



# NEWS RELEASE

U.S. ARMY CORPS OF ENGINEERS

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For Immediate Release:  
November 9, 2010  
News Release No.10-61

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## LOCAL ECONOMIES WEATHER DROUGHT, FALLING LAKE LEVELS

**SAVANNAH, Ga.** – The economies of the six counties surrounding [Lake Hartwell](#) saw only minor setbacks due to falling reservoir levels during the major drought of 2007 – 2008, according to a study conducted by the Strom Thurmond Institute at Clemson University.

The study, released to county officials today, focused on the height of the worst drought since the opening of the Hartwell Dam in 1962. The [Savannah District, U.S. Army Corps of Engineers](#) and governments of the six counties bordering Hartwell Lake shared the cost of the study. The entire study can be read at [www.sas.usace.army.mil/plnew.html](http://www.sas.usace.army.mil/plnew.html).

“The estimated economic impacts of low water levels in Lake Hartwell, while measurable, are small when compared to the overall level of economic activity in these six counties,” said Jeffery S. Allen, one of the main authors in the study’s executive summary. Researchers theorized that in some cases as reservoir levels declined, local residents chose other local activities as a substitute for visits to Hartwell Lake.

Franklin, Hart, and Stephens counties in Georgia, joined Anderson, Oconee, and Pickens counties in South Carolina, to partner with the Savannah District to provide funds for the study. The [Strom Thurmond Institute of Government and Public Affairs](#), nationally recognized for its expertise in economic studies, earned the contract to conduct the study.

The study covered several aspects of the economy including such areas as recreation use at Corps facilities, real estate activity immediately adjacent to the reservoir, and overall retail sales in selected economic sectors. Researchers factored in national and regional economic conditions, especially in real estate and retail sales, to isolate the impact of low lake levels on the local area.

Results varied by county with Stephens and Oconee counties seeing a slight increase in overall county economic conditions while the other four saw a slight decrease. The increase or decrease from the declining reservoir levels represented less than a 1 percent change in total economic conditions for each county.

“The relationship between lake level and lake access real estate transactions is unique for each county with shoreline on Lake Hartwell,” Allen said. The authors concluded that 56 fewer real estate sales in the six counties can be attributed to lower reservoir levels from April 2007 through December 2008. This equates to about 3.4 percent of total sales that would have occurred in the counties had the drought not occurred.

“This study demonstrates that Lake Hartwell is not the primary economic driver in the region and provides evidence that the six counties surrounding Lake Hartwell have sufficient economic breadth and depth to weather prolonged low lake levels without realizing substantial declines in their economic well-being,” the authors wrote.

The authors gathered data from a variety of official sources provided by the states, counties and the Corps of Engineers in order to provide statistically-based conclusions and to remain within budget. Interviews and surveys could not be conducted within the time and budget limits of the study. A second phase of the study, proposed but currently unfunded, would provide additional information of the economic impact of Lake Hartwell and, if undertaken would include interviews and surveys.

“We supported this study because our stakeholders wanted to know the impact of the drought and drought management on their economies. This study provided the hard data they needed,” said [Col. Jeff Hall, commander of the Savannah District](#). “Balancing the needs for water to support both upstream and downstream users, is a complex challenge. We look for ways to share data and support analytical reviews in order to provide a clearer picture of the issues.”

The study came about as community concern grew during the drought of 2005 – 2008. In response, representatives from the Savannah District approached local governments with the study proposal which would require local cost-share. The cost of the study, \$211,522, was shared equally between the group of counties and the federal government under the Planning Assistance to States program. Anderson County, S.C., acted as the executive agent for the counties in partnering with the Savannah District. The counties divided their share of the study’s cost based on shoreline mileage.

During the drought, Hartwell Lake receded to 637.5 feet above mean sea level on Dec. 9, 2008. Full summer level is 660 ft-msl. The reservoir recovered to 660 ft-msl on Nov. 12, 2009 and remained within 2.5 feet above or below that level until August 2010.

In addition, the Savannah District recently received \$493,000 in federal funding to undertake the next phase of the Savannah River Basin Comprehensive Study. The comprehensive study will address the current and future needs of the basin for flood risk management, hydropower, water supply and water quality, fish and wildlife management, recreation, and other water resource related issues. The federal share of the study must be matched by the states of Georgia and South Carolina. The states will share 50 percent of the funding, primarily through “Work-in-Kind” contributions. The district is currently developing a project management plan that will identify the scope of work, costs and schedule. Additional information can be found in the study’s [Peer Review Plan](#) at <http://www.sas.usace.army.mil/plnew.html>.