

April 30, 2003

Donald S. Dixon, P.E., Manager  
Surface Water Management Section  
Skagit County Public Works Department  
1111 Cleveland Avenue  
Mount Vernon, WA 98273-4215

Dear Mr. Dixon:

Re: Skagit River Feasibility Study: FCAAP #G0200110  
Progress Report for July 1, 2002 – December 31, 2002

Your Progress Report for the subject project was reviewed by this office and payment as requested in the accompanying financial documents was recommended. This report was for the six months ending December 31, 2002, which covers 75 percent of the total project period.

There were several tasks for which costs were either increased or decreased. Based on your narrative, we have also accepted these cost adjustments. Changes such as these are inevitable given the size of the project. Also, adjustments are needed to reflect the changes that appear to be occurring in the overall direction of the project. Although we have approved the report for payment and have likewise approved the cost adjustments, based on our review there are a few areas of concern that need to be addressed in your preparation of the next quarterly report for the period January 1, 2003 through March 31, 2003:

**Overall budget.** With 75 percent of the project period complete, only 58 percent of the project costs have been incurred. While there are many reasons cited in the subject report for this (late Federal budget, uncertainty of alternative to be chosen), we need to know as quickly as possible if all FCAAP funds will be spent by the end of the project period, June 30, 2003. The funds must be spent within the framework of RCW 86.26.100, which does not allow FCAAP funding to exceed 25 percent of the cost of the Feasibility Study.

**Deliverables.** We have received many deliverables through your past Progress Reports, and through other means. However, there are a few concerns in this regard. A major concern is the product that is required in Task 5.1, the Wetland Survey. This product was supposed to be available on March 31, 2002. Fully one year later, it still has not yet been delivered. If this does not become available soon, we will have to seek ways to recapture funding that has already been provided (the total cost in the FCAAP budget has long since been expended). Deliverables are also expected for all of the Task 5 elements (Task 5 and 5.1 through 5.9). Some have already been provided but all remaining deliverables are expected, unless you request a change in the scope of work next quarter.

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**Task 5.3, Land Use Study.** "Slow progress" is reported in this study, which could be a key determinant in evaluating and selecting a project alternative. A report for this element was due in July 2002, but was not submitted with your Progress Report. Since the budget for the Land Use Study is unchanged, we would expect to either see the completed product with your next Progress Report, or an explanation to adjust the cost and/or scope of this effort.

**Task 5.5, Riprap Studies.** This study has a budget of \$25,000 but, as of the date of the Progress Report, there have been no costs incurred. The Progress Report did not mention anything about the Riprap Studies. Since there is a deliverable also involved in this element, this study needs to be addressed or the scope needs to be revised.

**Task 9, Interim Comprehensive Flood Hazard Management Plan.** The types of activities attendant to the CFHMP process are defined at WAC 173-145-040, and further described on pages 28-32 of Ecology's "*Comprehensive Planning for Flood Hazard Management Guidebook*," Publication 91-44. This guidance was largely followed in Skagit County's 1989 CFHMP. The kinds of hydraulic studies reported in the Progress Report are not normally included in the scope of work for CFHMP efforts; however, the presumption is that they will be tied more closely to elements that are within the purview of the CFHMP process, as defined in the above references, during the next two quarters.

We have additional questions about some of the larger elements of the approved FCAAP Scope, such as the Padilla Bay studies and the Geomorphic analysis. However, we realize that these are largely dependent on the Corps' evolving Project Management Plan, and on possible changes to the overall direction of the Feasibility Study. For these and the above-noted concerns, we need explanations and, where appropriate, revised budget figures in the next quarterly report (January 2003 through March 31, 2003). Our last progress review made a similar request, and your responses proved to be sufficient.

If you have any questions, please call me at (425) 649-7139.

Sincerely,

Charles L. Steele  
Floodplain Management Specialist

cc: Dave Brookings  
Steve Babcock, COE  
Tim D'Acci, Ecology