

people who will be protected. It includes the public money saved - clean up crews; overtime for re-routing traffic, rescue workers.

In addition to those average annual savings from typical floods that occur every year, there are savings realized for more severe floods.

In that 50-year period, there will normally be more severe floods which, on average, occur every 10 years.

So the total cost of five such "10-year" floods over the 50-year period can be translated into the average annual savings.

Similarly, there will be bigger floods, which historically have occurred, on average, every 25 years. The savings from eliminating two of those floods in the 50-year calculation period amounts to further average annual dollar benefits.

That same process is used to figure the average annual benefit of eliminating "50-year recurrence frequency floods".

In simple language, that means a bigger flood which occurs, on average, only twice a century.

If the project is to protect against a "100-year flood", there is a half of a chance that the 50-year payoff period will benefit from half of the savings which the flood control project (in this case designed to withstand the worst flood which historically occurs, on average, only once every 100 years).

WHO GETS THE SAVINGS?

The savings, of course, accrue to lots of people.

Those whose properties are directly affected by a flood certainly save.

But general taxpayers save as well. Less cost for repairs by public agencies. Less cost for emergency rescue services. Less cost for losses and traffic tie ups.

WHO PAYS? AND WHO BENEFITS?

The payments for the flood control project come from Federal taxes (approximately 75% in our case), State taxes (approximately 19%) and County taxes (approximately 6%).

In the case of the Green Brook Flood Control Project, no direct costs to Municipalities, or to local Municipal property taxes.

THE BENEFIT-TO-COST RATIO

The benefit-to-cost ratio is very simply the average annual cost, both constructing the project and maintaining it, divided by the average dollar benefits realized by having flood protection.

If that ratio is greater than 1.0, the Federal government will consider undertaking the job.

If the average annual benefits are less than the average annual cost, (ratio less than 1.0), the Federal government is not interested.

UNFORTUNATELY, NO DOLLAR BENEFIT FOR LIVES

For a long time, the Commission has felt that the Federal calculation of benefits leaves out a very important element.

Saving people's lives doesn't count. Eliminating the misery to people caused by flooding doesn't count either.

Some years ago, the pipe smoking Congresswoman Millicent Fenwick from New Jersey tried to get that changed. She argued that if saving the life of a cow can be counted as a "money benefit", so also should the saving of a human life.

Unfortunately, she didn't succeed.

MORE FEDERAL RULES

There are a great many more detailed rules and regulations by the Federal government. But, the rule which decides whether the Federal government is willing to go further is this basic rule of benefit-to-cost ratio.

All of us are taxpayers, one way or another. And as taxpayers, most of us would agree that the Federal government, the State government, and the County governments should not use our tax dollars to build something like a flood control project **unless** the dollar benefits of protection are greater than the dollar cost of building and maintaining the flood protection project.