DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS

COMPLETE STATEMENT
OF

MAJOR GENERAL JOHN PEABODY

DEPUTY COMMANDING GENERAL FOR
CIVIL AND EMERGENCY OPERATIONS

BEFORE THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
SUB-COMMITTEE ON WATER RESOURCES AND ENVIRONMENT

UNITED STATES HOUSE OF REPRESENTATIVES

On

A Review of Recent the United States Army Corps of Engineers
Chief's Reports and Post Authorization Change Reports

April 29, 2014

Mr. Chairman and distinguished members of the Subcommittee, I am Major General John Peabody, Deputy Commanding General for Civil and Emergency Operations – U.S. Army Corps of Engineers (Corps), and I am honored to be testifying before you today to discuss the project planning process for the Corps, and recent Chief's reports and Post Authorization Change reports. My testimony will provide an update of progress related to our Planning Modernization initiative, and briefly describe the six feasibility-level reports that have completed Executive Branch review since the Committee's last oversight hearing on this subject, held on June 5, 2013. These proposals fall within the main mission areas of the Corps (commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration). There are eight other projects that have reports by the Chief of Engineers but are still under Executive Branch review. Also, there are eight pending Post Authorization Change Reports that have completed Executive Branch review.

Before I discuss the planning process and the Chief's Reports for specific projects, I would like to briefly discuss several important initiatives for the Corps Civil Works program that are designed to produce, over time, a tremendously positive effect on how the Corps delivers programs and projects with efficiency and effectiveness.

For the last several years, the Corps has been developing a strategy to address major Civil Works program challenges. These challenges include how to ensure the reliable performance of key Civil Works infrastructure features in an era of increasing fiscal pressures, as well as how to respond to shifting demographics, changes in societal values, and climate variability. This evolving strategy, known as "Civil Works Transformation", is currently focused on four main areas: Planning Modernization, Budget Development Transformation, Infrastructure Strategy and Methods of Delivery. Our intent is to better equip our workforce and the Civil Works program to effectively set priorities and help meet the current and future water resources needs of the Nation in collaboration with local sponsors, resource agencies and national policy makers.

I am firmly committed to this effort to improve the efficiency and effectiveness of our Civil Works program, and I remain highly confident that Civil Works Transformation as a framework is the right general direction for the Corps. However, I also believe that, to optimize opportunities for success, any initiative must be periodically examined, understood, and updated to address shortcomings or oversights that manifest over time, but were not apparent when the initiative was first started. It is important that the Corps remain open to effects that could not be fully anticipated at the start of Civil Works Transformation, and that we measure progress and make adjustments to ensure continuous improvement over time. In general, my intent is to identify and understand Civil Works Transformation's impacts and progress to date, broaden and deepen institutional commitment to change, and energize action and accelerate momentum in moving Civil Works Transformation initiatives from idea to execution. In particular, I believe we must re-dedicate ourselves to delivering on our commitments by reinforcing and reemphasizing the efficiency and effectiveness of the Federal tax dollars that the American citizenry entrust to us and the funding provided by our non-Federal cost-sharing partners, and by focusing organizational energy on improving our business

processes. Since I assumed my duties in this position six months ago we have been examining the effectiveness of this two-year old effort by engaging leaders across the Corps from the Headquarters to the Field, and gathering their observations and ideas for how we might adjust some aspects of Civil Works Transformation to improve on it.

To date we have made good progress. We have reduced the time in delivering feasibility studies with recommendations that are supported by high quality analysis to the Administration and the Congress; we are synchronizing and integrating Corps investments with those that are being made by other federal, state, local and non-governmental organizations; we are using risk informed decision making to improve the reliability and resiliency of our infrastructure portfolio; and lastly, we are working to improve our enterprise-wide metrics and reviews to measure performance, hold leaders accountable, and fully harness our institutional energies to full effect. Over time, the cumulative effect of these efforts will result in an improved culture oriented on producing outcomes as efficiently and effectively as possible.

As one of the key elements of Civil Works Transformation, Planning Modernization is focused on improving the delivery of high quality studies in order to make investment recommendations for the development, management, and restoration of water resources. We have developed four tenets for Planning Modernization to guide our efforts. These tenets are People, Projects, Program and Process.

PEOPLE

Our people are the most valuable resource of the Corps; without them, the Corps can deliver nothing for the nation. A robust and effective planning program starts with well trained, experienced people with the technical skills and collaborative spirit to work with stakeholders and others to address complex technical, resource, policy and institutional challenges in order to devise innovative solutions to complex water resources problems. We continue to invest in our planners through mandatory planner training to establish and improve their technical expertise and resultant study quality. We have continued to refine and improve our unique and world class Planning Associates Program (over 530 graduates since 1962) that has produced many of our leaders. Finally, because there is no equivalent professional organization in the private sector that represents what Corps Planners do, we are implementing a Planner Certification program for which only the most talented will be able to earn professional credentialing. Our Planning Modernization initiative will also help the Corps maintain and improve its technical capability to identify and study potential solutions to the emerging challenges that future conditions are likely to bring.

PROJECT

The Project tenet is focused on delivering a study outcome that provides a solution for an identified water resources problem or opportunity. In general, a study outcome currently takes three forms: a) Project termination as a result of a finding of no federal interest after sufficient analysis has occurred; b) Placement in an “Inactive” status as a result of limited non-federal support or low prospects for a recommendation for an authorization of a Corps project; or c) Delivery of a Chief's Report that supports

consideration of an alternative that involves a federal investment. Since the passage of WRDA 2007, to date, the Corps has completed 36 Chief's Reports with an approximate estimated total first cost of nearly $28 billion.

PROCESS

The Planning Process involves a deliberate incremental decision-making approach based on consideration of the full range of reasonable alternatives and an analysis of the return to the Nation from each alternative. At each stage of the planning process, the Corps works with the affected community or interests, from reconnaissance, to identifying a non-federal sponsor, executing the feasibility study, and finalizing a Chief's Report. We have focused the bulk of our Planning Modernization process efforts on the Feasibility Study aspect of the Corps Study program by implementing "SMART" Planning, which includes the now infamous "3x3x3" rule to deliver a study outcome in most cases in 3 years, for $3 million, and ensuring vertical integration across the 3 levels of the Corps organization. While the "3x3x3" moniker is becoming well known, SMART principles are just as important to drive deep cultural change. SMART stands for Specific, Measurable, Achievable, Risk-Informed and Timely, and incorporates a new approach to Corps studies by managing the study program as a portfolio throughout the life cycle, and ensuring continuous accountability at all levels of the organization. This modernized approach to investigations reduces resource requirements, both time and money, by focusing on the key drivers in resolving water resource problems while complying with all applicable laws, policies and regulations.

The implementation of the SMART Planning Process, along with the disciplining function of the "3x3x3" rule, has accelerated delivery of Chief's Reports by resolving protracted and even intractable issues by driving the risk-informed decisions required to cut study time and costs. By requiring earlier and more intimate involvement of the entire vertical team, we have recruited the broad skill sets and experience of a range of experts whose insights have helped cut through challenges and devise solutions to long-held perceptions and misconceptions. This has resulted in tangible benefits in both time and money. For example, through the conduct of 13 rescoping charettes, we have avoided approximately $75 million of feasibility study costs by increasing vertical team involvement and utilizing risk-based planning. To point out more specific examples, we have saved $8 million and 4 years on the Port of Charleston 45' deepening study, and $2.5 million and 1.5 years on the Port of Wilmington study by incorporating SMART planning principles. There are some occasions when a study's scope is determined to need more than three years or it requires a cost of more than $3 million to complete, and the Corps is currently using a process to address this through exemption requests to support such a deviation. As we go forward, we may consider other approaches to address the fact that not all projects will fit within the 3X3X3 rule.

PROGRAM

The last tenet is focused on the total Corps Study Program, consisting of hundreds of projects authorized for study investigation. One of our early efforts in Planning Modernization was to reduce the number of studies eligible to compete for budgetary consideration. We did this by defining "active" and "inactive" categories of projects. As

indicated earlier, the “inactive” category consists of those projects that have limited non-Federal support or have few prospects for a Federal project. The active study portfolio consists of the projects which have a greater prospect to proceed forward to a Chief’s Report, such as having a non-federal sponsor able to cost share the study, having a well-bounded study that can be completed in a defined period of time for “legacy” studies, or 3 years and $3 million for “SMART” studies. Once these categories were defined, we quickly reduced the active portfolio from 650 studies to 158 studies, and focused our resources on the active portfolio, which enabled us to accelerate the delivery of final reports (Chief's Reports and Director's Reports). Further, the FY14 and FY15 President's Budgets provided recommendations for new start reconnaissance studies to address priority water resource challenges.

The current Civil Works budget is performance based. In order to achieve budget transformation goals, we must continue to prioritize Federal funding on projects and studies with the highest economic, environmental, and public safety returns from within the entire portfolio of potential investments. Under Planning Modernization, studies are being completed more quickly. This complements our efforts in the construction program to provide more value to the Nation by giving priority to the projects that offer the best returns on investment for the Nation, thereby facilitating the realization of their benefits sooner. Civil Works Transformation links national objectives, strategic goals, and current and emerging needs using a systems-based watershed approach. Collaboration with our customers, stakeholders, and the public will enable us to successfully implementing this approach.

Ensuring the continued performance of the key features of our infrastructure is becoming more costly over time, in part because of the age of the components of some of our projects, but also due to increases in the cost to repair and rehabilitate them periodically. Operational demands also continue to grow as more projects move from construction to completion, adding to our total operation and maintenance requirements. We are working on an infrastructure strategy to address these growing needs. The infrastructure strategy incorporates four focus areas: an integrated approach to manage assets, managing the system over its life cycle, evaluating whether a project or group of related projects should remain a Federal responsibility prior to making a substantial further investment, and potential alternative financing mechanisms.

Preliminary efforts in this area include the development of a national inventory of Corps assets that includes the results of an assessment of the condition of each major infrastructure component. This will help us to develop a long term strategy to manage these assets and reduce risk, as well as help us determine where priority investments need to be made. End of life cycle decisions will be made regarding which projects to retain and recapitalize, which projects to repurpose, and which projects to recommend for de-authorization and decommissioning.

Transforming the way we deliver the Civil Works program requires state of the art processes and a highly skilled workforce that is capable of responding to current and future demands. The strategy is to have reliable and efficient methods of delivery by

linking technical capabilities to uniform national standards, maintaining core competencies, and having consistent methods, processes and approaches throughout the Corps. The desired end result is high quality and timely products and services delivered to our customers and stakeholders. To that end, for example, the Corps has established Centers of Expertise for major dam safety modifications, inland navigation design, and deep draft navigation economics.

The Army Corps of Engineers has a strong tradition of working collaboratively with non-Federal interests and other Federal agencies to plan and deliver products. The current transformation initiative is no different. Our transformation partners include states, tribes and local governments, non-governmental organizations, non-profit agencies, and the public. These partnerships are increasing and will likely continue to increase as we share a common goal of having reliable and resilient infrastructure for our Nation.

I would now like to describe the life cycle of a Corps project. Typically, a project begins with a reconnaissance study performed in accordance with Section 905 (b) of WRDA 1986. The purpose of the reconnaissance study is to determine if there is a sufficient basis to undertake the additional spending that would be required to perform a more detailed, feasibility-level evaluation of the alternatives for addressing the water resources problem or opportunity. If the Corps district office completes a favorable reconnaissance report, the district commander transmits the report to the Major Subordinate Command (MSC) for approval.

Upon approval of the reconnaissance report by the MSC Commander, the district initiates negotiation of a feasibility cost share agreement and project management plan with a potential non-Federal sponsor. These documents define the scope and estimated cost of the feasibility study. Once the Corps and the non-Federal sponsor have reached agreement on these documents, the district works to concurrently develop the feasibility study and environmental documentation in accordance with applicable laws, policies, and regulations including the Nation Environmental Policy Act (NEPA). The primary purpose of a feasibility study is to investigate and identify the best way, from a national perspective, to address an identified water resources problem or opportunity.

The study must follow the six-step planning process which includes:

- Identifying the problem and opportunities
- Inventorying and forecasting conditions
- Formulating alternatives
- Evaluating alternative plans
- Comparing alternative plans
- Selecting a plan

Throughout the feasibility study there are several key checkpoints to ensure the planning process is being executed in a risk-informed and decision-focused manner transparently incorporating the full vertical Corps team, partners, and stakeholders. The first major checkpoint is to ensure alignment between all levels of the Corps and the non-Federal partners on the definition of the future without project conditions and the identification of the water resource problem(s) and potential solutions to be investigated during the study. The next major checkpoint is to confirm that both the plan formulation and selection process leading to the identification of a tentatively selected plan is consistent with applicable laws, policies, regulations, and guidance. The district progressively documents decisions, risks, and analysis throughout the study process and this documentation and information feeds into the main feasibility report. The district conducts a quality control review on the draft feasibility report and all other referenced or supporting documentation and data. The documentation and models produced will undergo agency technical review (ATR) and the Corps will initiate the independent external peer review (IEPR) process in accordance with Section 2034 of WRDA 2007.

The draft feasibility report must satisfactorily address issues identified during each of the checkpoints – e.g., prior to initiating NEPA public review, before the final ATR, during the IEPR, and at the stage of the Corps Headquarters policy review. Where possible, this is done concurrently. Upon completion of the review period and receipt of the review and legal certifications, the district commander transmits the feasibility report to the MSC. The district commander's transmittal includes a recommendation and a draft Finding of No Significant Impact (FONSI) or Record of Decision (ROD). The MSC commander performs a quality assurance review on the documents and transmits the final recommendation to Corps Headquarters, which then performs a 60 day policy review in advance of the Civil Works Review Board (CWRB). The CWRB meeting determines if the report is sufficient and ready to be released for a 30-day State and Agency Review in accordance with the Flood Control Act of 1944, as amended by 33 U.S.C. 701-1. Upon completion of State and Agency Review, the Report of the Chief of Engineers is finalized and processed and the final package includes the Agency responses to IEPR panel comments as required by Section 2034 of WRDA 2007. A signed Report of the Chief of Engineers transmits the recommendation to the Assistant Secretary of the Army for Civil Works ASA(CW), the chairpersons of the Senate Committee on Environment and Public Works, and the House of Representatives Committee on Transportation and Infrastructure. Following receipt of the Report of the Chief of Engineers, the ASA(CW) reviews the feasibility report, and works with the Office of Management and Budget (OMB), under Executive Order 12322, to develop a recommendation on behalf of the Administration on the proposed project.

When the Corps evaluates and formulates a proposed project, in comparing the costs and the economic benefits over time, it uses a discount rate that varies each year, as required under section 80 of the Water Resources Development Act of 1974 (Public Law 93-251). The Executive Branch uses a different discount rate – seven percent – for budgeting purposes to measure the performance of Corps of Engineers construction

projects whose primary purpose is to provide an economic return to the Nation. The Administration has recommended that section 80 be repealed.

Now Mr. Chairman, I would like to note some specific aspects in the proposed WRDA/WRRDA 2014 legislation that could have unintended consequences on the ability of the Corps to execute our Civil Works program in an efficient, transparent and more productive manner. We take our role of providing technically sound project recommendations very seriously, and are irreversibly committed to not only continuing, but deepening the progress made to date with Planning Modernization. We are committed to streamlining our planning process, while working closely with our sponsors. All of the early evidence indicates that SMART planning is the right pathway to achieve these objectives. However, certain elements of provisions in the proposed legislation regarding the elimination of reconnaissance studies, fixed lengths for feasibility studies, project permitting and environmental streamlining, study authority resolutions, and the application of Independent External Peer Review, could actually become counterproductive. By constraining the Corps from exercising the same initiative that led to Civil Works Transformation and Planning Modernization, certain requirements could lead to a less flexible, overly restrictive program that reduces efficiency, hinders project approval, and increases the probability of a project being terminated well before a Feasibility Study can be completed, a Civil Works Review Board held, or a Chief's Report signed.

I will now provide a brief overview of the six proposed projects that have completed Executive Branch review since the oversight hearing on June 5, 2013. The Army has previously provided the results of those reviews along with the following project information to the Congress.

Canaveral Harbor, Brevard County, Florida

In February 2013, the Chief of Engineers signed a report on Navigation Improvements within the Canaveral Harbor. The plan would increase the nominal depth of the federal channel to -44 feet mean lower low water (mllw) for the inner channel and -46 feet mllw for the outer channel (middle and outer reach, widen the federal channel to a width of 500 feet, increase the diameter of two turning circles and widen the bend widener in the entrance channel.

Based upon the October 2013 price levels, the total initial project cost for this project is $41.1 million with the federal share totaling $29.2 million and the non-federal share totaling $11.8 million.

Mississippi River Gulf Outlet Ecosystem Restoration, Louisiana

In September 2012, the Chief of Engineers signed a report on ecosystem restoration for the areas in the vicinity of the Mississippi River Gulf Outlet (MRGO) in Louisiana. The

project would include the restoration and protection of approximately 57,000 acres of habitat in the project area, including 14,000 acres of fresh and intermediate marsh, 33,000 acres of brackish marsh, 10,000 acres of cypress swamp, 500 acres of saline marsh and 50 acres of ridge habitat. Additionally, 71 miles of shoreline protection would be established, which includes 5.8 miles of oyster reef restoration.

Based upon the October 2013 price levels, the total initial project cost for this project, as recommended in the Chief's report, is $3 billion with the federal share totaling $1.95 billion and the non-federal share totaling $1.05 million. However, the project lacks a cost-sharing non-Federal sponsor at this time and cannot be initiated until one is identified.

Walton County Hurricane and Storm Damage Reduction, Florida

In July 2013, the Chief of Engineers signed a report on hurricane and storm damage reduction along the Gulf of Mexico shoreline of Walton County, Florida. The locally preferred plan that is being recommended would include the construction of a 50 foot wide berm at elevation 5.5 NAVD and an additional 25 feet of advanced nourishment along 18.8 miles of shoreline. Additionally, approximately 10 or 30 feet of dune width would be constructed, with the design elevation matching the existing 15 foot contour NAVD with a shoreward slop of 3H:1V. The plan would include an initial fill and four renourishments over 10 year intervals for 50 years. Initial construction would require the placement of 3,868,000 cubic yards of material with a total of 7,157,000 cubic yards for the four renourishments, averaging approximately 1,789,000 each. Material for the berm and dune construction would be dredged from a borrow site identified offshore within state waters.

Based on October 2013 price levels, the total initial project cost for this project is $64.1 million with a federal cost share requirement of $17.9 million and a non-federal share of $46.1 million. The local sponsor is responsible for paying 100% of the cost associated with the LPP above the selected NED plan. The total cost for renourishment over the 50-year project life is $107.6 million, with a federal share of $24.7 million and non-federal share of 82.8 million.

Morganza to the Gulf, Louisisana

In July 2013, the Chief of Engineers signed a report for hurricane and storm damage risk reduction updating the Morganza to the Gulf of Mexico project in Louisiana. Since the project was authorized in WRDA 2007, more rigorous storm modeling and more robust post-Katrina design standards were applied to the project, leading to an expansion of features. Changes include increasing total levee length from 72 to 98 miles, increasing levee and structure elevations by 6 feet to 18 feet, and increasing levee widths from 40 to 200 feet wide to approximately 282 feet to 725 feet wide. The Houma Navigation Canal lock complex and Gulf Intracoastal Waterway floodgate feature would be altered, and the number of flood gates on other canals and bayous would be increased from 9 to 19 total. Environmental control structures would be

increased from 12 to 23 sets of concrete box culverts with sluice gates. The areas requiring environmental mitigation also increased from approximately 3,740 acres to 4,100 acres.

Based upon the October 2013 price levels, the total initial project cost for this project is $10.3 billion with the federal share totaling $6.7 billion and the non-federal share totaling $3.6 billion.

Jordan Creek Flood Risk Management, Springfield, Missouri

In August 2013, the Chief of Engineers signed a report for flood risk management along Jordan Creek in Springfield, Missouri. The plan includes five regional detention basins with 165 acre feet of storage with a 7-8 percent decrease in flows through the downtown area. Approximately 2,100 feet of the creek channel would be widened with the top width of the channel varying between 100 feet to 360 feet. Additionally, one Railroad Bridge will be replaced and a flood diversion structure will be constructed. Annual flood damages will be decreased by 65 percent, reducing traffic interruptions and disruptions to health and safety services.

Based upon the October 2013 price levels, the total initial project cost for this project is $20.9 million with the federal share totaling $13.6 million and the non-federal share totaling $7.3 million.

Boston Harbor, Boston, Massachusetts

In September of 2013, the Chief of Engineers signed a report on navigation improvements for Boston Harbor, Massachusetts. The recommended plan includes deepening and widening of the Main Channel, extending the deepening of the Main Ship Channel upstream of the Reserved Channel turning Area to Massport Marine Terminal to a depth of -45 feet and a width of 600 feet, deepening the Mystic River Channel at Medford Street Terminal and deepening and widening the Chelsea River Channel.

Based upon the October 2013 price levels, the total initial project cost for this project is $311 million with the federal share totaling $216.5 million and the non-federal share totaling $94.5 million.

There are also eight other proposed projects with reports by the Chief of Engineers, which the ASA and Office of Management and Budget are in the process of reviewing. These are:

- Lynnhaven River Basin, Virginia Beach, Virginia
- Willamette River Floodplain Restoration, Oregon
- Sutter Basin, California
- Truckee Meadows Flood Control Project, Nevada

- Lake Worth Inlet, Palm Beach County, Florida
- Jacksonville Harbor, Jacksonville, Florida
- Orestimba Creek, San Joaquin River Basin, Newman, California
- Neuse River Basin, Ecosystem Restoration, North Carolina

Section 902 of WRDA 1986 sets maximum cost of Civil Works projects. If this "902 cost limit" is exceeded, additional authorization is required. The Corps of Engineers completes a Post Authorization Change Report, which is provided to Congress for consideration of reauthorization. There are eight pending Post Authorization Change Reports that have been provided to Congress for consideration of increased project authorization (awaiting reauthorization). All of these reports recommending an increase in project authorization have been recently submitted to Congress. Before the discussion of the specific reports, I would like to address cost growth of projects in general.

To minimize the likelihood that future projects will approach their Section 902 cost limits, any project exceeding authorized cost (plus inflation) is subject to review and approval at Corps headquarters prior to its inclusion in a Civil Works budget. A Life Cycle Cost and Schedule Management team has been assembled consisting of representatives covering all functional areas in the Corps. This team is identifying key action items to improve project cost management by improving Corps tools and ensuring processes, policies, guidance, regulations, and training are consistent with the appropriate emphasis on life cycle project cost management. The Corps is continuing to improve the tools, processes, policies, guidance, and regulations supporting development and management of project cost throughout the life cycle of the project.

A brief description of each report follows.

1. Roseau River, Minnesota Flood Damage Reduction Project. The Assistant Secretary of the Army (ASA(CS)) transmitted this report to Congress on January 24, 2013, based on a report of the Director of Civil Works, dated, dated September 12, 2012. The project was originally authorized in Section 1001(27) of WRDA at a total first cost of $25.1 million, with a Federal cost of $13.8 million and a non-Federal cost of $11.3 million. The revised estimated first cost (updated to October 2013 price levels) is $43.8 million, with a Federal cost of $25.4 million and a non-Federal cost of $18.4 million.

2. Wood River Levee System Reconstruction, Madison County, Illinois. The ASA(CW) transmitted this report to Congress on May 7, 2013, based on a report of the Director of Civil Works, dated February 11, 2013. The project (reconstruction) was originally authorized in Section 1001(20) of WRDA 2007 at a total first cost of $17.2 million with a Federal cost of $11.2 million and a non-Federal cost of $6 million. The revised estimated first cost (updated to October 2013 price levels) is $25.7 million with a Federal cost of $16.7 million and a non-Federal cost of $9 million.

3. Corpus Christi Ship Channel, Texas, Deep-Draft Navigation and Ecosystem Restoration. The ASA(CW) transmitted this report to Congress on August 8, 2013, based on a report of the Director of Civil Works, dated February 12, 2013. The project was originally authorized in Section 1001(40) of WRDA 2007 at a total first cost of $188.1 million with a Federal cost of $87.8 million and a non-Federal cost of $100.3 million. The revised estimated first cost (updated to October 2013 price levels) is $393.9 million with a Federal cost of $202.6 million and a non-Federal cost of $191.2 million.

4. Des Moines and Raccoon Rivers, Des Moines, Iowa. The ASA(CW) transmitted this report to Congress on February 12, 2014, based on a report of the Director of Civil Works, dated September 11, 2013. The project was originally authorized in Section 1001 (21) of WRDA 2007, as amended at a total cost of $10.7 million, with an estimated Federal cost of $6.9 million and a non-Federal cost of $3.8 million. The revised estimated first cost is $23.2 million with a Federal cost of $15 million and a non-Federal cost of $8.2 million.

5. Poplar Island, Maryland. The ASA(CW) transmitted this report to Congress on February 26, 2014, based on a report of the Director of Civil Works, dated July 22, 2013. The project was originally authorized in Section 537 of WRDA 1996 as amended, at a total cost of $307 million. The project has been modified in the past to include both the original project and an expansion of the project. The revised estimated first cost of the modified project is $1.234 billion, with a Federal cost of $868 million and a non-Federal cost of $366 million.

6. Illinois Shoreline Erosion, Interim III, Wilmette, Illinois to the Illinois-Indiana State Line (Chicago Shoreline). The ASA(CW) transmitted this report to Congress on March 19, 2014, based on a report of the Director of Civil Works, dated September 19, 2013. The project was originally authorized in Section 101(a)(12) of WRDA 1996 as amended at a total first cost of $204 million, with an estimated Federal cost of $110 million and a non-Federal cost of $94 million . The revised estimated first cost is $540.5 million, with a Federal cost of $185.4 million and a non-Federal cost of $355.1 million.

7. Western Sarpy and Clear Creek, Nebraska. The ASA(CW) transmitted this report to Congress on March 24, 2014, based on a report of the Director of Civil Works, dated May 14, 2013. The project was originally authorized in Section 101(b)(21) of WRDA 2000, as amended at a total cost of $15.6 million with a Federal cost of $9.5 million and a non-Federal cost of $6.1 million. The revised estimated first cost of the modified project is $43.2 million with a Federal cost of $28.1 million and a non-Federal cost of $15.1 million.

8. Cape Girardeau, Missouri Reconstruction. The ASA(CW) transmitted this report to Congress on April 14, 2014, based on a report of the Director of Civil Works, dated November 21, 2013. The project (reconstruction) was originally authorized by Title I of the Energy and Water Development Appropriations Act of 2004 at a total cost of $9 million with construction as a 100 percent Federal responsibility and lands, easements

and rights-of-way a non-Federal responsibility. The revised estimated first cost is $18.4 million with a Federal cost of $17.7 million and a non-Federal cost of $700,000.

Mr. Chairman, this concludes my statement. I appreciate the opportunity to testify today and look forward to answering any questions you may have.