

Minutes
May 20, 2016

Commissioner's Present: Phillip Riegle, Mark Gazarek and Brian Robertson

Also Present: Steve Wilson, Lydia Mihalik, Paul Schmelzer, U.S. Army Corps of Engineers

Commissioner Riegle opened the meeting at 1:00 p.m. at the U.S. Army Corps of Engineers office in Buffalo, NY

The USACE gave the Commissioners and city officials an update of what they have been working on in regards to the Blanchard River Flood Study and Diversion Channel. In April 2015, a draft feasibility report was released where the USACE introduced their plan of the diversion of Eagle Creek. At that time the cost estimate was \$60 million with a benefit to cost ratio of 1.34:1. These estimates were based on prior projects. After receiving comments from the public, the USACE compiled more detailed plans of the 9.4 mile diversion channel.

Since that meeting, the Corps has updated their cost estimates. As of late November 2015, cost has increased and the benefit to cost ratio has decreased. Estimated project cost was around \$70 million and BCR was at about 1.1:1. The Corps took this product and presented it to their Vertical Team for review and comment. After the process with their Vertical Team, the cost estimate rose to \$80 million and a BCR of less than 1:1. At this point, additional benefit categories were sought out; however they still did not result in a BCR of more than 1. The Corps also reviewed their hydraulics and hydrology to see if they were able to refine those estimates, as they correlate to economic damages. Through research and effort, they were able to identify that there were significant changes in recurrence intervals in flooding over the last 10-15 years. These changes were then incorporated into the flood study analysis.

This new concept was presented to experts both inside and outside the USACE and it was determined that this new hydraulics and hydrology methodology could be beneficial to the Blanchard River Flood Study. It's the first time it has been used in the Corps. A concept synopsis, called "White Paper" was drafted and presented to the experts in the hydraulics and hydrology practice to see if it would be practical to use in this project. This step is where the project rests now, as the Corps is waiting on acceptance of this new method from their superiors.

The Corps reported that they are still in their Feasibility Stage and there are three questions to answer in this stage. Is the recommendation feasible? Is it environmentally acceptable? Is it economically justified? They stated these questions have been answered. They believe their plan is feasible and will reduce flooding in Findlay and Hancock County, and that it is environmentally acceptable. The answer to the third question – if their plan is economically justified – is no, as the BCR is currently less than 1. The Commissioners believe they are currently facing two courses of action – one being supporting an orderly transition to a locally led project and the other being staying with the Corps and using the new hydraulics and hydrology methodology, which includes waiting on approval to use this method. This second course of action also requires an additional \$100,00.00 in funding from Hancock County. They

said they are rapidly approaching the point in time where a decision needs to be made on which course of action to follow.

The Army Corps also informed the commissioners that there is an outstanding balance owed to them of \$160,000.00. Neither the commissioners nor Steve Wilson were aware of this balance. Commissioner Riegler asked for clarification on what this money was owed for. The Corps explained that they have been matching all federal funds dollar for dollar with non-federal contributions and as of now there's a deficit on the county end. Commissioner Robertson requested the Corps send a summary of funds received which shows where the deficit came from.

Paul Schmelzer asked the likelihood of the BCR getting above 2.5:1 and the Corps responded that it was highly unlikely for it to reach that point. Commissioner Riegler clarified that the current BCR for federal funding of other projects was reported to be at least 3:1, and that it is unlikely that the Blanchard River project would receive federal funding. The Corps confirmed this statement that current projects being funded are at 3:1 but it is not absolutely impossible to get funding if the BCR is lower.

Commissioner Gazarek clarified with the Colonel that if it was decided to stay with the Corps and their plan of action, what the timeframe for the Chief's Report would be, provided that funding was in place. The Colonel stated that the additional \$100,000.00 would be needed by the end of May 2016 from Hancock County and the Chief's Report would then be in place in roughly summer 2017. Commissioner Gazarek also questioned if the Vertical Team could turn down the White Paper proposal to use the hydraulics and hydrology methods. The Corps responded that it is a day-to-day situation but it is possible that the Vertical Team could say no.

Commissioner Robertson asked what the success rate and history has been when communities have decided to break away from the USACE and go with a locally-led project when federal funding is no longer in sight. The Corps responded that the diversion channel built in Ottawa has been the closest comparison. They also stated that if the project is locally-led, operation maintenance is now Hancock County's responsibility instead of it being on a joint basis and operation maintenance being completed by the Corps on an annual basis. The Corps is not responsible for any deficiencies or failures that happen after a local-led project.

Commissioner Gazarek questioned whether or not there is any public safety considered in the three questions the Corps asks during their Feasibility Study. For example: when there's a flood, half of the county is cut off from emergency services – this is not considered in the BCR as there is no dollar amount that can be applied to the emergency services or their inability to respond. The Corps stated that this has been recognized but it is outside the realm of what is considered during analysis. Mayor Mihalik then asked about the potential contamination of drinking water and if that falls under consideration. The Corps explained that typically only damages avoided to structures and contents are what make up overall benefits.

Commissioner Robertson addressed the remaining funding needed for a Chief's Report. He acknowledged the extra \$100,000.00 along with a remaining balance of \$160,000.00 owed to USACE for work completed. The Corps stated they do not believe there would be any additional costs; they just need to find out the outcome of the White Paper. Paul Schmelzer and Mayor

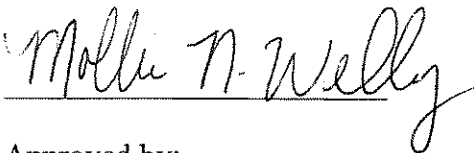
Mihalik expressed their disapproval over requiring more money to obtain the Chief's Report as they were previously told no further funding would be needed.

Mayor Mihalik asked if the project were to be locally-led, does the Corps have enough resources to properly transfer the research and documents to an engineering firm. The Corps reported that the transfer would be included with the remaining \$160,000.00 that is owed for work completed. She also acknowledged that all work done to this point has been extremely valuable and necessary, and thanked the Corps for all of their efforts.

After hearing all that the Corps had to report, the commissioners thanked them for all of their time and effort. All parties acknowledged that the project is nearing a point where a course of action needs to be chosen. The Corps expressed that they would support any decision that is made by Findlay-Hancock County and will do what they need to in order to ensure a smooth transition into a locally-led project, if that's the path that is taken.

Commissioner Riegler adjourned the meeting.

Prepared by:


Mollie N. Welby

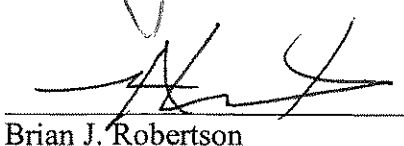
Approved by:


Beth Bishop, Clerk

Reviewed and approved by:


Phillip A. Riegler


Mark D. Gazarek


Brian J. Robertson