

APRIL/MAY 2007

WELCOME

Welcome to the first issue of Lake Columbia, a bi-monthly newsletter about the proposed regional water supply project. Our mission with this newsletter is to provide information about the status of the project and to answer questions that arise from this project. This newsletter is being mailed to many in the five-county planning area, and it will be available in a PDF format on our website: anra.org.

The next issue will be published in July.

ANRA FAQ

Q: Will ANRA pay a fair price for my property?

A: ANRA will hire property appraisers who are familiar with local market conditions to establish land and improvement values prior to making an offer to each property owner. ANRA wants to be sure each property owner is treated fairly and uniformly.

Q: Can ANRA condemn my property?

A: ANRA has the statutory authority to condemn property for public purposes but would prefer to only use this authority as a last resort.

Q: What about my timber; can I harvest it or will ANRA pay for it?

A: The appraisal process will take harvestable timber values into consideration. ANRA must develop a reservoir clearing plan and the decision about what areas of the lake need to be maintained as forested has not yet been made. Of course, you may harvest your timber as long as you own your property.

Economic study determines impact of lake project



The proposed Lake Columbia project is expected to have a very positive, long-term economic impact on the area through several avenues. Any reduction in economic benefits is expected to be short-lived based on the study's estimation of an increase in property tax revenues, new residents and increases in payrolls due to the presence of the lake.

The information below, determined during an Environmental Impact Study by RRC, Inc., of Bryan, Texas, reveals some interesting facts concerning the overall economic impact of the Lake.

The study shows:

- \$31.2 million - Annual savings by not importing water from another East Texas reservoir
- \$7.2 million – Annual payroll for the 361 new jobs
- \$26.2 million – Annual spending within a 30-mile radius of the lake by recreational visitors to the lake. On the back is a description of those expected visitors*
- \$3.6 million – Annual spending at local businesses by new employees to the area
- \$3.9 million – Annual spending by new residents to the area, which are generated by the lake

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- \$661,000 – Annual loss on timber production. However, a one-time timber production surge is expected as harvesting takes place prior to inundation

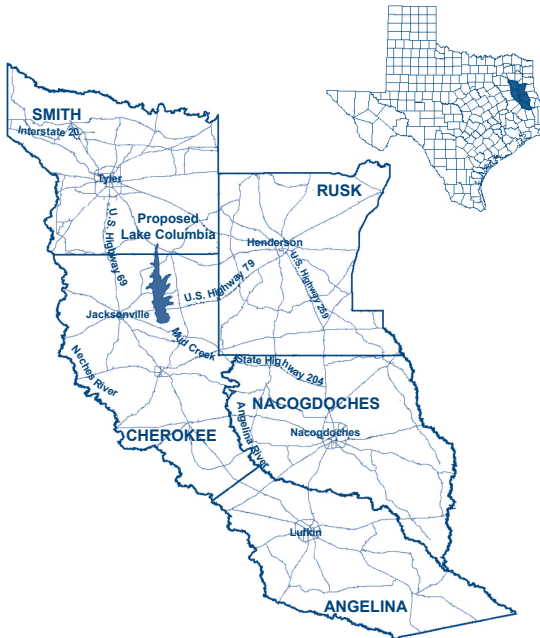
- \$88,000 – Initial annual property tax loss. However, after the reservoir is complete, its presence is expected to create an increase in value of the property near the lake

* *The study group determined the recreational use figures based on a study of 24 East Texas lakes and reservoirs. The study included spending by day boaters and overnight campers and boaters. Spending was studied in many areas, including: camping, restaurants, hotel/motel, groceries, gas and oil, boat and sporting equipment needs.*

Lake Columbia Fact

The Lake Columbia project is currently in the Army Corps of Engineers 404 permitting process. This process will address a number of environmental issues. It will allow for input from state and federal agencies as well as the public. The 404 permit application was filed in the fall of 2000.

The Preliminary Draft Environmental Impact Study will be submitted to the U.S. Army Corps of Engineers by the end of April.



Lake Columbia Participants

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| City of Alto | City of New London |
| Afton Grove WSC | City of New Summerfield |
| City of Arp | North Cherokee WSC |
| Blackjack WSC | City of Rusk |
| Caro WSC | Rusk Rural WSC |
| Cherokee County | Stryker Lake WSC |
| Jackson WSC | Temple-Inland, Inc. |
| City of Jacksonville | City of Troup |
| City of Nacogdoches | City of Whitehouse |

Angolina & Neches River Authority
P.O. Box 387
210 East Lufkin Avenue
Lufkin, Texas 75901
Telephone: 936-632-7795
Fax: 936-632-2564

