I would like to take this opportunity to thank Chairman Oxley and Congressman Fitzpatrick for the opportunity to speak to the Committee on Financial Services regarding how the National Flood Insurance Program (NFIP) has responded to these floods and to floods throughout the Commonwealth of Pennsylvania. How the Federal Emergency Management Agency (FEMA) cooperated with state and local governments under the NFIP during the recent floods. Have we experienced problems in the administration and implementation of the NFIP and what could be done to correct these problems. What steps are being taken to mitigate future flood damage to the Yardley area. Lastly, what efforts are being made to modernize the flood maps in Pennsylvania, specifically, Bucks County.

As introduced, my name is C. William Winslade, 51 years old. Presently I am the Yardley Borough Manager and have been for almost two years. That gives me four disasters in dealing with FEMA. I have also been the Emergency Management Coordinator for approximately 25 years (9 federal disasters). This has given me tremendous experience in dealings with various elected and appointed officials at the local, county, state and federal levels. May I introduce two support individuals, John Dougherty, Bucks County's Director of Emergency Services and William Clark, a Borough resident whom you will get to know well in the coming minutes.

First, with the all the advertisement of this hearing, is Bucks County ready for another flood, I must say we are ready, but does the severity of the flood need to be as much as Mother Nature intends. It is probably more appropriate for the constituents to ask is FEMA ready for another disaster in Bucks County.

Again, during the advertisement, we are told we have experienced flooding three times in 21 months. Let me correct the record. Bucks County has been declared a major disaster by FEMA four times in the last 21 months:

- (1) Rain event of 6/30/06 (Disaster number 1649)
- (2) Rain event of 4/14/06 (Disaster number 1587)
- (3) Tropical Depression Ivan 9/04 (Disaster number 1557)
- (4) Rain event associated with Tropical Depression Francis also in 09/04 (Disaster number 1555)

For the record, two serious flood events one in January 1996 (Disaster number 1093) and again in July 1996 (Disaster number 1130). Major disasters are not new in Bucks County and unfortunately, fastly approaching the frequency of routine.

My distinguished colleague Councilman Mohn has spoken on mitigation efforts in our small borough, which is certainly mirrored by all the river communities. I would like to address the Committee on some issues with regard to FEMA's Increased Cost of Compliance. Again, is FEMA ready for another flood in our area.

How Much Coverage is Available: If a disaster stricken person is applying for ICC help to bring their home and/or business into our community's flood plain ordinance, they can receive up to \$30,000.00 in assistance for complying. Can or will the Committee investigate raising the ceiling level of the \$30,000.00 to a today dollar value. When ICC adopted in 1994 the maximum was \$20,000.00. Moved in 1995 to the present value, which certainly needs revisiting.

ICC provides four options for funding:

- (1) Elevation. This raises your home or business to or above the flood elevation level adopted by our community. Our present ordinances require 18" above the 100-year flood plain. With 12 homes underway with an elevation project, all have exceeded \$100,000.00 in cost to comply. Only one resident at the present time has received some ICC funds. With our rain event of June 2006, we have already accepted applications for another 14.
- (2) Relocation. This moves your home or business out of harm's way. With most residents in the confines of Yardley Borough, this is not an option. Open lots prevailing rates are in excess of \$150,000.00 in the Lower Bucks County area.
- (3) Demolition. This tears down and removes flood-damaged buildings. Again, not much of an option. I am sure most will concur; no one wants to see their home demolished.
- (4) Flood proofing. This option is available primarily for non-residential buildings. It involves making a building watertight through a combination of adjustments or additions of features to the building that reduced the potential for flood damage. If we made this available for residential buildings, this could be a cost advantageous program for the government as well as the homeowner. Elevating utility rooms, relocating electrical panels, use of **BX** cable for electrical service.

As previous testimony has stated, the item of choice for mitigation is elevation. With regard to NFIP and the underwriters, it is not quite as easy as written in all publications and manuals. Listed below is a typical time line of a family's ordeal:

April 4, 2005: The river floods.

April/May, 2005: The Clarks start to research out what they need to do. Background checks on house movers and they begin to get all necessary permits for the raise.

End of May 2005: The Clarks sign a contract with Wolfe House Movers.

May-August 2005: A long process of meeting contractors, trying to find the right architect, taking bids, etc. The Clarks decide on architect and he does all drawings needed for the raise. They are finally ready to go up. In the meantime, they get APPLICATION FOR SUBSTANTIAL DAMAGE REVIEW from Borough Hall and attempt to gather information to fill it out.

August 30, 2005: The Clarks raise the house.

September 2005: The Clarks sign the contract for Phase 1 with Citibuilders and they immediately begin the building of the foundation and all that goes with it.

October 28, 2005: The Clarks hand in Application for Substantial Damage Review to the Borough for necessary signatures. They get the application back soon after in the mail, but they believe this is all they need. No one told them otherwise. So they start a very lengthy process of calling Traveler's Insurance Company trying to find the right department to help them. They are sent around to several different claims offices and no one knows what this Application is that they are sending.

January 4, 2006: The Clarks fax and mail again the several pages from the Application for Substantial Damage Review. This time they are finally told by Traveler's Insurance Company that this is NOT what they need, but instead a letter on Borough stationery that says the home is damaged.

January 17, 2006: They write a letter confirming Substantial Damage and the Clarks send it in immediately. This is the official file date for the ICC Claim. The Clarks can't remember why there is such a huge lag here, but they believe it was more general confusion about who was handling the claim. They eventually reach a woman there named Stacey Olsen who was amazing.

March 6, 2006: Stacey Olsen is now the Clarks' angel. She hears their plea and tells them to send the flood policy and letter of substantial damage to Colonial Claims. They will handle their claim. They are now in communication with Twila Fodor and Ludee Velioski at Colonial. They are also amazingly on top of things and very communicative.

March 10, 2006: Colonial Claims sends the Clarks a letter listing the 11 documents necessary to pursue an ICC claim. They gather what they can and send it in. One thing they need is a copy of the Borough's flood ordinance plan. Securing a copy from the Borough, the Clarks gave Colonial a copy of the Borough's flood ordinance plan. Evidently no one else needed something like this. They gather all photographs and send to Ludee to prove the home was raised.

March 17, 2006: The Clarks send more photographs along with almost everything Ludee requested in her letter.

March 20, 2006: The Clarks send even more photos of the cement foundation going up, but it's all they can do for now. The remainder of the documents they needs they cannot get since the house is not complete.

March 30, 2006: The Clarks get a copy of the mitigation permit Colonial is asking for in their letter along with the flood ordinance plan to Colonial Claims. But now they tell them they need all permits involved.

April 4, 2006: The building inspector gives the Clarks copies of all permits issued for the elevation. Colonial takes issue with the permit numbers being handwritten in the upper right, they give them a hard time, but eventually accept them.

Early July, 2006: The Clarks stay in touch with Ludee so she doesn't forget about them since they don't have the CO yet. She then tells them they think they do not need the CO, but if they get a letter stating that the elevation is complete and they are in compliance with Yardley Borough Flood Ordinance, they can get the money. The Clarks also order another survey to prove that the house is indeed above 100-year flood plain, and they send that in to Colonial.

July 20, 2006: The Borough agrees to write the letter Colonial needs, and the Clarks confirm with Ludee what it needs to say. They believe they also had to send new survey plans to the Borough as well in order for him to write letter.

July 25, 2006: Ludee confirms that once she receives letter from the Borough, she'll send the Clarks proof of loss form and they need to notarize and send back. The Clarks fax the building inspector a letter stating what they need their letter to say.

July 26, 2006: The building inspector writes the necessary letter and sends it to the Clarks. They fax the letter to Ludee; they think they are done. Email from Ludee says, "I received the fax and will work on their file in the order it was received." They rejoice.

7 HOURS LATER, SAME DAY: The Clarks get another email from Ludee, now she says the supervisor reviewed the file and they need the invoices. When the elevation is complete the insurance carrier requests invoices match up with the estimates submitted. However on Citibuilders LLC contract, the only thing on there that is covered thru ICC is the new slab. They need that amount broken down. " If they want, they may submit invoices for the steps/railings leading to the first level of the home. The cost to raise the air conditioning unit to the level of the home. The cement blocks used for the elevation. The cost for two 4 foot by 4 foot decks."

They are frustrated; they have a contract from Citibuilders and cancelled checks. But in the contract, he lists all the work under section 2 as GENERAL SCOPE OF WORK TO BE DONE. It totals \$78,500.00 and is clearly all there and more than enough to cover the \$30,000.00. It is not good enough for them. The Clarks also have a contract from Wolfe for the actual raise, but they need an invoice that says PAID IN FULL. They don't have that; just a signed contract and cancelled checks. Two of the three checks are made out to Mark Buckingham the owner; again, no good. Shelly calls Wolfe House Movers to try and get an invoice, evidently it's on its way to the Clarks.

July 27 and 28, 2006: The Clarks leave a message for Tim at Citibuilders asking him to breakdown the invoice.

August 7, 2006: Colonial Claims has also taken the liberty to email and call Tim and eventually around August 7th, Tim emails what they need and they are fine. Again, the Clarks think they are home free and rejoice.

LATER THAT DAY: After telling them things were being passed off to Traveler's Insurance now and all ready to go, they are now asked for photos of the smart vents and more photographs of all four sides of the house.

August 8, 2006: They have a neighbor take the photographs and then send photos of the smart vents and all 4 sides of the house. They are then told by Ludee that the smart vents are too high on the south side and that is a big problem. They send a full explanation to her and her supervisor about the grading of their house; that the vents are indeed less than 12" off the slab floor inside the house, it's just that the outside of the house is graded that way. If they put the vents lower, they would be under the slab.

August 8, 2006: The Clarks speak to Donna, Ludee's supervisor later that day who tells them she will forward the claim to Travelers Insurance anyway and let them decide how to handle. They are concerned about the smart vents. They try to explain over the phone and offer to have someone please come out to see the home in person. They also remind them that one of Travelers representatives, walked through the home after the June 30th flood and he can speak to the location of the vents and how well they performed.

August 9, 2006: The Clarks receive Proof Of Loss from Ludee at Colonial. They sign, have it notarized, they fax and mail it to her. She has received it.

The Clarks are now waiting anxiously to hear if Travelers Insurance will accept their claim.

So here are the Clarks; 16 months and \$100,000.00 later, but they are raised without any help from FEMA.

This is just one story of many from our small Borough. Can the government standardize reporting, streamline government bureaucracy and assist a homeowner in their time of need.

In summary, has the National Flood Insurance Program responded to those in need after a flood; you can just ask the Clarks.

Answering the question how the Federal Emergency Management Agency (FEMA) cooperated with state and local governments under the NFIP during the recent floods, there was minimal involvement during the flood proper. During the few weeks immediately after the flood, there was good representation of underwriters and adjusters. Unfortunately, four weeks after a disaster in a household, a tragedy begins in trying to secure federal monies in putting lives of families back in order.

We are being asked what corrective action is being done to correct the problems we are experiencing with NFIP, the residents have telephoned and written hundreds of letters to our elected officials to reevaluate older and possibly out-dated statutes. Our next step is our plea with you today to please review, revise, update flood mitigation opportunities.

With respect to flood maps in Pennsylvania and specifically Bucks County, I must request the updating of old maps so our local planning and zoning entities can further assure safeguards in the flood plain.

I would like to thank you Chairman Oxley and Congressman Fitzpatrick for the opportunity to speak on behalf of the citizens of this Commonwealth regarding flood issues. It is my belief, which is shared by many Yardley Borough residents, we may not be able to hold back the floodgates of Mother Nature, but we have a positive attitude we can mitigate against some of her issues.

Respectfully submitted,

C. William Winslade
Yardley Borough Manager