

**APPENDIX 5**  
**REAL ESTATE**

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## **APPENDIX 5**

### **REAL ESTATE**

#### **PURPOSE**

The purpose of this study is to determine the estimated market value and acquisition cost of the real estate interests required to implement the Lake Tenkiller Wholesale Water Treatment and Conveyance System Study, Phase III. This study will provide information necessary to the determination of feasibility of a regional water treatment and conveyance system. The Phase III study extends the service region across Sequoyah County to Roland. Real estate costs were developed for this extension. For a detailed account of the original service region, see Appendix 5 of the Phase II report.

#### **LOCATION**

The study area is in Sequoyah County, Oklahoma. The Phase III extension will begin at a point approximately 3 miles north of Vian and extend easterly across the county to a point north of Muldrow and then head south toward Muldrow. Just north of Muldrow the alignment will again turn east and extend to the northwest corner of Roland where it will terminate.

#### **GENERAL DISCUSSION**

The majority of the Phase III pipeline alignment could be located within an existing 20-foot-wide waterline easement owned by the Sequoyah County Water Association. The Phase III owner, Tenkiller Utilities Association, would still require a new easement from each estate owner the line crosses.

## **REAL PROPERTY ESTATE FOR THE PROJECT**

The estate considered for this reconnaissance study is a perpetual easement for the pipeline, booster pump, and water tower.

### **LAND REQUIREMENTS**

The estimated pipeline length is 34.49 miles. A total of 80.37 acres would be required for the pipeline – approximately 78.37 acres for the pipeline and approximately 2 acres for the booster pump and water tower. Easements would be required from approximately 207 separate estate owners.

### **EASEMENT VALUATION**

Where the new pipeline is located within the existing 20-foot easement currently owned by Sequoyah County Water Association, the value of the new easement is estimated at 50% of the value of the land if unencumbered by an easement. Where the new proposed pipeline alignment is not located within the existing easement, the value of the new easement is 100% of the value of the land.

### **SUMMARY OF LANDS AND DAMAGES VALUATION**

Pipeline Easement	\$87,000
Easement for Booster Pump and Water Tower	\$3,000
Severance Damage (30%)	\$27,000
<b>Total Estimated Value of the Easement for Phase III</b>	<b>\$117,000</b>

## REAL ESTATE ACQUISITION COST ESTIMATE

Associated with the purchase of any lands, including easements, is an administrative fee for preparing legal descriptions of the land, etc. For a typical COE project, administrative fees are estimated as \$8,000 per ownership. For this study, however, a lower figure of \$4,000 per ownership was agreed upon with the local sponsors as being reasonable. Also included in the real estate costs are damages and a contingency fee of 25%.

	<b>Sequoyah Co. Extension</b>	<b>Phase II Real Estate Costs</b>	<b>Total Real Estate Costs</b>
Lands	90,000	218,300	308,300
Damages	27,000	65,500	92,500
Contingencies	46,800	88,500	135,300
Administrative Costs	11,700	511,700	523,400
<b>Total</b>	<b>175,500</b>	<b>884,000</b>	<b>1,059,500</b>