



# BENEFITS FOR HIGH-BULK MATERIALS

Weighing the moving costs against personal property value

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**Question:** How do you move two tons of rock?

**Answer:** Sometimes you don't when you're being relocated by a federally funded project.

The Uniform Relocation Assistance and Real Property Acquisition Act (1970) (URA) and its implementing regulations allow for a unique benefit for displaces with bulky personal property items. 49 CFR § 24.301(g) (18) provides:

*Low value/high bulk. When the personal property to be moved is of low value and high bulk, and the cost of moving the property would be disproportionate to its value in the judgment of the displacing agency, the allowable moving cost payment shall not exceed the lesser of: The amount which would be received if the property were sold at the site or the replacement cost of a comparable quantity delivered to the new business location. Examples of personal property covered by this provision include, but are not limited to, stockpiled sand, gravel, minerals, metals and other similar items of personal property as determined by the agency.*





# Offering this benefit to the displacee is discretionary with the agency.

This benefit category is generally applicable to displaced landscaping, nursery, manufacturing businesses and other displacees with large quantities of inert materials. These types of displacees should be identified early in the relocation planning phase of the project. The relocation planning document should describe the bulky materials and provide cost estimates for the amount that would be gained from their sale at the displacement site versus the cost of having a comparable amount of the same materials delivered to the new site. These initial estimates can help later if applicable to a particular displacee and can be obtained from local contractors and landscaping companies. Any additional time needed to relocate large quantities of bulky material should be noted in the relocation planning document and built into the project schedule.

Offering this benefit to the displacee is discretionary with the agency. The availability of this benefit begins with a determination from the displacing agency. The agency must decide that the cost of moving the materials is disproportionate to their value. Generally, this determination is not difficult, especially if the planning document accurately describes the materials and their weight. Once that decision

is made, the relocation agent must work closely with the displacee to accurately determine what the bulky material would sell for at the displacement site. It is then recommended that the relocation agent obtain two independent bids to determine the cost of delivering a comparable amount of the material to the replacement site. Some materials may require special handling and this should be considered when soliciting bids.

However, the agency's decision that the personal property fits within the low value/high bulk category does not preclude the displacee from moving the materials to the replacement site. The displacee's reimbursement, however, will be limited to the lesser of the amount, which would be received if the property were sold on-site or the replacement cost of a comparable quantity delivered to the new location.

The displacing agency should keep in mind that if it extends this benefit, it needs to be willing to accept ownership and the ultimate cleanup costs of the bulky material. If the inert materials pose an environmental hazard, the cleanup expenses could be exorbitant. If so, it may be in the agency's best interest to have the owner remove it, since the material will have to be removed as a project expense otherwise. Therefore, generally, if the agency is going to require the material to be moved by the owner, then this provision should not be used.

The displacing agency should carefully consider a number of factors before deciding to offer the low value/high bulk benefit to the business displacee. However, if applied correctly, this benefit can facilitate the relocation for both the displacee and the displacing agency. ✪



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