

Appendix T

REAL ESTATE

**CALCASIEU RIVER AND PASS, LOUISIANA
DREDGED MATERIAL MANAGEMENT PLAN
CALCASIEU & CAMERON PARISH, LOUISIANA**

REAL ESTATE PLAN

Purpose: The purpose of this study is to determine the technical, environmental and economical feasibility for the placement of dredged material from the maintenance of the Calcasieu Ship Channel. The original authorized plan for disposal of dredged material along the Calcasieu River and Pass is contained in the Corps of Engineers, New Orleans, Design Memorandum No. 1, approved September 20, 1961. By identifying the optimal means for disposal of dredged material over the next 20 years, the recommended plan will attempt to maximize capacity and reduce dredging frequencies and quantities. This real estate plan presents a preliminary plan for acquisition of lands, easements and rights-of-way necessary for construction and implementation of the project. This document is for planning purposes only and is subject to change.

Project Location: The project is located along the Calcasieu River and Pass Federal Navigation Channel in Calcasieu and Cameron Parishes, Louisiana. Exhibit A includes area maps depicting the general project vicinity.

Project Sponsor: The non-federal sponsor (NFS) is the State of Louisiana through the Lake Charles Harbor & Terminal District, also known as the Port of Lake Charles.

General Project Description: The Calcasieu River and Pass Federal Navigation Channel spans 36 miles from Lake Charles, Louisiana, to the Gulf of Mexico and handles about 50 million tons of cargo through deep-draft and shallow-draft vessels and barges every year. The Ship Channel does not have adequate dredged material disposal capacity for long-term maintenance. Existing disposal sites are at or near capacity, and past maintenance deficiencies have resulted in substantial erosion of disposal facilities into adjacent water bodies. Other disposal sites have been lost to commercial development. Previous real estate agreements, which have enabled landowners to opt out of agreements for disposal, have resulted in some landowners rescinding permissions for their property to be used for the placement of dredged material.

The recommended plan is Revised Plan B, "Primary Placement in Confined Disposal Facilities, Supplemented with Beneficial Use." This plan is formulated to maximize the use of the Federal and Non Federal Sponsor's investments in lands, easements, rights-of-way, relocations, and disposal (LERRDs) as well as the costs for real estate improvements that have occurred over the life of the project. The sites proposed in this alternative have a high level of certainty regarding their availability for channel maintenance over the life of the DMMP. This alternative involves the rehabilitation and

maximum use of existing confined dredged material placement areas. Perfecting the easements over the confined disposal facilities (CDF's) that contain a withdrawal clause will allow for more certainty for the use of the site by removing the withdrawal clause. A map depicting the Confined Disposal Facilities is located in Exhibit E, Section 1.

The recommended plan calls for significant site rehabilitation to include the vertical expansion of the existing dikes on each of the remaining placement areas in multiple lifts, as necessary. In addition, the plan includes upland expansion of disposal areas listed as CDF 17, 19, and 22. The Confined Disposal Facilities lie within existing dredged material placement easement right of way. However, some of the existing easements contain a withdrawal clause; therefore new easements over these sites would be necessary to ensure their availability for dredged material placement. Exhibit D contains aerial maps which delineate the boundaries of existing easement right of way.

Even with the components of this plan, the total confined disposal capacity would not be adequate to meet the 20-year disposal needs of the channel. Therefore, this alternative also includes a beneficial use component that would accommodate a large portion of the dredged material over the period. The material would be used for the restoration of coastal wetlands. Although there are many areas identified for beneficial use placement, the beneficial use placement areas chosen in this alternative were based upon agency coordination and the willingness of current landowners to accept dredged material on their property at this time. (See Exhibit E, Section 1 for Beneficial Use Sites.)

This alternative requires the diversion of approximately 30 percent of the dredged materials to beneficial use and is in compliance with national and state priorities for coastal restoration in Louisiana. The dredged material will be transferred to the Beneficial Use Sites by pipelines. Easements for some of the temporary pipelines must be acquired from the landowners. The Beneficial Use sites were selected based on their optimal location and favorable landowner attitudes, therefore obtaining easements for the placement of dredged material should be unproblematic. Cameron Parish is home to 4 wildlife refuges. Some areas for beneficial use and pipeline placement lie within the limits of the Sabine and the Cameron Prairie National Wildlife Refuges. Because this is U.S. Federally owned land, a memorandum of understanding will be obtained at no cost.

Several pipeline routes have been analyzed in order to utilize the most cost efficient and effective route to reach the beneficial use sites. The suggested pipelines at this time are NC 1, SC 2, SC3, D 150, and F. (See Exhibit E, Section 2) In addition to these pipelines, there are 2 pipelines that are labeled "Proposed Pipeline Routes." These pipelines are not individually costed and specifically listed due to the lack of information and details regarding the exact length and placement of the pipelines at this point in the project. Pipeline NC 1 will run along the GIWW and deposit dredged material on Beneficial Use Site 50 (the Marcantel Site). Pipeline SC 2 and SC 3 will transport dredged material from the Calcasieu Ship Channel and deposit it on Beneficial Use Site

50 from the southern end. The different locations of pipelines going to the Marcantel Site (entering from the North and South) will account for different dredging reaches of the Ship Channel. Right of way for Pipeline D 150 has already been acquired from a previous CWPPRA project in the same area and will deposit material within the Sabine National Refuge (Beneficial Use Site 5). Pipeline F will bring dredged material to Beneficial Use Sites 18 and 49, which are owned by the Sabine National Wildlife Refuge and the Cameron Parish School Board respectively.

In regards to the Marcantel Site, Beneficial Use Site 50, additional pipeline routes were analyzed. These pipelines are listed as NC 2, NC 3, and SC 1. Maps depicting these alternative routes can be found in Exhibit E under Section 3. At this time, however, these are not the suggested routes for beneficial use of dredged material to the Marcantel property.

New foreshore dikes have been constructed channel-side along CDF's 17, 19, and 22. Previous dikes will be degraded on the channel side of the current CDF's 17, 19, and 22 to allow the new foreshore dikes and the CDF's to be used as three combined placement sites.

General Description of the Area: The Calcasieu River and Pass ship channel is located in Calcasieu and Cameron parishes in Southwestern Louisiana. The project area is bounded on the north by Interstate 10 and on the south by the Gulf of Mexico; it reaches from River Mile 5.0 to River Mile 36.0. The project area extends into the coastal marshes west of the ship channel and into Calcasieu Lake east of the ship channel. The GIWW intersects the Calcasieu ship channel 12 miles south of the Port's City Docks. Portions of Lake Charles, Prien Lake, Moss Lake, Browns Lake, Black Lake, and Calcasieu Lake are present in the project area.

The area is served by two major state highways. The major north/south routes through the parish follow State Highway 27, which connects with Interstate Highway 10 approximately 16 miles north of Cameron Parish. The major east/west routes through the area are Highway 82 which follows the Gulf coast, and Interstate 10, which passes through Lake Charles. There are no public airports or railways that service Cameron Parish. These services are available in Calcasieu Parish in and around Lake Charles. Major waterways in the area include the Gulf Intracoastal Waterway, which runs east and west along the northern edge of Cameron Parish, and the Calcasieu and Mermentau Rivers, which run north and south through Calcasieu and Cameron Parishes to the Gulf of Mexico. Several areas along the channel have vehicular access from I-10, Highway 27 and Highway 82. Some of the areas impacted by this Section 204 project are only accessible by water.

Sailing vessels first navigated the shallow Calcasieu River in 1865 when cargoes of lumber were needed for rebuilding the south at the end of the Civil War. Continued demand for lumber stimulated the need for greater access to saw mills in Calcasieu Parish. The River and Harbor Act of 24 July 1946, and prior River and Harbor Acts, provide for a channel 35 feet deep and 250 feet wide from the wharves of the Lake

Charles Harbor and Terminal District to the Gulf of Mexico. The River and Harbor Act of 14 July 1960 provides for a deepening of the channel to 40 feet over a bottom width of 400 feet from the shoreline at mile 0 to the Port of Lake Charles at mile 34.1, and for a mooring basin about mile 3 having a width of 350 feet. Expansion continued and today, the port accommodates five million tons of cargo annually at its public facilities and is the 12th largest seaport in the U.S., fourth largest liner service seaport in the U.S. Gulf, and a major West Gulf container load center.

The ship channel, now 40 feet in depth, 400 feet wide and 36 miles long, is used by industrial & commercial vessels as well as recreational vessels. Most of the channel length is surrounded by heavy industrial sites or undeveloped wetland areas. In terms of energy importance, the Port is the second largest Strategic Petroleum Reserve facility in the U.S. The Port District on the Calcasieu Ship Channel is a vital element of the U.S. energy infrastructure. Calcasieu and Cameron parish are primarily rural with an economy reliant mostly on the oil and gas industry, agriculture, marine and freshwater fisheries, and wildlife, as well as their related services. Riverboat casinos, the Port of Lake Charles, and McNeese State University also contribute to the economic base of Calcasieu Parish.

On September 24, 2005, Hurricane Rita came ashore in Cameron Parish, destroying much of the parish. In the town of Cameron, only the courthouse remained standing. This affected the town of Cameron and the subject property area.

CEI's review of the archaeological site files at the State of Louisiana Division of Archaeology revealed 48 previously recorded archaeological sites in the project area. Seven of these sites are historic, 33 prehistoric and eight have both historic and prehistoric components. Of the 48 known archaeological sites, two are eligible for the NRHP. They include two historic houses and their associated archaeological deposits. They are located on Brown's Lake and date from some time in the 19th century. Twenty-one sites are not eligible for the NRHP, seven are potentially eligible, and 18 are of undetermined eligibility. These sites are not within the required right of way.

Navigation Servitude: Derived from the Commerce Clause of the U.S. Constitution, article I, section 8, clause 3, the navigation servitude is the dominant right of the United States to use, control and regulate the navigable waters and submerged lands thereunder. The applicability of the navigation servitude depends on both legal and factual determinations. If the legal determination supports assertion of the navigation servitude, then the second step is to determine the geographical area over which the servitude can be asserted. In tidal areas, the servitude extends to all lands below the mean high water mark, whereas in non-tidal areas, the servitude extends to all lands within the bed and banks of a navigable stream that lie below the ordinary high water mark. The Calcasieu River and Pass ship channel is a partially man-made channel; we believe, the Navigation Servitude cannot be asserted. For planning purposes, the real estate cost estimates do not consider the effect of the navigation servitude. At the time of acquisition, a technical analysis will be conducted to determine whether the

Navigation Servitude can be asserted over portions of the project area; the navigation servitude will be asserted where applicable.

Estates: The following estates will be acquired in support of the project:

TEMPORARY PIPELINE EASEMENT (Standard Estate)

A temporary and assignable easement in, on, over and across (the land described in Schedule "A") (tract Nos. , , and) for a period not to exceed beginning (date)(with the date possession is granted to the United States in this proceeding {or date of deed}), and terminating with the earlier of the completion of the remediation or the filing in the local land records by the representative of the United States in charge of the Project of a notice of termination,) to locate, construct, operate, maintain, repair, replace, and/or remove (a) (monitoring) (injection) (extraction) well(s), pipeline(s) and appurtenances thereto; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

DREDGED MATERIAL DISPOSAL EASEMENT (Standard Estate)

An assignable right and easement in, on, over and across (see Schedule A) for a period not to exceed ___ years, beginning with the date of this instrument, to construct, operate and maintain a dredged material disposal area on the land hereinafter described, including the right to construct dikes, to deposit dredged material thereon, to accomplish any alterations of contours on said land for the purpose of accommodating the deposit of dredged material as necessary in connection with such works to borrow, excavate, and remove soil, dirt and other materials including dredged material from said land; to undertake any management practice designed to enhance use of or extend life of said land for the deposit of dredged material; to clear, cut, fell and remove any and all trees, timber, underbrush, or other obstructions therefrom, and for such other purposes as may be required in connection with said works; provided that no structures for human habitation shall be constructed or maintained on the land, and that no other structures shall be constructed or maintained on the land except as may be approved in writing by (local sponsor); subject to existing easements for public roads and highways, public utilities, railroads and pipelines; reserving, however, to the (local sponsor), its successors and assigns, all such rights and privileges as may be used and enjoyed without interfering with the use of the Project for the purposes authorized by Congress or abridging the rights and easement herein conveyed.

Facility Relocations: It is assumed at this time that no facilities will be impacted by the project.

Public Law 91-646: All acquisition of private property for this project will be done in accordance with the provisions of Public Law 91-646, as amended. All areas impacted by construction of the project are vacant; the project will not displace any persons, businesses or farms.

Sponsor’s Land Acquisition Experience: Exhibit B includes the Non-Federal Sponsor’s Capability Assessment. The NFS has been informed of the risk of acquiring real estate prior to the signing of the Project Partnering Agreement (PPA).

In light of the ongoing litigation between West Cameron Port, Harbor and Terminal District and the Lake Charles Harbor and Terminal District, there is uncertainty about the ability of the Non Federal Sponsor, the Lake Charles Harbor and Terminal District, to meet its statutory obligation to acquire and hold the LERRD for the Calcasieu River and Pass Project. It is anticipated that the Lake Charles Harbor and Terminal District will be a capable sponsor; however, prior to the signing of the PPA, the impact of the court's ultimate ruling will be evaluated and if necessary other avenues will be analyzed, such as enactment of state legislation. The Lake Charles Harbor and Terminal District understands that the project will require a sponsor that is able to hold the LERRDS.

Based on preliminary research, it is assumed that approximately 350 private ownerships are impacted by the project. Of these ownerships, many of them are already encumbered with disposal easements associated with the Calcasieu River & Pass Channel project; however, new easements are necessary for Beneficial Use Sites, perfecting easements over some of the Confined Disposal Sites, and for some of the Pipelines. It is estimated that 148 of the 350 private ownerships will require the acquisition of new right of way. State owned (Lake Charles Harbor & Terminal District) and Federally owned areas are also located in the project area. Based upon the dredging cycle it is estimated that approximately 20 owners will be impacted per year.

Following is an estimated acquisition schedule:

Task	Task Duration
Obtain title information	60 days
Obtain mapping information	60 days
Obtain appraisals	120 days
Negotiate & issue right-of-entry	90 days

If condemnation proceedings are necessary, 12 months will be added to the schedule.

Acquisition Costs: The total Real Estate costs are \$13,000,000. The gross appraisal for LERRD is on file and was reviewed and approved at the District level. Refer to Exhibit C for the charts of accounts estimate.

Landowner Attitude: Public meetings have been conducted. It is our opinion that the landowners are in favor of the project given the direct benefits to their properties. The recommended plan identifies Beneficial Use sites where the willingness of the landowners was a contributory factor in the final site selection.

Environmental Issues: Based on the site reconnaissance, records review, interviews, and best engineering judgment, conditions in the project area are likely to present a potential for special actions associated with state or federal environmental regulations regarding the handling, storage, or disposal of hazardous materials. It is recommended that further investigations be conducted on these sites prior to the initiation of any construction activities associated with project implementation in the vicinity of these sites. Water and sediment quality were found to be relatively good. Copper concentrations in water samples slightly exceeded USEPA and Louisiana standards; DDT and lindane exceeded NOAA sediment standards in some samples.

Although there are active oyster grounds in the area, the construction and implementation of the Recommended Plan are not anticipated to impact any oyster grounds.

The estimated number of acres of wetlands created by the Recommended Plan for beneficial use, according to the Wetland Value Assessment, is 5,840 acres. The total capacity of the BU acreage is 9,074 acres.

At this time, there is insufficient data to determine whether there are mineral explorations in the project area. The forested wetlands, located at the landward end of estuaries, are divided into two vegetation zones: bottomland hardwood forests (adjacent to the project area along the Calcasieu River north of Calcasieu Lake) and bald cypress/tupelo swamps (north of Calcasieu Lake). The recommended plan would not affect the presence or distribution of forested wetlands.

Federal Owned Lands and Projects: The Sabine National Wildlife Refuge (NWR) is located in Cameron Parish. The western end of the refuge borders Sabine Lake; the eastern end reaches Calcasieu Lake. The refuge borders about five miles of the Calcasieu Ship Channel and formerly provided a location for a confined disposal facility (CDF F). Containing 124,511 acres the Sabine NWR is the largest coastal marsh refuge on the Gulf Coast.

The Cameron Prairie NWR was established in 1988 as the first refuge formed under the North American Waterfowl Management Plan, a treaty among Canada, Mexico, and the United States. It is located in Cameron Parish and consists of two separate and distinct units; the Gibbstown Unit and the East Cove Unit. The East Cove Unit, which was transferred from the nearby Sabine NWR in 1992, borders about two miles of the Calcasieu Ship Channel.

In addition, some of the land in the project area is owned by the State of Louisiana or the Lake Charles Harbor & Terminal District.

There are several other federal projects in the general vicinity; the Southwest Coastal Louisiana Protection and Restoration Feasibility Study, the CWPPRA, Sabine Marsh Creation Project are projects currently in the area. Also, the Calcasieu River and Pass Channel was authorized on 26 August 1937 and 14 July 1960 encompassing 14,912 acres of channel and disposal areas. The Calcasieu Lock and Approach Channel was authorized on 24 July 1946 for 168.3 acres of waterways in the Calcasieu area. The Intercoastal Waterway Lake Charles Deepwater Channel authorized 7,603.81 acres of channel and disposal areas on 30 August 1935. The Intracoastal Waterway Mermentau River Calcasieu River project was authorized on 3 March 1925 and then on 27 January 1927 for a total of 23,555.60 acres of waterway area in Cameron and Calcasieu Parishes.

Induced Flooding: This project will not induce flooding.

Mineral Activity: At this time, there is insufficient data to determine whether there are mineral explorations in the project area.

Zoning Ordinances: No zoning ordinances will be enacted in lieu of construction of this project.

This report has been prepared by the undersigned in accordance with Chapter 12 of ER405-1-12. The Chief of Real Estate Division hereby recommends approval.

Prepared By:

Erin A. Clark
Appraiser Trainee
September 24, 2010

Reviewed By:

Judith Y. Gutierrez
Chief, Appraisal & Planning
September 24, 2010

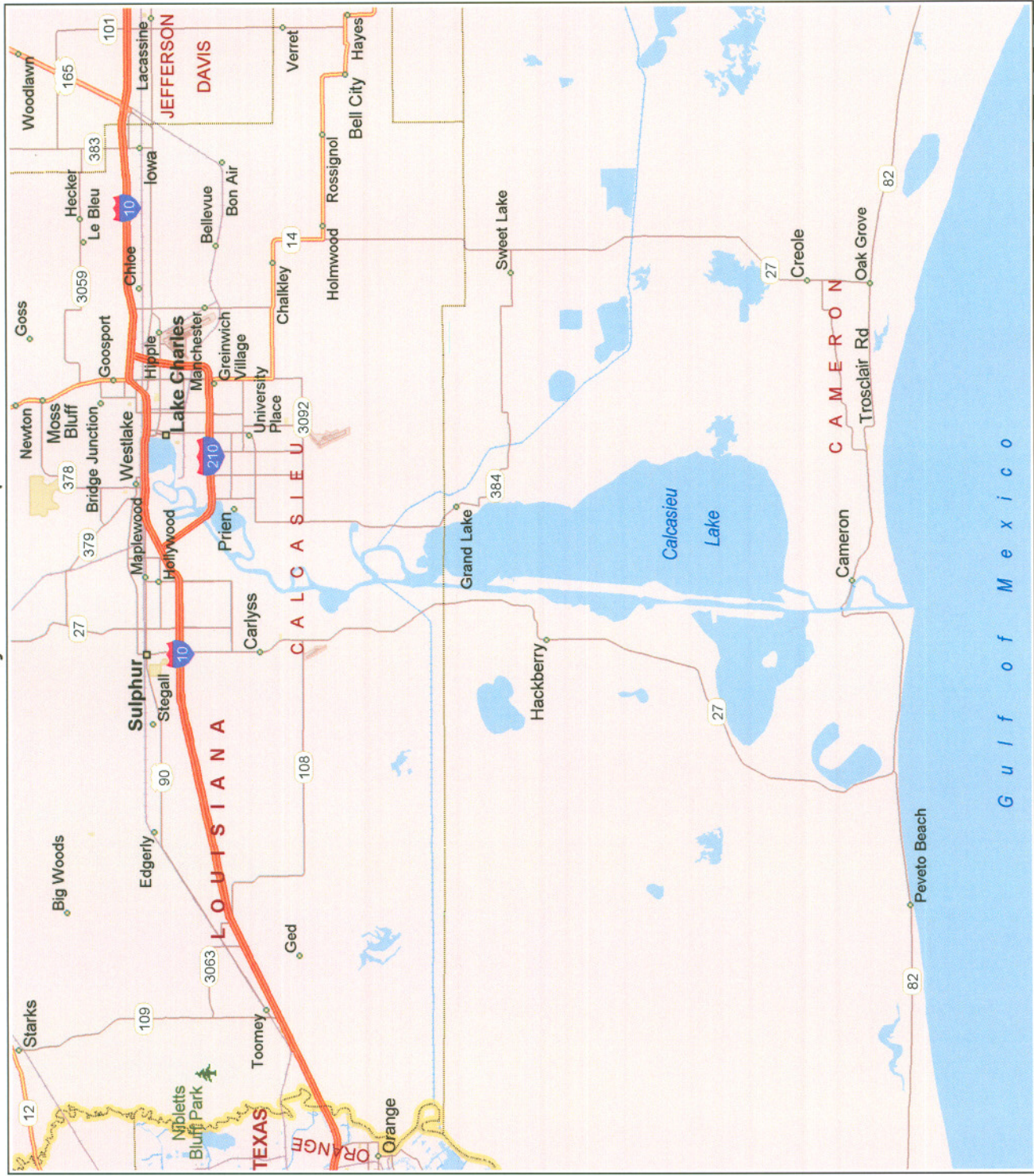
EXHIBITS

AREA MAPS	A
SPONSOR'S CAPABILITY ASSESSMENT	B
CHART OF ACCOUNTS	C
EXISTING EASEMENT AREA MAPS	D
PROJECT MAPS	E
1- BENEFICIAL USE AND CONFINED DISPOSAL FACILITY AREAS	
2- SUGGESTED PIPELINES	
3- OTHER PIPELINE ROUTES ANALYZED	

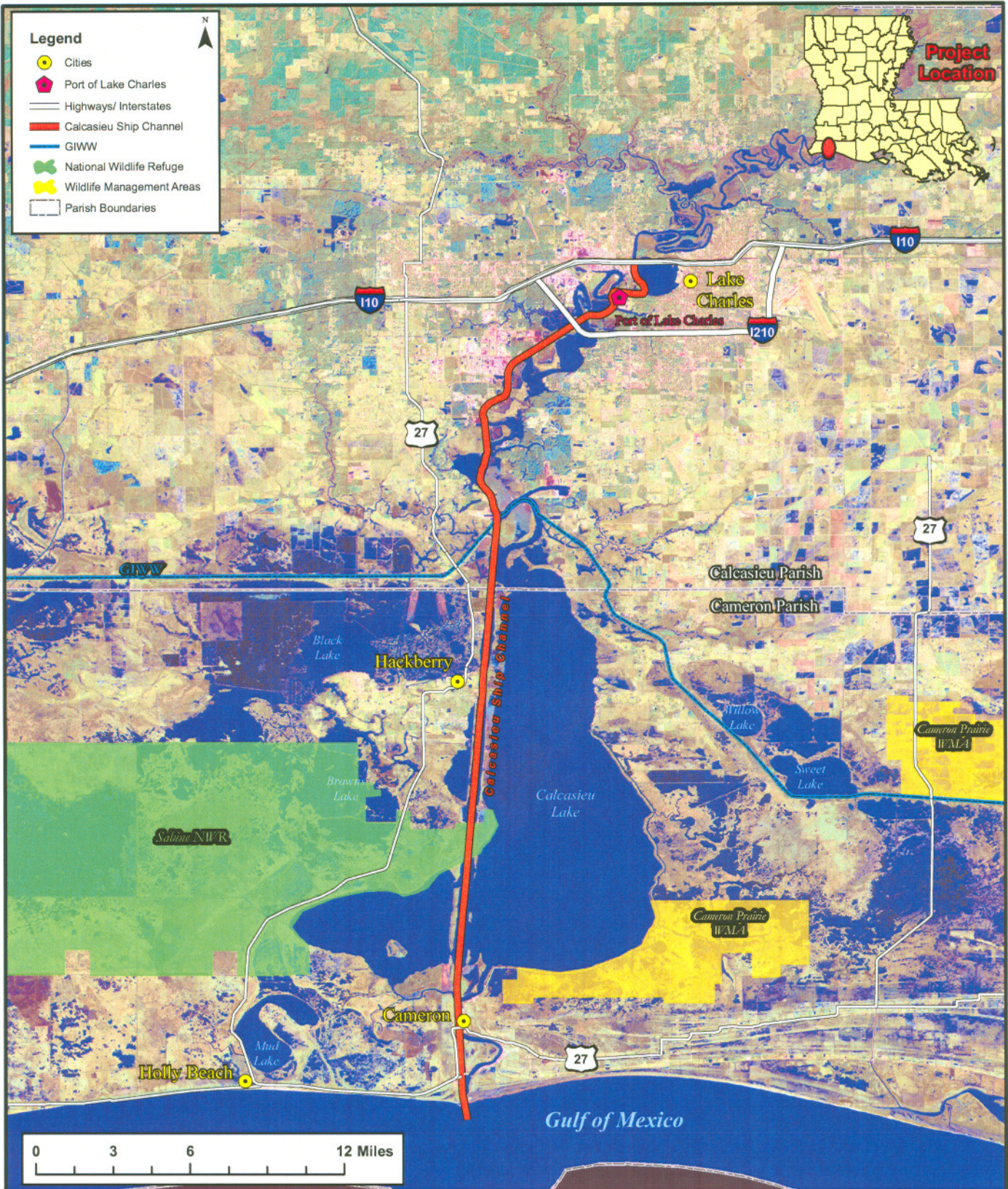
EXHIBIT A

AREA MAPS

Project Area Map



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**PHYSICAL AND GEOGRAPHICAL FEATURES
OF THE CALCASIEU BASIN**
Calcasieu River & Pass
Dredged Material Management Plan



Figure: 1-1
Date: April 2007
Scale: 1:330,000
Source: USACE, LCHTD, GEC
Map Author: C. Perez

Landsat Thematic Mapper Satellite Image: 2002 RGB753-Pan merge, LDEQ (2002)

EXHIBIT B

SPONSOR'S CAPABILITY ASSESSMENT

**ASSESSMENT OF NON-FEDERAL SPONSOR'S
REAL ESTATE ACQUISITION CAPABILITY
Lake Charles Harbor & Terminal District ("Port of Lake Charles")**

I. Legal Authority:

- a. Does the sponsor have legal authority to acquire and hold title to real property for project purposes?
yes
- b. Does the sponsor have the power of eminent domain for this project?
yes
- c. Does the sponsor have "quick-take" authority for this project?
yes
- d. Are any of the lands/interests in land required for the project located outside the sponsor's political boundary?
Yes, and the District is specifically authorized by state law to do so. *
- e. Are any of the lands/interests in land required for the project owned by an entity whose property the sponsor cannot condemn?
No, not to our knowledge

II. Human Resource Requirements:

- a. Will the sponsor's in-house staff require training to become familiar with the real estate requirements of Federal projects including P.L. 91-646, as amended?
No but more training may be helpful
- b. If the answer to II.a. is "yes," has a reasonable plan been developed to provide such training?
- c. Does the sponsor's in-house staff have sufficient real estate acquisition experience to meet its responsibilities for the project?
yes
- d. Is the sponsor's projected in-house staffing level sufficient considering its other workload, if any, and the project schedule?
yes

* In I.d, the "District" refers to the Lake Charles Harbor and Terminal District

- e. Can the sponsor obtain contractor support, if required in a timely fashion?
yes
- f. Will the sponsor likely request USACE assistance in acquiring real estate? (yes/no –
If yes provide description)
No but depending upon problems encountered, it may.

III. Other Project Variables:

- a. Will the sponsor's staff be located within reasonable proximity to the project site?
yes
- b. Has the sponsor approved the project/real estate schedule/milestones? (yes/no)
yes - (Schedule attached)


IV. Overall Assessment:

- a. Has the sponsor performed satisfactorily on other USACE projects?
yes
- b. With regard to this project, the sponsor is anticipated to be: highly capable/fully
capable/moderately capable/marginally capable/insufficiently capable. (If sponsor is
believed to be "insufficiently capable," provide explanation)
fully capable

V. Coordination:

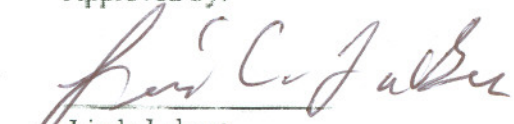
- a. Has this assessment been coordinated with the sponsor?
yes
- b. Does the sponsor concur with this assessment?
yes

Prepared by:


Linda Manuel
Realty Specialist


Michael K. Dees
Attorney Advisor

Approved by:


Linda Labure
Chief
Real Estate Division

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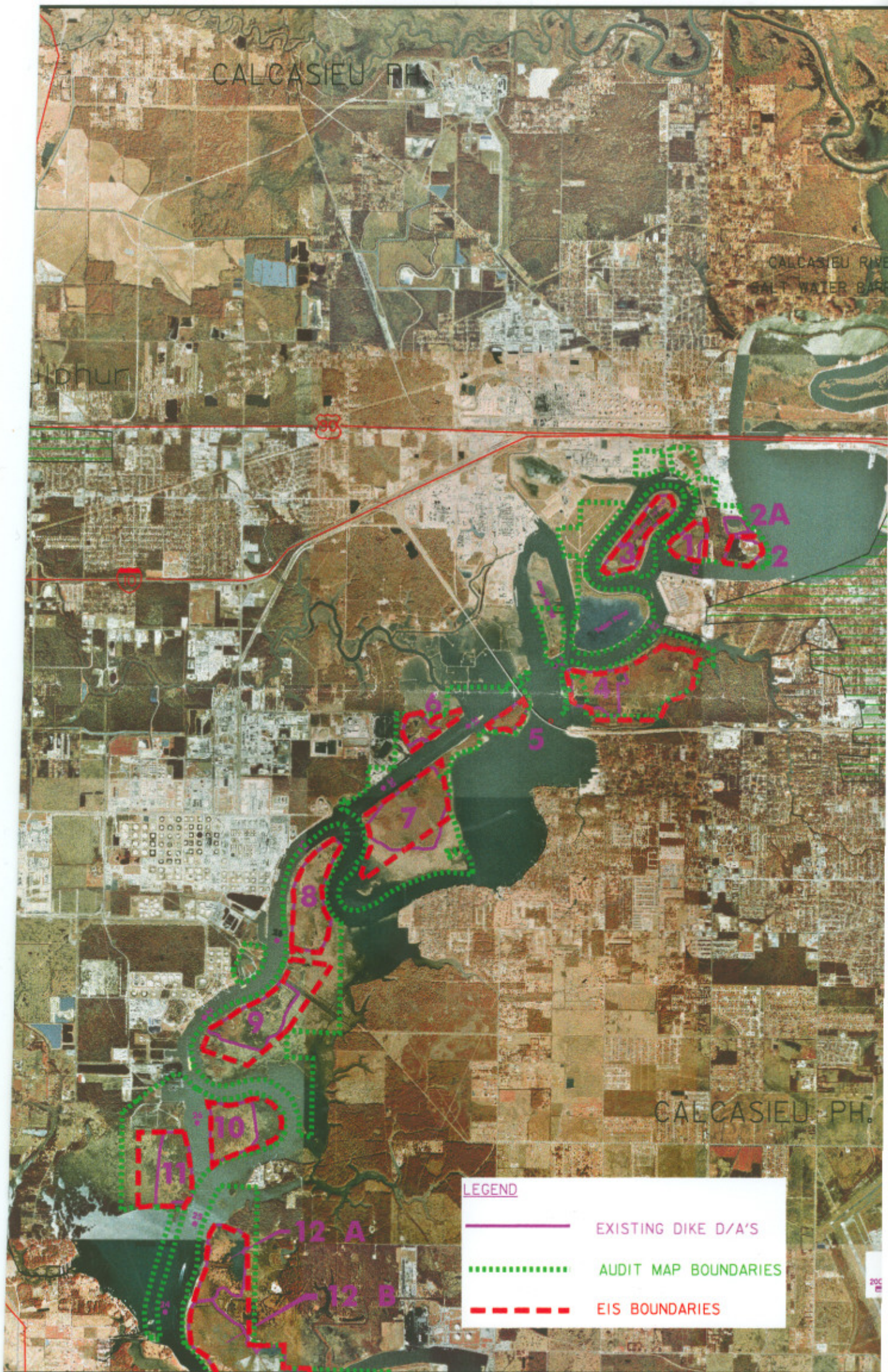
EXHIBIT C
CHART OF ACCOUNTS

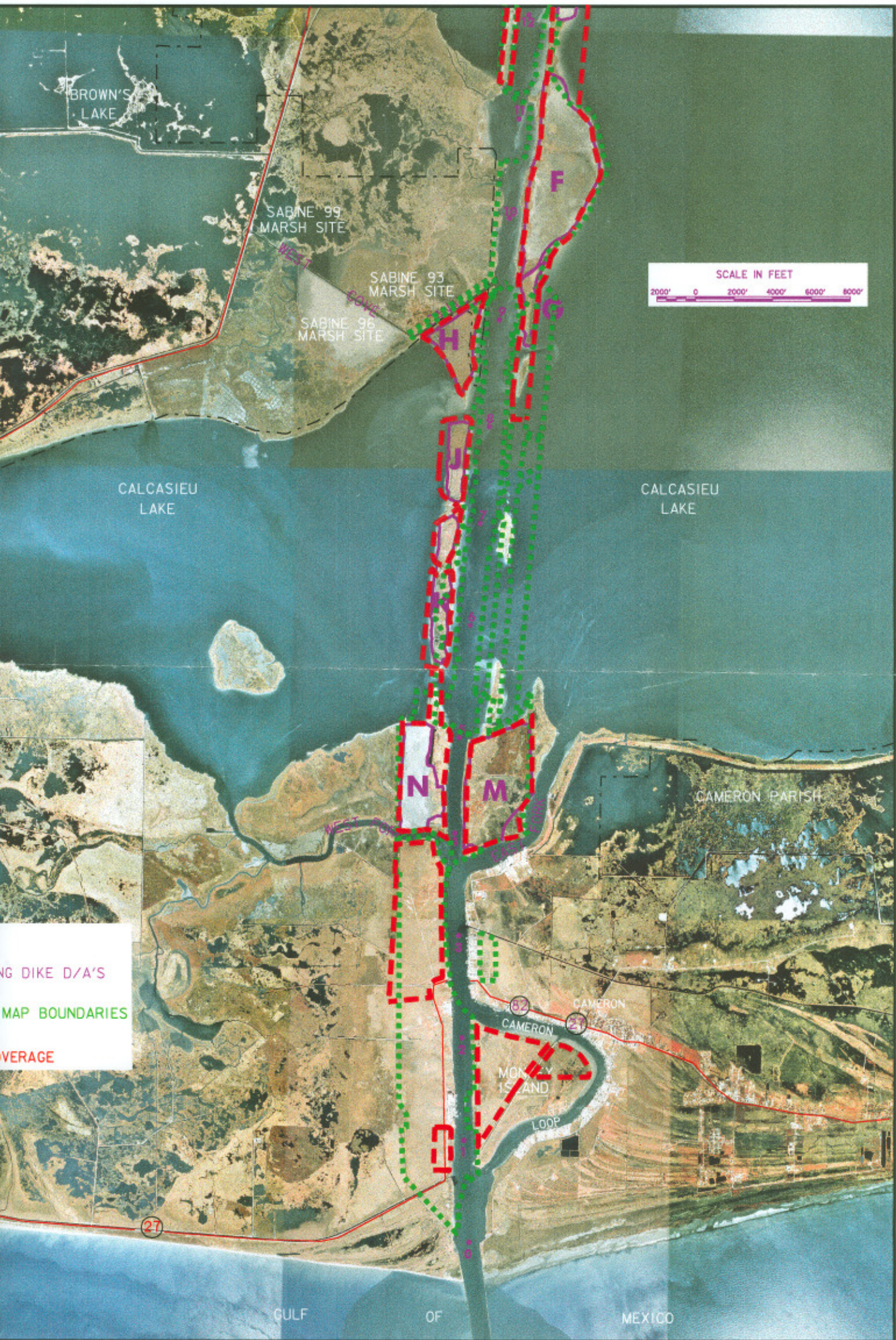
EXHIBIT D

EXISTING EASEMENT AREA MAPS



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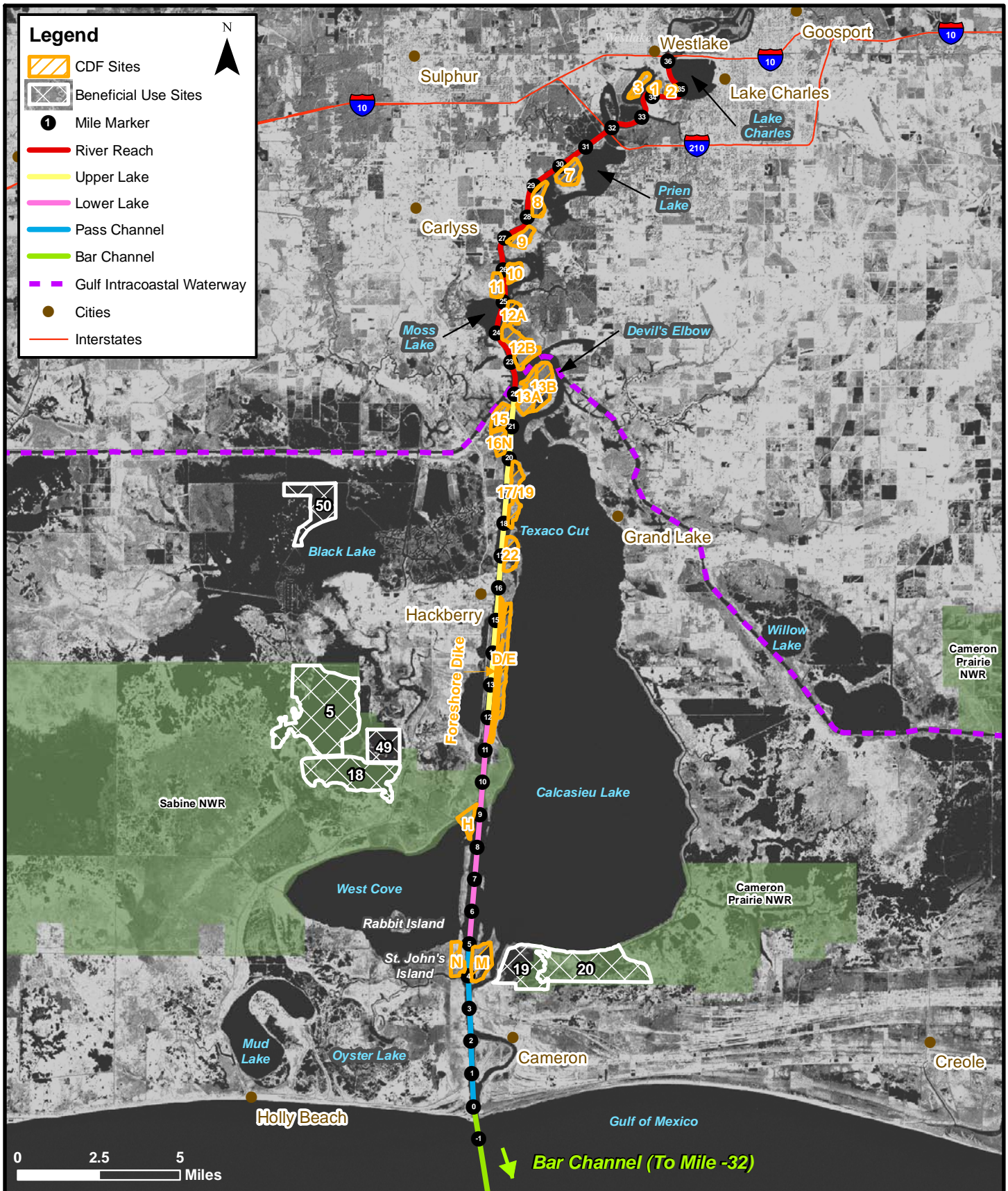


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EXHIBIT E

PROJECT MAPS

- 1- BENEFICIAL USE AND CONFINED DISPOSAL FACILITY AREAS**
- 2- SUGGESTED PIPELINES**
- 3- OTHER PIPELINE ROUTES ANALYZED**



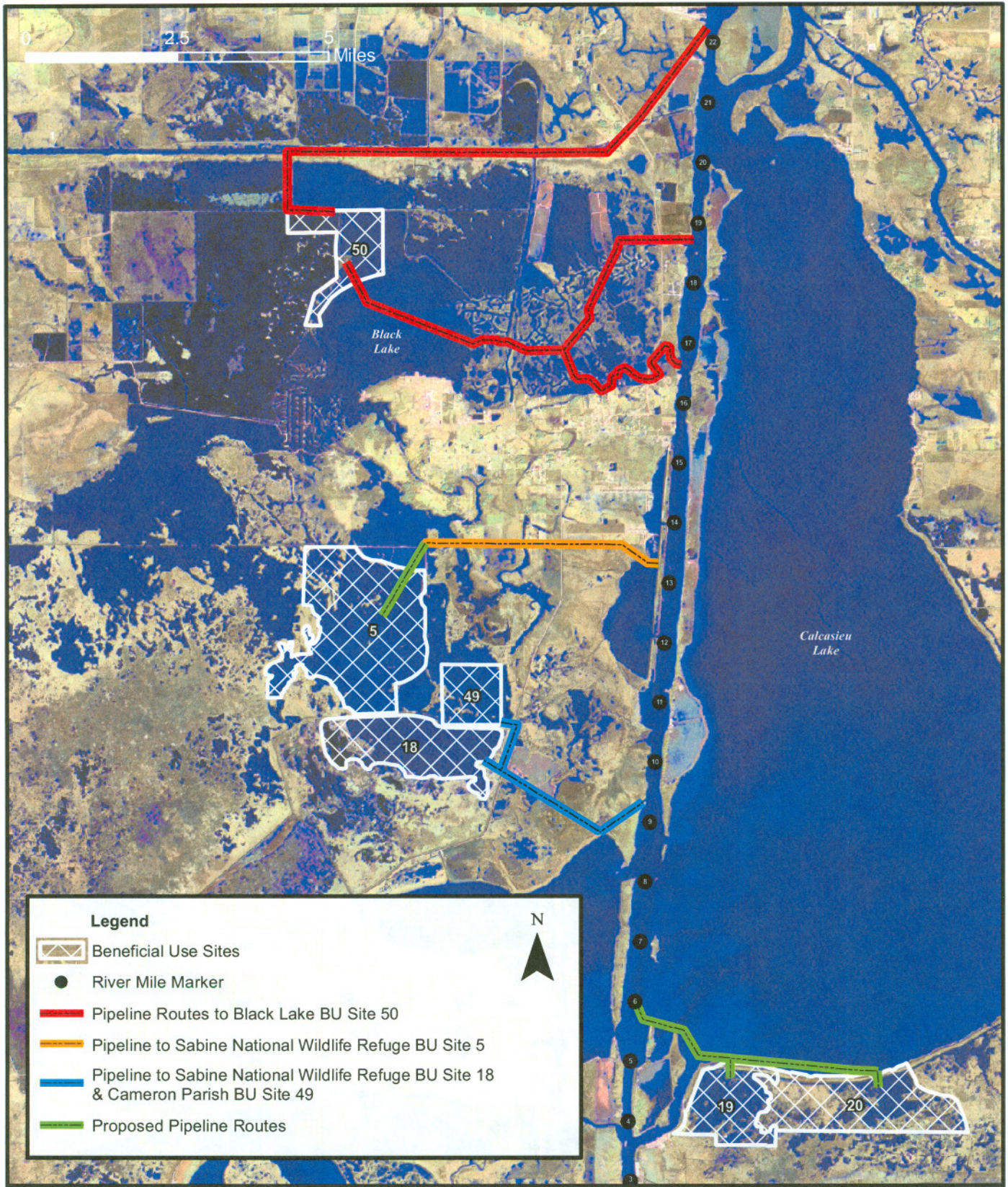
**PLAN B
DISPOSAL SITES FOR DREDGED MATERIAL**

Calcasieu River and Pass, Louisiana
Dredged Material Management Plan







Landsat Thematic Mapper Satellite Image: 2002 RGB753-Pan merge, LDEQ (2002)



Figure:
Date: August 2010
Scale: 1:260,000
Source: LDEQ/GEC/USACE
Map ID: 27585107-1240



Legend

-  Beneficial Use Sites
-  River Mile Marker
-  Pipeline Routes to Black Lake BU Site 50
-  Pipeline to Sabine National Wildlife Refuge BU Site 5
-  Pipeline to Sabine National Wildlife Refuge BU Site 18 & Cameron Parish BU Site 49
-  Proposed Pipeline Routes

PIPELINE ROUTES TO BENEFICIAL USE SITES

Calcasieu River and Pass, Louisiana
Dredged Material Management Plan

Landsat Thematic Mapper Satellite Image: 2002 RGB753-Pan merge, LDEQ (2002)



Figure: 1
Date: January 2009
Scale: 1:140,000
Source: USGS/GEC/USACE
Map Author: Moore 27585101-886







