## Agenda Item 7b:

## Memorandum

**To:** Programs, Projects and Operations Subcommittee

regarding a purchase for recovery purposes.

From: Brian L. Henkel, Groundwater Management Engineer

**Date:** August 03, 2012

Re: Review and Recommendation on Nebraska Environmental Trust (NET) Grant Application:

The recently approved contract with FYRA Engineering, LLC (FYRA) included the task of writing a grant application to the Nebraska Environmental Trust (NET). The grant application will be a request for assistance on a setback of the existing R-613 Missouri River Levee (R-613). A setback of R-613 (Figure 1) would move a portion of the levee back away from the river to allow an area currently protected by the levee to be reconnected to the river system. The US Army Corps of Engineers (Corps) Missouri River Recovery Program is authorized to purchase land to re-establish connection to the floodplain and District management and staff have been in discussions with the Corps

The Corps has nearly completed an environmental review of the proposed purchase area and should be proceeding with an appraisal starting in September. With a Corps purchase, a setback of the levee would complete the recovery project. The NET grant application will be a request for the extra cost associated with setting back a portion of theR-613 Levee. The current estimate for improvements to the existing segment of levee in the setback area is \$3,000,000. The estimate for construction of the proposed setback alignment, excluding land rights, is \$5,000,000. The NET application will be for the difference of \$2,000,000.

Corps Recovery Program funds can only purchase land from a willing seller, in this case PCS Nitrogen. Discussions with District management, Corps personnel, PCS Nitrogen representatives and other stakeholders in the area identified a second potential setback alignment (Figure 2). The larger setback area would reconnect nearly 560 acres of PCS property to the river system but PCS Nitrogen is not currently interested in selling the larger setback area. The estimated cost of the larger setback alignment, excluding land rights, is \$6,000,000 or \$3,000,000 over the improve in place estimate. District management is proposing to proceed with the NET grant application based on the smaller setback alignment area and to proceed with re-aligning the R-613 Levee with the understanding that re-alignment is contingent upon a purchase of the setback area by the Corp Missouri River Recovery Program.

Management recommends that the Programs, Projects and Operations Subcommittee recommend to the Board of Directors that the District apply for Nebraska Environmental Trust funds to offset the cost of a setback of the R-613 Levee in the amount of \$2,000,000.





