



## South Florida Water Management District

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LAN 06

March 18, 1998

Colonel Joe R. Miller  
District Commander, Jacksonville District  
U.S. Army Corps of Engineers  
400 West Bay Street  
Jacksonville, Florida 32202

Dear Colonel Miller:

**SUBJECT: Identification and Valuation of Southern Glades Acreage as a C-111 Project Cost-Share Item**

In May 1994, the Jacksonville District (Corps), in conjunction with the South Florida Water Management District (District), completed the Final Integrated General Reevaluation Report and Environmental Impact Statement, Canal 111, Central and Southern Florida Project (GRR) which evaluated and recommended project modifications in the C-111 Basin. Your Headquarters approved the GRR in July 1994. In November 1994, the Jacksonville District prepared a Real Estate Design Memorandum (REDM) to address the lands and estates required for the proposed modifications to the C-111 project. Your Headquarters approved this REDM in April 1996.

In the GRR, it was recognized that the lands within the Southern Glades would be required for the project. The recommended and approved plan included construction of a spreader canal (C-111N), a 50 cfs pump station (S-332E), plugging of C-109 and C-110, and degrading the spoil mounds on the south side of C-111 running through the Southern Glades. All of these improvements were designed to provide overland flow through the Southern Glades to the eastern panhandle of the Everglades National Park and thereby reduce flood discharges to Manatee Bay/Barnes Sound. While both the GRR and the REDM recognized the requirement for lands within the Southern Glades, both the GRR and REDM stated that: "The Florida Legislature approved the Southern Glades for land acquisition under the Save Our Rivers program, a State financed land acquisition program. Land acquisition in the C-111 basin began in the 1980's and as of 1993, approximately 27,580 acres have been acquired as part of the Southern Glades Program. At the present time, about 3,260 acres remain to be acquired under this program." The only cost associated with lands within the Southern Glades was for the

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EXHIBIT A

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lands underlying the proposed Spreader Canal (C-111E) or approximately 250.5 acres at an estimated cost of \$250,500 or \$1,000 per acre.

At the time the GRR and REDM were written and approved, the District was required to provide free of cost to the United States all lands and interests in lands required for the C-111 project and the approved modifications thereto. Section 316 of the Water Resources Development Act of 1996 (WRDA) changed the cost sharing on the C-111 Project to a 50/50 cost share for total project cost, including the cost of all lands needed for the project. In the March 26, 1997 Southern Everglades Restoration Alliance Real Estate team meeting, the District presented to Corps representatives, the updated District costs for C-111 land acquisition (Rocky Glades, Frog Pond, and Southern Glades). In an April 4, 1997 letter from Bart Wivell, Chief, Real Estate Division, USACOE, to Blair Littlejohn, Director of Real Estate, SFWMD, the Corps recognized that "Some lands in the Southern Glades project were identified and discussed as being required for operation of the project but were not valued in the GRR or REDM as it was thought that South Florida Water Management District (SFWMD) had acquired the lands and therefore possessed the necessary interest in these lands for the operation of the project." The letter advised the District that a Supplemental REDM would have to be completed to address the lands and estates required for project in the Southern Glades and would also address the increased costs in the Frog Pond and Rocky Glades. The letter closed with a request for additional documentation for the Southern Glades acquisition which was required in order for the Corps to complete a Supplemental REDM, a Takings Analysis, and revised Gross Appraisal. The Corps has acknowledged receipt of all the requested documentation and has found it to be complete. Based upon the provisions of Section 316, WRDA 1996, and the documentation provided, it is the request of the District that the cost of acquisition of the entire acreage (30,066.74 acres) required for the C-111 Project within the Southern Glades be included as a cost shared item in both the Project Cooperation Agreement and the Supplemental REDM.

The District realizes that in a normal 50/50 cost sharing arrangement, pursuant to the terms of the Project Cooperation Agreement and applicable law, the credit afforded to the Non-Federal Sponsor would be determined by the performance of a fair market value appraisal of the lands owned by the Non-Federal Sponsor as of the date of the Project Cooperation Agreement; and the credit would be the fair market value as of the date the Non-Federal Sponsor provided the Government with authorization for entry thereto. However, in the case of the lands within the Southern Glades portion of the C-111 project, we would waive any right to a reappraisal and possible enhancement in value, provided the U.S. Army Corps of Engineers credited the District with its actual costs paid for the lands, plus any documented associated costs for lands purchased after October 1, 1991.

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The following table presents summary of land and administrative costs for purchases to date, as well as a project of costs for the lands that remain to be acquired:

	<u>Acreage</u>	<u>Land Cost</u>	<u>Admin Cost</u>	<u>Total</u>
Purchased	29,590.60	\$10,002,500.00	\$ 171,342.64	\$10,173,842.65
Pending	<u>476.14</u>	<u>\$ 615,200.00</u>	<u>\$ 916,875.00</u>	<u>\$ 1,532,075.00</u>
Total	30,066.74	\$10,617,700.00	\$1,088,220.00 <sup>0</sup>	\$11,705,920.00 <sup>0</sup>

The District would also certify fee title as available for the C-111 project, even if a lesser estate is required for implementation of the project. It is the District's opinion that the approximate per acre value of \$353.14 for the Southern Glades would be less than the current appraised fair market value whether the fee title or a lesser estate is required for the project.

An analysis of the lands purchased by the District in the Southern Glades is attached which includes the acreage, purchase price, and associated costs (title, recording, appraisal, risk assessment, etc.) for each parcel. If you or your staff have any questions, please contact Barbara Bernstein at (800) 432-2045, extension 8837.

Sincerely,



Samuel E. Poole III  
Executive Director  
South Florida Water Management District

Attachment

SEP/BB/ss







