US Army Corps
of Engineers®
Seattle District

Skagit River Flood Risk Management General Investigation

Skagit County, Washington

Draft Feasibility Report and Environmental Impact Statement

Appendix F – Real Estate

May 2014

Real Estate Requirements of Selected Plan

This Real Estate Plan Summary (REP) is presented in support of the Skagit River General Investigation Flood Risk Reduction Project and describes the real property interests required to implement the preferred project design alternative. The purpose of the Real Estate Plan is (1) to identify the lands, easements, rights-of-way and relocations (LERR) required to support construction, operation and maintenance of the proposed project elements described in the Draft Feasibility Report - Environmental Impact Statement (FR-EIS); and (2) to outline the costs and real estate considerations associated with project implementation. The Non-Federal Sponsor (NFS) for this project is Skagit County, Washington.

The authority for the Skagit River General Investigation is derived from Section 209 of the Flood Control Act of 1962 (Public Law 87-874).

The project area encompasses the Skagit River watershed and the Skagit River floodplain from the Seattle City Light's Ross Dam reservoir (Ross Lake) to Puget Sound, a total of approximately 150 river miles. The Upper and Lower Baker Dams on the Baker River, tributary to the Skagit River, are in the project area. The Sauk-Suiattle River and the Cascade River tributaries have Wild and Scenic status; therefore are not part of the study area. Study measures and alternatives are largely focused in the most densely populated and developed areas of Skagit County, including the cities of Sedro-Woolley, Burlington, Mount Vernon, and La Conner. The floodplain is bisected north-south by Interstate 5 (I-5) and the Burlington Northern Santa Fe (BNSF) Railroad.

The Skagit River GI Flood Risk Reduction Project will affect approximately 148.5 acres of intertidal, backshore, riparian and upland areas within Skagit County, Washington (See, Real Estate Plan appendix, Exhibit A maps). The perpetual project footprint affects approximately 600 parcels/owners in the proposed project reach for the preferred comprehensive urban levee improvement alternative (i.e., CULI). Improvements to existing levees will require acquisition of levee easements for expanding the levees in a landward direction to accomplish necessary increases in existing levee heights as well as levee easements for new levee alignments in North Burlington, at the Riverbend Cross-dike near Mount Vernon, and for ring dike flood walls proposed at the Sedro Wooley Waste Water Treatment Plant and General Hospital. Levee easements will also be required for lands where mechanical gate closures are proposed.

Primary construction access to the project footprint levee alignments will be via public road rights-of-way. It is assumed that there will be the need for five (5) half-acre construction staging areas that will require Temporary Work Area easements for up to 12 months for a total of 2.5 acres of Temporary Work Area easements. Necessary staging areas for construction will be identified during the Feasibility–Level Analysis process.

Excavated materials are intended to be re-utilized within the proposed project footprint. Excavated materials that are not suitable for re-use will be transported to a commercial disposal facility. The need for a temporary disposal or re-handling site is not anticipated at this time. The need for borrow sites for construction materials is not anticipated at this time. It is currently assumed that materials required for construction will be purchased from local commercial suppliers.

The NFS will need to certify available all Lands, Easements and Rights-of-Way (LER) determined by the Government to be required for construction, operation and maintenance of the proposed project prior to the opening date for advertisement of the construction contract. In addition, the NFS will be responsible for ensuring the design and specifications for, and the performance of, the proposed utility and public facility relocations identified in the Real Estate Plan. The NFS will have approximately 180 days after certifying lands available for construction to provide Real Estate Division with documentation required to support their claim for LER credit.

Pre-project and post-project hydraulic modeling data required to determine whether induced flooding will cause a taking of property interests that requires just compensation will be available for a legal takings analysis during the Feasibility-Level Analysis process. Legal analyses will be performed in the next project phase when necessary hydraulic modeling data for the preferred alternative becomes available. A final determination will be made at that time regarding whether additional property interests will be required over affected parcels.

More detailed utility relocation data will be collected by the USACE Seattle District Civil Design Branch during the Feasibility-Level Analysis process. At the time of this report information about specific affected utilities and/or public facilities was not available. It is assumed that various utilities will be affected by proposed project features, especially roads that will be raised to function as levees where the affected road right-of way also functions as a utility right-of –way. A $14.686 Mil estimate is currently in place as a preliminary estimate of utility/public facility and public road LERRD relocation costs. The final estimated costs for required LERRD relocations will be updated at the Feasibility-Level Analysis design phase to include all utilities/public facilities and roads affected by the NED plan. A Attorney's Preliminary Opinion of Compensability will be prepared during the Feasibility-Level Analysis phase as appropriate. The task of relocating and/or altering affected utilities will be a NFS responsibility as required by the Project Partnership Agreement. Article III, C. of the PPA provides that prior to the issuance of the solicitation for each Government contract for construction of the project the NFS shall prepare or ensure the preparation of plans and specifications for all relocations the Government determines to be necessary for that work. Furthermore, prior to the end of the period of construction, the NFS shall perform or ensure performance of all relocations as set forth in such descriptions.

ANY CONCLUSION OR CATEGORIZATION CONTAINED IN THIS REPORT THAT AN ITEM IS A UTILITY OR FACILITY RELOCATION TO BE PERFORMED BY THE NFS AS PART OF ITS LERRD RESPONSIBILITIES IS PRELIMINARY ONLY. THE GOVERNMENT WILL MAKE A FINAL DETERMINATION OF THE RELOCATIONS NECESSARY FOR THE CONSTRUCTION, OPERATION, OR MAINTENANCE OF THE PROJECT AFTER FURTHER ANALYSIS AND COMPLETION AND APPROVAL OF FINAL ATTORNEY'S OPINIONS OF COMPENSABILITY FOR EACH OF THE IMPACTED UTILITIES AND FACILITIES.

Baseline Cost Estimate for Real Estate (BCERE)

The baseline cost estimate for real estate (BCERE) presented below provides a breakdown of the estimated costs for project LERR as well as estimated NFS administrative costs and Federal review and assistance costs associated with LER certification and crediting activities. For lands acquired more than five (5) years preceding the execution date of the PPA, the NFS may not claim credit for incidental acquisition costs. However, the NFS may claim credit for administrative costs associated with certifying lands available for construction, such as title, crediting appraisal, and legal fees. Federal review and assistance costs include those costs associated with providing the NFS with LER requirements, review of crediting appraisals, coordination meetings, and review of right-of-way documents, legal support, and LER crediting activities.

These preliminary estimated costs for lands are based on assessed market value per acre for each affected parcel, multiplied by proposed project acreage affecting each subject parcel. The estimated land costs will be updated and refined following development of the 35% level of design in a later project phase. It is assumed that a formal gross appraisal, or brief gross appraisals will be utilized by the Corps' appraiser to determine the estimated costs for property interests required to support the proposed project design.

Table 1 Baseline Cost Estimate for Real Estate

Estate	Acres	**Estimated Land Cost**	**NFS LERRD Admin**	**NFS LERRD Total**	**Fed LERRD Admin**
Perpetual Levee Easement	146.01	$8,963,842			
Temporary Work Area Easements (12 month term)	(.5x5) 2.5	$2,500/year	$1,100,000		
Utility & Facility Relocation Costs		14,686,000			
Subtotals		$23,652,342	$1,100,000		$50,000
15% contingency		$3,547,853	$165,000		$7,500
Project Totals	148.50	$27,200,196	$1,265,000		**$57,500**
Totals (round-up to nearest $1,000)	148.50	$28,000,000	$1,265,000	**29,265,000**	**$57,500**

~Total NFS LERRD preliminary estimate=$28,000,000 (Assuming $14,686,000 for utility and road relocations, and an estimated $1,265,000 for NFS LERRD incidental admin. costs).
~Total Federal LERRD review & Assistance preliminary estimate= $57,500
~Utility and road relocation costs are merely a preliminary estimate at this time: $14,686,000 and will be updated when actual relocations are identified and quantified during the Feasibility-Analysis process.

~Legal Opinions for Compensable Interest on Utility relocations, Takings analyses, and the Gross appraisal will be performed in the Feasibility-Analysis process. Final LERRD requirements for the project will be determined based on the Feasibility-Analysis design.