

WRITTEN TESTIMONY

of

Lyda Ann Thomas, Mayor, City of Galveston, Texas
Before the U.S. Senate Committee on Small Business and
Entrepreneurship

On Friday, September 25, 2009, at 1:00 pm, at the
Galveston Island Convention Center, 5600 Seawall
Boulevard
Galveston, Texas

Senator Landrieu and Distinguished members of the
Committee:

Welcome to Galveston, Texas the birthplace of our
Senator Kay Bailey Hutchison and the proud survivor of two of
America's most devastating hurricanes, the 1900 Storm which
took 8,000 lives and Hurricane Ike which ranks behind Katrina
and Andrew as the third most costly storm to sweep our
shores.

The topic you have chosen is timely:

“A Year Later: Lessons Learned and Progress Made, and Challenges that Remain from Hurricane Ike.”

While we have much to be proud of in our recovery and even more to be grateful for, especially to you and to the committees you have chaired and to our Senators Hutchison and Cornyn and our entire Texas Delegation, many still struggle putting their lives and their businesses back in satisfactory working order. To put it another way, FEMA, the SBA, HUD and the FHWA as well as the State are still much needed in our community. Indeed, the extent to which the City, its citizens and its businesses can access the programs and dollars these federal and state agencies command will to a large part determine whether Galveston, Texas will rebound to heights yet unseen and a future secure for generations to come.

In Galveston, we don't say if a storm comes, but when. Galveston was as prepared as we could be for Ike's wind and rain. It was his surge that swamped our city, damaging 75 % of our homes and businesses. Surging flood waters ripped into our aging infrastructure. Our sewage, wastewater treatment and water plants, the city's and the economy's underpinnings, were either damaged or destroyed.

John Sealy Hospital and the entire University of Texas Medical Branch could not function without proper water and sewage delivery. Had necessary City infrastructure been

repaired pro-actively as a part of planned mitigation by the City and UTMB with FEMA before the storm or expeditiously after the storm, it is possible that the hospital and UTMB would not have been threatened with drastic downsizing and subject to the turmoil it went through to recover. Nor would the city's business interests have suffered the shock of economic disaster threatened by UTMB's down-sizing.

Ike taught us that time is at essence and that time is money.

Minimal public health and safety requirements absolutely delayed the return of our citizens, including business owners and operators, for a vital ten days, during which time, mold took hold, rust set in and ground- floor furnishings, equipment, wallboard, electrical outlets and shop inventories were destroyed.

Because FEMA requires that the City conduct a Residential Substantial Damage Estimate Program which takes several months to complete and costs approximately one million dollars, the City recommends that FEMA include this as a pre-contracted reimbursable item as treated in the Stafford Act, Subtitle F - Sec, 691. Advance Contracting (6U.S.C. 791).

The City has tried to convince FEMA that aside from quick fixes, it is more cost effective as soon as possible to redo a whole system at once rather than piecemeal, as has happened

at our Main Wastewater Treatment Plant and our airport pump station. To harden our infrastructure, the City must comply with the Texas Commission on Environmental Quality standards. We could do that if FEMA followed the provision in its rules that it will pay to reconstruct to new Codes and Standards.

There are many faces of FEMA: 1)the friendly, helpful “Johnny on the Spot” rescue and response FEMA; 2) the ever-changing faces of the FEMA occupying army of bureaucrats; and 3) the arbitrary rule-making and changing, deadline setting and resetting, again and again – and always at the last minute FEMA and 4) the nay-saying, penny-pinching FEMA that stands in the way of all the help FEMA is supposedly there to provide.

The good intentions of FEMA’s hundreds of representatives over the last 12 months could not be questioned. They did not fail the system; it failed them, and us, in the process. What is required is consistency and coordination of command with decision-making authority on the ground, and dispersal of necessary funds upfront to get the job done before costs mount.

For all of the destruction, the complicated red tape the City and the citizens were obligated to deal with in order to take the simplest first steps toward recovery -- for all the delay and frustration sapping our energies and efforts –

Galvestonians to this day have hung tough and together, exercised patience mixed with persistence, and continued to keep faith with FEMA and in themselves in the belief that this federal government of ours has not lost sight of the needs of the City or its citizens. Your presence here today is proof of that. You are fulfilling a vital part of the Stafford Act which calls for a Standard of Review (Sec. 313) (42U.S.C. 5156) which states that

“The President shall conduct annual reviews of the activities of Federal agencies and State and local governments in major disaster and emergency preparedness and in providing major disaster and emergency assistance in order to assure maximum coordination and effectiveness of such programs and consistency in policies for reimbursement of States under this Act.” (underlining is mine.)

There has been an abysmal lack of coordination and effectiveness of programs. UTMB and the City operated with two different FEMA teams in two different universes. FEMA failed to clarify for itself or the City exactly where its jurisdiction began and ended. Examples are the confusion over repair and reconstruction of Pelican Island Bridge and responsibility for our traffic signals, including school zone signals. FEMA thought these were their responsibility. Months later, it was discovered that the FHWA has jurisdiction. Now with HUD CDBG disaster

funding beginning to flow into City coffers, FEMA is indicating that it might pull back some of its funding to honor its role as “the funding source of last resort.” FEMA should be our first funding source, with the CDBG a vital backup for housing, infrastructure and economic development.

In light of Hurricanes Katrina and Rita, the City looks to the standard of “consistency in policies for reimbursement of States.” Galveston has earned your trust. We are aware that there is a discrepancy in the programs and especially the 100% reimbursement for all categories of FEMA public assistance granted to Katrina victims.

The Surge destroyed our urban forest which we consider our infrastructure, an estimated 40,000 trees, providing energy efficiency, reduced carbon emissions, as well as beauty. It would be cost effective for FEMA not only to remove the thousands of dead trees but to also pay for the planting of their replacements.

Finally, the challenge for the future growth and development of our Gulf Coast Region could be met by three major undertakings by the federal government. One, is the release of 600 acres of seawall- protected land that the City loaned the Corps of Engineers for dredge spoils in the last century. Two, is the support of Galveston – Houston efforts to construct shoreline protection for the Texas Gulf Coast, and

three, to provide funding for high-speed commuter rail between Galveston and Houston.

The written testimony that is attached will amplify my statement here and provide further recommendations.

Thank you for this opportunity to meet with you.