DEC 18 MAR

Continuing Authorities and Flood Plain Management Services Section

SUBJECT: Keuka Lake Outlet, Section 205 Flood Control Project, Village of Pen Yan, New York

Mr. James F. Kelley
Director, Flood Protection Bureau
New York State Department of
Environmental Conservation
50 Wolf Road
Albany, New York 12233

Dear Mr. Kelley:

I am pleased to inform you that the bids have been opened for the Keuka Lake Outlet, Section 205 construction project and the apparent low bidder is A.L. Blades & Sons of Hornell, New York at \$265,195. This bid price has been verified by the contractor and the contract is in the final stages of processing before award.

In order to award this contract, we need the remainder of the non-Federal funds. The total implementation costs, based on the contract bid price, is \$493,000. Attached is an outline of these costs. The non-Federal share of this cost is \$123,200 of which you have submitted \$20,000 to date. Subtracting this amount leaves \$103,200 to be submitted to our office. Please submit a check made out to "FAO, USAED, Buffalo" for the remaining non-Federal cash share of this project.

In addition, an LERR credit is estimated at \$13,200. However, to receive this credit you must submit an appraisel of the lands and documentation supporting the administrative costs. When all of this is complete and approved by our Real Estate Office, credit will be given. The amount will then be deducted from your cash contribution and refunded to you when the final accounting for the project is complete.

It is my understanding that the Keuka Lake Compact has incurred \$11,200 of the \$13,200 LERR credit as administrative costs. These are a credit towards the non-Federal share of total

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project costs. However, they must be incurred by the Local Sponsor, and since the Keuka Lake Compact is not the Local Sponsor, you must send us a letter, with appropriate documentation, stating that the Keuka Lake Compact costs were incurred on behalf of the State of New York. Also, prior to completing the appraisal of the land, you must submit to us, athe name of an appraiser, how that person was selected, and his qualifications. Please provide us this information as soon as possible.

A copy of this letter is being sent to Mr. William Weber, Secretary to the Keuka Lake Compact.

My point of contact pertaining to this matter is Mr. Michael Smith of my Continuing Authorities and Flood Plain Management Services Section, who can be contacted at (716) 879-4144 or by writing to his attention at the above address.

Sincerely,

SGNED

John W. Morris Colonel, U.S. Army Commanding

Attachment

CF: CENCB-PE-P CENCB-PE-PC	Concur: Mary Price Dunfee	Smith:ms/ls:12/11/92:4144 CC & Berkeley:CENCB-PE-PC/75/4// Zorich:CENCB-PE-PC/75/4// Gilbert:CENCB-PE
M:\wp\misc\msmith\keuka3.dec		LTC Plank:CENCB-DECOL Morris:CENCB-DE