

Rio de Flag Flood Control

Community Development Division

February 26, 2013

Problem Statement:

–Lack of Project Progress

1. Lack of Funding

- No Earmarks
- Never been in President's Budget

2. Federal Process

- Schedule – too long
- Cost – too expensive

3. Benefit to Cost Ratio (BCR)

- Parity required by Office of Management & Budget
- BCR of 3:1 or higher to compete nationally

Purpose

Facilitate Council Discussion of Options

- Option #1 – Stay the Course
- Option #2 – Self Administration
- Option #3 – City Project
- Option #4 – Terminate Project

Background

- PRELIMINARY STUDIES AND CONTRACTUAL AGREEMENT
- DESIGN & CONSTRUCTION
- FINANCIAL

BACKGROUND

Preliminary Studies & Contractual

- Reconnaissance Report – 1997
- Feasibility Study – 2000
- Project Cooperation Agreement – 2004

BACKGROUND

Project Cooperation Agreement

On August 3, 2004, the City Council approved a Project Cooperation Agreement (PCA) between the USACE and the City. This agreement established the roles and responsibilities for each agency.

BACKGROUND

PCA – Corps Responsibilities

- Administration
- Design
- Construction
- 65% of the total project cost

BACKGROUND

PCA – City Responsibilities

- Lands, Easements, Rights-of-way, Relocations, and Disposals (LERRDs) includes property acquisition, bridges, utilities and surface replacements
- 30% of the Flood Control Costs
- 5% Cash Contribution
- 100% of Environmental Remediation
- 50% of the Recreation Costs
- 100 % of “Betterments”

BACKGROUND

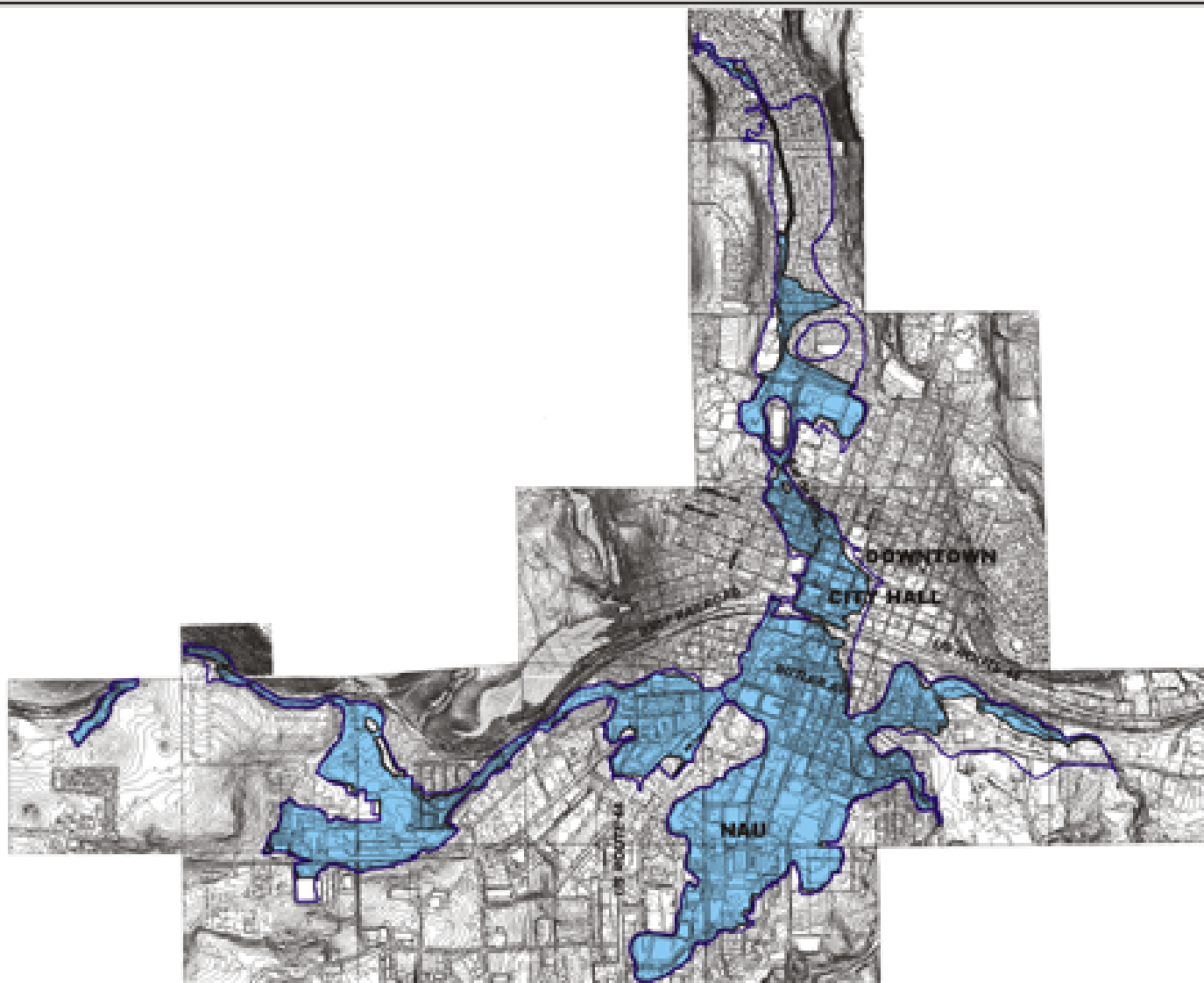
Design & Construction

- Feasibility Study Findings
- Project Design Alignment
- Construction Elements Completed

BACKGROUND

Feasibility Study Findings

- Over 50% of the Flagstaff population of 61,000 would be directly or indirectly affected.
- Structural damages estimated at over \$395,000,000.
- A single 100-year flood event would cause an estimated \$93,000,000 in economic damages.
- The main goal of this project is to reduce damages and economic losses of a major flood event by containing the 100-year flood within the proposed improvements.



GENERAL INVESTIGATION
FLOOD DAMAGE REDUCTION STUDY
FOR
Rd 02 FLAG,
FLAGSTAFF, ARIZONA

**2003 FLOODPLAIN
Without-Project
Conditions
100 & 500 Years
Downtown Area**

LEGEND

- 100 YEAR FLOODPLAIN 100
- 500 YEAR FLOODPLAIN 500



U.S. ARMY CORPS
OF ENGINEERS
Los Angeles District
South Pacific Division



CITY OF FLAGSTAFF
ARIZONA

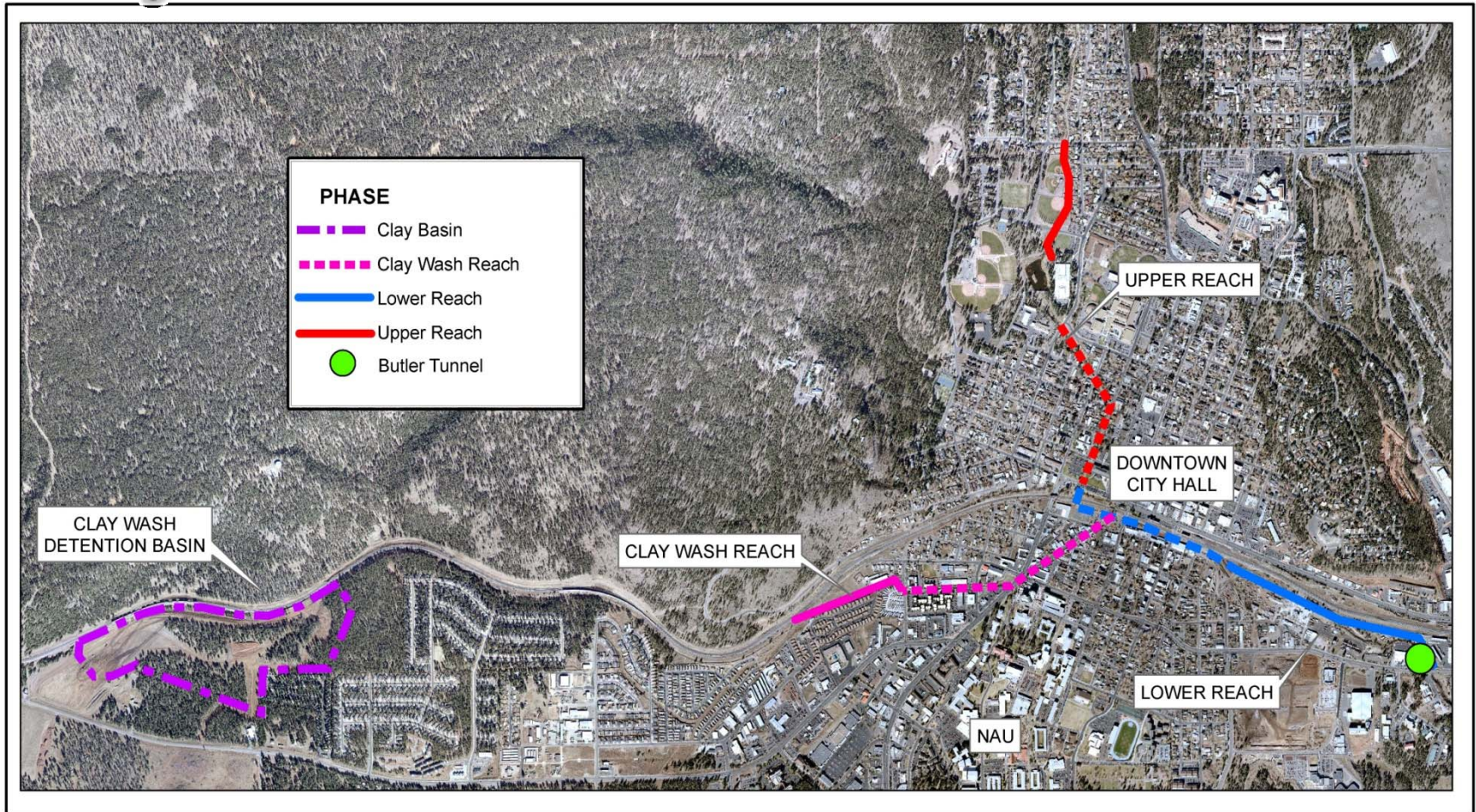


0 100 200 300 400 500 Feet

1:10000

October 10, 1999

Project Elements & Status



Rio De Flag Project
City of Flagstaff, Arizona



Date: 2/7/2013

BACKGROUND

Financial

- Amount Authorized – Federal Government
- Total Project Estimate–Army Corps of Engineers
- Project Expenditures to Date

BACKGROUND

Financial – Authorized

- 2000 – Water Resources Development Act (WRDA) authorized the project 902 limit for \$24M
- 2007 – Reauthorized with a new 902 limit at \$54M
- Corps recalculated 902 limit based on inflation rates at \$72M

BACKGROUND

Project Estimate

- 2000 – Project Estimate \$24M
- 2004 – Project Estimate \$33.4M
- 2006 – Project Estimate \$55.5M
- 2009 – Project Estimate \$84M
- 2012 – Project Estimate \$92M

BACKGROUND

Expenditures to Date

- To date, the City has expended approximately \$14.7 Million on the project:
 - design and construction (\$6.7M)
 - property acquisition (\$6.35M)
 - staff time (\$1.65M)
- As of November 2012 the Corps has expended \$20.2M for administration, reports, design and construction
- \$35M Total Expenditures

Federal Funding Outlook

- FY 11 – No Appropriations
- FY 12 – \$2.5M for reconstruction of Clay Wash Detention Basin
- FY 13 – Uncertain
- FY 14 – Uncertain

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Option #1 – Stay the Course

PROS

- Federally funded cost share (\$59.8M)
- Corps champions project funding

CONS

- Future Federal funding is uncertain
- Time consuming– Significant amount of bureaucratic reviews
- Expensive
- 20 year delivery starting FY 13

Option #2 – Self Administration

PROS

- More control over design & construction
- More control over budget & schedule
- CONTINUED FEDERAL FUNDING COST SHARE
- Lower Financial risk

CONS

- Under Federal and USACE regulation
- USACE reviews
- Federal funding uncertain
- Would require earmark to upcoming WRDA bill when earmarks may continue to be prohibited

Option #3 – City Project

PROS

- City management – Staff expertise to deliver
 - Concept Design Study using FEMA Criteria is Recommended
 - Cost estimate of study \$200,000
- FEMA flows allow smaller structures, lower cost
- Control over budget and schedule
- Can use some elements of current design

CONS

- NEW LOCAL FUNDING SOURCES REQUIRED

Option #4 – Terminate Project

PROS

- City funding can go towards other needs

CONS

- Flooding conditions unchanged
- Limited redevelopment
- Flood insurance still required
- Does not meet community need for flood control

Conclusion

- Option #1 – Stay the Course
- Option #2 – Self Administration
- Option #3 – City Project
- Option #4 – Terminate the Project

Questions and Discussion